

Finance and Resources Committee

10.00am, Thursday 15 August 2019

Workforce Dashboard

Item number
Executive/routine
Wards
Council Commitments

1. Recommendations

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

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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 May 2019.

3. Background

- 3.1 The dashboard reporting period is May 2019. Comparison is made to the previous dashboard reporting period, February 2019.

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 67 FTE to 14,803 FTE, and the basic salary pay bill increased by £37.3m to £455.1m. Workforce FTE and pay bill trends are shown in Figures 1 and 2. This increase is due to the cost of the 17/18 and 18/19 pay awards and 18/19 pay steps.
- 4.4 Figure 3 shows the change in FTE for the Local Government Employee (LGE), Teaching, Chief Official and Craft Apprentice groups between February 2019 and May 2019. The LGE group increased by 52 FTE and the Teaching group increased by 15 FTE in the period.
- 4.5 Figure 4 shows the change in Directorate FTE between February 2019 and May 2019. Whilst the FTE decreased in the Edinburgh Health and Social Care Partnership Directorate (down 18 FTE), there were increases in FTE (up 70 FTE) in the Communities and Families Directorate and Place (up 17 FTE).
- 4.6 Permanent contracts increased by 2 FTE, Fixed Term Contracts (FTCs) increased by 57 FTE, acting up and secondment arrangements increased by 14 FTE and apprentice/trainee contracts reduced by 6 FTE.
- 4.7 The annual cost of permanent contracts increased by £32.3m and FTCs increased by £4.5m. The cost of acting up and secondment arrangements increased by £600K and the cost of apprentices/trainees reduced by £32K.
- 4.8 The cost of organisation new starts was £1.2m and the cost of leavers was £2.2m, resulting in a net decrease in payroll expenditure of £1m.
- 4.9 The spend on Working Time Payments (WTPs) increased by £44K to £740K.
- 4.10 Figure 5 shows longer term Local Government Employee workforce change, between June 2015 and May 2019 (i.e. before and after Transformation).

Flexible Workforce

- 4.11 In the period, the costs for the flexible workforce increased by £0.3m and were in the region of £3.2m, with an equivalent FTE of approximately 1,055 FTE (Figure 6).
- 4.12 The spend on the agency workforce increased by £21K and cost the organisation £1.96m in the period. Of the total spend, 87% is attributable to the primary and secondary agency suppliers, whilst 13% relates to off-contract spend. The agency workforce this period was the equivalent of 674 FTE, with an average monthly workforce of 607 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 £4K this period. The casual/supply workforce this period was the equivalent of 161 FTE, with an average monthly workforce of 196 FTE (12-month average). The casual/supply cost trend is shown in Figure 8.

4.15 The total cost of overtime this period was £923K, up £58K since the previous period, and reflecting additional public holiday overtime working over the Easter period. A breakdown of the spend by overtime “type” is detailed in Figures 9 and 10. Around 54% of the spend was made at the enhanced overtime rate, 18% was paid at the public holiday rate, 21% was paid at plain time, 1% was contractual overtime, and 6% related to call-out hours. The overtime/additional hours worked this period was the equivalent of 220 FTE, with an average monthly workforce of 269 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 has decreased by 4 since the last period. Of the 24 employees currently surplus; 17 have been temporarily redeployed and 7 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; 14.3 FTE are corporately funded; 5.3 FTE are funded by their service and 2 FTE are funded externally.
- 4.17 Of those corporately funded; 8.2 FTE are currently redeployed, and 6.1 FTE are not currently redeployed. 13.3 FTE of the corporately funded FTE have been on the redeployment register for longer than 12 months and 1.0 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 middle of June 2019, 1,035 FTE have left, or agreed to leave, the organisation under VERA/VR arrangements, achieving recurring savings of £39.4m since September 2015.
- 4.20 Following approval of new Council policy in respect of managing organisational change, we are currently implementing revised processes aimed at enhancing the support provided to displaced employees and minimising the length of time spent seeking redeployment.

Absence

- 4.21 In the period the monthly absence rate (reflecting days lost to absence in May 2019) decreased from 5.41% (February 2019) to 5.16% (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). The rolling absence rate for the organisation for the 18/19 year was 5.18%, reflecting 168K working days lost to absence in the period (approx. 748 FTE). Comparison of the 17/18 and 18/19 rolling rate demonstrates an overall reduction in organisation absence in the last 12 months.

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%, at March 2019. This compares with a 45% on time completion rate at last year. The completion rate at end of June 2019 was 67%.
- 4.24 At the end of June 2019, the Human Resources Division and Regulation and Professional Governance Team within Safer and Stronger Communities had achieved 100% completion and the Finance Division had achieved 98% completion for Looking Back 18/19 conversations. See Figure 17 and 18 for a breakdown of Looking Back 18/19 completion by Directorates and Divisions. Note that the figures only report on those groups in scope for Looking Back completion at present and do not reflect completion for groups not currently in scope.
- 4.25 Looking Ahead 19/20 conversations were due to take place by the end of April 2019. The on time completion rate for Looking Ahead at the end of April 2019 was 22%. The completion rate at end of June 2019 was 38%.
- 4.26 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 and Looking Ahead conversations with their employees.
- 4.27 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 (i.e. approaching 100%). HR will liaise with Executive Directors to provide this information.

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

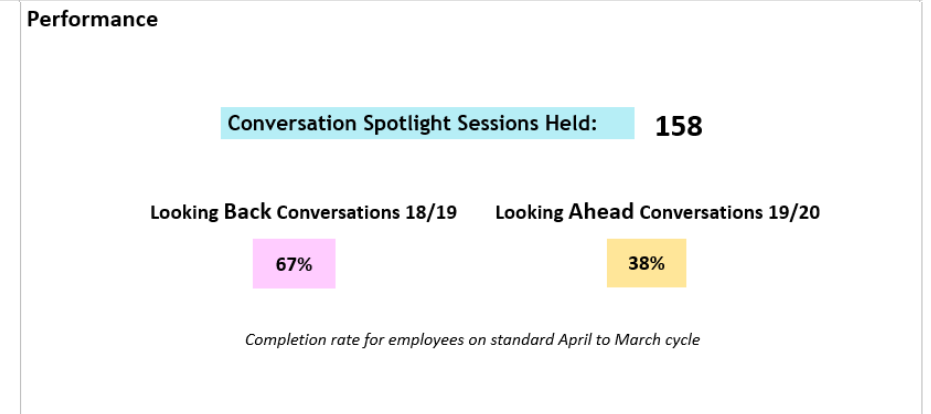
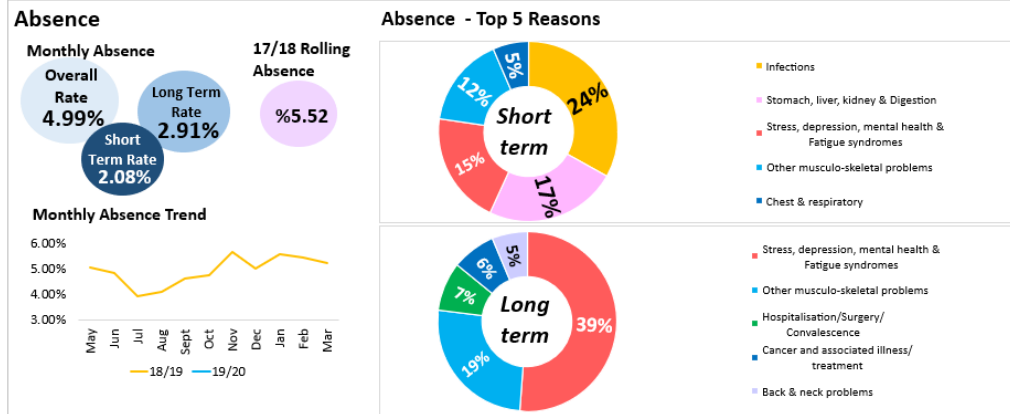
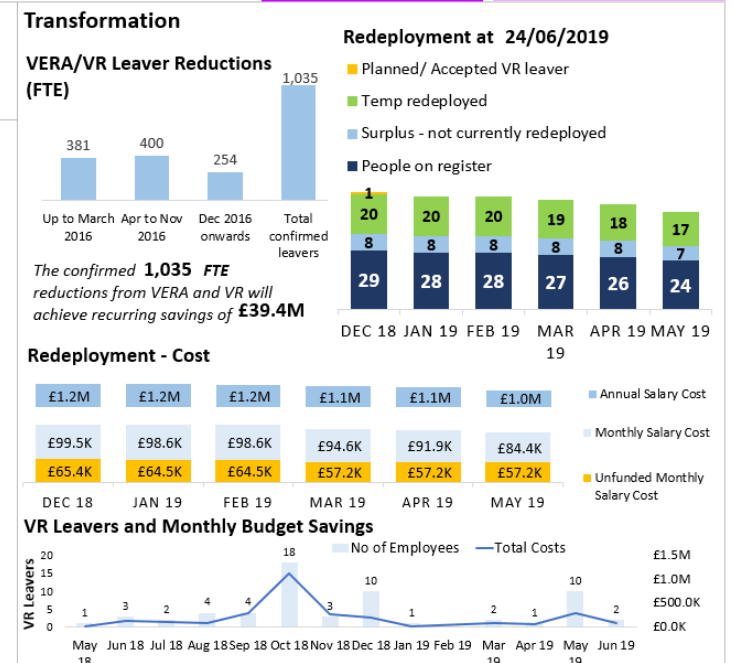
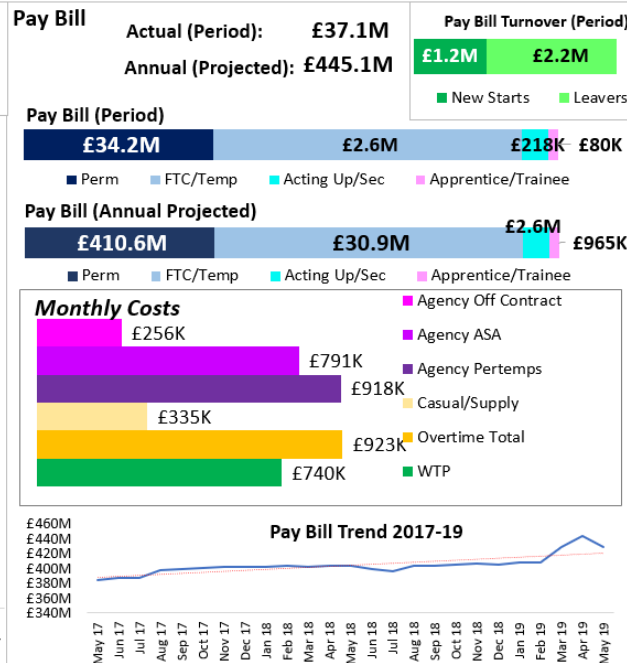
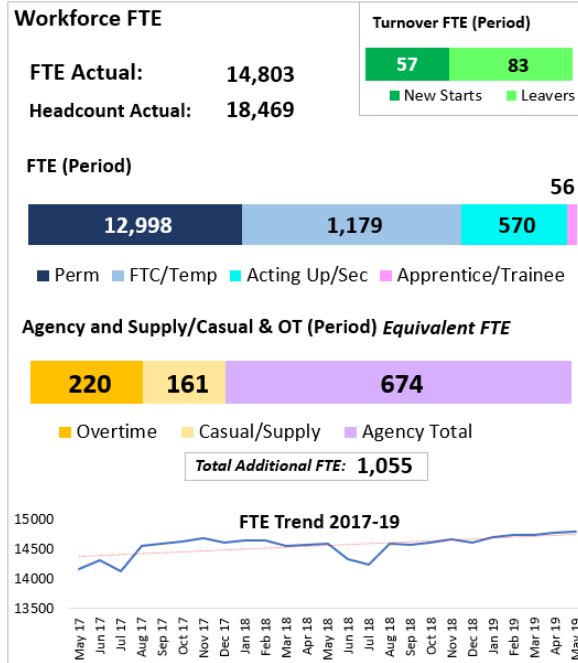
Appendix 2: Finance and Resources Committee Workforce Dashboard Glossary

Appendix 3: Workforce Management Information and Trends

Appendix 1: Finance and Resources Committee Workforce Dashboard

Workforce Dashboard: Finance and Resources Committee

Period: May 19 Issued: 18 June '19



Appendix 2: Finance and Resources Committee Workforce Dashboard

Workforce Dashboard Glossary: Finance and Resources Committee

Workforce FTE

FTE Actual: *Sum of FTE for all staff on CEC payroll
Cost 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 (past 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 £33k 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 Permtemp, 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, weekends, 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

Core Workforce: Management Information and Trends

Fig 1. FTE Trend

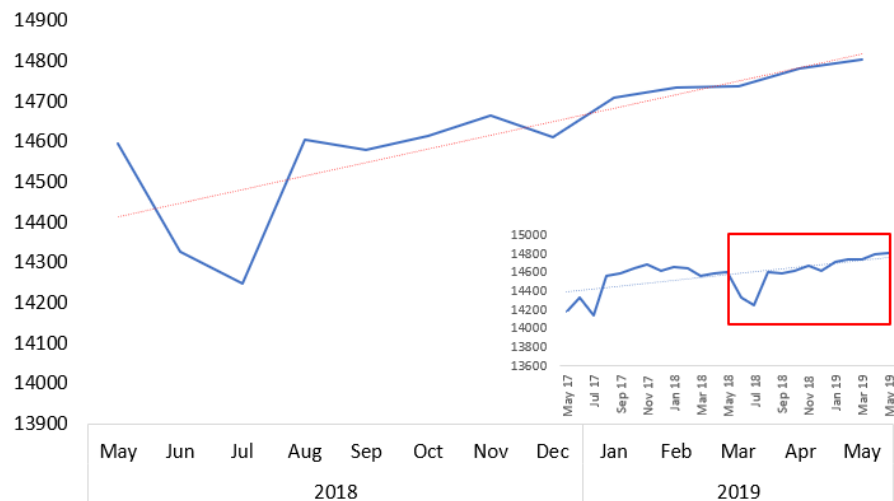


Fig 2. Pay Bill Trend

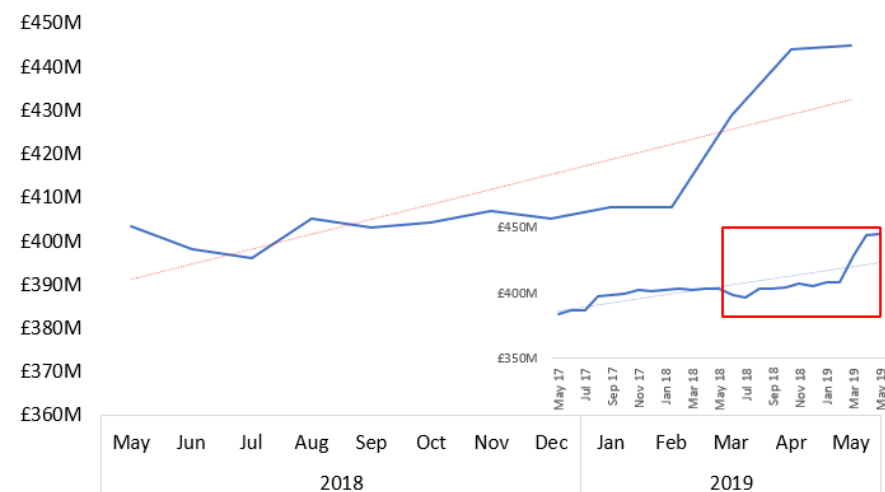


Fig 3 Core Workforce Groups

Category/ Group	Feb 2019		May 2019		Change in FTE	Change in Headcount
	FTE	Headcount	FTE	Headcount		
Local Government Employee GR1-GR12 including Craft	10923	13590	10975	13786	52	196
Chief Official	19	19	19	19	0	0
Craft Apprentice	21	21	21	21	0	0
Teaching Total	3773	4756	3788	4643	15	-113
Council Total	14736	18386	14803	18469	67	83

Fig 4 Core Workforce FTE by Directorate

Directorate	Feb 2019		May 2019		Change in FTE	Change in Headcount
	FTE	Headcount	FTE	Headcount		
Chief Executive	150	167	154	164	4	-3
C&F	7774	10031	7844	10096	70	65
EH&SCP	2217	2556	2199	2510	-18	-46
Place	2314	2739	2331	2771	17	32
Resources	2247	2856	2249	2899	2	43
Surplus	34	37	27	29	-8	-8
Council Total	14736.0	18386	14803	18469	67	83

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		June 2017		June 2018		May 2019		June 15 to May 19	
		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
<i>Front Line Staff</i>	GR1	624	£8.1M	638	£8.4M	595	£8.1M	583	£8.4M	-41	£359.4K
	GR2	244	£3.4M	198	£2.9M	170	£2.5M	175	£2.8M	-70	- £689.7K
	GR3	2374	£38.2M	2124	£34.9M	2089	£35.1M	2058	£36.5M	-316	- £1,657.2K
	GR4	2479	£45.8M	2567	£48.1M	2444	£46.8M	2581	£52.7M	103	£6.8M
<i>Front Line Manager/ Specialist</i>	GR5	1808	£40.6M	1563	£35.2M	1545	£35.3M	1644	£39.9M	-165	- £692.7K
	GR6	1421	£37.1M	1337	£35.9M	1397	£38.0M	1453	£42.1M	32	£5.0M
	GR7	1520	£48.0M	1296	£42.1M	1294	£42.4M	1303	£45.6M	-217	- £2,449.4K
	GR8	776	£29.2M	652	£25.1M	689	£26.7M	696	£28.8M	-81	- £406.6K
<i>Managers</i>	GR9	359	£15.9M	280	£12.9M	281	£13.0M	285	£14.2M	-74	- £1,741.3K
	GR10	118	£6.3M	123	£6.5M	117	£6.4M	118	£6.9M	0	£598.8K
	GR11	47	£3.0M	36	£2.3M	36	£2.4M	39	£2.8M	-8	- £178.7K
	GR12	31	£2.2M	33	£2.4M	38	£2.8M	41	£3.3M	10	£1.1M
Total		11801	£277.8M	10849	£256.8M	10694	£259.4M	10975	£283.8M	-826	£5973.3K

Appendix 3: Workforce Management Information and Trends (continued)

Flexible Workforce: Management Information and Trends

Fig. 6 Flexible Workforce in Period

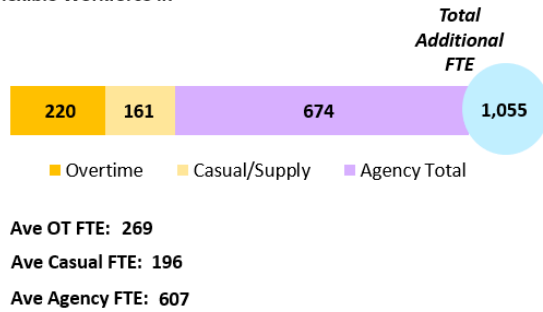


Fig. 7 Agency Trend

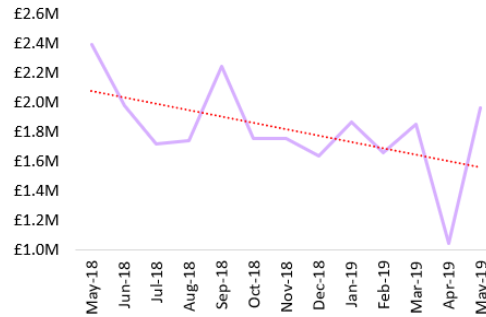


Fig. 8 Casual Trend

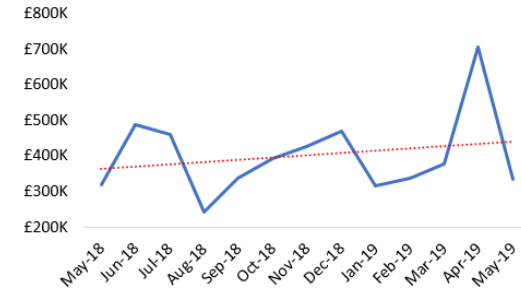


Fig. 9 Overtime by Type in Period

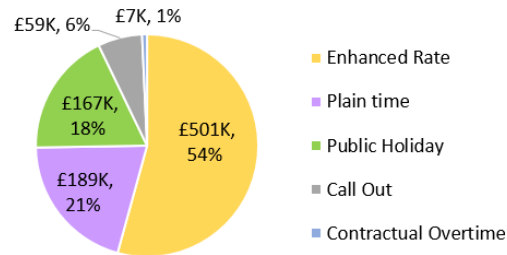


Fig. 10 Overtime by Type in Period - By Directorate

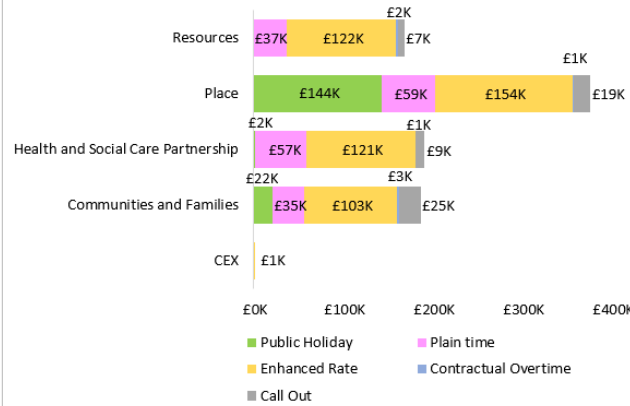
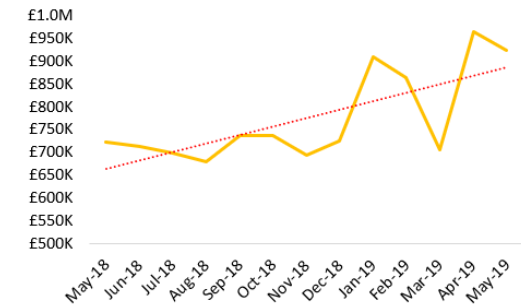


Fig. 11 Overtime Trend



Appendix 3: Workforce Management Information and Trends (continued)

Core Workforce: Management Information and Trends

Fig 12. Monthly Absence Rate

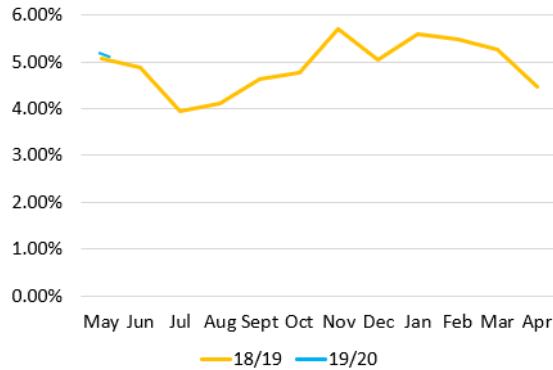


Fig 13. Monthly Days Lost

	18/19	19/20
May	13,842	13,862
Jun	12,906	
Jul	10,611	
Aug	11,776	
Sept	12,361	
Oct	13,207	
Nov	15,269	
Dec	14,003	
Jan	15,445	
Feb	13,701	
Mar	14,606	
Apr	12,051	

Fig. 14 Monthly Absence Rate 18/19 - Directorates

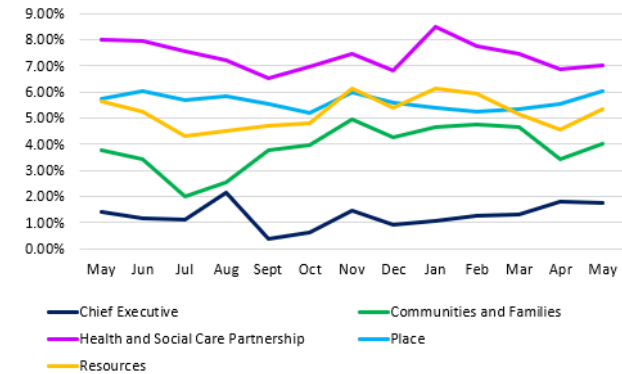
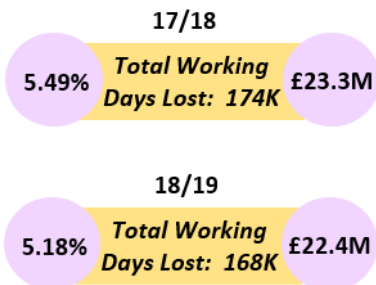


Fig 15. Rolling Absence Rate



Working days lost to absence between April and March 17/18 + 18/19

Fig. 16 Rolling Absence - Directorates

Directorate	Rate 17/18	Days Lost 17/18	Rate 18/19	Days Lost 18/19
Chief Executive	2.78%	1K	1.33%	0.4K
Communities and Families	3.61%	55K	3.76%	65K
Health and Social Care Partnership	9.05%	45K	8.51%	42K
Place	6.47%	33K	6.37%	33K
Resources	6.38%	31K	5.72%	28K

Fig. 17 Looking Back 18/19 Conversation Completion

