Finance and Resources Committee

10.00am, Thursday 7 March 2019

Workforce Dashboard

Item number	7.8
Executive/routine	
Wards	
Council Commitments	

1. Recommendations

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

Stephen S. Moir

Executive Director of Resources

Contact: Katy Miller, Head of Human Resources

E-mail: katy.miller@edinburgh.gov.uk | Tel: 0131 469 5522

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Report

Workforce Dashboard

2. Executive Summary

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

3. Background

3.1 The dashboard reporting period is December 2018.

4. Main report

4.1 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

4.2 All Figures referred to are contained in Appendix 3.

4.3 Our core workforce decreased this period by 54 FTE to 14,611 FTE, and the basic salary pay bill decreased by £1.8m to £405m. Workforce FTE and pay bill trends are shown in **Figures 1 and 2**.

4.4 **Figure 3** shows the change in Directorate FTE between October 2018 and November 2018. The organisational FTE decrease is spread across the Edinburgh Health and Social Care, Place, and Resources Directorates.

4.5 **Figure 4** shows the change in FTE for the Local Government Employee (LGE), Teaching, Chief Official and Craft Apprentice groups between October 2018 and November 2018. The LGE group decreased by 25 FTE and the Teaching group decreased by 29 FTE in the period.

4.6 Permanent contracts decreased by 65 FTE, Fixed Term Contracts (FTCs) increased by 4 FTE, acting up and secondment arrangements increased by 8 FTE and apprentice/trainee contracts reduced by 1 FTE.

4.7 The annual cost of permanent contracts decreased by £1.5m and FTCs decreased by £72K. The cost of acting up and secondment arrangements decreased by £161K, most of which was linked to contractual changes in the Communities and Families Directorate (costs down £134K in Schools and Lifelong Learning Services). Cost reductions for acting up and secondment arrangements were also experienced in the Resources Directorate (down £11K) and the Edinburgh Health and Social Care Directorate (down £25K). The cost of apprentices/trainees reduced by £18K.

4.8 The cost of organisation new starts was £1.6m and the cost of leavers was £2.4m, yielding a net reduction in payroll expenditure of £0.8m.

4.9 The spend on Working Time Payments (WTPs) remained stable this month at £703K.

4.10 **Figure 5** shows longer term Local Government Employee workforce change, between June 2015 and December 2018 (i.e. before and after Transformation).

Flexible Workforce

4.11 In the period, the costs for the flexible workforce reduced by £0.1m and were in the region of £2.8m, with an equivalent FTE of approximately 1,061 FTE (**Figure 6**).

4.12 The spend on the agency workforce reduced by £0.1m and cost the organisation £1.6m in the period. Of the total spend, 92% is attributable to the primary and secondary agency suppliers, whilst 8% relates to off-contract spend. The agency workforce last period was the equivalent of 562 FTE, with an average monthly workforce of 627 FTE (12-month average).

4.13 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.

4.14 The casual/supply workforce spend increased by £41K this period, predominantly in the Schools and Lifelong Learning service. The casual/supply workforce last period was the equivalent of 225 FTE, with an average monthly workforce of 181 FTE (12-month average). The casual/supply cost trend is shown in **Figure 8**.

4.15 The total cost of overtime this period was £0.7m, up £31K since the previous period. A breakdown of the spend by overtime “type” is detailed in **Figure 9**. Around 62% of the spend was made at the enhanced overtime rate, 18% was paid at plain time, 8% was contractual overtime, and 12% related to call-out hours. The

overtime/additional hours worked last period was the equivalent of 275 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**.

Surplus Workforce

4.16 The total number of employees on the redeployment register has reduced by one individual since the last period, the individual left through VR on 31st December 2018. Of the 28 employees currently surplus; 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; 16.3 FTE are corporately funded; 6.9 FTE are funded by their service and 2 FTE are funded externally.

4.17 Of those corporately funded; 9.2 FTE are currently redeployed, and 7.1 FTE are not currently redeployed. 14.3 FTE of the corporately funded FTE have been on the redeployment register for longer than 12 months and 2.0 FTE for a period of 6-12 months.

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

4.19 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 £38.7m since September 2015.

4.20 Consideration is being given to the sustainability of employees being on the redeployment register for an indefinite period and a review of Council policies in respect of organisational change is underway.

Performance Framework

4.21 Looking Back performance conversations in Culture, Parks and Greenspace and Waste and Cleansing services in the Place Directorate (around 500 employees) were due to take place at the end of December 2018. The Looking Back completion rate for this group is 22%. A breakdown of completion of Looking Back conversations across services is shown in **Figure 11**. The Looking Ahead completion rate for this group is 8% (due end January 2019). A breakdown of completion of Looking Ahead conversations across services is shown in **Figure 12.**

4.22 It is recommended that leaders communicate with managers across the 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. It is recommended that leaders reflect on the effectiveness of rolling cycles in their own service areas and consider change accordingly.

4.23 HR have received a range of requests for detailed lists of cases where conversations have not been completed. Once completion rates reach a sufficient level (ie approaching 100%) Directorates will receive detailed reporting on the conversations that were not completed, to enable them to follow up.

4.24 Looking Back conversations for around 9,000 GR1-GR12 employees on the standard performance cycle (April to March) are due to take place across the organisation by 31 March 2019. Communications will be issued shortly to remind and encourage managers to hold Looking Back conversations and to record their employees' performance ratings in myPeople.

Absence

4.25 The rolling absence rate remained the same this month at 5.37% (**Figure 13** shows the rolling absence trend). The total working days lost to absence over the 12-month period (January 18 – December 18) was the equivalent of 760 FTE (down 6 FTE on the previous period).

4.26 Since July 2018 the total working days lost to absence in the rolling period has decreased by around 5.0K days, from 176.0K days lost to 171.0K days lost. The reduction in total working days lost to absence will continue to be monitored to establish whether it is an emerging trend linked to absence prevention and intervention activities.

4.27 Directorate rolling absence rate trends for the last 12 months are shown in **Figure 14**.

4.28 In the period the monthly absence rate (reflecting days lost to absence in December 2018) reduced from 5.71% (November 2018) to 5.06% (**Figure 15** shows the monthly absence trend). The monthly absence trend for 18/19 is like that observed in 17/18, although the month on month absence rate has been marginally lower in 18/19.

4.29 The total number of employees with an open-ended long-term absence reduced this period, from 492 to 471 employees. The combined FTE of all employees with open-ended long-term absence is 391 FTE.

5. Next Steps

5.1 To continue to monitor appropriate workforce data to evidence that the Council is on track to achieve targeted workforce controls and budget savings.

6. Financial impact

6.1 The achievement of agreed £38.7m savings through voluntary redundancy.

6.2 Salary costs for employees on redeployment (particularly those not redeployed).

6.3 Opportunity cost of lost working time due to sickness absence.

6.4 Agency, Overtime/Additional Hours expenditure.

7. Stakeholder/Community Impact

7.1 Stakeholder consultation and engagement, including senior management teams, Trade Unions and elected members, is ongoing.

8. Background reading/external references

8.1 Workforce Control Report and Dashboard to Corporate Leadership Team on 9 January 2019.

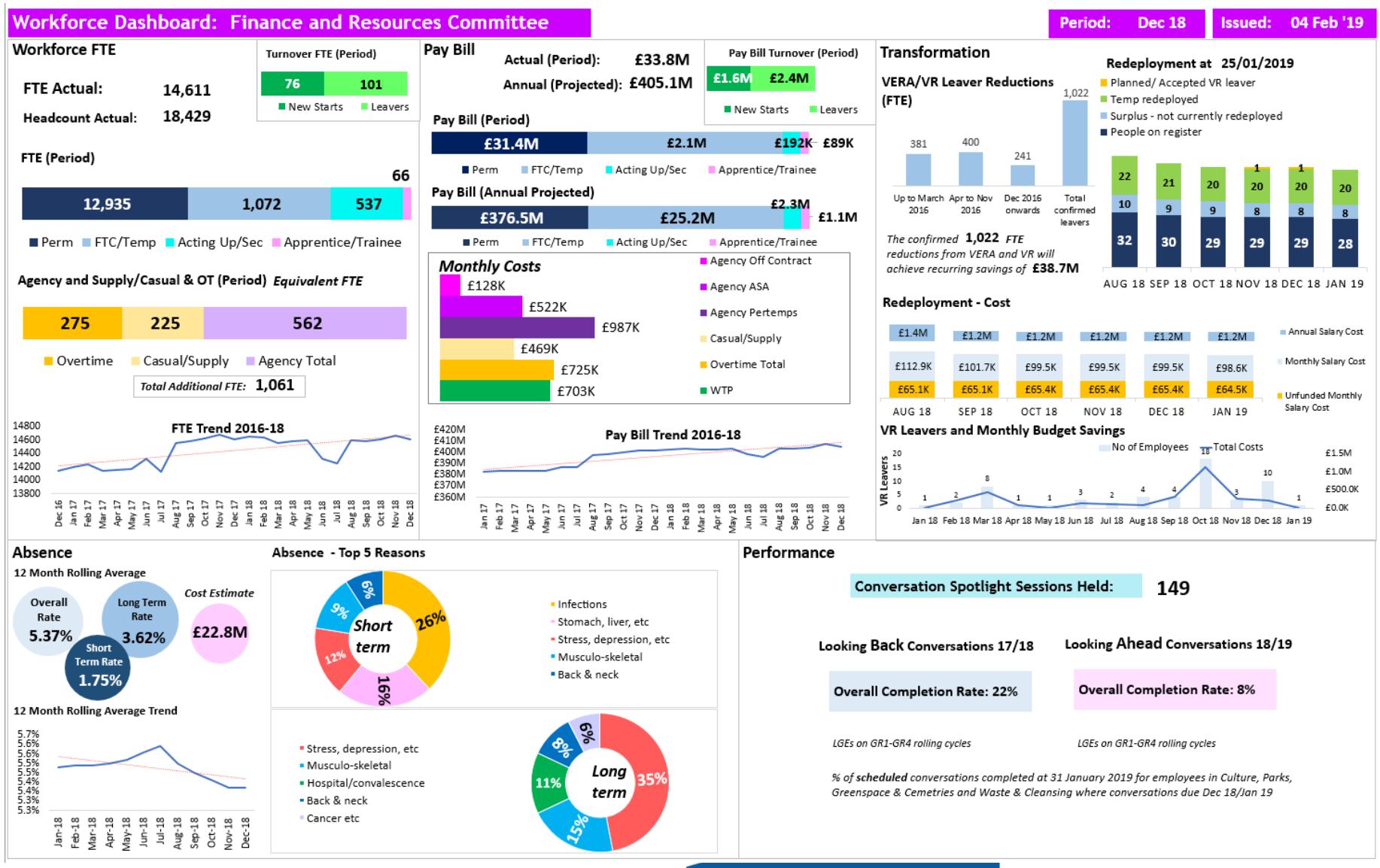
9. Appendices

Appendix 1: Finance and Resources Committee Workforce Dashboard

Appendix 2: Finance and Resources Committee Workforce Dashboard Glossary

Appendix 3: Workforce Management Information and Trends

Appendix 1: Finance and Resources Committee Workforce Dashboard



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 notional 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 (1878 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 ended 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.

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Appendix 3: Workforce Management Information and Trends

Figure 1: Workforce FTE Trend

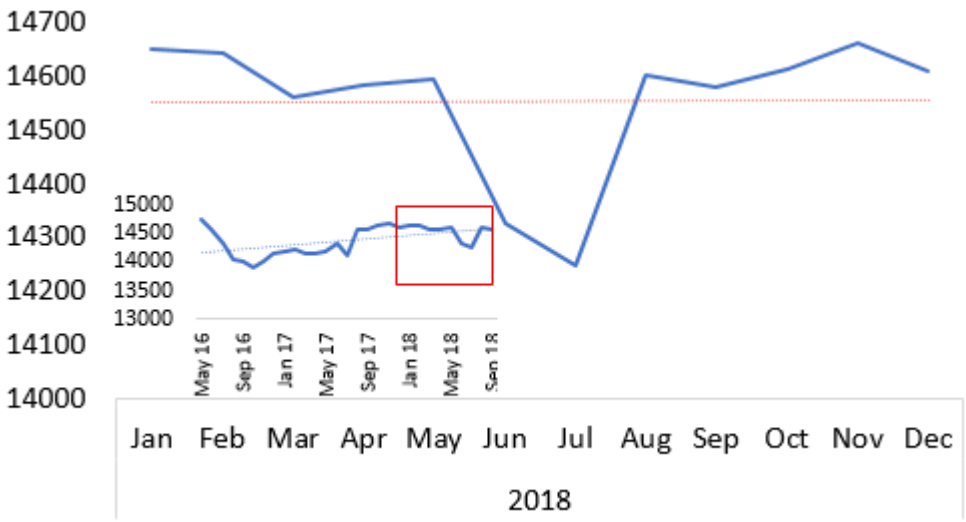


Figure 2: Workforce Pay Bill Trend

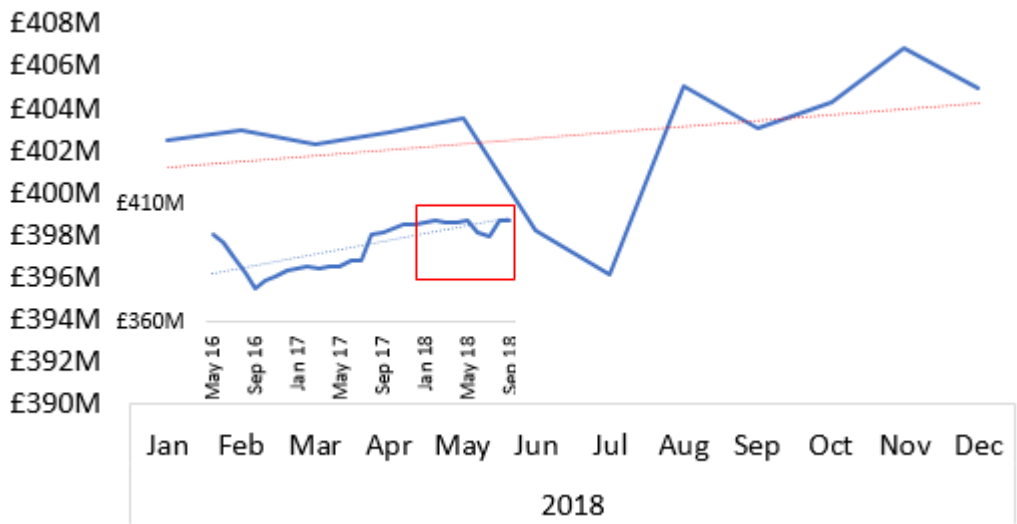


Figure 3: Core Workforce FTE by Directorate

	Nov 2018		Dec 2018		Change in FTE	Change in Headcount
Directorate	**FTE**	**Headcount**	**FTE**	**Headcount**		
Chief Executive	146	156	147	158	**1**	**2**
C&F	7579	9780	7573	9801	**-6**	**21**
EH&SCP	2252	2579	2233	2554	**-19**	**-25**
Place	2409	2826	2392	2816	**-17**	**-10**
Resources	2239	2884	2228	2879	**-11**	**-5**
Surplus	39	43	38	41	**-1**	**-2**
Council Total	**14665**	**18268**	**14611**	**18249**	**-54**	**-19**

Figure 4: Core Workforce Groups

	Nov 2018		Dec 2018		Change in FTE	Change in Headcount
Category/ Group	**FTE**	**Headcount**	**FTE**	**Headcount**		
Local Government Employee GR1-GR12 including Craft	10859	13478	10834	13478	**-25**	**0.0**
Chief Official	18	18	18	18	**0**	**0.0**
Craft Apprentice	21	21	21	21	**0**	**0.0**
Teaching Total	3767	4751	3738	4732	**-29**	**-19.0**
Council Total	**14665**	**18268**	**14611**	**18249**	**-54**	**-19.0**

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

										June 15 to Dec 18	
		June 2015		June 2017		June 2018		Dec 2018			
Category/ Group	Grade	FTE	Basic Salary Cost	FTE	Basic Salary Cost	FTE	Basic Salary Cost	FTE	Basic Salary Cost	Change in LGE FTE	Change in LGE Basic Salary Cost
Front Line Staff	GR1	624	£8.1M	638	£8.4M	595	£8.1M	574	£7.8M	-51	-£0.3M
	GR2	244	£3.4M	198	£2.9M	170	£2.5M	171	£2.5M	-74	-£0.9M
	GR3	2374	£38.2M	2124	£34.9M	2089	£35.1M	2005	£33.2M	-369	-£4.9M
	GR4	2479	£45.8M	2567	£48.1M	2444	£46.8M	2580	£49.0M	102	£3.1M
Front Line Manager/ Specialist	GR5	1808	£40.6M	1563	£35.2M	1545	£35.3M	1596	£36.1M	-212	-£4.5M
	GR6	1421	£37.1M	1337	£35.9M	1397	£38.0M	1432	£38.6M	11	£1.5M
	GR7	1520	£48.0M	1296	£42.1M	1294	£42.4M	1309	£42.6M	-211	-£5.4M
	GR8	776	£29.2M	652	£25.1M	689	£26.7M	689	£26.5M	-87	-£2.7M
Managers	GR9	359	£15.9M	280	£12.9M	281	£13.0M	282	£13.0M	-77	-£2.9M
	GR10	118	£6.3M	123	£6.5M	117	£6.4M	118	£6.4M	0	£0.1M
	GR11	47	£3.0M	36	£2.3M	36	£2.4M	36	£2.4M	-10	-£0.6M
	GR12	31	£2.2M	33	£2.4M	38	£2.8M	42	£3.1M	11	£0.9M
	Total	**11801**	**£277.8M**	**10849**	**£256.8M**	**10694**	**£259.4M**	**10834**	**£261.2M**	**-967**	**-£16.7M**

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

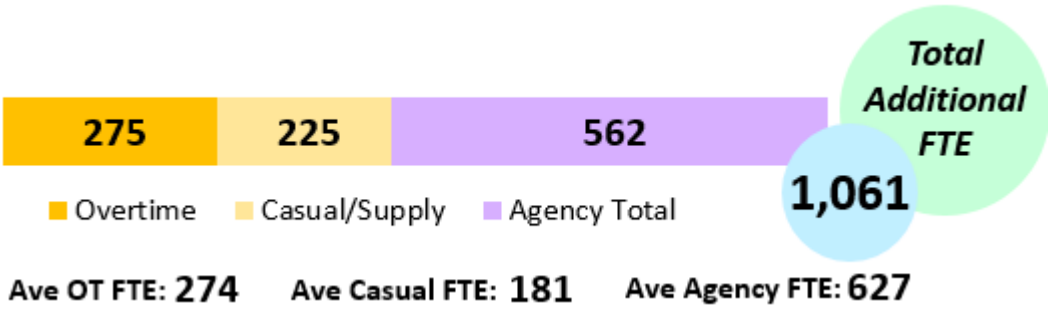


Figure 7: Flexible Workforce - Agency Trend

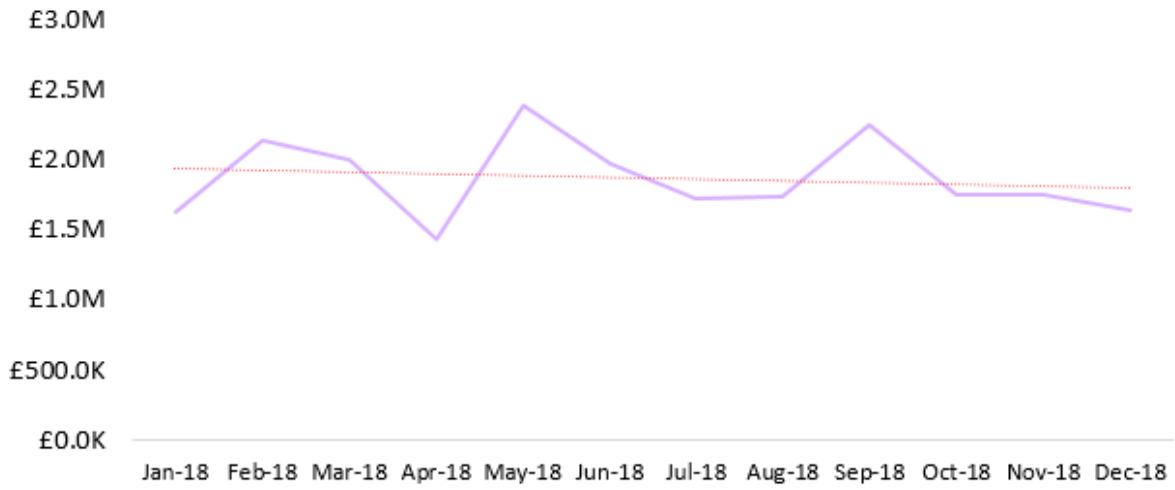


Figure 8: Flexible Workforce - Casual/Supply Trend

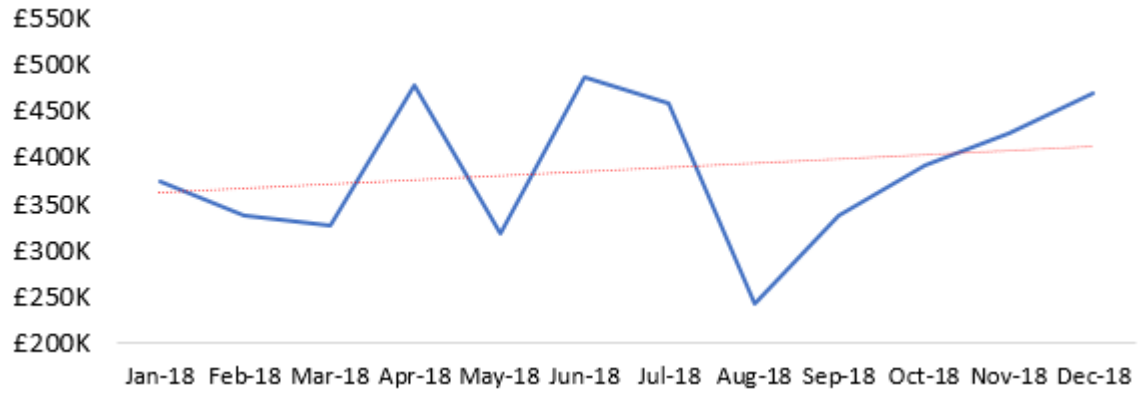


Figure 9: Breakdown of Overtime by Type

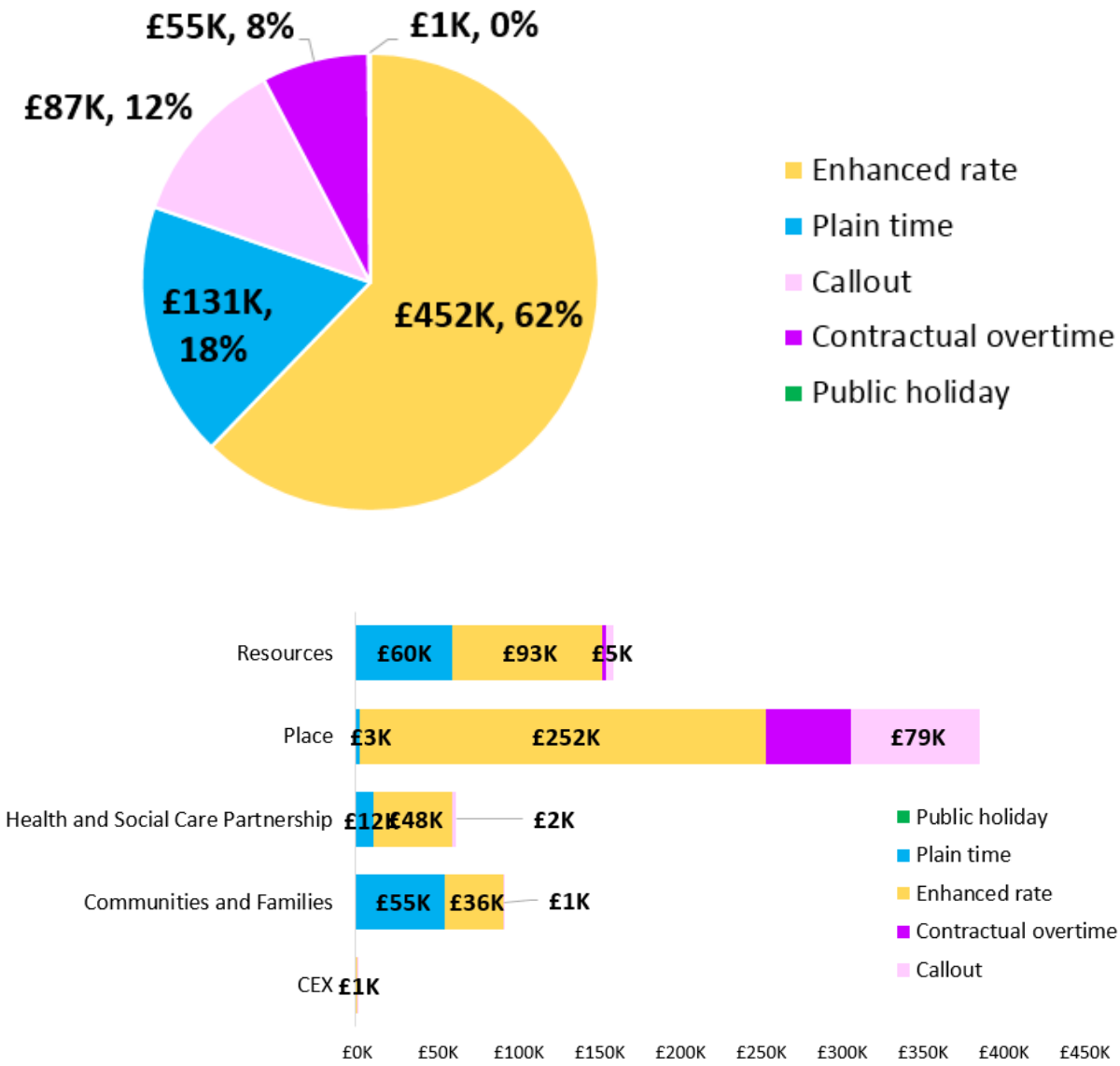


Figure 10: Flexible Workforce - Overtime Trend

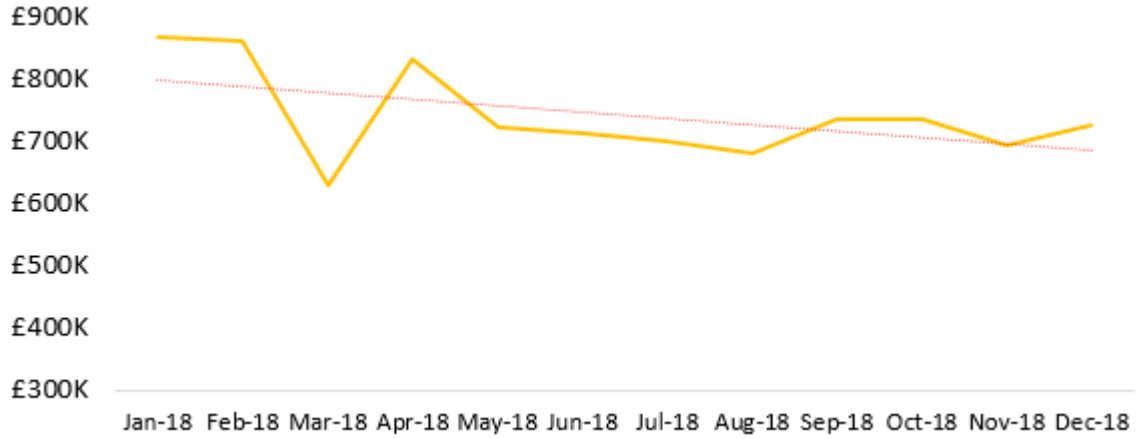


Figure 11: Performance – Looking Back 2017/18 Completion (GR1-GR4 rolling cycles)

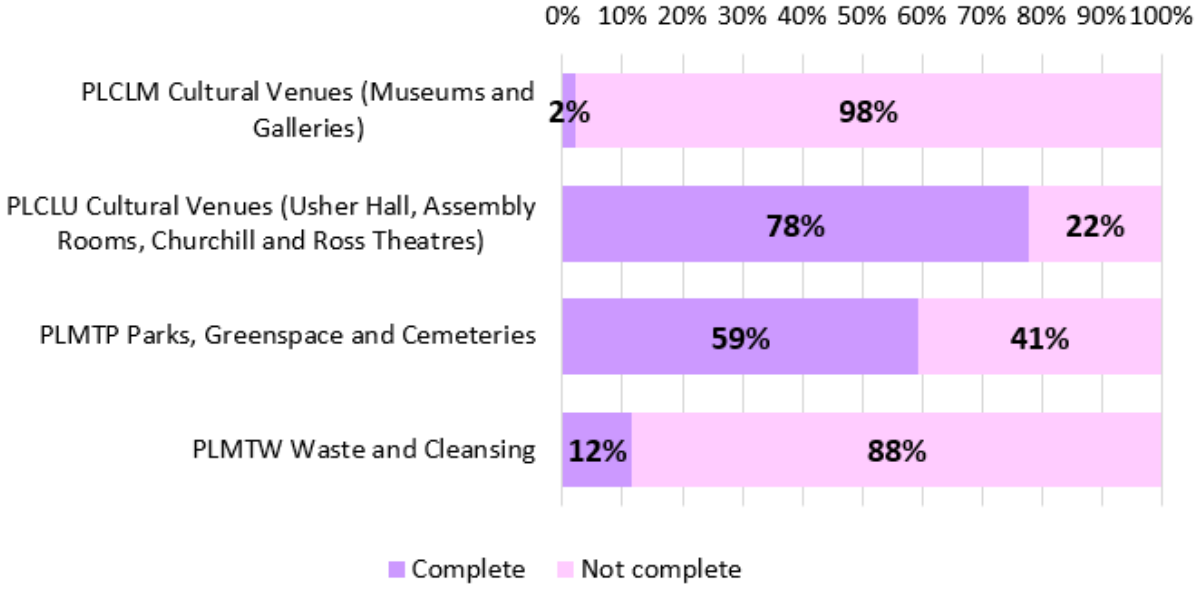


Figure 12: Performance – Looking Ahead 18/19 Completion (GR1-GR4 rolling cycles)

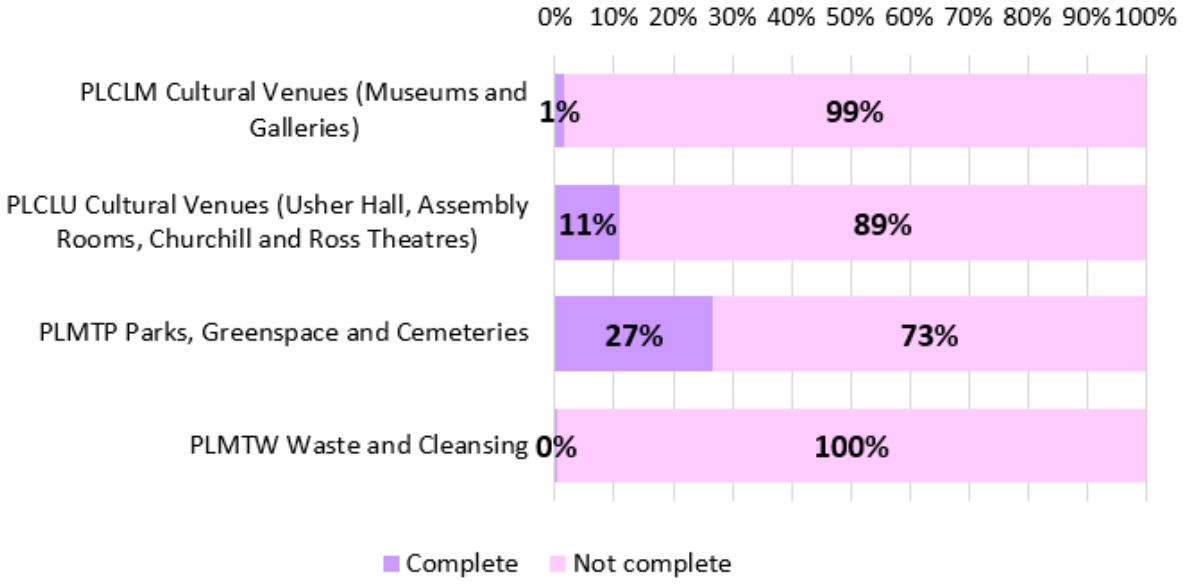


Figure 13: 12 Month Rolling Absence Trend – Council

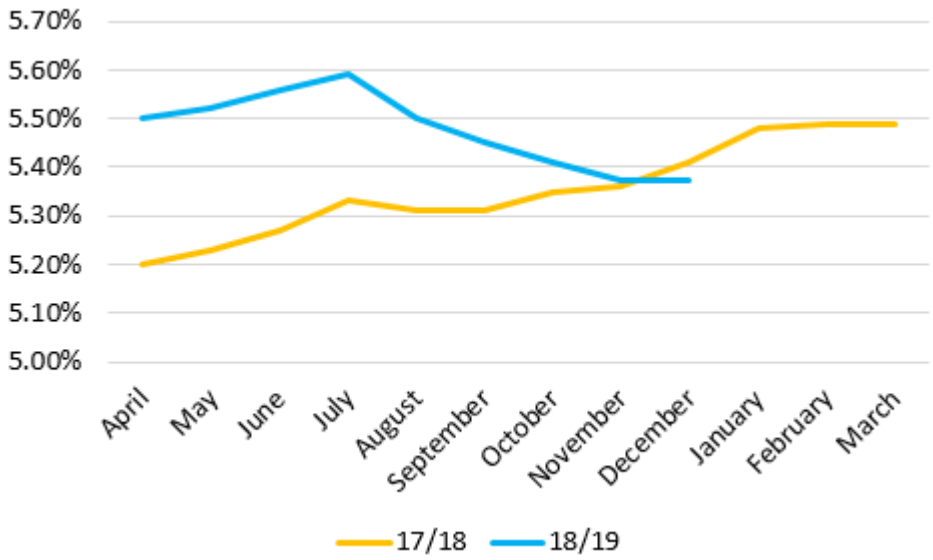
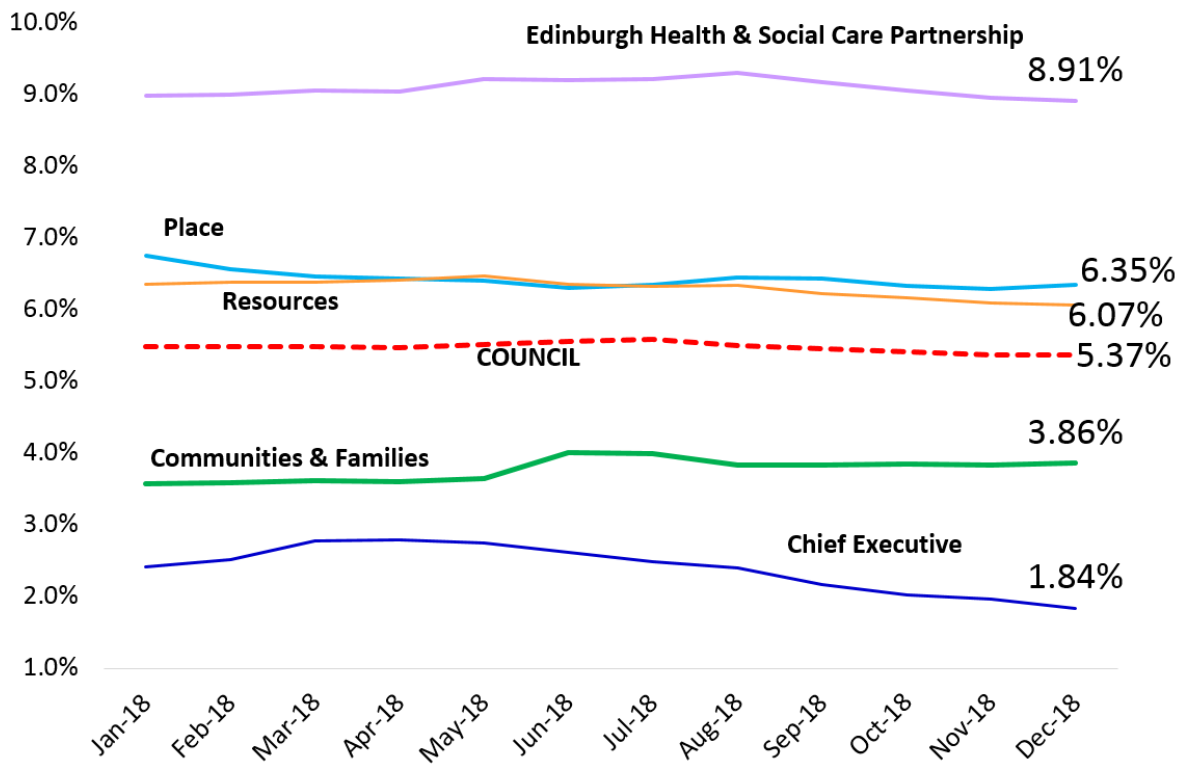


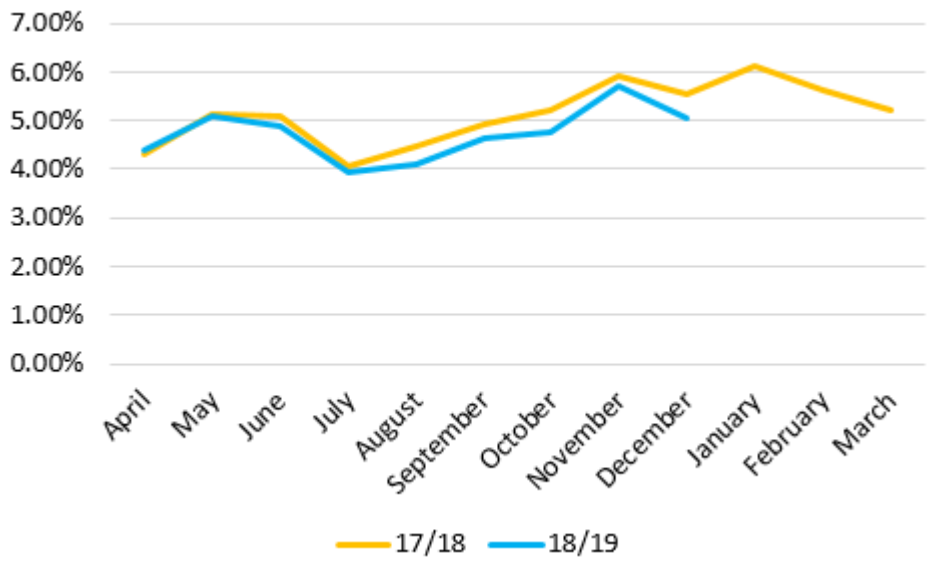
Figure 14: 12 Month Rolling Absence Trend – Directorates

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 picture of monthly absence trends across Directorates.



Period	Council	Communities & Families	Chief Executive	Edinburgh Health & Social Care Partnership	Place	Resources
Jun-17	5.27%	3.51%	1.73%	8.58%	7.26%	5.04%
Jul-17	5.33%	3.67%	1.76%	8.49%	7.12%	5.04%
Aug-17	5.31%	3.51%	1.71%	8.56%	7.17%	5.39%
Sep-17	5.31%	3.48%	1.79%	8.55%	7.03%	5.77%
Oct-17	5.35%	3.45%	2.05%	8.70%	6.97%	5.81%
Nov-17	5.36%	3.50%	2.07%	8.65%	6.88%	5.90%
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%	6.29%	6.10%
Dec-18	5.37%	3.86%	1.84%	8.91%	6.35%	6.07%

Figure 15: Monthly Absence Trend - Council



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