Finance and Resources Committee

10.00am, Thursday 23 May 2019

Workforce Dashboard

Item number	7.4
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

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 Finance and Resources Committee Workforce Dashboard, for the period of **February 2018.**

3. Background

3.1 The dashboard reporting period is February 2018. Comparison is made to the previous dashboard reporting period, 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 increased this period by 125 FTE to 14,736 FTE, and the basic salary pay bill increased by £2.7m to £407.8m. Workforce FTE and pay bill trends are shown in **Figures 1 and 2**. The cost of the 17/18 and 18/19 pay awards and 18/19 pay steps will be reflected in April 2019 period pay bill reporting.

4.4   **Figure 3** shows the change in Directorate FTE between December 2018 and February 2019. Whilst the FTE decreased in both the Place Directorate (down 79 FTE) and Edinburgh Health and Social Care Partnership Directorate (down 15 FTE), this was masked due to an increased FTE (up 201 FTE) in the Communities and Families Directorate.

4.5   **Figure 4** shows the change in FTE for the Local Government Employee (LGE), Teaching, Chief Official and Craft Apprentice groups between December 2018 and February 2019. The LGE group increased by 89 FTE and the Teaching group increased by 36 FTE in the period.

4.6   Permanent contracts increased by 61 FTE, Fixed Term Contracts (FTCs) increased by 50 FTE, acting up and secondment arrangements increased by 18 FTE and apprentice/trainee contracts reduced by 4 FTE.

4.7   The annual cost of permanent contracts increased by £1.8m and FTCs increased by £1.2m. The cost of acting up and secondment arrangements reduced by £200K and the cost of apprentices/trainees reduced by £71K.

4.8   The cost of organisation new starts was £2.1m and the cost of leavers was £1.75m, resulting in a net increase in payroll expenditure of £0.35m.

4.9   The spend on Working Time Payments (WTPs) reduced by £7K to £696K.

4.10   **Figure 5** shows longer term Local Government Employee workforce change, between June 2015 and February 2019 (i.e. before and after Transformation).

Flexible Workforce

4.11   In the period, the costs for the flexible workforce increased by £0.1m and were in the region of £2.9m, with an equivalent FTE of approximately 1,029 FTE (**Figure 6**).

4.12   The spend on the agency workforce increased by £21K and cost the organisation £1.7m 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 569 FTE, with an average monthly workforce of 635 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 decreased by £130K this period, predominantly in the Schools and Lifelong Learning service.   The casual/supply workforce last period was the equivalent of 163 FTE, with an average monthly workforce of 184 FTE (12-month average). The casual/supply cost trend is shown in **Figure 8**.

4.15   The total cost of overtime this period was £865K, up £140K since the previous period, and reflecting additional public holiday overtime working over the festive period. A breakdown of the spend by overtime "type" is detailed in **Figures 9** and

10. Around 45% of the spend was made at the enhanced overtime rate, 21% was paid at the public holiday rate, 12% was paid at plain time, 6% was contractual overtime, and 16% related to call-out hours. The overtime/additional hours worked last period was the equivalent of 297 FTE, with an average monthly workforce of 276 FTE (12-month average, callout hours excluded from FTE reporting). The overtime cost trend is shown in **Figure 11**.

Surplus Workforce

4.16   The total number of employees on the redeployment register remains unchanged since the last period. 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 March 2019, 1,024 FTE have left, or agreed to leave, the organisation under VERA/VR arrangements, achieving recurring savings of £38.9m 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.

Absence

4.21   In the period the monthly absence rate (reflecting days lost to absence in February 2019) increased from 5.06% (December 2018) to 5.41% (see **Figures 12, 13 and 14**). 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.

4.22   The rolling absence rate for the organisation for the 17/18 year was 5.49%, reflecting 174K working days lost to absence in the period (approx. 775 FTE) (see Figures 15 and 16). Rolling absence MI and data for the 18/19 year will be available in the next reporting period.

Performance Framework

4.23   Looking Back performance conversations were due to take place by the end of March 2019 for employees on the standard April to March performance cycle (8,000 employees). The on time completion rate for this group is 55%. This compares with a 45% on time completion rate at last year.

4.24   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 and record Looking Back conversations with their employees.

4.25 It is recommended that detailed reporting on conversations that have not taken place/not been recorded be issued to Directors once completion rates reach a sufficient level (ie approaching 100%).

Contribution Based Pay

4.26 Around 8,000 (40% of GR1-GR12s) local government employees met the required performance criteria to receive a pay step at 1 April 2019, as per our contribution based pay framework. These pay steps represent an increase of around £3.2m to the annual pay bill, and will be reflected in the April 2019 period pay bill reporting.

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 £38.9m 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 Finance and Resources Committee on 07 March 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

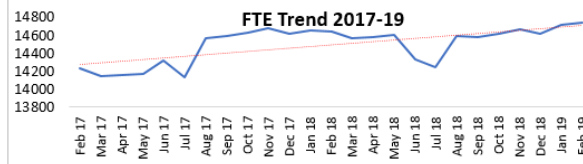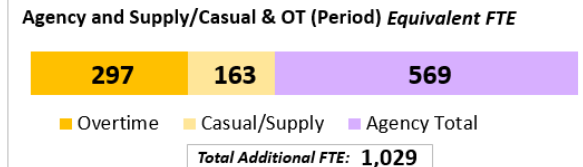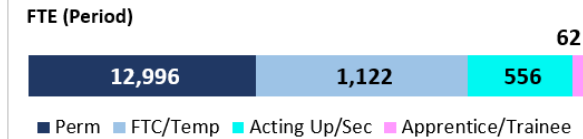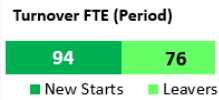# Appendix 1: Finance and Resources Committee Workforce Dashboard

Workforce FTE

FTE Actual: 14,736

Headcount Actual: 18,386

Turnover FTE (Period)

94 | 76

■ New Starts ■ Leavers

FTE (Period)

62

12,996	1,122	556

■ Perm ■ FTC/Temp ■ Acting Up/Sec ■ Apprentice/Trainee

Agency and Supply/Casual & OT (Period) *Equivalent FTE*

297	163	569

■ Overtime ■ Casual/Supply ■ Agency Total
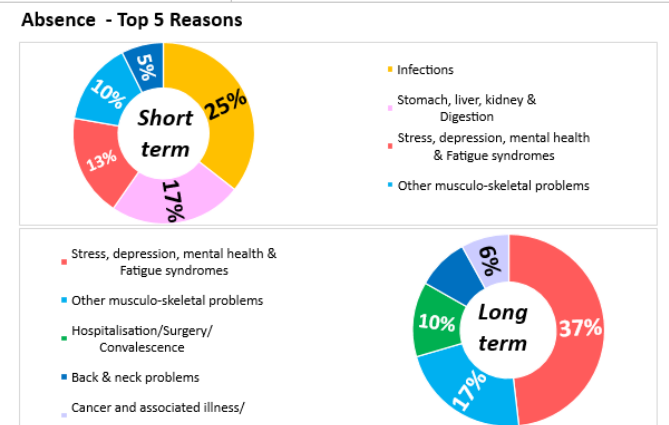
Total Additional FTE: 1,029

FTE Trend 2017-19

Pay Bill

Actual (Period): £34.0M

Annual (Projected): £407.8M

Pay Bill Turnover (Period)

£2.1M | £1.7M

■ New Starts ■ Leavers

Pay Bill (Period)

£31.5M	£2.2M	£168K	£83K

■ Perm ■ FTC/Temp ■ Acting Up/Sec ■ Apprentice/Trainee

Pay Bill (Annual Projected)

£378.3M	£26.4M	£2.0M	£997K

■ Perm ■ FTC/Temp ■ Acting Up/Sec ■ Apprentice/Trainee

Monthly Costs

- £134K — Agency Off Contract
- £360K — Agency ASA
- £1.2M — Agency Pertemps
- £339K — Casual/Supply
- £865K — Overtime Total
- £696K — WTP

Pay Bill Trend 2017-19

Transformation

VERA/VR Leaver Reductions (FTE)

Up to March 2016	Apr to Nov 2016	Dec 2016 onwards	Total confirmed leavers
381	400	243	1,024

The confirmed **1,024** *FTE reductions from VERA and VR will achieve recurring savings of* **£38.9M**

Redeployment at 21/03/2019

■ Planned/ Accepted VR leaver
■ Temp redeployed

Series "Agency ASA" Point 1 Data

	SEP 18	OCT 18	NOV 18	DEC 18	JAN 19	FEB 19
(green)	21	20	1/20	1/20	20	0/20
(blue)	9	9	8	8	8	8
(dark)	30	29	29	29	28	28

Redeployment - Cost

	SEP 18	OCT 18	NOV 18	DEC 18	JAN 19	FEB 19
Annual Salary Cost	£1.2M	£1.2M	£1.2M	£1.2M	£1.2M	£1.2M
Monthly Salary Cost	£101.7K	£99.5K	£99.5K	£99.5K	£98.6K	£98.6K
Unfunded Monthly Salary Cost	£65.1K	£65.4K	£65.4K	£65.4K	£64.5K	£64.5K

VR Leavers and Monthly Budget Savings

No of Employees — Total Costs

Absence

Monthly Absence

Overall Rate **5.48%**

Long Term Rate **3.05%**

Short Term Rate **2.43%**

17/18 Rolling Absence 5.49%

Monthly Absence Trend

— 17/18 — 18/19

Absence - Top 5 Reasons

Short term

25%, 17%, 13%, 10%, 5%

- Infections
- Stomach, liver, kidney & Digestion
- Stress, depression, mental health & Fatigue syndromes
- Other musculo-skeletal problems

Long term

37%, 17%, 10%, 6%

- Stress, depression, mental health & Fatigue syndromes
- Other musculo-skeletal problems
- Hospitalisation/Surgery/Convalescence
- Back & neck problems
- Cancer and associated illness/

Performance

Conversation Spotlight Sessions Held: 151

Looking Back Conversations 18/19

55% on time completion

Looking Ahead Conversations 19/20

Data available next month

Completion rate for employees on standard April to March cycle

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Appendix 2: Corporate Leadership Team 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.

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.

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

Appendix 3: Workforce Management Information and Trends

Core Workforce: Management Information and Trends
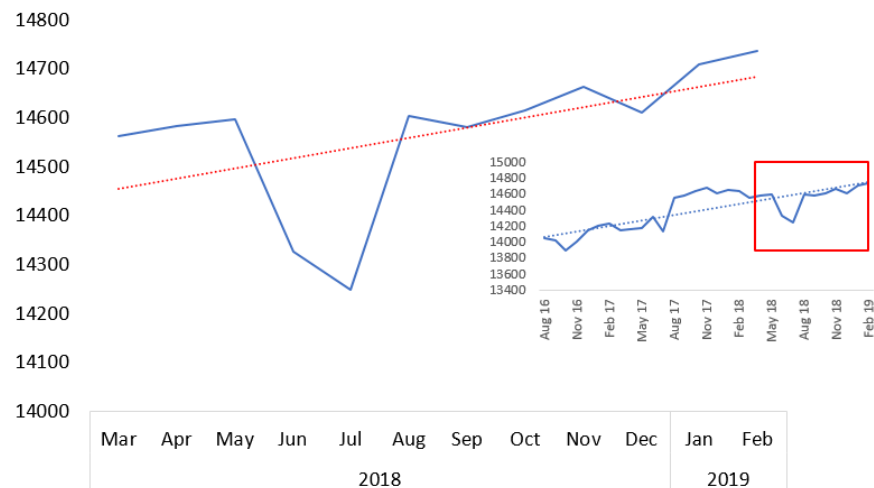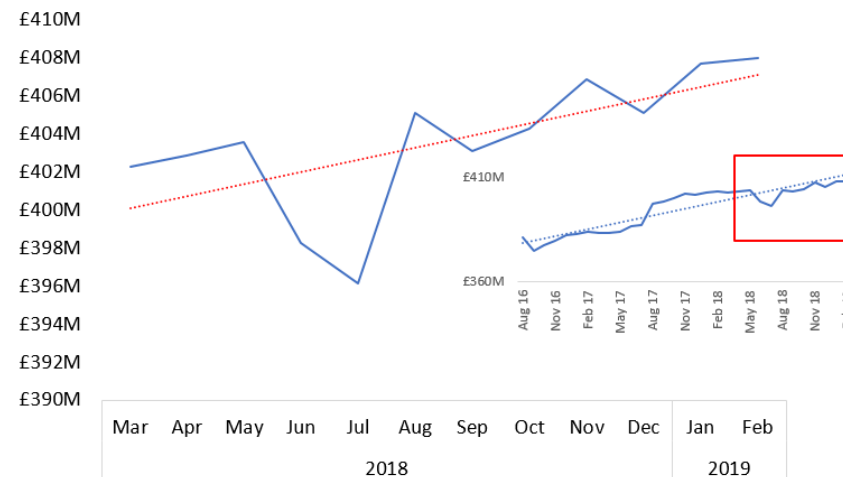
Fig 1. FTE Trend

Fig 2. Pay Bill Trend

Fig. 3 Core Workforce Groups

Category/ Group	Dec 2018		Feb 2019		Change in FTE	Change in Headcount
	FTE	Headcount	FTE	Headcount		
Local Government Employee GR1-GR12 including Craft	10834	13478	10923	13590	89	112
Chief Official	18	18	19	19	1	1
Craft Apprentice	21	21	21	21	0	0
Teaching Total	3738	4732	3773	4756	36	24
Council Total	**14611**	**18249**	**14736**	**18386**	**125**	**137**

Fig. 4 Core Workforce FTE by Directorate

Directorate	Dec 2018		Feb 2019		Change in FTE	Change in Headcount
	FTE	Headcount	FTE	Headcount		
Chief Executive	147	158	150	167	3	9
C&F	7573	9801	7774	10031	201	230
EH&SCP	2233	2554	2217	2556	-15	2
Place	2392	2816	2314	2739	-79	-77
Resources	2228	2879	2247	2856	19	-23
Surplus	38	41	34	37	-4	-4
Council Total	**14611**	**18249**	**14736**	**18386**	**125**	**137**

Finance and Resources Committee – 23 May 2019

Appendix 3: Workforce Management Information and Trends (continued)

Core Workforce: Management Information and Trends

Fig 5. Local Government Employee Workforce Change June 2015 to Current Period

Category/ Group	Grade	June 2015 FTE	June 2015 Basic Salary Cost	June 2017 FTE	June 2017 Basic Salary Cost	June 2018 FTE	June 2018 Basic Salary Cost	Feb 2019 FTE	Feb 2019 Basic Salary Cost	June 15 to Feb 19 Change in LGE FTE	June 15 to Feb 19 Change in LGE Basic Salary Cost
Front Line Staff	GR1	624	£8.1M	638	£8.4M	595	£8.1M	576	£7.8M	-49	-£0.3M
	GR2	244	£3.4M	198	£2.9M	170	£2.5M	174	£2.6M	-70	-£0.9M
	GR3	2374	£38.2M	2124	£34.9M	2089	£35.1M	2021	£33.4M	-353	-£4.8M
	GR4	2479	£45.8M	2567	£48.1M	2444	£46.8M	2588	£49.0M	109	£3.2M
Front Line Manager/ Specialist	GR5	1808	£40.6M	1563	£35.2M	1545	£35.3M	1621	£36.5M	-187	-£4.1M
	GR6	1421	£37.1M	1337	£35.9M	1397	£38.0M	1452	£39.0M	31	£1.9M
	GR7	1520	£48.0M	1296	£42.1M	1294	£42.4M	1309	£42.5M	-211	-£5.5M
	GR8	776	£29.2M	652	£25.1M	689	£26.7M	698	£26.8M	-79	-£2.4M
Managers	GR9	359	£15.9M	280	£12.9M	281	£13.0M	283	£13.0M	-76	-£2.9M
	GR10	118	£6.3M	123	£6.5M	117	£6.4M	121	£6.5M	3	£0.2M
	GR11	47	£3.0M	36	£2.3M	36	£2.4M	37	£2.4M	-9	-£0.5M
	GR12	31	£2.2M	33	£2.4M	38	£2.8M	44	£3.2M	13	£1.0M
	Total	11801	£277.8M	10849	£256.8M	10694	£259.4M	10923	£262.9M	-878	-£14.9M

Finance and Resources Committee – 23 May 2019

Flexible Workforce: Management Information and Trends

Fig. 6 Flexible Workforce in Period

Total Additional FTE

Overtime	Casual/Supply	Agency Total	
297	163	569	1,029

■ Overtime   ■ Casual/Supply   ■ Agency Total

Ave OT FTE: 276

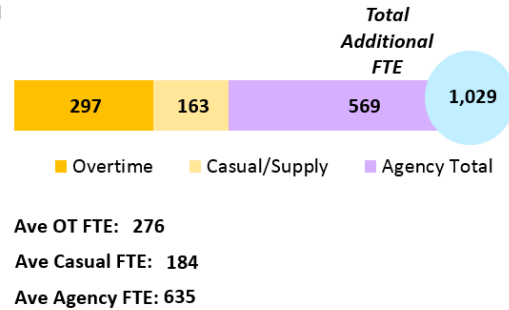Ave Casual FTE: 184

Ave Agency FTE: 635

Fig. 7 Agency Trend
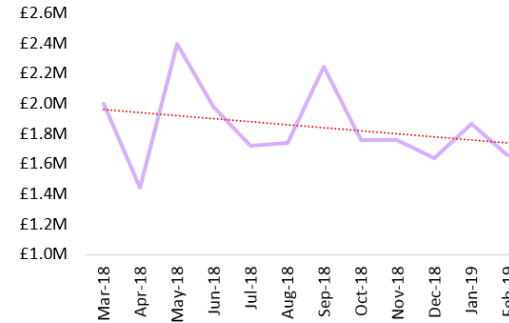
Fig. 8 Casual Trend
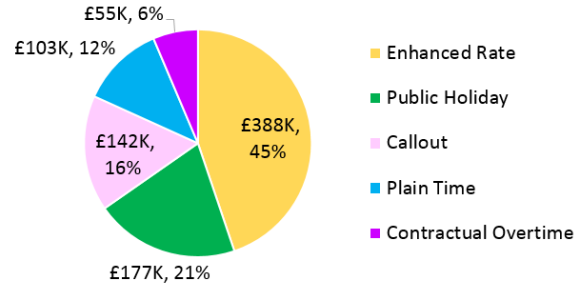

Fig. 9 Overtime by Type in Period

£55K, 6%
£103K, 12%
£142K, 16%
£388K, 45%
£177K, 21%

■ Enhanced Rate
■ Public Holiday
■ Callout
■ Plain Time
■ Contractual Overtime
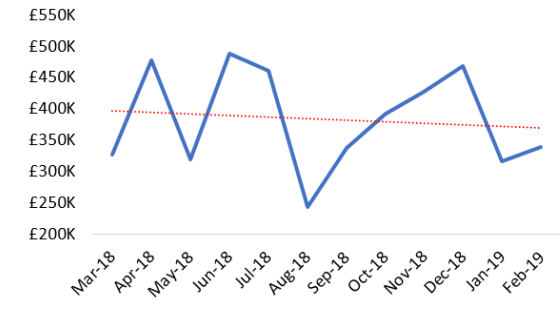
Fig. 10 Overtime by Type in Period - By Directorate
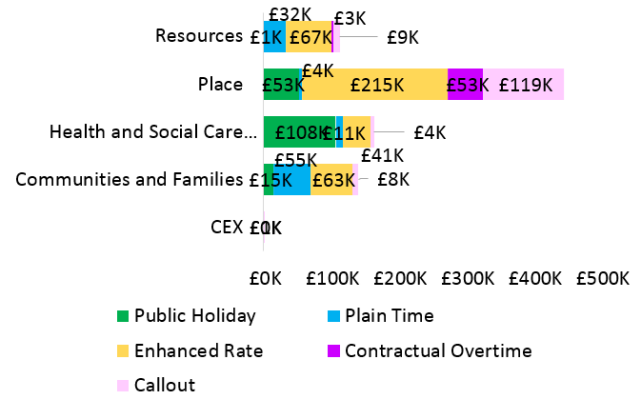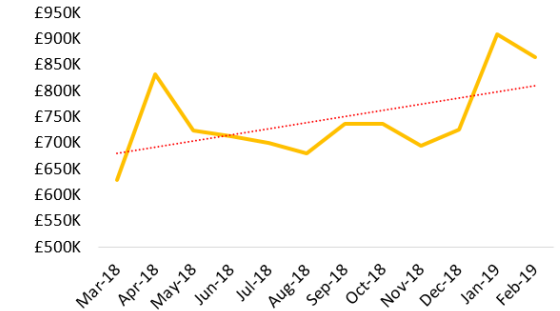
Resources £1K £67K £32K £3K £9K
Place £53K £4K £215K £53K £119K
Health and Social Care... £108K £11K £4K
Communities and Families £15K £55K £63K £41K £8K
CEX £0K

£0K £100K £200K £300K £400K £500K

■ Public Holiday   ■ Plain Time
■ Enhanced Rate   ■ Contractual Overtime
■ Callout

Fig. 11 Overtime Trend

Core Workforce: Management Information and Trends

Fig 12. Monthly Absence Rate
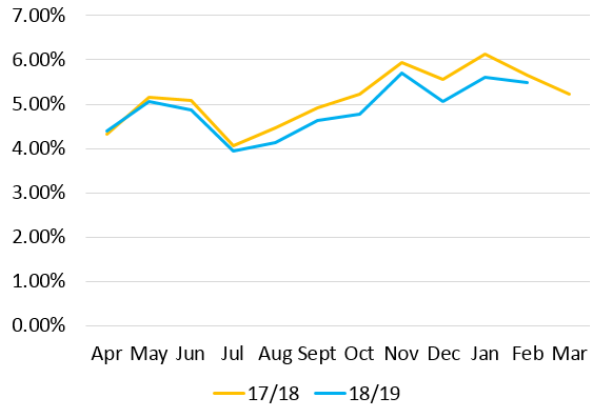
Fig 13. Monthly Days Lost

	17/18	18/19
Apr	11,235	11,683
May	13,843	13,842
Jun	13,268	12,906
Jul	10,813	10,611
Aug	11,960	11,776
Sept	12,902	12,361
Oct	14,097	13,207
Nov	15,587	15,269
Dec	15,201	14,003
Jan	16,927	15,445
Feb	14,008	13,701
Mar	14,287	

Fig. 14 Monthly Absence Rate 18/19 - Directorates
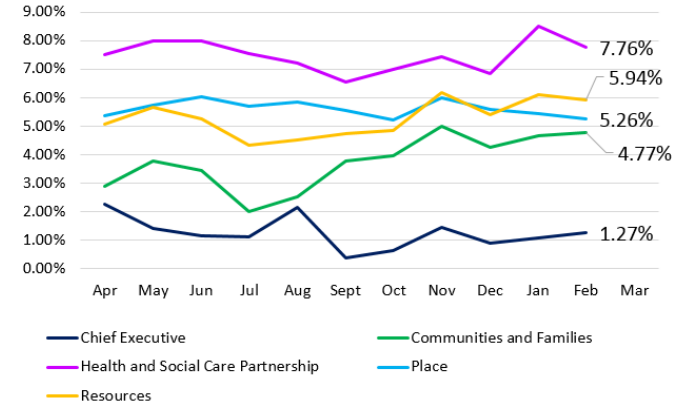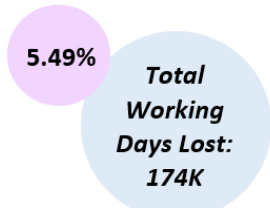

Fig 15. Rolling Absence Rate 17/18

5.49%

Total Working Days Lost: 174K

Working days lost to absence between April 17 and March 18

Cost Estimate £23.3m

Fig. 16 Rolling Absence 17/18 - Directorates

Directorate	Rate	Days Lost
Chief Executive	2.78%	1K
Communities and Families	3.61%	55K
Health and Social Care Partnership	9.05%	45K
Place	6.47%	33K
Resources	6.38%	31K
Safer and Stronger Communities	7.52%	8K

Fig. 17 Looking Back 18/19 Conversations Completed On Time