



East
Northamptonshire
Council

Personnel Sub-Committee – 7 June 2011

Organisational Development Annual Report

Purpose of report

The purpose of this report is to give the Personnel Sub Committee (PSC) a brief overview of staffing issues that have come up during 2010/11, and the current position.

1.0 Introduction

- 1.1 It has been a busy year for staff and this report is a brief summary of some of the key points.

2.0 Workforce Statistics

- 2.1 Workforce statistics are provided to Corporate Management Team (CMT) and PSC quarterly. The full year figures for 2010/11 are on this month's PSC agenda.
- 2.2 As part of the council's ongoing strategy to make financial savings, every vacancy that has arisen during the year has been carefully assessed, and where possible no appointment has been made. There have also been a small number of redundancies in appropriate situations. This has led to a gradual decrease in the overall number of posts over the year. The council started the year with a headcount of 219, and ended it with 204.
- 2.3 This year's turnover is higher than the national average at 13.36%. However, as the council needs to save money but also wants to avoid redundancies where possible, this is not a bad thing and it allows each post to be assessed and held vacant where appropriate. Turnover was, and currently remains, highest in ICT. This is because they have a number of revolving one year fixed term posts for students. No target for reducing turnover has been set for 2011/12 but this may be something that needs to be considered again in the future when budgets are balanced.

3.0 Sickness

- 3.1 During the year sickness has been on a general downward trend with peaks in June and December. For 2010/2011 the average was only 5.49 days lost per full time equivalent role. This is a very low figure for the public sector (which has an average of 9.6 days) and is even lower than the private sector average of 6.6 days.
- 3.2 The target for 2011/2012 is 6.5 days, however hopefully it will be lower. The sickness absence policy is currently being reviewed, and should clarify how good health will be supported, and ill health managed more clearly in the future.
- 3.3 Resilience sessions are being planned to give staff skills and knowledge about managing stress in their lives. This is especially important during times of change such as we are currently experiencing.

4.0 Training and appraisals

- 4.1 Recognising the need to save money where possible, staff and managers have been particularly creative in sourcing alternative development opportunities and free training this year. Of the 70+ courses that were attended, around 25% were free. However it is still vital to invest in the skills and knowledge of ENC staff. To this end £20,000 was spent on essential courses. Also during the year all staff attended equality and

diversity training which was provided in house by the Organisational Development team.

4.2 81% of staff had an appraisal and completed a training plan during 2010/2011. Whilst ideally this figure would be 100%, with turnover of over 13% this is still a very good figure. This year the appraisal forms have been simplified to reduce time spent completing paperwork. Hopefully this will also ensure a higher completion rate for 2011/12.

5.0 Cost savings

5.1 A number of savings totalling around £117,600 a year (see below) have been made over the year by re-negotiating staff benefits and terms and conditions. This is in addition to the agreement to a pay freeze in 2010/11, which saved over £100,000 against what had been budgeted, and a further freeze in 2011/12 for staff on >£21,000, which saved another £24,000 against budget. It should be noted that this would not have been possible without the understanding and commitment of staff and UNISON.

1. Withdrawal of private medical insurance (£70,000)
2. Withdrawal of additional life assurance (£16,000)
3. Amendment to the out of hours payments (£15,000)
4. Removal of broadband allowance for staff (£6,600)
5. Reduction in mileage rates for staff (£10,000)

6.0 Equality and Diversity

6.1 No equality and diversity issues are anticipated.

7.0 Legal Challenges

7.1 No legal challenges are anticipated.

8.0 Risk management

8.1 There is a risk that staff recruitment and retention can be made more difficult if cuts to pay and benefits are too severe, so we have maintained an open and constructive dialogue with staff and with Unison, working closely with them to strike the right balance between saving money and ensuring that this is still an attractive place to work. We have maintained an excellent relationship with them in the circumstances. We are also continuing to emphasise the importance of staff to the council and are continuing to invest in training and development.

9.0 Financial Management

9.1 The financial implications of the steps we have taken over the year are set out in section 5.1.

10.0 Recommendation

10.1 No recommendation, this report is for information only.

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| Legal | Power: Local Government Act 1972 - section 111 |
| | Other considerations: |
| Background Papers: | |
| Person Originating Report: Aime Armstrong: HR Manager | |
| Date: 17 May 2011 | |

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