



Meeting: **Employment Committee**

Date/Time: **Tuesday, 21 October 2014 at 10.00 am**

Location: **Gartree Committee Room, County Hall, Glenfield**

Contact: **Mr. S. Marra (tel: 0116 305 3407)**

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Membership

Mr. J. B. Rhodes CC (Chairman)

Mrs. J. Fox CC Mr. R. J. Shepherd CC
Mr. D. Jennings CC Mr. E. D. Snartt CC
Mrs. H. E. Loydall CC Mr. G. Welsh CC

AGENDA

<u>Item</u>	<u>Report by</u>	
1. Minutes of the meeting held on 12 June 2014.		(Pages 3 - 8)
2. Question Time.		
3. Questions asked by members under Standing Order 7(3) and 7(5).		
4. To advise of any other items which the Chairman has decided to take as urgent elsewhere on the agenda.		
5. Declarations of interest in respect of items on the agenda.		
6. Any other items which the Chairman has decided to take as urgent.		
7. People Strategy 2014 - 17.	Director of Corporate Resources	(Pages 9 - 24)
8. Pay Award 2014.	Director of	(Pages 25 - 26)



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| 9. Report on Sickness Absence. | Corporate Resources | |
| | Director of Corporate Resources and Director of Public Health | (Pages 27 - 32) |
| 10. Organisational Change Policy: Summary of Action Plans. | Chief Executive | (Pages 33 - 38) |
| 11. Date of Next Meeting. | | |

The next meeting of the Committee is scheduled to be held on Thursday, 4 December 2014.



Minutes of a meeting of the Employment Committee held at County Hall, Glenfield on Thursday, 12 June 2014.

PRESENT

Mrs. J. Fox CC
Mr. D. Jennings CC
Mr. J. Kaufman CC
Mr. J. B. Rhodes CC

Mr. R. J. Shepherd CC
Mr. E. D. Snartt CC
Mr. G. Welsh CC

1. Appointment of Chairman.

That Mr. J. B. Rhodes CC be appointed Chairman of the Employment Committee for the period ending with the date of the Annual Meeting of the County Council in 2015

(Mr. J. B. Rhodes CC - in the Chair)

2. Election of Deputy Chairman.

That Mr. R. J. Shepherd CC be elected Deputy Chairman of the Employment Committee for the period ending with the date of the Annual Meeting of the County Council in 2015.

3. Minutes.

The minutes of the meeting held on 12 March 2014 were taken as read, confirmed and signed.

4. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

5. Questions asked by members under Standing Order 7(3) and 7(5).

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

6. Urgent Items.

There were no urgent items for consideration.

7. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

The following members each declared a personal interest in the item entitled 'Discretionary elements of the Pension Scheme' as they were part of the County Council's Pension Scheme:

Mrs. J. Fox CC
Mr. D. Jennings CC
Mr. J. Kaufman CC

8. Employee Code of Conduct.

The Committee considered a report of the Director of Corporate Resources which sought the Employment Committee's approval for the submission of the revised Employee Code of Conduct to the next meeting of the County Council. A copy of the report marked 'Agenda Item 8' is filed with these minutes.

A copy of the minute extract of the Corporate Governance Committee from its meeting on 12 May where it considered the Employee Code of Conduct was circulated to the Committee.

The County Solicitor explained that as a result of concerns raised by the Committee at its previous meeting, particularly in respect of rules around relationships between staff, the Employee Code of Conduct had been amended accordingly. A number of documents had been produced to support the Employee Code of Conduct which were of particular relevance to concerns previously expressed by the Committee and were attached as appendices to the report.

Arising from discussion the following points were raised:-

- (i) It was intended that awareness raising of the new Employee Code of Conduct would be included in induction programmes for new staff, and that existing staff would also receive mandatory training/awareness raising;
- (ii) The Code of Conduct would form part of staff contracts of employment;
- (iii) There had been a lack of awareness amongst staff of the previous version of the Code of Conduct. The guidance document that had been developed for staff was designed to make the Code of Conduct more accessible and to give staff a better understanding of how it applied to their role within the County Council. The Employee Code of Conduct along with all relevant supporting policy was published online and staff needed to be aware of all policies relevant to their role, including where they might need to register any declarations of interest;
- (iv) It was explained that under the Employee Code of Conduct staff did not have to declare their membership of any particular organisations. Issues relating to freedom of speech under the Human Rights Act and rules relating to politically restricted posts were relevant. However, if as a result of the membership of any organisation a member of staff was found to have acted inappropriately then this would be dealt with as a Code of Conduct issue. The actions of staff would be used as key criteria in any Code of Conduct issue as opposed to personal beliefs. The Committee requested that further consideration be given to the inclusion within the Policy on declaration of interests of appropriate references to membership of organisations.

RESOLVED:

- (a) That the revised Employee Code of Conduct for submission to the County Council meeting on 2 July 2014 be approved;

- (b) That further consideration be given to the inclusion within the Policy on declaration of interests of appropriate references to membership of organisations.

9. Use of County Council Vehicles Policy

The Committee considered a report of the Director of Corporate Resources which sought the Employment Committee's approval to the introduction of a Policy on the use of Leicestershire County Council vehicles, specifically concerning the installation of vehicle tracking devices. A copy of the report marked 'Agenda Item 9' is filed with these minutes.

Arising from discussion the following points were raised:-

- (i) The purpose of the Policy was to outline the restrictions in place in relation to the personal use of County Council vehicles and to highlight the possibility that vehicle tracking devices might be installed into any vehicle provided by the County Council and how data gathered by these devices could be used. It was suggested that the title of the Policy be amended to clarify its purpose;
- (ii) In light of the fact that this Policy only dealt with vehicle tracking devices, the Committee requested that it received information on the County Council's overarching vehicle policy at its next meeting;
- (iii) Installing tracking devices on vehicles would enable the County Council to gather a range of information, including where vehicles were parked overnight if required. They also often led to reduced insurance premiums.

RESOLVED:

- (a) That the introduction of a Policy for the use of County Council vehicles be approved subject to the title of the Policy being amended to clarify its purpose;
- (b) That the Committee receive information concerning the Council's overarching vehicle policy.

10. Flexible Working Policy

The Committee considered a report of the Director of Corporate Resources which sought the Employment Committee's approval for the introduction of a revised Flexible Working Policy and Procedure. A copy of the reported marked 'Agenda Item 10' is filed with these minutes.

It was explained that as of 30 June 2014, the Flexible Working Regulations would be amended to extend the statutory right to request flexible working to all employees after 26 weeks' service. Trade Unions had been notified of this change and continually monitor the Flexible Working Policy.

RESOLVED:

That the introduction of the revised Flexible Working Policy and Procedure be approved for implementation from 30 June 2014.

11. National Pay Position

The Committee received a report of the Director of Corporate Resources which updated the Committee on the current position regarding the national negotiations for the 2014 pay awards for local government employees, chief officers and chief executives. A copy of the report marked 'Agenda Item 11' is filed with these minutes

The Committee was advised that the National Joint Council (NJC) had put forward a final pay offer on 20 March 2014 which had been rejected by the trade unions. As a result, industrial action ballots took place in May and June 2014. In the event of the ballots returning a 'yes' vote, the unions had advised that they would hold a one day strike on Thursday 10 July 2014.

With regard to chief officers and chief executives, a pay claim was submitted by the Association of Local Authority Chief Executives on 19 March 2014. A response on this claim was currently awaited from the NJC.

RESOLVED:

That the National Pay Position be noted.

12. Discretionary elements of the Pension Scheme

The Committee received a report of the Director of Corporate Resources which sought the Employment Committee's approval of the policy decisions afforded to the County Council as a scheme employer under the provisions of the Local Government Pension Scheme. A copy of the report marked 'Agenda Item 12' is filed with these minutes.

It was explained that pension regulations required the County Council to publish and keep under review its policies in certain discretionary areas of the Scheme.

It was clarified in relation to 'LGPS Regulations 2013 – (paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014): Switching on rule of 85' that where an employee had ceased employment with the County Council they would be able to access their pension at the age of 55. The Committee suggested that the wording in this regulation be amended to better clarify this point.

RESOLVED:

That the Policy decisions as set out in paragraphs five and six of the report be approved for immediate implementation.

13. Managing Sickness.

The Committee considered a report of the Director of Corporate Resources which provided an update on the overall County Council and departmental performance in relation to sickness absence for the financial year 2013/14. A copy of the report marked 'Agenda Item 13' is filed with these minutes.

Arising from discussion the following points were raised:-

- (i) The Committee noted that there was disparity between departments' sickness levels, with the Adults and Communities Department consistently having the highest rates of sickness, currently at 11.61 days per annum. It was explained that high sickness levels had been a long standing issue within the Adults and Communities Department and that sickness levels within the Department had previously been much higher than at present. High sickness levels within Adult Social Care Services was a national trend, with the County Council having lower sickness levels in this area when compared to the majority of other local authorities;
- (ii) High sickness levels amongst care staff accounted for the large majority of absences in the Adults and Communities Department. It was explained that sickness levels had historically been high in this area due to the nature of the role. For example, where carers provided one-to-one support, any viral infection presented a risk to service users. Also, in some roles, carers undertook a high degree of physical activity which, even when managed through training and assessment, could lead to long term chronic health problems;
- (iii) It was explained that carers undertook a comprehensive manual handling training programme and that as a result physical injuries were low. Stress levels in the Adults and Communities Department were comparable to other departments and the Department was acutely aware of the importance of mental health issues and undertook a lot of activity in relation to the Council's mental health first aid programme. It was noted that two thirds of County Council mental health first aiders were located within the Adults and Communities Department;
- (iv) In comparing Adult Social Care sickness levels with comparative NHS services it was noted that in 2012/13 NHS nursing, midwifery and health visiting staff nationally had an average of 10.6 days sickness absence;
- (v) The effect of stress on staff sickness levels was raised. It was explained that where a large number of staffing changes and efficiency savings were being undertaken within a departmental section, this could lead to an increased number of absences due to stress related issues. The Health, Safety and Wellbeing Team was carrying out targeted work on stress and, where appropriate, stress surveys were undertaken. Where a stress survey had been completed a follow up would be undertaken two months later to gauge whether stress levels had decreased due to actions taken;
- (vi) It was noted that long term sickness could significantly distort departmental sickness trends. It was explained that long term sickness was classified as a period of absence above 20 days. There were a number of trigger points put in place where the County Council would take action when a person was absent;
- (vii) There was a need to identify trends in sickness absence and to breakdown sickness absence levels by individual sections in departments, including details of long term and short term absences to gain a better understanding of sickness levels with a view to reducing them. It was suggested that the Council's Corporate Management Team should undertake work in relation to this and be requested to report back to the Committee at its next meeting.

RESOLVED:

- (a) That the Council's performance in relation to sickness absence for the financial year 2013/14 be noted;
- (b) That it be noted that the Council will continue to ensure that managers maintain a focus on managing attendance and that poor attendance be proactively tackled and addressed;
- (c) That the Council's Corporate Management Team be requested to identify trends in sickness absence and provide to the Committee at its next meeting a breakdown of sickness absence levels by individual sections in departments, including details of long term and short term absences.

14. Organisational Change Policy: Summary of Action Plans.

The Committee considered a report of the Chief Executive which presented a summary of current Action Plans which contained provision for compulsory redundancy and details of progress in their implementation. A copy of the report marked 'Agenda Item 14' is filed with these minutes.

It was explained that the role of the Employment Committee in looking at Action Plans was to ensure that they complied with the County Council's Employment Policy and Procedure. Scrutiny of the overreaching policies that had resulted in the Action Plans was a matter for the relevant scrutiny body and the Cabinet.

It was noted that Ms Loydall had submitted queries in relation to the draft Action Plan for the Review of Staffing at Waterlees Supported Living and Carlton Drive Short Breaks Service which had been responded to directly by the Director of Adults and Communities outside of the meeting.

RESOLVED:

That the report be noted.

15. Date of Next Meeting.

It was noted that the next meeting of the Committee would be held on Tuesday 21 October at 10.00am.

10.00 - 11.20 am
12 June 2014

CHAIRMAN



EMPLOYMENT COMMITTEE: 21 OCTOBER 2014

PEOPLE STRATEGY 2014 – 2017

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

Purpose of report

1. The purpose of this report is to seek the Employment Committee's approval of the draft People Strategy, attached at Appendix A, which covers the period 2014 to 2017.

Background

2. Leicestershire County Council has had a People Strategy in place for a number of years, and the last Strategy covered the period 2010 to 2013. With a clear set of challenges and a significant transformation agenda facing the County Council, it is timely to review the Council's strategic direction in relation to its workforce.
3. It is important to set direction, and the intention is to create a clear framework for all people related activity, set out the vision for the Council's workforce, use the Strategy to help define culture and values, and also set out the key actions that need to be taken in order to achieve the County Council's strategic objectives.
4. The draft People Strategy is aligned with the four year Medium Term Financial Strategy (MTFS), and will also support the Council's Strategic Plan.

Themes

5. As well as setting the context for the Council's workforce, the Strategy sets out high level actions grouped into a number of themes:
 - Leadership capacity and capability
 - Manage and sustain high performance
 - Learning & development
 - Employee engagement and recognition
 - Employee health and wellbeing
 - Equality of opportunity for all
6. The proposed actions derive from the need to change – creating new and radical approaches, modernising ways of working, and putting customers at the heart of planning and service delivery.

7. In order to continue to be a high performing Council, and to address these challenges, the County Council needs to ensure that its staff are at the heart of what it has to do, and that time is spent focusing on their skills, abilities, capacity, flexibility and commitment.

Implementation

8. Once agreed, the People Strategy will be publicised, and an operational action plan created, progress against which will be monitored by officers through the Council's People Strategy Board.

Recommendations

9. The Employment Committee is requested to:
 - a) Approve the People Strategy (2014 – 2017);
 - b) Note that the objectives of the Strategy will be delivered through a detailed action plan.

Background papers

None.

Circulation under the Local Issues Alert Procedure

None.

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List of appendices

Appendix A – draft People Strategy (2014 – 2017)

Equal Opportunities and Human Rights implications

None

1. Foreword

Leicestershire County Council, like every other local authority in the country, is facing unprecedented financial and service challenges over the coming years - at least until 2018/19.

However, our starting point is a good one - we deliver high quality services to our local communities, and we have well qualified and experienced staff who are committed to excellence.

We have also, to date, successfully delivered significant savings through service reductions, cuts and efficiencies, whilst remaining one of the top two counties for overall service performance.

Amongst our challenges is to continue to ensure that excellent, high performing services are delivered to our community, whilst reducing our spend by £120m over the next four years.

This will mean a radically new approach and a fundamental change to the way that the council delivers services - with more commissioning, facilitating and enabling of service delivery.

We will also need a stronger focus on customer service, placing people and outcomes at the heart of our planning and of everything that we do. This will include building on our strong track record of helping communities to help themselves, by enabling and empowering them to play their part in service delivery.

In order to achieve this, we have to have a clear focus on staff - their skills, abilities, capacity, flexibility and commitment. We also need to consider whether there will be a need for new and different skill sets, together with changed ways of working.

As we change and transform as a council, we need to ensure that our staff are at the very heart of this, working to deliver the organisation's priorities, noting that although undoubtedly smaller, the council will remain a significant employer, delivering as well as commissioning a complex and diverse range of services.

John Sinnott
Chief Executive

Mr J.B. Rhodes C.C.
Chair of Employment
Committee

2. Introduction and context

2.1 Framework

Why have a 'People Strategy'?

By setting direction through this document, we are creating a clear framework for all people related activity, setting out the vision for our workforce, helping to define our culture and values, and also summarising the key actions that we need to take in order to meet our strategic objectives. As a four year strategy, it is aligned with our Medium Term Financial Strategy and both documents flow from and support the council's Strategic Plan (2014 - 2018).

The People Strategy has been produced at a time where the council has taken a number of significant steps to plan for the future, such as the production of a four year strategy, redefining the council's vision, agreed a set of strategic imperatives, and also created a new target operating model. We have also decided on and put in place the optimum model and governance arrangements for delivering a major programme of transformation

In addition, we are considering and strengthening our approach to commissioning and commissioning support.

2.2 Strategic Plan (2014 - 2018)

The council has agreed a new strategy for the next four years, setting out major objectives and priorities under five key headings:

- Transforming public services
- Enabling economic growth
- Better care - health and care integration
- Supporting children and families
- Safer communities and a better environment

We know that in order to take the aims of the strategy forward, we will need the support and skills of our workforce, as well as key partners, communities and the voluntary and community sector.

Under the umbrella of the council's Strategic Plan and the Medium Term Financial Strategy, virtually every service will be reviewed, and in some cases the delivery model fundamentally changed, over the next four years. Some services may be reduced and others replaced, and some will need to be more targeted than they are now.

2.3 Key drivers

There are a number of key drivers that will help to define our priorities and activity.

These include:

- Demographic changes increasing the demand on our services - an ageing population, and the predication of long-term conditions.
- Legislative and policy pressure that increase the demand for resources and support

**The Care Act 2014 -
reform of social care funding for older people**
The Children & Families Act 2014

- Changes that create a duty for the council to integrate services with health partners to improve health outcomes and reduce costs, with the aim of full integration for Leicestershire by 2018/19.
- The expectations of residents and council tax payers. The council has an excellent track record of delivering universal services, and the recent budget consultation exercise showed that there is a strength of feeling about a number of services such as gritting and road maintenance.

There will also be other agreed priorities regarding 'combined delivery', commissioning models, how we enable and empower customers, and steps that we are able to take to build community capacity.

2.4 Vision

In defining the next stages of the council's development, and to set the scene for further transformation, a new vision has been agreed.

“Leading Leicestershire by working with our communities and partners for the benefit of everyone”

Supporting this is a clear vision for service delivery:

- Our focus is to reduce the dependency on high cost services and a reliance on public funding
- Resources allocation will be determined by the potential to improve service outcomes and reduce cost
- We will work with partners and cross-Departmental teams to shape new approaches to reducing demand & improving outcomes

The number of Leicestershire residents aged over 65 has increased by nearly 20% in the last 10 years, while those over the age of 85 has increased by 39%.



2.5 Strategic Imperatives

To support the vision, a number of strategic imperatives have also been agreed. What these imperatives mean for staff and managers is illustrated below:

- **Leading Leicestershire**

Through our Leading for High Performance programme we are building our leadership capability and capacity for the future and for public service transformation

- **Support and protect the most vulnerable people & communities**

We will continue to support the skills, knowledge and capacity of our workforce, through activities such as safeguarding adults, children and young people, to ensure that we support and protect the most vulnerable

- **Enable and support communities, individuals and families**

We will develop a Commissioning Academy to renew our focus on customers and our communities, supporting resilience and independence

- **Make Leicestershire a better place**

We will support the local economy and the council's economic priorities - place, business and people. We will develop a new focus to our apprenticeship strategy - equipping people with the skills for future employment

- **Manage public sector resources effectively**

We will embed a culture that focuses on priorities, people and outcomes. Our People and Organisation Development Enabler will focus upon the skills, capabilities and capacity necessary for transformation and the effective use of resources

- **Have the organisational structures and behaviours to deliver this approach**

Through the review of our organisational design principles we will ensure our staff are engaged and demonstrate the behaviours, performance and values required by the council

We need to understand what these strategic imperatives are likely to mean in practice for staff. The first four imperatives are outward facing and set a very broad agenda for the council's role in the local area.

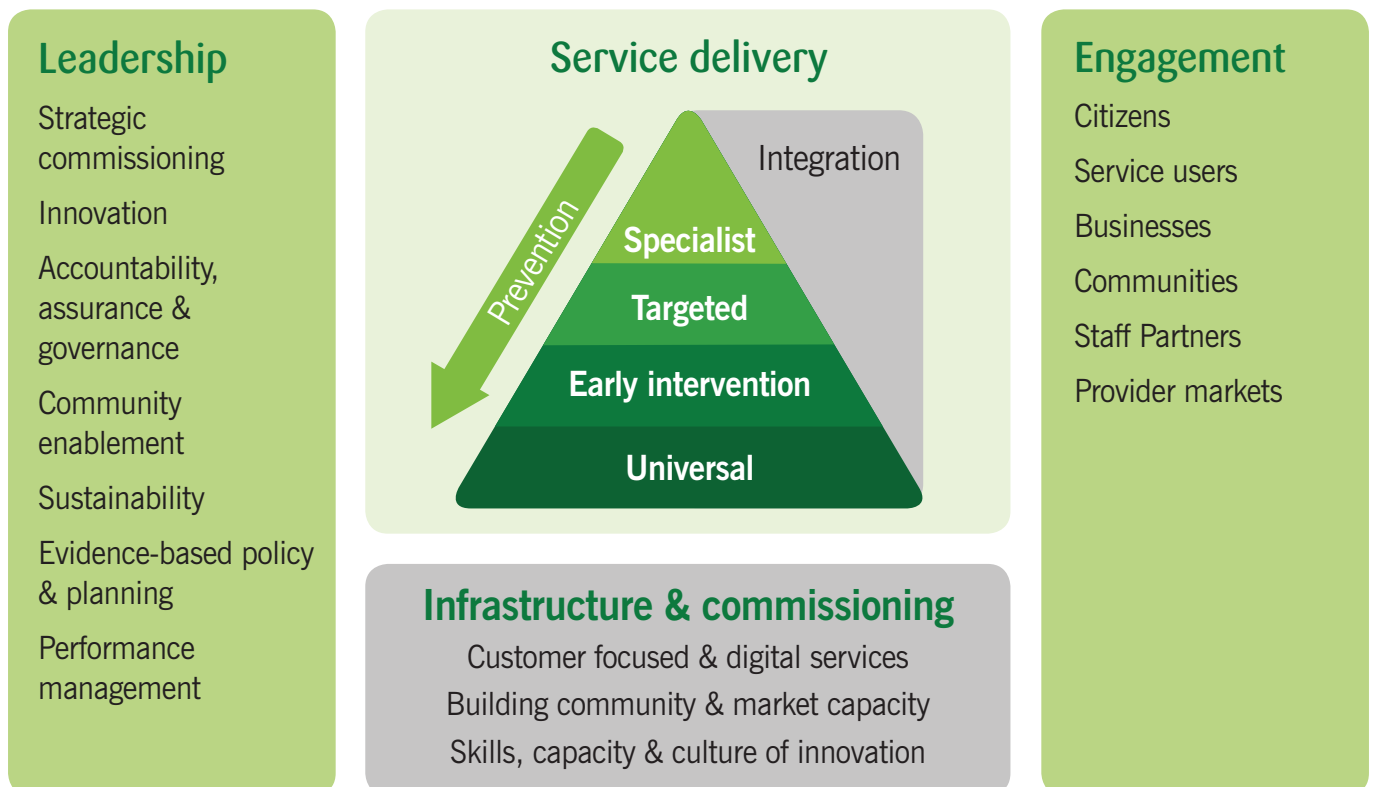
The last two strategic imperatives very much underpin the people agenda, and much of the actions taken as part of this People Strategy will help us to address how we effectively and collectively manage resources, together with creating and developing the most effective organisational structures and behaviours.



2.6 Target Operating Model

The model below has been developed, and how it will be brought to life in different ways by different services is still ongoing. However, there are key principles about strong leadership, proactive engagement and fit for purpose infrastructure and commissioning arrangements which will apply across the board.

We will seek to deliver, or facilitate the delivery of universal services at the lowest possible cost without compromising on quality, and through preventative work, aim to ensure that more expensive, specialist services are only provided when absolutely necessary.



3. What we're going to do

The People Strategy has a number of overarching themes which are described below. Each link to a supporting action plan which will be refreshed each year. Understanding the themes helps us to focus clearly on priority areas for action and activity.

Leadership capacity and capability

We will ensure that leadership skills and capacity are fully developed and enhanced at all levels, and that all managers have the right skills, attitudes and behaviours to lead transformational and cultural change in Leicestershire, including with partners.

We will promote and develop behaviours that will support change and improvement.

Manage and sustain high performance

We have invested over the last few years in a programme for senior managers – Leading for High Performance – designed to support and develop managers who are leading within a complex, challenging and rapidly changing environment.

The programme saw the creation of four leadership priorities, which we will further build on:

- Influence and shape the environment in which we operate to achieve high quality outcomes for the people of Leicestershire.
- Connect with customers and localities through listening, dialogue and understanding communities' needs.
- Build powerful relationships across stakeholders, peers and partners creating open, transparent relationships based on trust.
- Lead and deliver sustainable, collective high performance, through inspirational leadership, setting clear priorities and a strong approach to performance management.

We will build on this strong foundation to create the optimum operating environment and culture where people are inspired and motivated to perform to their best, are creative and innovative, and are able to perform effectively during a period of sustained change and transformation. We will ensure that our leadership behaviours help to set the tone and define the culture.

We will put measures and support in place across the council to ensure that performance continues to develop and improve. We will also ensure that under-performance is dealt with swiftly and effectively.

Having the clear evidence for decision-making is hugely important, with business intelligence and data underpinning how we assess high performance. We will work to enhance the quality and relevance of business intelligence that we use.

Learning & development

We will ensure that changing development needs are met, that organisational capacity and capability is developed in order to support the transformation of service delivery. We will also ensure that managers are able to lead change and transformation effectively and also to deliver sustainable high performance.

We know that new models of delivery such as social enterprise, community interest, will mean that we work and engage in different ways, and we will put measures in place to assess the need and then to address any learning and development requirements ways of working, implementing and working within a new target operating model, new models of delivery, commissioning, partnership working, leadership, community enablement and commercialism. We know that we need to focus on and increase these kinds of skills in the council.

We will seek to find the optimum balance between generic and specialist interventions, including developing stronger centres of expertise where required. At all times, we know that we need to ensure value for money within the target operating model for delivery. We will develop targeted and prioritised learning in order to close gaps.

We will focus on the identification and management of talent, not only ensuring that people are equipped to undertake their roles, but also that we seek to further develop and retain those with the greatest potential, and who are seeking to progress and to learn new skills that the council will need in the future.

Employee engagement and recognition

We will ensure that there are processes in place to facilitate positive engagement with all parts of the workforce, supported by clear and transparent communication.

We will drive cultural change through an employee engagement strategy which connects employees and their working lives to the vision, values and core purpose of the council and also to the services they deliver. Specifically, we will deliver a programme of external and internal engagement and communication ('Building Trust') relating to our transformation programme.

We will seek to build on existing recognition mechanisms and activities and to acknowledge and celebrate positive contributions and success stories.

We will continue with engagement activity through recognised channels such as Corporate Management Team roadshows, staff surveys, the staff awards scheme, trade union relationships, workers' groups, and, we will also continue to develop how we market the council externally.



Employee health & wellbeing

Building on our excellent track record for health and safety, we will continue to embed the internationally accredited OHSAS 18001 system, and also further develop the proactive culture of health and safety management that has developed over the last few years.

Working in partnership with colleagues in Public Health, the health, safety and wellbeing team will continue to gain a better understanding of organisational requirements, work to build resilience, recognising the difficult and sometimes stressful roles that many of our staff carry out, and will seek to help people to find ways to stay healthy, create an appropriate work/life balance, and to work flexibly and in more modern ways.

In the context of decreasing resources, it is increasingly important that the organisation works in a joined up way, including working collaboratively across departments, and the use of managers as mental health first aiders is a good example of this.

Equality of opportunity for all

We will ensure that the people aspects of our Equalities Strategy are embedded in our employment policies and in our day to day practices.

We will continue to work to achieve a truly diverse workforce, as well as a working environment that is free from discrimination, and that positively embraces difference and the added value that comes from diversity.

Current targets are based on the 2011 census, our overall performance, and recognition of the context that we are working in. For 2015/16, our targets are as follows:

% BME and % BME grade 13 and above	12%
% disabled and % disabled grade 13 and above	7%
% female grade 13 and above	61%
% declaring sexual orientation	50%
% declaring as LGB	1%
% declaring a religion / belief	50%
% declaring a religion / belief other than Christianity	17.3%

A changing workforce

The council employs approximately X people, of whom around X are based in schools. In general terms, the council's workforce has reduced, and will continue to reduce in size, but there are elements which will grow e.g. through the requirements of the Care Act. However, we are also moving to a position whereby some services will be delivered for, and not by, the council.

Over the next few years, the nature of our workforce and how it is organised will change. We are examining options for different models of delivery, including community involvement and the use of volunteers, social enterprise, and working in partnership with the wider workforce across other agencies in Leicestershire. We also need to be more flexible and responsive, and we are working to modernise our practices.

The Employment Deal

As we move forward as an organisation, we will look at the nature of the employment relationship and how and whether it will change over the coming years i.e. we will develop a clear 'deal' between staff and the council, recognising the changing demands and operating context that we will all be working in.

We will need to clearly describe **what staff can expect from the council**: fair pay and reward, excellent leadership, management and support, good quality performance management, learning and development, and a good working environment. We will also seek to provide greater flexibility for individuals in how they carry out their roles.

We also need to describe **what the council expects in return**: commitment, individuals and teams striving for excellence, creativity, flexibility, a willingness to learn and adapt, and to work effectively within uncertainty.

We recognise that elements of the employment deal will mean different things to different groups across the council, and will also change as we move into new delivery arrangements e.g. working in partnership through integration.

As a large and complex employer, we will still need an experienced and capable workforce, and will put in place measures to ensure that we retain staff – through learning and development, talent management, succession planning and modernising our ways of working. All this forms part of the employment deal.

In summary, we will strive to work together and take equal ownership and responsibility. Inevitably, the notion of an employment deal also links to our code of conduct and other policies, but sets out in a more general way the changing nature of the employment relationship.

We will continue to define modern and flexible ways of working, whether these relate to mobile and home working, underpinned by enabling technology, or seeking to implement an amount of contractual flexibility to support services to modernise and streamline the way they work.

4. Transformation

We have organised ourselves so that we have a cohesive, corporate approach, but with ownership clearly sitting in departments. We also need to ensure that we engage staff across the council, and that our communication and engagement is clear and consistent.

We have set up a corporate Transformation Unit based on a business partner model, with corporate advice, guidance and support, but clear accountability in departments.

We have clear financial targets, but as well as individual service change and transformation, we know that we also need to transform the wider council. This involves changes to how people work, what they do, who delivers services, and a shift in our culture and expectations. As an example, we are working on plans to integrate services with health. This will have a wide range of implications that will require staff to work differently, addressing challenges such as 24/7 working, pooling of resources, forming effective working relationships across agencies and professional areas.

To support the programme, there are also a number of corporate enabling programmes. The People and Organisation Development Enabler focuses on the development of our workforce, and has five emerging and overarching workstreams, underpinned by clear engagement:

- Commissioning Academy – improving our approach to strategic and operational commissioning
- Organisation development – setting direction for long-term development
- Culture and behaviours – ensuring that the council develops the optimum culture, manages change and transformation well
- Skills, knowledge and capacity – finding ways to optimise these
- Employment deal – creating a modern and flexible deal between the council and its staff

The outputs of the enabling work will not only support the delivery of the priorities within the Transformation Programme, but will also contribute to broader direction. The quality and commitment of our workforce will be absolutely key to the delivery of the transformation programme and to our future success.

5. Achievements 2010 - 2013

The People Strategy for 2010 - 2013 set out a strategy for transformation through people, together with key priorities to be focused on. The aims through the delivery of the strategy were to help to ensure that the council achieved its social, economic and environmental goals, whilst remaining a leading employer in the sector.

The strategy was split into a number of themes, and progress was regularly monitored through the council's People Strategy Board.

The achievements over the last 4 years are important, but only insofar as they now act as building blocks for the coming years. **Appendix 1** sets out a number of high level examples.

6. Governance

Whilst many of the actions supporting the aims of the People Strategy will be delivered or facilitated by the People and Transformation Service, there is ultimately a shared responsibility for the management and development of the council's workforce.

The council's Employment Committee will receive regular reports, as appropriate, on elements of the People Strategy and the associated action plan.

The strategy and associated work programme is managed and monitored by the People Strategy Board, which is chaired by a Corporate Director, with membership drawn from all departments.

HR Business Partners ensure that relevant matters are featured on departmental management team agendas.

Relevant proposals and actions will be consulted on or negotiated with recognised trade unions, and the Equality Groups (workers' groups) will also be informally consulted on key issues.

Appendix 1

High level examples of achievements over the life of the last People Strategy

East Midlands Shared Services – Supported the creation of a shared service with Nottingham City Council for payroll, finance and HR transactional processing. This has resulted in significant process improvements, savings for both authorities, and the foundations in order to be able to grow the business

Leading for High Performance – Successfully facilitated the delivery of a significant leadership programme for all middle and senior managers. This has helped our leaders and managers develop skills and use available tools when leading and managing new and very different challenges.

Modernised policies – reviewed and re-launched all core policies. Although the review of policies is ongoing, this has helped to create more flexible and modern policies, which make essential processes run more smoothly.

Workforce planning – introduced a workforce planning framework. Managers have access to clear tools which help them to think and plan ahead when considering their current and future workforce requirements.

Terms & Conditions review – achieved a collective agreement with annual saving of £2.4m. The review has helped to modernise the terms & conditions offer.

Mental Health First Aiders – introduced an innovative scheme to train managers as mental health first aiders (MHFAs). The council now has over 400 trained MHFAs who contribute to preventative work, supporting colleagues who are showing signs of stress, and signposting as necessary for early help.

OHSAS 18001 - Achieved accreditation to an internationally recognised Health and Safety award. This means that the council now have a clear occupational health and safety management system, with the policies, procedures and controls needed to achieve the best possible working conditions, aligned to internationally recognised best practice.

Equalities – moved from 20th to 11th in 2013 in the Stonewall ratings of gay friendly employers, which helps organisations measure their efforts to tackle discrimination, and to create an inclusive workplace.

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EMPLOYMENT COMMITTEE: 21 OCTOBER 2014

PAY AWARD 2014

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

Purpose

1. The purpose of this report is to provide an update on the 2014 national pay negotiations affecting Leicestershire County Council employees employed under the National Joint Council (NJC) for Local Government Employees.

Background

2. The County Council, through the Employment Committee, decide a level of pay award based on the annual national pay award for Local Government Employees.
3. In March 2014, the NJC made an offer of 1% but with an element of 'bottom loading' (i.e. a slightly higher increase) for the lowest six pay points on the national pay spine. This is in relation to the National Minimum Wage (NMW) being increased to £6.50 on 1 October 2014; which would reduce the difference with the lowest pay point to just 1 pence if only a 1% pay award was implemented. The NJC pay offer therefore put the bottom rate at 25p above the NMW and the subsequent five pay points would be increased by different cash figures to ensure differentials between pay points to be maintained.
4. The Trade Unions rejected this offer and balloted their membership on taking industrial action. This resulted in a one day strike which took place on 10 July 2014, and a further one day strike was scheduled for 14 October 2014.

Current Position

5. The NJC put a revised set of proposals to the Trade Unions at the end of September 2014, requesting that the industrial action planned for 14 October is suspended whilst the Trade Unions consult their members. These proposals are not detailed in this report as they do not yet constitute a formal offer but cover a two year period up to March 2016. The Trade Unions rejected the proposal but in relation to this they are consulting their membership as to whether to suspend industrial action, allowing for further negotiation to take place.

6. In the meantime the NJC has issued advice that, in the absence of a pay settlement, local authorities increase the lowest pay point in line with the NMW Regulations 2014 so that no employee is paid below the NMW with effect from 1 October 2014. Leicestershire County Council has taken the necessary steps to implement this change.

Recommendations

7. That the report be noted.

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EMPLOYMENT COMMITTEE: 21 OCTOBER 2014

REPORT ON SICKNESS ABSENCE

**JOINT REPORT OF THE DIRECTOR OF CORPORATE RESOURCES
AND DIRECTOR OF PUBLIC HEALTH**

Purpose

1. Following the report to the last Employment Committee on 12th June, further work has been undertaken on the County Council's approach to the management of sickness and the Corporate Management Team (CMT) has been engaged regarding the key issues. The purpose of this report is provide an update on the overall Council and departmental performance in relation to sickness absence from the out turn position of 2013/14 to the end of Q1, trends in absence and the actions required to address current sickness absence levels. This report will also identify the strategic approach required to address absence management through improving workplace health.

Background

2. The Employment Committee received a report on sickness absence on 12th June 2014 and as a result requested that CMT takes ownership and appropriate action given the concerns expressed about continuing high levels of absence.

Absence data

3. The table below shows the figures (days per fte) from the out turn position for 2013/14 to the end of Q1. Although there has been a slight reduction in absence levels per fte at the end of quarter 1 for 2014/15, it is important to note that the overall trend to date is variable and remains above the target of 7.5 days per fte, identifying that further work to address sickness absence levels is required.

Department	2013/14 Out turn	2014/15 April	2014/15 May	2014/15 June Q1
Chief Executive's	7.51	7.92	6.70	6.37
E&T	10.06	10.34	9.43	8.80
C&FS	9.84	10.54	9.68	8.93
Corporate Resources	7.11	7.17	7.12	6.54
Adults and Communities	11.16	11.67	11.13	10.60
Public Health	7.11	5.38	5.41	5.46
Total	9.47	9.96	9.37	8.76
ESPO	8.58	8.49	8.02	8.34

Trends in sickness absence

4. Trends in sickness absence can be analysed both in relation to the number of days per fte per department and the reasons for absence.
5. Days per fte
For 2014/15, the days per fte for all departments show slight fluctuations across the first quarter. Reporting is carried out on a rolling year basis, which whilst more accurate as opposed to forward projections, does lead to some fluctuations.
6. At a service level there are some exceptions to the figures which therefore require further work and attention from line managers delivering effective, robust case management, supported by Human Resources. These exceptions at the end of quarter 1 are as follows:-

Adults & Communities Service	
Promoting Independence	13.60 days per fte
Personal Care & Support	12.99 days per fte
Children & Family Services	
Strategic Initiatives	10.43 days per fte
Commissioning & Development	15.16 days per fte
Environment & Transport	
Transportation	9.42 days per fte

7. The Local Government (LGA) Workforce Survey 2012/13 provides some useful comparative figures with other upper tier unitary Councils reporting a median of 9.4 days per FTE. The LGA Workforce Survey for 2013/14 is not yet available. The County Council's reported out turn figure for 2013/14 of 9.47 is comparative to similar authorities in the LGA survey for 2012/13 but still leads us to conclude the need for robust action.
8. A number of actions have taken place to address absence levels, e.g. the role of the manager in managing and reducing sickness absence has been supported by Human Resource (HR) policy, plus communication via the Managers' Digest with the following articles in:-
 - February 2014 - Revised self-certification and monthly absence return form
 - May 2014 – Entering sickness absence end dates into Oracle
 - May 2014 – New and revised HR policies
9. However the focus on policy and communication, although helpful, has to be part of a broader package of measures.
10. As an example, the results of further investigation and analysis into the days per fte, cross referenced with the reasons for absence, will contribute to an action plan to address sickness absence levels.
11. However, although such investigation and supporting initiatives will contribute, there is arguably no substitute for having a concerted drive, through robust case

management of short-term and long-term absence cases, in order to both reduce levels, and to send a clear message to the organisation.

12. Reasons for sickness absence

Analysing the Council's absence figures in relation to the reasons for absence demonstrates that viral infections is consistently the highest percentage, with the figure of 24.62% as at the end of June 2014. The category of stomach, liver, kidney and digestion is consistently the second highest reason, with the figure of 17.19% as at the end of June 2014.

Reason for Absence	2011/12 Out turn %	2012/13 Out turn %	2013/14 Out turn %	2014/15 June %
Back and Neck Problems	4.89	5.12	4.82	4.60
Other Musculo-Skeletal Problems	8.27	6.14	6.42	6.70
Stress/depression, Mental Health and Fatigue	8.73	5.52	5.91	6.26
Viral Infection	21.38	26.87	24.79	24.62
Neurological	4.48	5.03	6.23	5.95
GenitoUrinary/Gynaecological	2.74	2.22	2.79	2.68
Pregnancy Related	1.57	1.32	0.99	1.08
Stomach, Liver, Kidney, Digestion	15.65	17.61	18.31	17.19
Heart, Blood Pressure, Circulation	1.26	0.79	1.00	0.86
Chest, Respiratory	2.75	3.53	4.31	4.30
Eye, Ear, Nose & Mouth/Dental	3.86	3.73	5.32	5.50
Other	8.32	7.33	10.21	11.31
Not Known	16.10	14.80	8.90	8.95

13. Trends over a three year period, from the out turn position of 2011/12 to June 2014 demonstrate a reduction in the following sickness absence reasons:-

- Back and neck problems;
- Other Musculo-Skeletal Problems
- Stress/depression, Mental Health and Fatigue
- Neurological
- GenitoUrinary/Gynaecological
- Pregnancy related
- Heart, Blood Pressure, Circulation
- Not known

14. Overall there is no single action or common theme that can be attributed to these trends and reductions across this diverse range of sickness absence reasons. However, one area where it is possible to draw a correlation between the reduction in sickness absence and an action taken is in the implementation of Mental Health First Aid (MHFA) to support stress/depression, mental health and fatigue, with the out turn figures from 2011/12 to 2013/14 showing a decrease from 8.73% to 5.91%.
15. However figures for the first three periods of 2014/15 show this has now increased by 0.35%. The County Council will need to monitor this area in relation to the potential impact of service reviews and restructures and ongoing uncertainty and this slight increase reinforces this position.
16. When using the LGA Workforce Survey 2012/13 as comparative data for the reasons for sickness absence there is a variation between Leicestershire County Council and the data provided by other authorities, with the County Council reporting viral infections and stomach, liver, kidney and digestion as the two highest percentages and the LGA survey 2012/13 reporting stress/depression, anxiety, mental health and fatigue and other musculo-skeletal as the two highest percentages.

Approaches to reduce sickness absence

17. The manager's role and responsibility in managing sickness absence is critical in reducing sickness absence and in supporting the health and wellbeing of employees. Whilst evidence from case management with Human Resources (HR) identifies that many managers actively address sickness absence, this has not been consistent across the Council.
18. It has been agreed that support (and creating a clear expectation that it will happen) from CMT, Departmental Management Teams (DMT's) and Senior Managers, actively managing absence through the line management structure, is critical and clear communication from CMT across the Council will inform this. Additionally there will be a clear and robust action plan, which will be monitored and reported on.
19. In addition to the role of the manager, the HR case management approach will support managers where required in dealing with employees' where both short and long term sickness absences exist. HR also highlight potential cases to DMT's/managers through detailed absence reports.
20. CMT agreed that a strategic approach to sickness reduction and prevention involving Public Health should be adopted. This approach will compliment active management responses to sickness absence described above.

Sickness absence prevention – a strategic approach

21. The positive impact that employers can have on employee health and wellbeing is well documented. Employers who have developed coordinated and systematic approaches to employee wellbeing have reported many benefits. These include:

- Improved attendance and reduced sickness and other absence;
 - A more productive workforce;
 - Improved staff engagement;
 - Improved resilience to change;
 - Easier to retain and recruit staff ;
 - Increase company/organisation profile and being an employer of choice;
 - Decreased accidents and injuries;
 - Increased employee health and welfare
22. Following the Employment Committee discussion on 12th June and CMT report on 5th June 2014 a co-ordinated and strategic approach to absence management involving Public Health was agreed. A range of tools and approaches are available to assist employers to promote employee wellbeing, based on evidence of what works. The Public Health England recently published Workplace Wellbeing Charter National Award for England - Self Assessment Standards is being considered. The Charter provides the ability for organisations to audit and benchmark against an established and independent set of standards based on good evidence of what has been shown to be effective. Undertaking the assessment involves identifying what the organisation already has in place and what gaps there may be in health, safety and wellbeing for their employees, for example, gathering data about health behaviours (such as smoking, obesity, etc) and actions that can be taken to improve staff health and wellbeing. Access to the Charter toolkit and standards is free.
23. As part of the process of embedding wellbeing into an organisation, Workplace Wellbeing Champions have been shown to be effective in supporting both the development of workplace wellbeing programmes and ensuring effective implementation. Champions are usually employees from across a range of roles and grades who have expressed an interest in promoting wellbeing; they engage their colleagues, gain their views and ideas and use these to shape programme and policy development within the organisation. Champions work as part of a team and feed into an overarching Wellbeing Group working closely with the Human Resources team. To work effectively organisations need to support and respect the champions, offer health training and ensure they have time to undertake their roles.
24. The Public Health Responsibility Deal (<https://responsibilitydeal.dh.gov.uk/>) aims to tap into the potential for businesses and other influential organisations to make a significant contribution to improving public health. It embodies the Government's ambition for a more collaborative approach to tackling the challenges caused by our lifestyle choices. Organisations can sign up to the Responsibility Deal to show their commit to taking action voluntarily to improve public health through their responsibilities as employers, as well as through their commercial actions and their community activities. Health at work is one of the key components of the Responsibility Deal.

Recommendations

25. The Employment Committee is requested to:-

- a) Note the contents of this report;
- b) Note the commitment from officers to maintain a focus on managing attendance, ensuring managers at all levels proactively address sickness absence;
- c) Support the use of the Public Health England Workplace Wellbeing Charter National Award for England - Self Assessment Standards to identify good practice and gaps in the Council's approach to the health, safety and wellbeing of employees and actions required to address this;
- d) Support the identification of workplace champions from across the organisation;
- e) Support Leicestershire County Council in making a public commitment to taking action on employee health and wellbeing by signing up to the Public Health Responsibility Deal and sharing progress on an annual basis alongside other signatories.

Background papers

None.

Circulation under the Local Issues Alert Procedure

None.

Officers to contact

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Equal Opportunities and Human Rights implications

None



EMPLOYMENT COMMITTEE: 21 OCTOBER 2014

ORGANISATIONAL CHANGE POLICY AND PROCEDURE

SUMMARY OF ACTION PLANS

REPORT OF THE CHIEF EXECUTIVE

Introduction

1. The purpose of this report is to present a summary of current Action Plans which contain provision for compulsory redundancy and details of progress in their implementation.

Background

2. At its meeting on 11th February 2010 the Committee approved a new Organisational Change Policy and Procedure (replacing the Policy in the Event of Redeployment and Redundancy) together with revised arrangements through which the Committee would exercise its oversight of the implementation of that procedure.
3. In accordance with that decision, summaries of current Action Plans are attached as follows:
 - Appendix A1 – Implementation Completed
 - Appendix A2 – Implementation Underway
4. The arrangements also involve presenting a summary of any outstanding comments/concerns raised by members of the Committee. There are no outstanding comments/concerns on this occasion.
5. Members are asked to indicate where they wish a representative of the Department concerned to be present to answer any questions in any particular case, if they have not already done so.

Equality and Diversity Implications

6. The Organisational Change Policy and Procedure is designed to ensure that changes which impact on employees are implemented in a fair and non-discriminatory manner.

Recommendation

7. That the report be noted.

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EMPLOYMENT COMMITTEE –21st October 2014

SUMMARY OF CURRENT ACTION PLANS - IMPLEMENTATION COMPLETED

Action Plan	Date Approved	Outcome
Adults & Communities - Decommissioning of Locality Support and Development Service	28/02/2014	2 redundancies
Adults & Communities – Occupational Therapy Services	26/02/2014	0 redundancies
Chief Executives - Democratic Services -International links	01/04/2014	1 redundancy
Children and Young People’s Service – Hind Leys CC	24/02/2014	1 redundancy
Corporate Resources – Implementation of Transform Unit	25/04/2014	2 redundancies
Corporate Resources – Financial Service Centre	15/11/2013	0 redundancies
Corporate Resources – Insurance Team – Financial Services	06/03/2014	1 redundancy

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EMPLOYMENT COMMITTEE – 21st October 2014

SUMMARY OF CURRENT ACTION PLANS - IMPLEMENTATION UNDERWAY

Action Plan	Date Approved	Current Position	Next Steps	Max Compulsory Redundancies
Communities and Wellbeing Phase 1	28/04/2014	Midpoint meeting held.	End of consultation meeting 4 June	10 redundancies
Waterlees Supported Living & Carlton Drive Short Breaks Review	09/05/2014	Under consultation	Consultation extended for up to three weeks	5 redundancies
Children & Young Peoples Services (Education & Learning) – study Programme	28/08/2014	Amended and agreed with the Union shared with Business Partner	Initial Launch meeting held 1 September 2014	1 redundancy
Corporate Resources – Strategic Information & technology Review	17/04/2014	Meeting held to start informal consultation	Action plan launched and consultation has begun. Comparability challenges being heard.	1 redundancy
Corporate Resources – Commissioning construction and Hard FM Team	14/04/2014	Action Plan released 1 May 2014. Redeployment letters sent.	Formal consultation under way.	2 redundancies
Corporate Resources – County Farms and Industrial Properties	14/04/2014	Action Plan releases May 2014	Formal consultation ended	1 redundancy
Corporate Resources – People & Transformation Phase 2	08/08/2014	Formal Consultation Period		2 redundancies

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