



## **EMPLOYMENT COMMITTEE: 05 FEBRUARY 2026**

### **WORKFORCE REPORT 2025 – 2026 QUARTER 3 UPDATE**

### **REPORT OF THE DIRECTOR OF CORPORATE RESOURCES**

#### **Purpose of the Report**

1. The purpose of this report is to provide the Committee with an update on workforce information and performance measures for Quarter 3 of 2025/2026. This includes details relating to headcount, Full Time Equivalent (FTE), absence rates and reason, and reported completion of Annual Performance Reviews (APR).

#### **Policy Framework and Previous Decisions**

2. These procedures are governed by employment legislation and HR policy and procedures.
3. The Committee considered the Annual Workforce Report 2024/2025 on 22 May 2025 and Workforce Report Q1 2025-2026 Update on 18 September 2025 and Workforce Report Q2 2025-2026 Update on 04 December 2025.

#### **Background**

4. Background figures along with current performance is contained within the appendix of this report.

#### **Headcount and FTE**

5. This includes employees on Leicestershire County Council terms and conditions, excluding maintained Schools. As of December 2025, the Council's headcount was 5881, which is a full time equivalent (FTE) of 4916.39.
  - Chief Executive's (299 headcount, 268.66 FTE)
  - Environment and Transport (1,050 headcount, 872.37 FTE)
  - Children and Family Services (1,576 headcount, 1394.17 FTE)
  - Public Health (165 headcount, 152.21 FTE)
  - Corporate Resources (1,303 Headcount, 1031.89 FTE)
  - Adults and Communities (1,488 Headcount, 1197.34 FTE)
6. The Council has experienced an increase in both headcount (7) and FTE (51.3 FTE) compared to this time last year.

7. In addition, a graphical representation of the changes at organisational level, along with a description of the headcount and FTE definition, can be found at Graphs 1 and 2 of the appendix. Key points of note are as follows:
  - Corporate Resources has seen a reduction of 100 headcount and 43.94 FTE since last year, primarily due to school kitchen staff transferring to new suppliers under Transfer of Undertakings (Protection of Employment) (TUPE) arrangements.
  - Children and Family Services has increased by 115 headcount and 101.98 FTE since last year. This is largely due to efforts to convert agency social workers to permanent positions, in response to new regulations requiring agency workers to have three years of local authority employment. The new pay cap for agency rates, which completed in October 2025 (e.g. Senior social worker Level 3 capped at £38 per hour in this region), has also influenced the rise in headcount.
8. Further detail on the departmental changes can be found at Graphs 3 and 4 of the appendix.

### **Agency use**

9. In 2025, the Council contracted on average 289 agency workers per month across the council, via a central managed service provider. This detail can be found at Graph 6 of the appendix. These include a wide variety of roles across multiple services.
10. In 2025, the Council spent on average £1.5M a month on agency. This compares to just over £22M of the average monthly substantive staffing bill.
11. There has been a reduction in agency spend within Children's and Family Services corresponds to an increase workforce headcount and FTE. There has been an increase in Environment & Transport agency spend given the project base specialist nature of their work. This has been offset by external funding received by the Council through engineering, planning and infrastructure projects.

### **Absence**

12. As of October 2025, the Council's sickness absence rate was 3.47% which equates to an average of 9.11 days lost per full-time employee. This remains above the Council's target of 7.5 FTE days lost (approx. 2.88%).
13. The Council is performing better than the NHS (4.07%) and public sector employers (3.8%). Performance remains above private sector services (2.80%) and UK employers overall (3.3%) sickness absence averages. Further information can be found at Graph 5 and Tables 1 and 2 of the appendix.
14. The Council's departmental performance is as follows:
  - Adults and Communities (4.15%)
  - Chief Executive's (1.49%)
  - Children and Family Services (3.34%)
  - Corporate Resources (3.33%)
  - Environment and Transport (3.52%)
  - Public Health (3.44%)

15. Managers continue to actively manage any absences, conducting return to work interviews, monitoring the time, length and reasons for absence, referring individuals to Occupational Health, and following the informal and formal elements of the Council's Attendance Management Policy.
16. Stress, depression, and mental health remain the leading causes of long-term sickness absence within the organisation and the Council is committed to continuing to provide current targeted support and counselling interventions. Short-term absences are most frequently attributed to Covid-19, coughs, colds, and flu.
17. As of December, the Council had 549 employees being actively managed within the attendance management process. Further detail can be found at Graph 10 of the appendix.

## **Employment Relations**

18. The Council continues to report anonymised numbers of open case management activity from 01 April 2025. It shows that the Authority has a low number of formal cases, i.e. grievance and disciplinary, and is proactive in managing capability, i.e. performance and attendance cases. Further detail can be found at Graphs 9 and 10 of the appendix.
19. The number of staff dismissed on the grounds of capability has also been included. In 2025 20 employment contracts were terminated on the grounds of capability; an additional 14 ill health retirements. In total six more people than in 2024 and six less than 2023.

## **Annual Performance Reviews (APR)**

20. As of December 2025, the online recording process is reporting a 57.1% APR completion rate. The reported figures for annual performance reviews (APRs) does not fully reflect the true number of staff who have participated in their yearly review. This under-representation occurs because the APR paperwork and associated meetings are not systematically recorded in a central system. Instead, managers are responsible for updating each employee's HR record with the date of their review meeting. As this update is a separate administrative task, it is sometimes overlooked, resulting in incomplete data capture for APRs across departments.
21. Departmental performance in completing APRs is outlined below.
  - Adults and Communities – 53.8%
  - Chief Executive's recorded – 41.7%
  - Children and Family Services – 53.6%
  - Corporate Resources – 50.9%
  - Environment and Transport – 74.1%
  - Public Health – 65.5%
22. These figures highlight where there is a need to focus improvement. Further detail can be found at Graphs 11 and 12 of the appendix.

23. In order to address this issue, HR is working on a solution to simplify both the recording and reporting processes. This includes the implementation of automated reminders, which will help ensure all APRs are promptly and accurately captured in the system. The aim of this initiative is to enhance compliance and offer a more streamlined and effective approach to managing performance reviews. This work is expected to be completed by April 2026, aligning with the new financial year and the requirements for next year's reporting.

### **Resource Implications**

24. There are no resource implications arising from the recommendations of this report.

### **Recommendations**

25. It is recommended that Employment committee note the content of the Workforce Quarter 3 Report 2025-2026.

### **Background Papers**

People Strategy 2024-2028 paper – 23 May 2024:

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=212&MId=7424&Ver=4>

Workforce Report – Annual Report 2024/2025 – 22 May 2025

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=212&MId=7897&Ver=4>

Workforce Report - 2024/2025 Quarter 1 – 18 September 2025

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=212&MId=7898&Ver=4>

Workforce Report - 2024/2025 Quarter 2 – 04 December 2025

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=212&MId=7899&Ver=4>

### **Circulation under the Local Issues Alert Procedure**

26. None.

### **Equality Implications**

27. A breakdown of workforce demographic profile by protected characteristic is reported in the appendix we have also included how it compares to last years. Overall there has been an improvement in performance across recording all protective characteristics reported. This is reported to Employment Committee as part of a Workforce Update, following 1 January each year, along with other statutory Equality reporting requirements.

### **Human Right Implications**

28. Not applicable.

### **Appendix**

Workforce Report presentation

**Officer to Contact**

Lucy Littlefair  
Assistant Director (Corporate Services)  
Tel: 0116 3056123  
Email: [lucy.littlefair@leics.gov.uk](mailto:lucy.littlefair@leics.gov.uk)

Andrew Stewart  
Head of People Services  
Tel: 0116 3055924  
Email: [andrew.stewart@leics.gov.uk](mailto:andrew.stewart@leics.gov.uk)

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