

Finance and Resources Committee

10.00am, Friday, 1 February 2019

Workforce Dashboard

Item number	7.9
Report number	
Executive/routine	
Wards	
Council Commitments	

Executive Summary

This report provides a summary of workforce metrics for the core and flexible workforce, absence, transformation/redeployment, risk, and performance, as detailed on the Finance and Resources Committee Workforce Dashboard, for the period of **November 2018**.

Workforce Dashboard

1. Recommendations

- 1.1 To review and note the workforce information contained in the dashboard.

2. Background

- 2.1 The dashboard reporting period is November 2018.

3. Main report

- 3.1 The attached dashboard (Appendix 1) provides workforce information on:
- the number of Full Time Equivalent (FTE) staff employed by the Council, the type of contract they are employed through and the turnover of new starts and leavers;
 - trends on absence rates, including the top five reasons for short and long-term absence;
 - the cost of the pay bill, including the cost associated with new starters and leavers;
 - insight relating to our performance framework (launched April 2017) including the percentage of annual conversations carried out and the number of Conversation Spotlight workshops carried out;
 - the number of VERA/VR leavers and associated cumulative budget savings; and
 - the number of redeployees and associated costs.

Core Workforce

- 3.2 All Figures referred to are contained in Appendix 3.
- 3.3 Between July and September, our core workforce increased by 84 FTE to 14, 665 FTE, and the basic salary pay bill increased by £3.8m to £406.9m. Workforce FTE and pay bill trends are shown in **Figures 1 and 2**.
- 3.4 Permanent contracts increased by 47 FTE, Fixed Term Contracts (FTCs) increased by 18 FTE and there was an increase in acting up and secondment arrangements (up 19 FTE).

- 3.5 **Figure 3** shows the change in Directorate FTE between September 2018 and November 2018. Most of the organisational FTE increase is linked to the Communities and Families Directorate.
- 3.6 **Figure 4** shows the change in FTE for the Local Government Employee (LGE), Teaching, Chief Official and Craft Apprentice groups between September 2018 and November 2018. The LGE group increased by 67 FTE and the Teaching group increased by 17.6 FTE in the period.
- 3.7 Of the increased cost in this period, £2.8m relates to permanent contracts, £0.5m relates to FTCs, and £0.5m relates to new acting up and secondment arrangements.
- 3.8 The cost of organisation new starts was £2.2m and the cost of leavers was £2.3m, yielding a net reduction in payroll expenditure of £0.1m.
- 3.9 The spend on Working Time Payments (WTPs) reduced by £51K, with most of the reduction observed in the Place Directorate (£35K). This cost reduction in WTPs is related to a change in working patterns for employees in the Waste and Cleansing service, implemented at October 2018. Costs for WTPs also reduced in the Home Care and Homes for Older People services in the Edinburgh Health and Social Care Partnership (£9K).
- 3.10 **Figure 5** shows longer term Local Government Employee workforce change, between June 2015 and November 2018 (i.e. before and after Transformation).

Flexible Workforce

- 3.11 The costs for the flexible workforce reduced this period and were in the region of £2.9m, with an equivalent FTE of approximately 1,113 FTE (**Figure 6**).
- 3.12 There was no change to the spend on the agency workforce, which cost the organisation £1.8m in the period. Of the total spend, 72% is attributable to the primary and secondary agency suppliers, whilst 28% relates to off-contract spend. The agency workforce last period was the equivalent of 603 FTE, with an average monthly workforce of 601 FTE (12-month average).
- 3.13 The agency cost trend is shown in **Figure 7**. Note that month on month agency cost fluctuation can be linked to the nature of the billing process.
- 3.14 The casual/supply workforce spend increased by £89K in the last period. The casual/supply workforce last period was the equivalent of 205 FTE, with an average monthly workforce of 185 FTE (12-month average). The casual/supply cost trend is shown in **Figure 8**.
- 3.15 The total cost of overtime this period was £0.8m, an increase of £64K since the previous period. A breakdown of the spend by overtime “type” is detailed in **Figure 9**. Around 64% of the spend was made at the enhanced overtime rate, 17% was paid at plain time, 7% was contractual overtime, and 12% related to call-out hours. The overtime/additional hours worked last period was the equivalent of 305 FTE, with an average monthly workforce of 274 FTE (12-month average, callout hours excluded from FTE reporting). The overtime cost trend is shown in **Figure 10**.

3.16 The cost of contractual overtime increased by £48K, from £5K in September 2018 to £53K in the last period, and this is associated with the new working patterns and payment arrangements in the Waste and Cleansing service. Due to the increased spend of contractual overtime in the last two periods we will now also incorporate these costs in our overall workforce overtime reporting to ensure visibility.

Surplus Workforce

3.17 The total number of employees on the redeployment register remains the same as the last period, however, one individual has moved to a new permanent post and one will be leaving on VR. Of the 29 employees currently surplus; one is a planned leaver, 20 have been temporarily redeployed and 8 are not currently redeployed into a temporary solution but are carrying out meaningful work in their old service area. The funding arrangements for the total surplus FTE is as follows; 16.8 FTE are corporately funded, 6.9 FTE are funded by their service and 2 FTE are funded externally.

3.18 Of those corporately funded; 9.2 FTE are currently redeployed, 7.1 FTE are not currently redeployed and 0.48 FTE are leaving on VR. 14.8 FTE of the corporately funded FTE have been on the redeployment register for longer than 12 months, 1.0 FTE for a period of 6-12 months, and 1.0 FTE for less than 6 months.

3.19 Employees who are part-funded corporately and by the service, and on-costs for NI and Pension, are included within the figures as appropriate.

3.20 As at the end of November 2018, 1,022 FTE have left, or agreed to leave, the organisation under VERA/VR arrangements, achieving recurring savings of £38.8m since September 2015.

3.21 A review of Council current policies relating to organisational change are currently underway (including redeployment) and it is anticipated that a new policy will be presented for Committee consideration in March 2019.

Performance Framework

3.22 Performance conversations for 2018/19 GR1-GR4s in the Schools and Lifelong Learning service and all Health and Social Care Localities were due for completion at the end of September (Looking Back 17/18) and October (Looking Ahead 18/19). This group covers around 3,000 employees, including pupil support assistants and social care workers/assistants.

3.23 Since last month, the Looking Back completion rate increased from 31.5% to 35%, and the Looking Ahead completion rate increased from 31.85% to 34%. A breakdown of completion across services is shown in **Figures 11 and 12**.

3.24 Executive Directors are actively engaging with managers across their relevant services to promote engagement with the performance framework and to encourage managers to hold Looking Back and Looking Ahead conversations with their GR1-GR4 employees.

3.25 Performance conversations for GR1-GR4 employees in Culture, Parks, Greenspace and Cemeteries, and Waste and Cleansing services are due to take

place in December (Looking Back 17/18) and January (Looking Ahead 18/19) and completion rates will be reported from next month.

Absence

- 3.26 The rolling absence rate reduced for the fifth month in a row, from 5.41% to 5.37% (**Figure 13**) which was driven by an overall reduction in the total working days lost to absence over the 12-month period (1 Dec 17 to 30 Nov 18). Since July 2018 the total working days lost to absence in the rolling period has decreased by around 3.6K days, from 176.0K days lost to 172.4K days lost. Directorate rolling absence rate trends are shown in **Figure 14**. In the period the monthly absence rate (reflecting days lost to absence in November 2018) increased from 4.64% (October 2018) to 5.71%.
- 3.27 The rolling absence rate reduction will continue to be monitored to establish whether it is an emerging trend linked to absence prevention and intervention activities.
- 3.28 The total working days lost to absence over the 12-month period (November 17 – October 18) was the equivalent of 766 FTE.
- 3.29 The total number of employees with an open ended long-term absence increased again this period, from 437 to 492 employees. The combined FTE of all employees with open ended long term absence is 399 FTE.
- 3.30 As part of ongoing review and improvement for workforce reporting we are refining our existing reporting approach in respect of how we analyse and present Absence data and MI to ensure that this is consistent with the Local Government Benchmarking Framework definitions. This will involve engagement with key stakeholders to achieve reporting that is insightful, adds value and allows us to make year on year comparison.

4. Measures of success

- 4.1 That, where possible, the Council achieves the necessary employee reductions by voluntary means.
- 4.2 The costs of unfunded individuals are managed as best as possible (within the no compulsory redundancy commitment).
- 4.3 That the monitoring of appropriate workforce data will evidence that the Council is on track to achieve targeted budget savings.
- 4.4 Absence rates are within our Council target of 4.0%.
- 4.5 All employees have a 'looking forward' conversation to set their performance objectives and development priorities for this performance year.
- 4.6 All employees gave a 'looking back' conversation to review their performance over the year and to agree their performance rating.

5. Financial impact

- 5.1 The achievement of agreed £38.8m savings through voluntary redundancy.
- 5.2 Salary costs for employees on redeployment (particularly those not redeployed).
- 5.3 Opportunity cost of lost working time due to sickness absence.
- 5.4 Agency, Overtime/Additional Hours expenditure.

6. Risk, policy, compliance and governance impact

- 6.1 The voluntary severance releases are essential to ensure that the Council can manage and plan the people impact of achieving the planned business change and associated savings, whilst supporting the Political Commitment of the Administration to no compulsory redundancies

7. Equalities impact

- 7.1 There are no significant equalities impacts arising directly from this report.

8. Sustainability impact

- 8.1 There is no sustainability impact of this report.

9. Consultation and engagement

- 9.1 Consultation and engagement with key stakeholders, including senior management teams, Trade Unions and elected members is ongoing.

10. Background reading/external references

- 10.1 Workforce Control Report and Dashboard to Finance and Resources Committee on 05 December 2018.

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11. Appendices

Appendix 1 – Corporate Leadership Team Workforce Dashboard

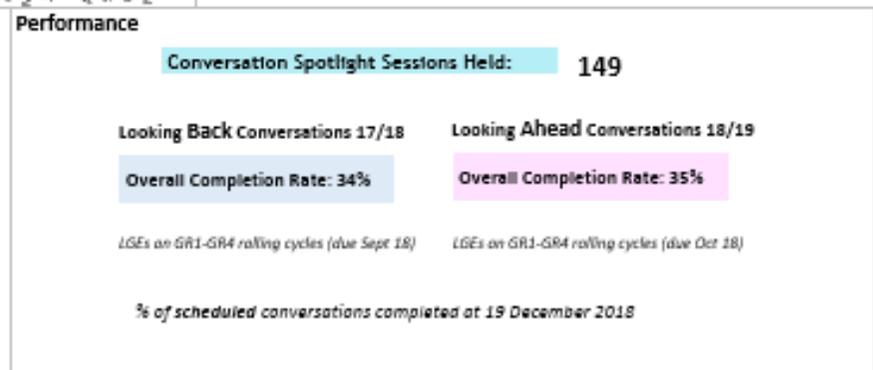
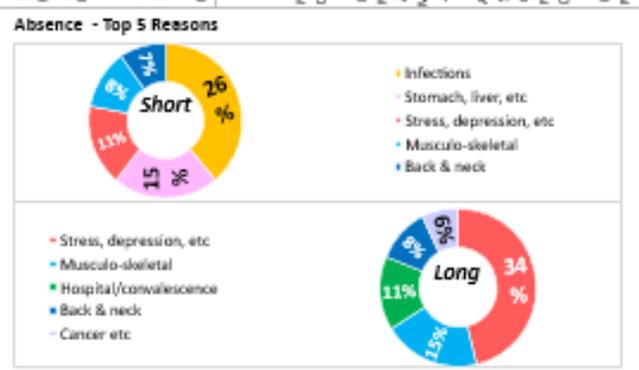
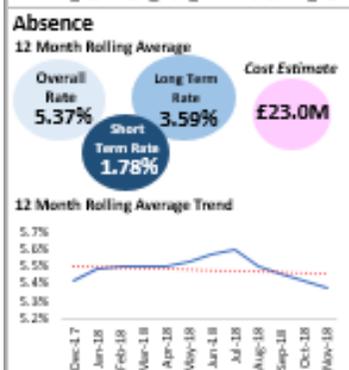
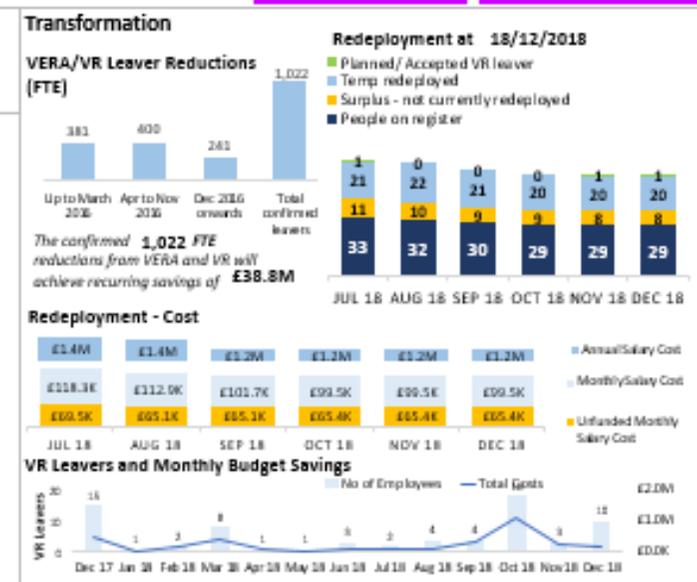
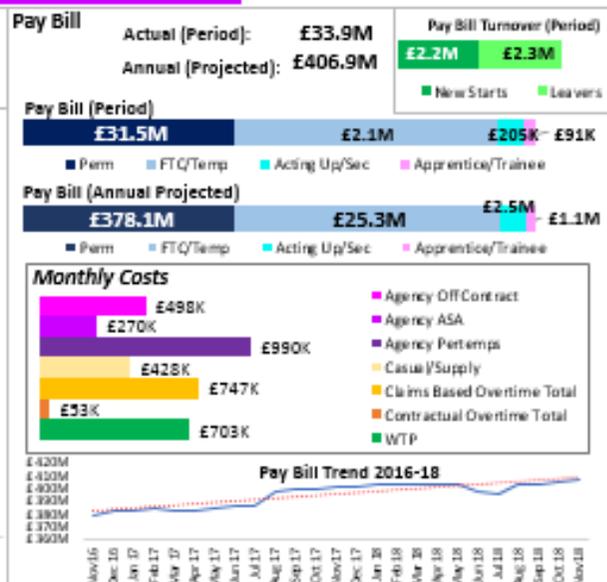
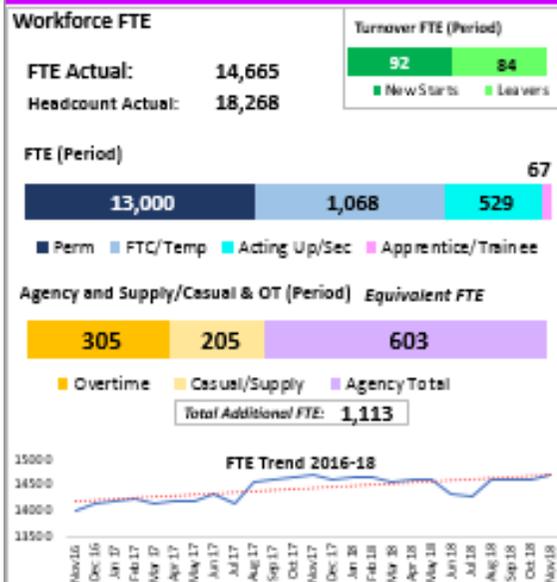
Appendix 2 – Corporate Leadership Team Workforce Dashboard Glossary

Appendix 3 - Workforce Management information and Trends

APPENDIX 1 - Finance and Resources Committee Workforce Dashboard

Workforce Dashboard: Finance and Resources Committee

Period: Nov 18 Issued: 01 Jan '19



APPENDIX 2 – Finance and Resources Committee Workforce Dashboard Glossary

Workforce Dashboard Glossary: Finance and Resources Committee

Workforce FTE

FTE Actual: *Sum of FTE for all staff on CEC payroll
Count of total contracts/positions is not reported here*

Headcount Actual: *Total number of individual employees on CEC payroll*

FTE (Period)

Breakdown of FTE by contract type for all staff on CEC payroll. A snapshot taken on 25th of each month (post 2nd payroll calc to capture all contractual changes, leavers etc). New starts after 1st of month are removed and included in the next month's FTE analysis. This methodology enables better syncing of workforce FTE data and new start/leaver data.

Additional FTE* (Period)

Breakdown of additional working hours utilisation for overtime and casual/supply represented as equivalent FTE. Agency cost converted to national FTE value using average annual salary cost of £35k per FTE.

Overtime - actual units of time paid at last transaction date. Data extracted at week 1 to capture late payments.

Agency - cost of weekly invoicing from Pertemps, ASA and off-contract agencies. Data extracted after last weekly payroll in preceding month.

Casual/supply - actual units of time paid at last transaction date. Data extracted at week 1 to capture late payments.

FTE calculated on the basis that a full-time Local Government Employee works 36 hours per week over 52.18 weeks (2878 hours). This calculation will be developed for the next dashboard to take into account a 35 hours working week for Teacher T&C contracts and any other conditions identified at

FTE Trend

Archive data from previous S&I dashboard process.

Turnover FTE (Period)

Organisation new starts and leavers in the month. Does not report on internal new appointments (e.g. additional contracts, promotion) or ending contracts for multi-position holders (where other positions are still live).

Absence

All tables and graphs based on preceding 12 months absence data for all staff on CEC payroll.

Data extracted at week 1 to capture late data input.

Trend data - archive data from previous S&I dashboard process.

Pay Bill

Actual (Period): *Sum of pro-rated basic salary for all staff on CEC payroll*

Annual (Projected): *Sum of pro-rated basic salary for all staff on CEC payroll*12*

Pay Bill (Period)

Breakdown of basic pay by contract type for all staff on CEC payroll. Same reporting conditions as for FTE.

Pay Bill (Annual Projected)

*Breakdown of basic pay by contract type for all staff on CEC payroll*12. Same reporting conditions as for FTE.*

For trends analysis it should be noted that workforce FTE/cost vs new start/leaver FTE/cost will never match exactly due to the "internal churn" of the existing staff population, e.g. changes to working hours, additional contracts.

Monthly Costs

Actual cost of hours claimed for overtime, agency and casual/supply and payments made in period. Actual cost of transactions for all working time payments (variable, shifts, weekend, nights, disruption) at the last transaction date.

Pay Bill Turnover (Period)

As FTE. Costings report on the annual basic salaries (pro-rated) for new start and leaver populations.

Pay Bill Trend

Archive data from previous S&I dashboard process.

Transformation

VERA/VR Leaver Reductions (FTE)

Data from Finance

Redeployment - People

Headcount of staff on redeployment register with status surplus, temp redeployed, future dated VERA/VR leaver. Data extracted at 27th of month.

Redeployment - Cost

Figures reflect the gross cost of employees on redeployment register and include on-costs for NI and pensions.

VR Leavers and Cumulative Budget Savings

Data from Finance

Performance

Looking Ahead Conversations

Total number of conversations where target date for completion has been reached (last day of preceding month). Data extracted at week 1 to capture late input. Different service areas have varying rolling dates for completion of GR1-4. Staff do not fall into scope for completion analysis until the last day of their target month for completion has passed.

Looking Back Conversations

Total number of conversations where target date for completion has been reached (last day of preceding month). Data extracted at week 1 to capture late input. For the standard cycle, all looking back meetings should have taken place by 31/03/18. Different service areas have varying rolling dates for completion of GR1-4. Staff do not fall into scope for completion analysis until the last day of their target month for completion has passed.

Conversation Spotlight - Data from L&D.

APPENDIX 3 - Workforce Management Information and Trends

Figure 1: Workforce FTE Trend

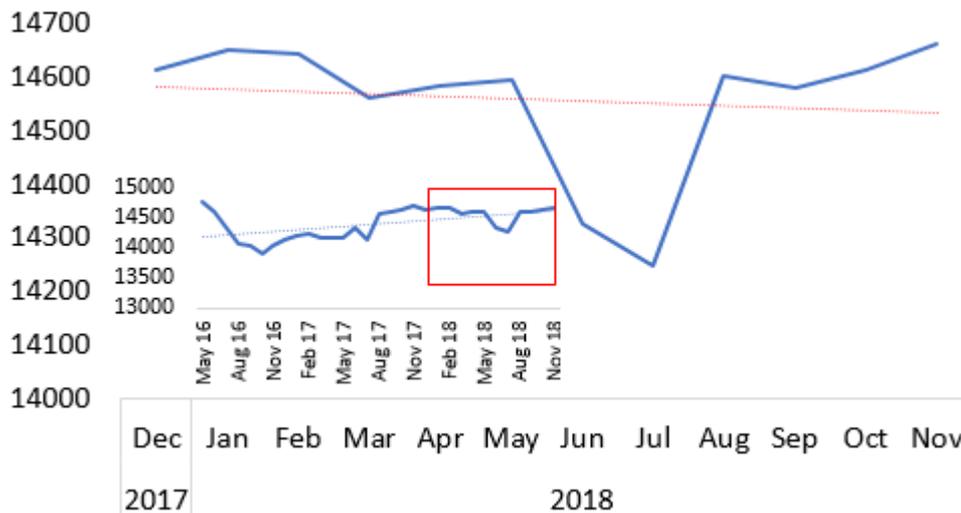


Figure 2: Workforce Pay Bill Trend

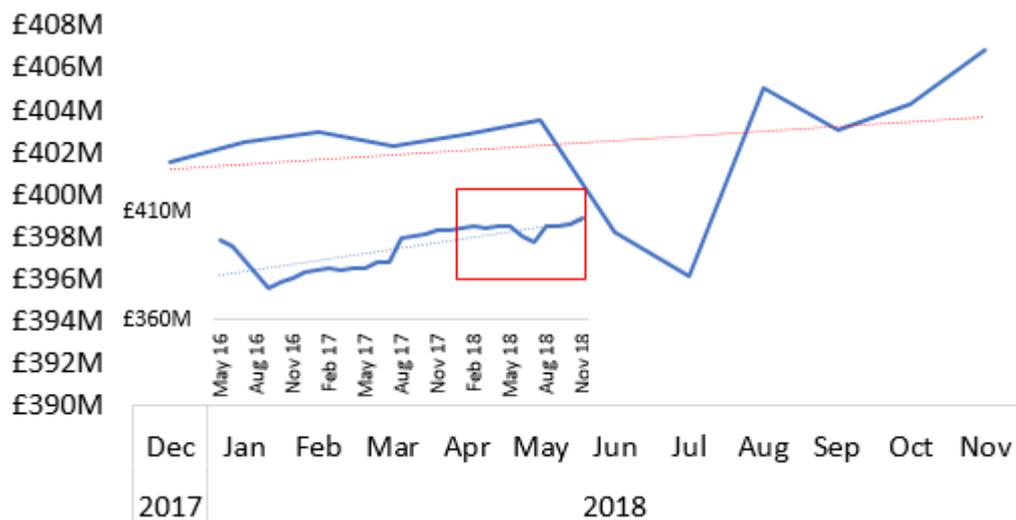


Figure 3: Core Workforce FTE by Directorate

Directorate	Sept 2018		Nov 2018		Change in FTE	Change in Headcount
	FTE	Headcount	FTE	Headcount		
Chief Executive	145	158	146	156	1.0	-2
C&F	7505	9708	7579	9780	74.0	72
EH&SCP	2263	2607	2252	2579	-10.9	-28
Place	2397	2823	2409	2826	12.6	3
Resources	2232	2881	2239	2884	7.5	3
Surplus	40	44	39	43	-0.7	-1
Council Total	14581	18221	14665	18268	83.6	47

Figure 4: Core Workforce Groups

Category/ Group	Sept 2018		Nov 2018		Change in FTE	Change in Headcount
	FTE	Headcount	FTE	Headcount		
Local Government Employee GR1-GR12 including Craft	10792	13564	10859	13478	67.0	-86.0
Chief Official	18	18	18	18	0.0	0.0
Craft Apprentice	22	22	21	21	-1.0	-1.0
Teaching Total	3749	4617	3767	4751	17.6	134.0
Council Total	14581	18221	14665	18268	83.6	47.0

Figure 5: Local Government Employee Workforce Change June 2015 to November 2018

Category/ Group	Grade	June 2015		June 2017		June 2018		Nov 2018		Change in LGE FTE	Change in LGE Basic Salary Cost
		FTE June 2015	Basic Salary Cost June 2015	June 2017	Basic Pay	FTE June 2018	Basic Salary Cost June 2018	FTE	Basic Salary Cost		
<i>Front Line Staff</i>	GR1	624	£8.1M	638	£8.4M	595	£8.1M	584	£7.9M	-41	-£0.13M
	GR2	244	£3.4M	198	£2.9M	170	£2.5M	168	£2.5M	-76	-£0.97M
	GR3	2374	£38.2M	2124	£34.9M	2089	£35.1M	2015	£33.4M	-359	-£4.75M
	GR4	2479	£45.8M	2567	£48.1M	2444	£46.8M	2589	£49.2M	110	£3.32M
<i>Front Line Manager/ Specialist</i>	GR5	1808	£40.6M	1563	£35.2M	1545	£35.3M	1601	£36.2M	-208	-£4.37M
	GR6	1421	£37.1M	1337	£35.9M	1397	£38.0M	1415	£38.2M	-6	£1.08M
	GR7	1520	£48.0M	1296	£42.1M	1294	£42.4M	1321	£43.0M	-199	-£4.98M
	GR8	776	£29.2M	652	£25.1M	689	£26.7M	689	£26.6M	-87	-£2.64M
<i>Managers</i>	GR9	359	£15.9M	280	£12.9M	281	£13.0M	282	£13.0M	-77	-£2.94M
	GR10	118	£6.3M	123	£6.5M	117	£6.4M	120	£6.5M	2	£0.17M
	GR11	47	£3.0M	36	£2.3M	36	£2.4M	35	£2.3M	-11	-£0.62M
	GR12	31	£2.2M	33	£2.4M	38	£2.8M	41	£3.0M	10	£0.82M
Total	11801	£277.8M	10849	£256.8M	10694	£259.4M	10859	£261.8M	-942	-£16.01M	

Context for Changes in FTE

Between 2015 and 2017 various factors have affected the FTE/roles of senior grades including the further deletion of roles and creation of new roles (transformation and organisational review); grade review of existing roles following change (e.g. where a Chief Official vacancy and no FTE assigned to backfill senior vacancies. For example there are a number of instances whereby a chief official vacancy has been covered on an ongoing temporary basis through job re-design at the GR12 level. At the time of June 2017 reporting there were still a number of vacancies at the GR9-GR12 level. Key GR12 roles in the Place and Communities and Families Directorates that existed in the organisation structure but which were vacant at June 2017 have now been filled on a permanent/temporary basis.

Figure 6: Flexible Workforce

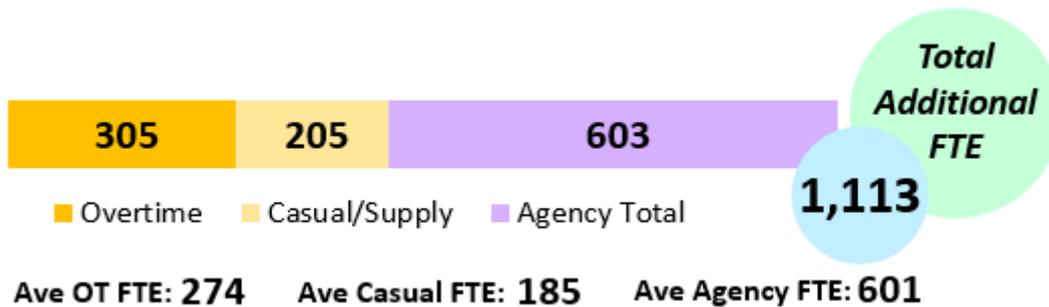


Figure 7: Flexible Workforce - Agency Trend

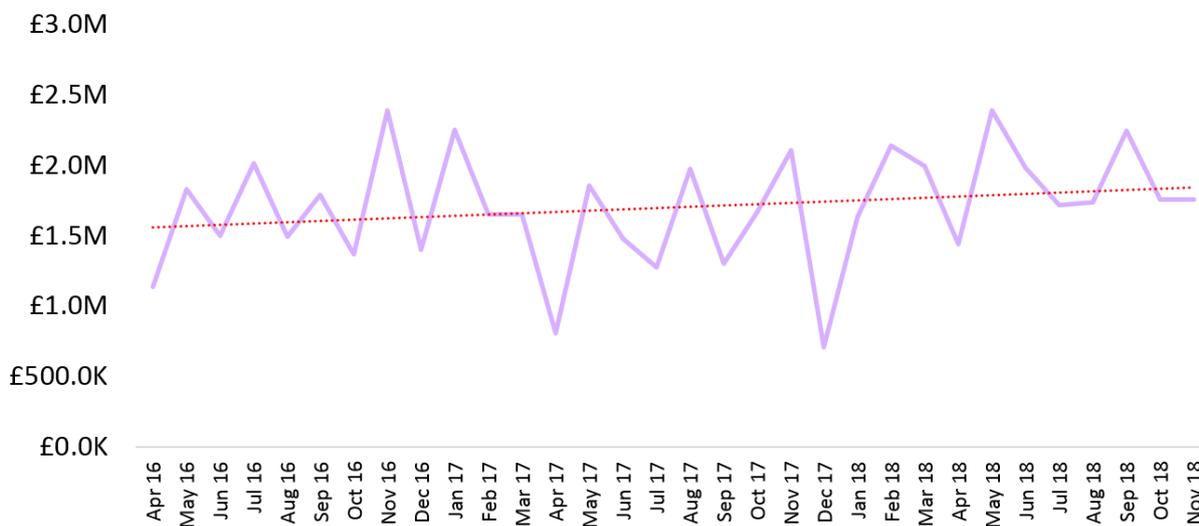


Figure 8: Flexible Workforce - Casual/Supply Trend

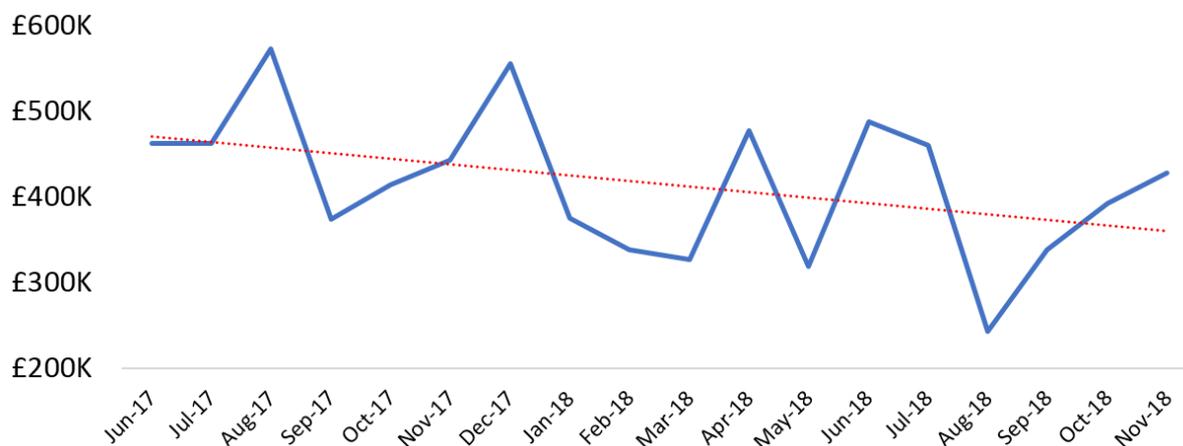


Figure 9: Breakdown of Overtime by Type

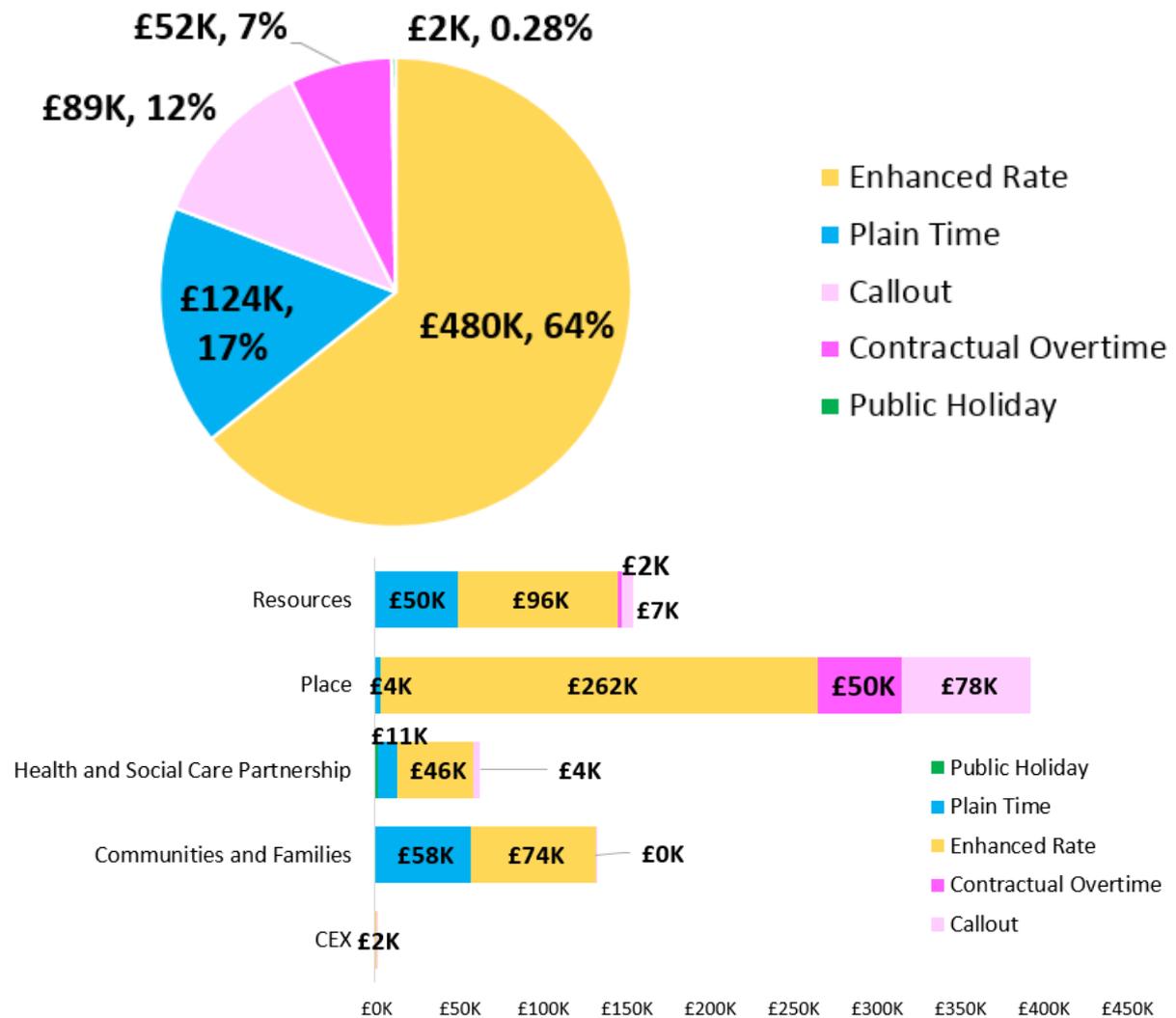


Figure 10: Flexible Workforce - Overtime Trend

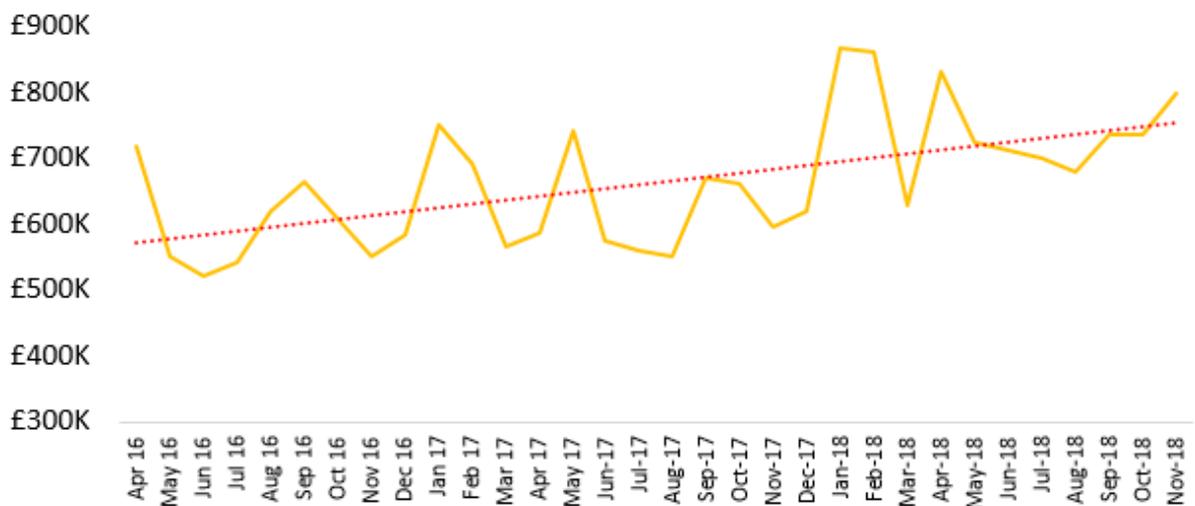


Figure 11: Performance – Looking Back 2017/18 Completion (GR1-GR4 rolling cycles)

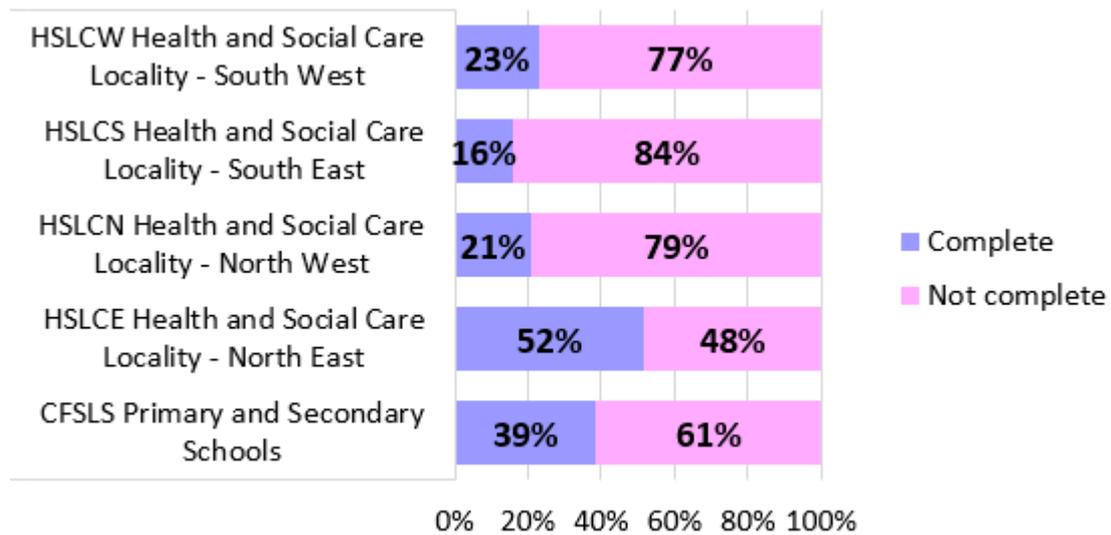


Figure 12: Performance – Looking Ahead 18/19 Completion (GR1-GR4 rolling cycles)

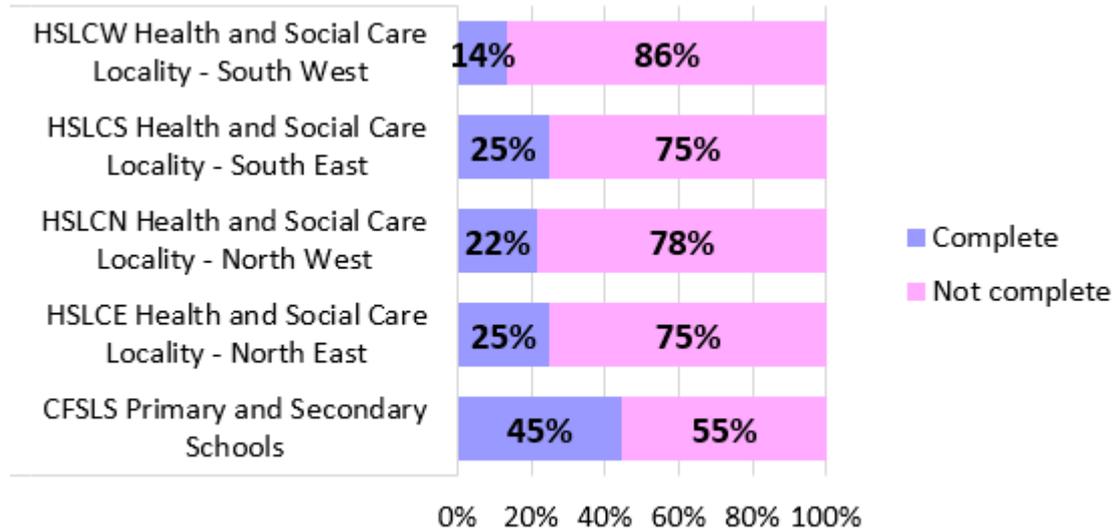
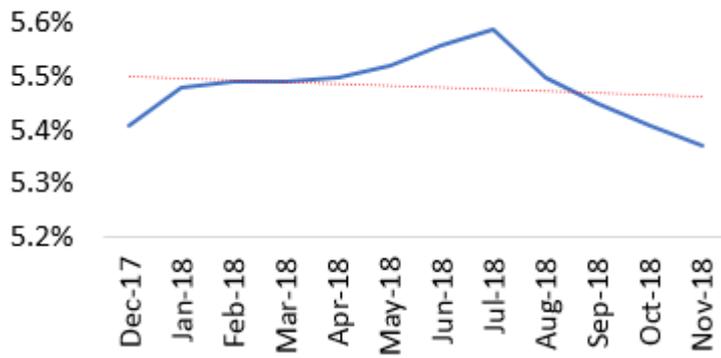


Figure 13: 12 Month Rolling Absence Trend - Council



Longer Term Trend

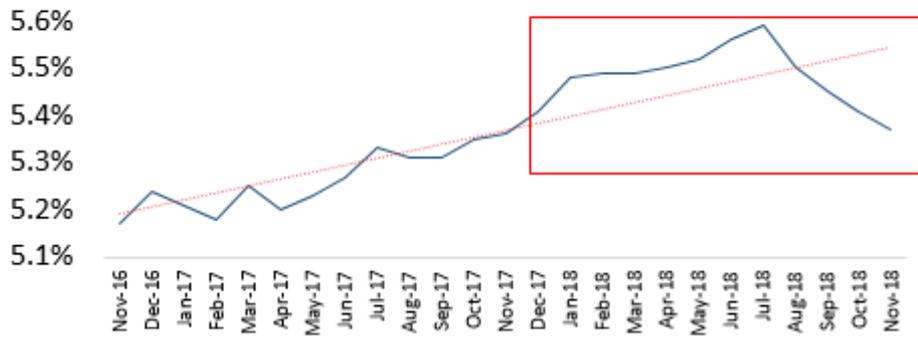
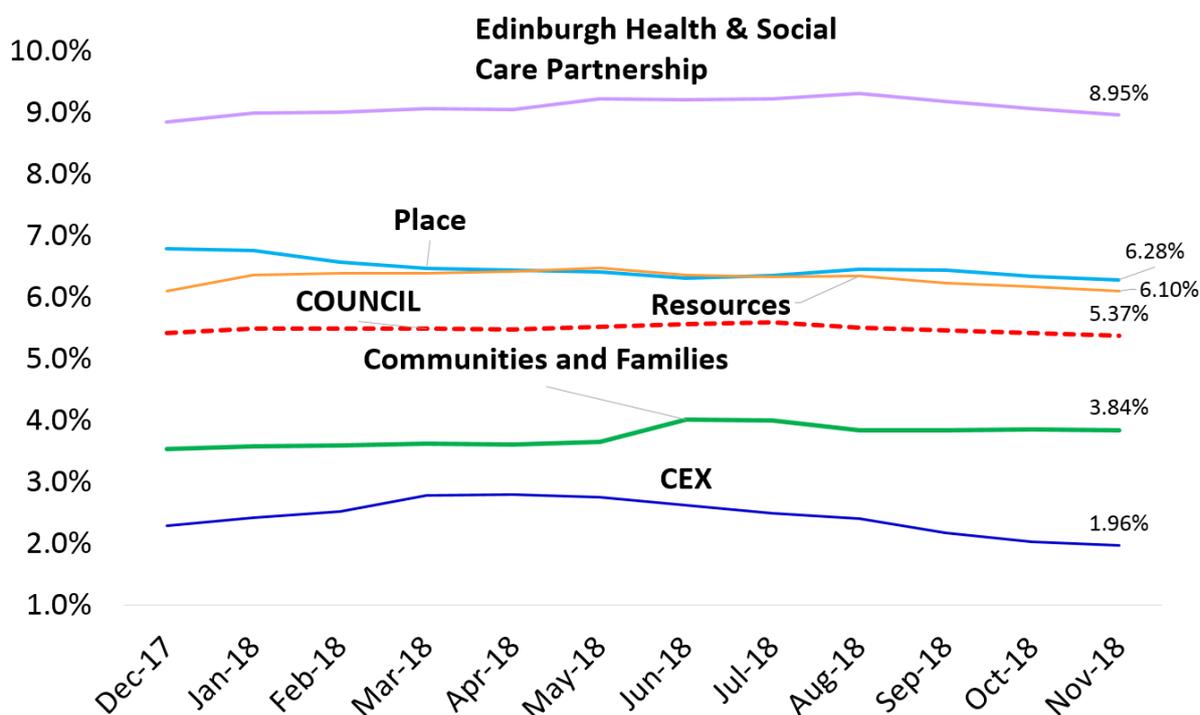


Figure 14: 12 Month Rolling Absence Trend – Directorates

The rolling 12-month absence rate (graph and table data) captures the total working days lost to absence over the previous 12-month period. The rolling rate does not reflect the seasonal variation as observed in the monthly absence rate, which reports the total working days lost to absence over the previous month. Note that the workforce dashboard absence reporting is currently being reviewed to provide a monthly picture of absence across the organisation.



Period	Council	Communities and Families	Chief Executive	Health and Social Care Partnership	Place	Resources
Dec-17	5.41%	3.53%	2.29%	8.84%	6.78%	6.09%
Jan-18	5.48%	3.57%	2.41%	8.98%	6.75%	6.35%
Feb-18	5.49%	3.59%	2.51%	9.00%	6.56%	6.39%
Mar-18	5.49%	3.61%	2.78%	9.05%	6.47%	6.38%
Apr-18	5.47%	3.60%	2.79%	9.04%	6.44%	6.41%
May-18	5.52%	3.64%	2.74%	9.21%	6.40%	6.47%
Jun-18	5.56%	4.01%	2.61%	9.20%	6.31%	6.35%
Jul-18	5.59%	4.00%	2.49%	9.22%	6.35%	6.33%
Aug-18	5.50%	3.83%	2.40%	9.31%	6.45%	6.34%
Sep-18	5.45%	3.83%	2.16%	9.17%	6.43%	6.23%
Oct-18	5.41%	3.85%	2.02%	9.05%	6.33%	6.16%
Nov-18	5.37%	3.84%	1.96%	8.95%	6.28%	6.10%