

Report of: Chief Officer (HR)

Report to: Resources and Council Services Scrutiny Board

Date: 22 July 2014

Subject: People Plan performance reporting

| | | |
|--|------------------------------|--|
| Are specific electoral Wards affected? If relevant, name(s) of Ward(s): | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Are there implications for equality and diversity and cohesion and integration? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Is the decision eligible for Call-In? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number: | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |

Summary of main issues

1. Quarterly People Plan Scorecard updates have previously been provided to Scrutiny Board Members using a comprehensive range of Council wide, Directorate and Service based information.
2. We have been reporting to the Scrutiny Board Working Group since March 2013. The key areas of interest are progress around the main spend areas regarding deployment of staff. The four areas are: FTE staffing; agency; overtime and attendance.
3. There is a drive to join up budgetary and HR information to show the trends of staff spending and budget in one place. From July 2014 HR and Finance will work with Directors to discuss both financial and people information. This report shows the latest position against these four key areas for the first 2 months of the financial year.
4. The report also updates Members on two other linked themes - feedback from the challenge panels on Agency spend for the period 14 October 2013 to 29 January 2014, and redeployment of staff.

Recommendations

Resources and Council Services Scrutiny Board are asked to note the position as at 31 May 2014 regarding FTE, agency and overtime spend, and feedback from Agency Challenge Panels.

1. Purpose of this report

- 1.1 To present the Scrutiny Board (Resources and Council Services) with People Plan progress on 4 key areas as at 31 May 2014.
- 1.2 To update Members on progress in implementing recommendations made at the last Resources and Council Services working group meeting.
- 1.3 To update Scrutiny Board Members with information arising from questions concerning feedback from agency Challenge Panels.

2. Background information

- 2.1 A Working Group of Members have been meeting since March 2013 to specifically to look at progress against 5 key areas in the People Plan.
- 2.2 At the Working Group meeting in February 2014 it was agreed that there would be a focus on 2 of these areas as a priority – the top 5 Chief Officer spend on Agency Workers, and the top 5 on Overtime.

3 Agency and Overtime Spend

| Agency top 5 spenders | | | | |
|------------------------|--|---------------|---------------|-------------------------|
| Directorate | Chief Officer Service | March outturn | Apr/May spend | Phased Budget April/May |
| Children's | Safeguarding, Specialist and Targeted Services | £4,674K | £359k | £797k |
| Adult Social Care | Care Delivery | £3,001k | £266k | £240k |
| Civic Enterprise Leeds | Property and Fleet Services | £1613k | £269k | £212K |
| Environment & Housing | Housing Leeds Property and Contracts | Not held | £180k | £212k |
| Adult Social Care | Access and Care | £861k | £92k | £101k |
| totals | | | £1166k | £1562k |

| Overtime top 5 spenders | | | | |
|-------------------------|--|---------------|---------------|-------------------------|
| Directorate | Chief Officer Service | March outturn | Apr/May spend | Phased Budget April/May |
| Environment & Housing | Waste Management | £1,596k | £168k | £150k |
| Civic Enterprise Leeds | Property and Fleet Services | £949k | £178k | £141k |
| Children's | Safeguarding, Specialist and Targeted Services | £1,009k | £161k | £119k |
| Environment & Housing | Environmental Action | £711k | £193k | £119k |
| Adult Social Care | Care Delivery | £1,881k | £321k | £205k |
| totals | | | £1021k | £734 |

3.1 The Chief Officer (HR) holds regular meetings with the Leader, other Group Leaders and the Executive Members to discuss performance against these areas, and data regarding progress on these 2 key areas is shared as part of these meetings.

4. Other key issues raised

4.1 Staff Budgets

The 2014/15 budget provides for an overall reduction in anticipated staff numbers of 177ftes by 31st March 2015 excluding an increase of 48 posts directly funded from external sources and 120 additional posts within Civic Enterprise Leeds, reflecting increased trading opportunities. Separate budgets for overtime and agency have been set at Directorate and Chief Officer level.

The latest projection on overall staffing shows an underspend of £664k which is due to vacancies primarily within Children's services and Public Health, partly offset by the cost of staffing which is funded by capital or additional income and delays in implementing budget actions within Adult Social care and City Development.

| Directorate | Projected (Under)/Over Spend £000 |
|------------------------|---|
| Adult Social Care | 711 |
| Children's Services | (805) |
| City Development | 384 |
| Environment & Housing | 75 |
| Strategy & Resources | (346) |
| Citizens & Communities | (98) |
| Public Health | (400) |
| Civic Enterprise Leeds | (185) |
| Total | (664) |

4.2 FTE Position

Leavers and starters

Since the start of the financial year, the number of Full Time Equivalent (FTE) staff has gone from 13736 to 13610, a reduction of 126 FTE. Of the leavers, 84 people have left on ELI, 167 have left the council, and 7 have TUPEd out.

More robust arrangements for clearance of posts for external recruitment have been put in place since March 2014.

New starters since 1 April have totalled 139 FTE. Of these, 38 are in Children; 30 in Environment and Housing; 21 in Citizens and Communities; 20 in Civic Enterprise; 17 in City Development; 9 in Adults; 3 in Strategy and Resources and 1 in Public Health.

Vacancies are continuing to be filled with internal staff where possible and Appendix 1 shows a summary of 15 redeployed staff indicating from and to services in April to June this year.

4.3 Absence

The council absence continues to fall and we reported 9.22 days per FTE in April and 9.15 in May. The highest Directorate total is in Adults at 12.94 days. The highest service totals are, Housing Leeds Property and Contracts (24.8) and Passenger Transport (16.3)

4.4 Feedback from Agency Challenge Panels

The Council introduced a revised series of proportionate controls in November 2013. The main ones were controls on Agency booking arrangements to restrict new assignment lengths to two weeks or eight weeks dependent upon the category of staff. This applied to all new assignments with effect from the 1st January 2014. Any extension beyond these period(s) now has to be specifically approved by this Panel.

The Panel has also reviewed the six Services/Directorates who are high volume users of Agency employees. These are Civic Enterprise Leeds, Adult Social Care, Children's Services, Waste Management, Housing Leeds and Information Technology. The Panel has agreed a series of actions with all these services ranging from setting specific reduction targets to longer term actions to reduce reliance on Agency employees. All Services have been given dates to report back during 2014 based on the agreed actions. More detail on the agreed actions is contained in Appendix 2.

The Panel has also taken on the broader role of assisting/advising Services on a series of wider workforce planning issues designed to reduce the number of Agency employees employed on long-term assignments and reduce the reliance on short-term Agency assignments in the longer term. One result from this is that 130 (112 fte's) former Agency workers were appointed to either temporary or permanent posts in 2013/14.

Although the revised measures were only introduced in late 2013 the impact can be measured by the following:

- A reduction in spend to £17m for the period ending 31 March 2014 compared with £19.4m to 31 March 2013, a reduction of £2.4m (12.3%).
- The numbers of agency workers has reduced significantly during 2013-14 from 632 to 522 (a reduction of 17%).
- A review of roles at March 2014 indicates that 92% of assignments are covering key frontline roles with 8% covering admin and managerial roles.

An initial review of the first quarter in 2014/15 shows that spend has reduced by £1.2m when compared to the same period in the previous year. Notwithstanding this a series of further actions are planned to reduce the level of spend. These include:

- Clarifying the definition of an Agency worker-to ensure we are recording the true level of spend
- Reviewing the categories of staff deemed as front-line essential roles
- Introduction of revised manager guidance/authorisation levels

- Refreshing the Agency extension process so that requests are approved by a member of the leadership team before consideration by the Panel

5. Consultation and Engagement

5.1 No implications

6. Equality and Diversity / Cohesion and Integration

6.1 Due regard was paid to Equality and Diversity during the preparation of the People Plan.

7. Council Policies and City Priorities

7.1 The HR service is key to supporting the business areas in the delivery of the Council outcomes and priorities.

8. Resources and Value for Money

8.1 A number of the current targets set in the People Plan are designed to assist the Council deliver its services within the overall approved budget.

9. Legal Implications, Access to Information and Call In

9.1 No implications.

10. Risk Management

10.1 No implications.

11. Recommendations

11.1 Scrutiny Board Members (Resources and Council Services) are asked to note the position as at 31 May 2014 regarding agency and overtime spend, and feedback from Challenge Panels

12. Background documents

12.1 None

Appendix 1

Table showing movement of redeployed staff April to June 2014.

| Post Title | Directorate | Service | Directorate deployed into | Service Deployed into |
|---------------------------------|---------------------------|--|----------------------------------|--|
| ES Advisor | Children's Services | Learning Skills | Children's Services | Virtual College |
| Health/ Housing Officer | Environment & Housing | Statutory Housing | Environment & Housing | Housing Leeds |
| Environmental Action Officer | Environment & Housing | Environmental Action | Children's Services | Safeguarding |
| Resources Officer | Environment & Housing | Strategy & Commissioning | Strategy & Resources | Policy, Performance & Improvement |
| Assistant Manager | Adult Social Care | Care Delivery | Children's Services | Safeguarding |
| Senior Support Worker | Adult Social Care | Older people learning & Disability | City Development | Culture |
| Ass Finance Officer | Strategy & Resources | Financial Services | Civic Enterprise Leeds | Business Support Centre |
| Care Officer | Children's Services | Safeguarding | Children's Services | Safeguarding |
| Administrative Assistant | Environment & Housing | Housing Leeds | Strategy & Resources | Financial Services |
| Dog Warden | Environment & Housing | Environmental Action | Environment & Housing | Statutory Housing |
| Care Assistant | Adult Social Care | Care Delivery | Citizens & Communities | Welfare & Benefits |
| Safer Leeds Officer | Environment & Housing | Community Safety | Citizens & Communities | Elections, Licensing & Registrars |
| Customer Service Officer | Citizens & Communities | Communities | Citizens & Communities | Elections, Licensing & Registrars |
| Customer Service Officer | Citizens & Communities | Communities | Civic Enterprise Leeds | Property & Fleet Services |
| Neighbourhood Caretaker | Environment & Housing | Housing Leeds | Environment & Housing | Environmental Action |

Summary of Actions from Agency Challenge Panels

Children's

- Reductions in Administration and residential staff from Sept 2013 to Feb 2014.
- There has been a reduction in Social Work agency cover in Fostering and adoption but this remains above target.
- Admin Staff – Should be maintained at minimal usage (*excludes agency workers current deployed on a 6 week assignment to support the Framework project.*)
- Residential Staff – Below 8 by September 2014
- Social Workers – to have 20 FTE agency assignments in the next six months with fewer vacancies and reduced turnover.

Adult Social Care

- 59 fewer agency requirement in Feb 2014. Numbers should reduce further with the final decommissioning of three establishments.
- Agency staff have been released to accommodate displaced staff in the Older People's Services.
- Work with CEL to review options for joint working.

Civic Enterprise Leads

- Services have made progress on reviewing agency spend and consolidating agency staff on the permanent establishment but other needs for Agency employees to maximise income opportunities is disguising the progress that has been made.
- Service should report on progress against previously agreed targets in future and highlight any new requirements for Agency employees.
- Service should review long term agency contracts

Housing Services

- Optimum level of Agency staff to meet peaks should be 25 at any one time
- Initial targets have been met. Spend for Dec 2013 was £218k and 78FTE. This has reduced significantly, by over 50%, to £99k and 32FTE by May 2014.
- There is a target of reducing the remaining 28 property & contracts staff to 5 by 1st July 2014
- Housing Leeds are due to report back on 30th July.

Waste Management

- Significant reductions in agency usage Q4 at March 14 is £103K compared with £289K for the same quarter in 2012/13.
- There have been concerted efforts to fill vacant posts and there is now a pool of an additional 22 staff (15 loaders/7 drivers) to provide cover.
- Agency cover will continue at Household Waste Sites pending their restructure due in September 2014.

ICT

- Review whether existing staffing strategy is the best model If not, propose alternative model including proposals to reduce Agency spend.
- Develop training programme for existing staff which reduces reliance on Agency staff in the longer term
- Look at internal market for covering routine posts instead of using Agency staff
- Work towards zero use of Agency staff on the operational side
- Review high-cost Agency employees on Project side.
- Report back in July 2014