

Item No. 11.	Classification: Open	Date: 22 October 2013	Meeting Name: Cabinet
Report title:		Workforce report and Workforce Strategy	
Ward(s) or groups affected:		All	
From:		Councillor Peter John, Leader of the Council	

FOREWORD – COUNCILLOR PETER JOHN, LEADER OF THE COUNCIL

The council has set out its vision to create a fairer future for everyone in Southwark. We will do this by protecting the most vulnerable; by looking after every penny as if it was our own; by working with local people, communities and businesses to innovate, improve and transform public services; and by standing up for everyone's rights.

Our employees are key to our success. Drawing on employees' skills, experience, commitment and potential, the council's leadership has charged staff to ask 'can we do it better?' to get things right first time, improve our customers' experiences and show users of our services the same care and consideration that we would show to our own family.

But these are challenging times. Over the three financial years, 2011-14, it is estimated that the council will need to have found £80 million worth of savings. Going forward, we know that we will face further budget cuts and it's difficult to envisage a position where significant investment to the public sector recurs. The demands for statutory services remain unabated and local council tax payers strive for high quality universal services to meet their expectations.

The council therefore has a responsibility to re-think how it can recruit, develop, motivate and manage a workforce able to deliver services in this challenging environment.

The Workforce report 2012-13 provides statistical information on areas of employee activity for the last year and therefore provides some useful background to what has happened in the workforce arena. But it is not the complete story.

The last 2 years have seen large scale cuts which have impacted across the workforce. The council's approach has been to make cross-cutting savings across all areas of the council and from top to bottom of the hierarchy (£1M saving has been made in the top management tier). We have aimed to protect service provision and have concentrated on customer service. We have insourced revenues and benefits service and, this year, customer contact; and have witnessed a clear improvement in quality. In reviewing staff levels we have minimised compulsory redundancy, controlled recruitment, reduced agency staff and consultants, provided redeployment opportunities and commissioned bespoke outplacement support.

Through the reorganisation process we have worked hard on consulting with staff and users. And we are determined to up our game on engagement across the board. I and the chief executive are embarking on a series of roadshows stemming from our

involvement in induction sessions. The 2013 staff survey had very positive results, we want to build upon that and show staff they are valued. We know the importance of staff enthusiasm and co-operation to maintain service levels and improve quality despite the tough economic times.

For learning and development the council achieved silver Investors in People standard, with a plan for gold award in 2014. We have maintained the level of resource in training and have new programmes underway: new customer care, refreshed management development.

Despite funding restrictions and the national pay freeze we have continued our commitment to the low paid: minimum £250 for those earning less than £21,000, minimum pay at the London Living Wage (now £8.55 per hour).

We have continued to support youth employment through the youth fund and have taken on increased numbers of apprenticeships and trainees; in excess of 100 over the last year. This is both important for the health of the community and ensures refreshment of the workforce.

The council's record on equalities is good and we have continued to place a high emphasis on ensuring the workforce reflects the community we serve. We have more to do, especially in achieving this balance throughout the hierarchy. We have a commitment to aim for higher numbers of professionals and senior managers from diverse communities. We have retained resources to support development opportunities especially for staff from BME communities.

The council prides itself on having best practice and fair employment processes. But it is important we remain vigilant to ensure proper application at all times. We have built in some extra layers of monitoring to make sure staff are always being treated fairly and equitably.

Southwark's sickness absence level is relatively low but this is an important area to focus on not least as it directly links to productivity. We have developed a health & well-being strategy which aims to harness activities and place and develop new ones which will assist staff to improve and maintain their health.

The crucial message remains that the challenges ahead are best confronted collaboratively and through careful attention to the engagement of staff. I'm confident together we can improve the quality of our services despite the severe resource restrictions we are experiencing.

RECOMMENDATIONS

1. To note the information contained in the workforce report for 2012/13 and endorse the action contained.
2. To agree the workforce strategy as the medium term aims for the council's management of its staff.

BACKGROUND INFORMATION

3. The Equality Duty 2010 is supported by specific duties, which require public bodies to publish relevant, proportionate information annually demonstrating their compliance with the Equality Duty. Information must be published in a way which

makes it easy for people to access it and, (for public bodies with 150 or more employees); to consider how their activities as employers affect people who share different protected characteristics. Information to be published is not laid down but it is suggested could the following, where this is attainable-

- make-up of the overall workforce;
- pay equality issues; in Southwark this is shown by profile at different grades;
- recruitment and retention rates ;
- learning and development opportunities
- grievances and disciplinary issues for staff with different protected characteristics.

Published information could also include details of policies and programmes that have been put in place to address equality concerns within the workforce, and information from staff surveys.

4. In meeting this requirement, the council produces an annual workforce report which includes a range of Human Recourses (HR) related data which is published on the council's website. For the 2012-13 the report is attached (appendix 2).
5. A commentary from the Leader will be included with the report on the website for the first time, based on the foreword to this report.
6. Additionally the Workforce Strategy is produced which is a forward medium term view of the council's aims and ambitions in the area. Inevitably it is a dynamic statement which needs to change subject to prevailing circumstances (eg economic climate). It is reviewed at least each year to ensure it is appropriate to changing circumstances.

KEY ISSUES FOR CONSIDERATION

7. The final pages of the Workforce report includes a commentary from the HR director which outlines action points to be undertaken in the coming year. For ease these are reproduced below:

Profile Data - Workforce

Action point: to look at how different factors may be affecting the numbers of people with disabilities, (slow down in self declaration, impact of redundancies, recruitment etc). We will aim to put in place measures to encourage better self declaration so that people have access to support that they need.

Action point; we must ensure that we are properly capturing all ethnic origin, including those details missing for TUPE'd staff. During the coming year we will ask all staff to re-check the data held on them and make any amendments. (Note staff can amend their records at any time via Employee Self Service)

HR Processes

Action point; during 2013 we will promote an employee health & wellbeing strategy in accordance with the National Wellbeing Charter

Disciplinary / Capability

Action point; monthly monitoring of disciplinary and capability outcomes will continue to ensure proper application of council procedures

Agency Workers

Action point: To continue to scrutinise the use of agency workers ensuring recruitment to substantive employment (permanent or temporary basis as appropriate).

Performance Management of Staff

Action point: To propose changes to pay scales for 2014/15 that opens up incremental progression for all.

Some of these action points are already in place.

8. Equally the HR strategy has some key aims to be achieved. These will form part of a HR plan to be implemented over the next year+. Following cabinet endorsement the plan will be discussed with the Management team and Trade Unions.

Policy implications

9. Some action points will require changes in HR policy, or more likely our approach to policies. Where necessary this will be subject to consultation and appropriate governance decision-making.

Community impact assessment

10. Any policy changes will be subject to impact assessments.

Resource implications

11. There are no specific implications arising from this report. Existing resources are already in place to meet the strategic aims. Any actions arising which have resource effects will be subject to separate decision-making process and reallocation within existing budget allocation.

Consultation

12. The Trade Unions have been consulted on the attachments and this is ongoing as outlined in 8 above.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Corporate Services (FC13/072)

13. The strategic director of finance and corporate services notes the recommendations in this report, particularly around the workforce strategy given in Appendix 2. Costs arising from training will be contained within the existing budget for organisational development.

14. Proposals for changes to the pay scales for all staff for 2014/15, other than those driven by London Living Wage are contained within existing departmental budgets. The council has set aside separate provision within the base budget for the impact of low pay and these budgets will be allocated as appropriate.
15. Proposals to achieve LLW in all contracts are already underway. The council has included funding in the 2012/13 and 2013/14 budgets for the application of LLW. Further budget commitments may be required over the next two to three year period as existing contracts are awarded and renewed. This commitment will be subject to rigorous procurement processes linked to quality improvement in the services being delivered.
16. Pension membership attracts an employer's contribution. The effects of auto-enrolment regulations are being monitored. The Strategic Director will work with the Director of HR to establish the costs associated with each of the proposals and the timeframe involved to ensure that costs can be contained within the existing budgets.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES

No.	Title
Appendix 1	Workforce Report 2012-13
Appendix 2	Workforce Strategy

AUDIT TRAIL

Cabinet Member	Councillor Peter John, Leader of the Council	
Lead Officer	Eleanor Kelly, Chief Executive	
Report Author	Bernard Nawrat, Human Resources Director	
Version	Final	
Dated	10 October 2013	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Legal Services	No	No
Strategic Director of Finance and Corporate Services	Yes	Yes
Cabinet Members	No	No
Date final report sent to Constitutional Team	10 October 2013	