Finance Scrutiny Committee – Human Resources Subgroup

Minutes of the meeting held on 4 December 2014

Present:

Councillor Ollerhead – In the Chair
Councillors Russell

Councillor Flanagan, Executive Member for Finance and Human Resources

Apologies

Councillors Hackett.

FS/HS/14/05   Minutes

Decision

To approve the minutes of the meetings held on the 31 March 2014 as the correct record.

FS/HS/14/06   Attendance Monitoring

The Subgroup considered a report on attendance monitoring which provided an update on progress with employee attendance across the Council since it was last considered by the Subgroup in March 2014.

The Head of HROD Service Delivery introduced the report. He explained that the Human Resources Subgroup had in the past asked for information to be presented in a particular way, and as up to date as possible. He said gathering accurate up to date data continued to be a challenge. Overall there was a downward trend in absence through sickness, including long term sickness, which was encouraging. The Council had introduced various measures to encourage employees to improve their health, including health champions and exercise groups. Sickness was increasingly being reported online by managers, which included automatic prompts for managers. In addition the Executive Member for Finance and Human Resources had held challenge meetings with the managers of teams with the highest absence rates, which had led to some good outcomes. The Head of Business Delivery (Children and Families) gave an overview of the business delivery team, which had one of the worst attendance rates in the Council. She explained it was a very large team, with 1200 employees. It was customer facing, dealing with the most challenging and vulnerable people the Council works with. The high levels of sick leave could be attributed to stress and physical problems caused by lifting people. She reassured members that there were lots of measures in place to address these problems including support with stress and manual handling training. She said that the levels of absence were being successfully addressed, but there was a long way to go, and good managers made a huge difference. The Head of Care (Children and Families) explained that the high levels of absence within her team were primarily

social workers. Feedback from these teams indicated that it was extremely difficult for them to have a good work life balance.

The Subgroup discussed the data that was provided in the report, noting that two of the graphs appeared to contradict each other. The Head of Service Delivery said this was because of the changing methodology for presenting the data. The original graph showed a rolling 12 month picture, which "smoothed out" trends, starters leavers and movers. The more recent methodology depicted monthly absence based on real working patterns and real time, per person, per month. For example, when employees moved teams in the Council, their sickness record on a team level stayed with their old team and was not brought forward to the new team, although it did remain on their personal attendance record. The Executive Member for Finance and Human Resources informed the Subgroup that local authorities did not all collect data in the same way, for example Manchester counted days off for reasons relating to sickness including disability and pregnancy for attendance monitoring, but some authorities did not count them in absence statistics.

A member asked for more detail about the Councils policy on at what stage employees were dismissed for being on long term sick leave. The Executive Member said there were only one or two employees in the Council who this might relate to, and therefore the Council was keen to continue to support them where possible. He said this sent out the message that the Council was a supporting employer to all staff. The Head of HROD Service Delivery confirmed there were a number of cases which were at a stage that the Council could not do anything further to sustain a return to work. He explained that sick leave was linked to length of service: after 5 years service, employees were paid full pay for six months, then half pay for the next six months, and after a year nothing. In answer to a question, he confirmed that there was some indication that some people returned to work after six months, but no strong correlation at 12 months. The Subgroup asked for data on this to be included in the next report.

A member pointed out that the long term sickness levels appeared to be 5% worse at some points during this year than last year and asked if there were reasons for this. Members wondered if it would be possible to track when particular events had happened, such as announcements of budget reductions, and compare whether these correlated to high or low levels of sickness. The Head of HROD Service Delivery explained that as this way of monitoring sickness was relatively new, it was too early to have that kind of assessment, although this should be possible over time.

The Subgroup asked for the next report to include specific data for medium sick leave, which was over five days and under 20.

The Subgroup discussed sickness due to disabilities and, as Manchester Council relied on employees self reporting disabilities, and as what constituted a disability in legal terms was not well known, whether there might be a problem with underreporting. Officers explained that referrals to occupational health were monitored for what proportion were covered by the disabilities act. The Strategic Business Partner (HROD Strategy and Skills) explained that the Council had previously taken a decision to operate a social model of disability, rather than a medical one, and this used self identification. She agreed that the Council could

consider how managers and employees could have more support in understanding the importance of declaration. Members also pointed out that staff who had filled out an equal opportunities form, for example when starting with the Council, may not be aware that this information would not be shared with their manager, and asked whether it would be legal and advisable to include a box to tick that allowed HROD to share it with their manager. Members asked for officers to consider this and report back.

The Executive Member for Finance and Human Resources told the Committee that one thing he was aware of was the underuse of compassionate leave. He felt that employees did not seem to know about it or when it could be used, and sometimes would take sick leave for things that could be compassionate leave. The Subgroup agreed to request further detail on this at its next meeting, including what is being done to promote the use of compassionate leave to employees.

A member noted that HROD had put a number of measures in place that should help managers and reduce sickness levels. She asked if the high sickness levels meant that there were barriers to HROD getting involved, for example managers not asking for help in a timely fashion. The Head of HROD Service Delivery said that HROD did its best to get involved as early as appropriate, and had a lot of success with the trade unions as well as managers involving HROD in cases. He offered to provide more detail at the next meeting, which the Subgroup agreed to.

The Subgroup expressed concerns that there was nowhere for staff based in the Town Hall to go to eat their lunch, so many ate it at their desk. The Strategic Business Partner (HROD Strategy and Skills) said the break out areas in the Town Hall Extension were available for all staff, and some were fairly large. The Executive Member for Finance and Human Resources said this could be something that was considered when the Town Hall was refurbished, along with whether an area in the Town Hall complex could be made available for staff fitness. The Subgroup supported this and asked for an update at the next meeting.

Decision

To request that the next update report on attendance monitoring include the following information:
- Statistics on the length of long term sick leave absences, including averages;
- Statistics on medium term absences;
- What HROD can do to promote self identification of disability;
- Confirmation of whether equalities monitoring forms could include a box to allow the information about employees to be shared with managers;
- Detail on the use of compassionate leave, and what is being done to promote it;
- The number of disability questionnaires submitted; the number of disability claims to Employment Tribunal in the last 12 months and how many were successful;
- What barriers there can be to HR/OD getting involved in supporting managers;

- An update on the possibility of having an area for employees in the Town Hall to eat their lunch and an area dedicated to staff fitness in the Town Hall Complex.

FS/HS/14/07   **Overview of Key Outcomes from the 2013 Time Limited Voluntary Early Retirement & Voluntary Severance Scheme**

The subgroup considered a report which provided an update on the outcomes and impact of the time limited 2013/15 voluntary early retirement and voluntary severance (VER/VS) scheme, which was open for applications between 6 December 2012 and 15 February 2013. The Strategic Business Partner (HROD Strategy and Skills) introduced the report.

A member asked for more detailed financial information on the VER/VS scheme. The Executive Member for Finance and Human Resources explained that the first VERVS scheme, which ran in 2011 was popular, but there was some evidence to suggest that those who left struggled to get a job as the market was difficult at that time. In this second scheme in 2013, people were more aware of that, so it was more challenging to find sufficient numbers of people. The Strategic Business Partner (HROD Strategy and Skills) explained that the workforce savings were £24m, of which VER/VS was a key part, but not all. The VERVS scheme cost a one off payment of £16m to make ongoing annual savings of £24m. She confirmed there was minimal external recruitment taking place, but could bring further detail at the next meeting.

The Executive Member for Finance and Human Resources said significant reduction in the Council's workforce would lead to problems in the future, such as very few younger members of staff and disproportionately few BME people. The Strategic Business Partners (HROD Strategy and Skills) explained that the Council did target underrepresented groups when it did recruit, for example for apprenticeships.

The Subgroup discussed how *m people* worked. Officers explained that there were two main ways of entering *m people*: when a team was restructured and there were fewer jobs than there were staff available, those who did not secure one of the jobs would enter *m people*. Employees could also voluntarily opt into *m people* if they wished to move to a different part of the Council or develop their skill. The purpose of M People was to move people with skills into the parts of the Council where those skills were needed. Officers explained that for those on *m people* as a result of service design, a suitable place in the Council for their skills would be identified as quickly as possible. If this took longer than expected, the employee remained the responsibility of their previous directorate until a suitable position could be found. As they would continue to be a permanent employee of the Council, this did not cost the Council as a whole any more than if they were moved more quickly in cash terms, although they would become a budget pressure. The Strategic Business Partner(HROD Strategy and Skills) emphasised there were lots of examples where *m people* had worked really well, and having no forced redundancies helped with encouraging employees to accept and deal with change. The trade unions were also very supportive and worked with HROD to help individuals. The Executive Member for Finance and Human Resources said there were some examples of employees

opting into *m people* with the aim of securing a particular job who were turning down multiple reasonable offers, which was not the point of the scheme and not fair.

The Subgroup asked for existing information on *m people* to be provided to its next meeting, including data on tracking employees in *m people*, how long it takes for them to get a new position and to start a new role. The Subgroup also asked for the March 2015 meeting to receive information on the new VER/VS scheme which was currently open for submissions.

Decision

- To request that the next update report on the VER/VS scheme include the following information:
- Figures of spend on external recruitment;
- Further monitoring information on *m people*, including data on employees who have been through M People, how long it took to find a new role once on M People and how long it took to start in the new role;
- Detail on the new VER/VS scheme currently open for submissions.

FS/HS/14/08   Work Programme

Decision

To note the work programme of the Human Resources Subgroup, subject to the addition of requests made during the meeting.