

**TITLE OF INFORMATION NOTE: JSCC ANNUAL REPORT 2016****INFORMATION NOTE OF THE CORPORATE HUMAN RESOURCES MANAGER****1. SUMMARY**

- 1.1 This is a round up of the work of the HR Department and JSCC over the 12 months January 2016 to December 2016. The terms of reference for the Joint Staff Consultative Committee are to be the corporate interface with employees on major Human Resource issues and to be the Strategic HR Forum for NHDC Members.

**2. STEPS TO DATE**

- 2.1 This the first Annual Report produced to round up the year to the JSCC. It is proposed to replace the December People Strategy update with this report that summarises the HR work progress over the year. It will also cover a short round up of our year's Strategic Discussions and other regular reviews such as equalities and retention.

**3. INFORMATION TO NOTE****3.1 Recruitment**

Recruitment has been very busy over the last 12 months, mainly due to turnover, departmental restructures and the recruitment of new apprentices. The People Strategy set out expectations that turnover would increase with the very low unemployment rates. Other Herts Local Authorities are experiencing the same increases. Turnover for the 12 months to October 2016 (last figures available) was 9.8% which shows a marginal drop from the previous 12 months when the figure was 10.5%. 62 people have been recruited during the last 12 months.

The new electronic Recruitment Process form has replaced the former vacancy control process and is now in use. Feedback on the new improved shortlisting process has been good and the process is now being used for all vacancies. HR met with IT about creating an online shortlisting system and work has commenced on building this. The aim is for managers to have electronic access to applications for shortlisting purposes, and to further develop the reporting facility.

**3.2 Agency workers**

Work has been ongoing during the year with a view to joining a suitable existing framework agreement for agency temporary workers, but this has proved unsuccessful because, for the most part, the inconsistent volume and relatively low value of the contracts available make it difficult for suppliers to provide a commercial offering for the Council's business.

Consequently, in October 2016 Corporate Board decided not to proceed with having standard Council wide arrangements regarding preferred agencies to supply temporary workers. For departments with highly specialist roles to fill, their levels of annual spend may be attractive to certain suppliers under an existing framework and they can pursue this option or can determine their own preferred supplier arrangements provided the relevant procurement process is adhered to. For those whose spend is less regular and of lower value, a simple process will be introduced whereby the procurement rules are followed each time an agency worker is required. Approaching the supply of agency workers in this way would also give an opportunity to follow the Go Local agenda.

The Temporary Staff Register has also been overhauled to ensure it is up to date and more effective in providing a rapid solution for managers seeking temporary workers. Suggestions on how we can use the Register to replace some expensive agency workers with temporary staff directly employed by NHDC, have generated considerable interest which will be pursued further.

In March 2016 a SIAS audit into the use of temporary workers at the Council gave a substantial level of overall assurance and their recommendations are being taken into account in the preparation of the revised Use of Agency Workers Policy and supporting documentation which is underway.

### 3.3 **Apprentices**

There are major changes coming forward for how Apprenticeships will be run in the future with a new apprentice training levy and public sector targets to employ apprentices coming in 2017. This will require to the current scheme, where we will probably have a scheme that is a mixture of standard and higher apprenticeships. Details on the Levy have recently been published and we are closely following developments to prepare for the changes including the targets to employ apprentices.

There is also a lot going on to link up regionally, the Hertfordshire Apprenticeship Alliance is a new collaborative network to share best practice, economies of scale and a coordinated approach, ensuring the Levy funds are utilised in the most effective and efficient method. There is also a Draft Regional Strategy for Apprenticeships in the East of England. The aim is to help Local Authorities in the region to increase the number of apprenticeships that are undertaken and to help them to make best use of the funding through digital accounts attached to the apprenticeship levy.

In the meantime, the current scheme is running well and we are recruiting more apprentices now.

### 3.4 **Organisation Restructures**

The HR team have supported a significant number of service restructures, and a TUPE transfer in addition to the usual employee relations case work over the last 12 months.

### 3.5 **Equal Pay Review & Equalities Data**

The Equalities Data for 2015 (required to comply with the Public Sector Equality Duty of the Equality Act 2010) was sent for publication ahead of the 31st January 2016 deadline.

The Equal Pay Review was finished and published and the outcomes were shared with the JSCC at the March Committee. Preparatory work is now underway in respect of the mandatory gender pay gap reporting requirements due to be introduced in April 2017.

### 3.6 **Well-being**

Following the success of the Well Being workshops last year, the sessions have been updated and another session was run in October. They incorporated the 'facing the challenge' label which gives a context to our development activities. In addition a

workshop was developed and run in October focussed on skills of Managing Change and Transition.

### 3.7 **Learning and Development**

An Institute of Leadership and Management level 5 programme was completed and when assignments Following a review of participant feedback, the L and D team will provide further training of this type.

Essential learning, both through the Learning Management System and via training sessions, has been reviewed. This will ensure the most effective use of time and resources. The changes have included amendments to both the induction process and the first day welcome.

#### **Regular Performance Review (RPR) Process**

The new Regular Performance Review (RPR) was used for its first cycle over spring/summer 16. The final collection and collation of RPR documents has taken place and feedback is being considered for any improvements that can be made. 94% of appraisals were received by the end of July. The RPR process is underway again with all staff having an interim review in the Autumn.

### 3.8 **Investors in People**

Corporate Board have agreed that the organisation continue to be assessed against the Investor in People Standard that is changing. The standards have been updated and NHDC will be assessed against the new criteria in July 2017. Work has commenced to create an action plan prior to assessment. This will draw on the staff survey results.

### 3.9 **Staff Survey**

The bi-annual staff survey report was published with overall staff satisfaction having gone up by 8% to 86% with many people responding positively to the questions in the survey. Some questions identified areas for improvement and an action plan has been created which includes a review of internal communications and a review of long service awards. Service results have been sent out and actions at service level will be captured alongside service plans.

Both of these areas have progressed and the Long Service Policy has undergone the agreed changes, The first edition of Insight went out in October and the second was sent out on 30 November. It's a step change in modernising internal communications. A poll was taken to see what staff thought of it and 83% of those who voted in the poll said they liked it.

### 3.10 **Pay and Benefits**

The Councils Pay Policy Statement was presented at the April meeting of Council. Following the 2016/17 pay agreement the Statement was updated with the new figures and ratios.

For most staff in April 2016 a 1% increase was in pay was implemented forming part of a two year pay deal with a further 1% in April 2017. There were larger increases for the lowest paid to meet the national living wage rates. The LG Employers announced that they would be reviewing the national pay scales and expect that work to be completed by summer 2017. Councils have been advised to plan for potential pay increases from this.

### 3.11 **Pensions**

There were changes to pension arrangements for Local Authority staff during this year. The Single Tier State pension ended contracted out NI rates from April 2016. Employees received appropriate explanatory communications to help them understand why their take home pay went down in April. HR has also been following the latest proposals to

change the terms of the Local Government Pension Scheme in the event of redundancy with proposals to amend redundancy entitlements and access to unreduced pension for redundancies for people aged 55 and over.

### 3.12 **Salary Sacrifice Schemes**

The salary sacrifice scheme for cars has been running for two years now. Interest in the scheme remains relatively low. There are currently four employees using the scheme. In his Autumn Statement the Chancellor announced changes to the way salary sacrifice schemes are taxed, which means that from April 2017 employees will no longer benefit from the income tax savings they would previously have received on any salary sacrifice vehicle with CO2 of greater than 75g/km. Similarly, employers will no longer benefit from the National Insurance savings they previously received. Whilst the four staff with a car will be unaffected by the changes, it will be necessary to consider a review of the future of the Justdrive scheme.

The opportunity for staff to obtain a bike at a discounted rate for cycling to work was offered during May through the Halfords Cycle2work salary sacrifice scheme for the 4th year running. Cycle to work is a government-approved salary sacrifice initiative allowing staff to hire a bike and accessories from the Council for the purpose of cycling to work. The hire is free of tax and national insurance contributions which mean employees can make savings whilst keeping fit and reducing their carbon footprint. Since the scheme was first introduced in 2013, 16 people have taken advantage of it. The tax changes to Cars will not apply to bikes and childcare vouchers where we will continue to make VAT savings

### 3.13 **Absence**

The 2015/16 final year's absence rates were excellent; in particular there were very low rates of long term absence during that year. The HR team have continued to actively manage the long term absence case load in 2016, with HR Business Partners advising managers on ways to resolve cases and support successful returns to work. October 2016 has seen ST Absence go into the red for the first time in 7 years at 2.10 days per person for the period April to October. Analysis is underway to drill down to where the main problems lie to see what can be done.

### 3.14 **Well-being**

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### 3.15 **Flu Vaccinations**

In December 2016, the Seasonal Flu vaccination programme as popular as previous years with sessions offered at the Council offices. Those that could not make it to the sessions could opt for the vaccination voucher which can be redeemed at any local Superdrug pharmacy. The cost of the vaccination is £7.00 per person and is paid for by NHDC. This has a number of benefits; for individuals with long term health conditions and those who have caring responsibilities for young or elderly relatives. The Council may also benefit from less flu related illness.

### 3.16 **Children's Christmas party**

The annual joint funded Unison and NHDC Children's Christmas tea party was arranged by the HR Intern, with help from the Trade Union and other officers including our own Father Christmas. This is always a really lovely event. The party for 2016 will be held on 16<sup>th</sup> December at the Brotherhood Hall.

### 3.17 **Shared Parental Leave**

Following the introduction of the shared parental leave policy in April 2015, we had our first application for leave, for the employee who took leave during September 2016. The review of the Policy, including a further benchmarking exercise, which was planned to take place after one year of operation, was deferred as at this time there had been no applications for this kind of family leave and there was uncertainty about future government plans in respect of extending the eligibility for the leave to grandparents. Now the first shared parental leave period has been taken, the review will be carried out over the next few months. A recent legal decision will also be taken into account in respect of payments during a shared parental leave period.

### 3.18 **2016 Audits**

During 2016 the following audits involving HR took place

- Payroll, February 2016 (annual audit) Substantial Overall Assurance
- Use of Agency Staff, March 2016, Substantial Overall Assurance
- Officer and Member Allowances, May 2016, Substantial Overall Assurance
- Absence Management, August 2016 - Substantial Overall Assurance, there were just two “merits attention” actions that have been completed.
- Finance Audit, August 2016, HR contributed to this Finance audit
- Ethical Policies, November 2016, HR contributed to this Legal Services audit.
- Audit planning meetings are underway to plan the 17/18 audits.

## 4.0 **2016 Strategic HR Discussions**

In March we discussed with years of austerity and budget pressures, public sector job losses and pay restraint what has been the impact of this on employee morale. In July we considered how Freedom of Information, Transparency and Data Protection impact on the Human Resources team. In September we looked at us facing the challenge through learning and development to promote wellbeing and resilience. The Discussion paper for December is about what the Council does to support work experience places for local schools and job seekers.

## 4. **NEXT STEPS**

- 4.1 This was the first “annual report” Information Note to JSCC and it’s proposed that this will be repeated at future December meetings.

## 5. **APPENDICES**

- 5.1 None.

## 6. **CONTACT OFFICERS**

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## 7. **BACKGROUND PAPERS**

- 7.1 None.

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