

Overview and Scrutiny Human Resources Sub Group

Minutes of the meeting held on Thursday, 4 October 2018

Present: Councillor Russell (Chair) – in the Chair

Councillors: Ahmed Ali, Clay and S Wheeler

Apologies: Councillor Andrews and Rowles

Also present: Councillors: S Murphy and Ollerhead

RGSC/HRSG/18/19 Minutes

Decision

To approve the minutes of the meeting held on 14 June 2018 as a correct record.

RGSC/HRSG/18/20 HR Policy Review

The Sub Group considered a report of the Director of HROD, which provided an update on work to deliver the agreed £3.2M savings target from employment policies, procedures and working arrangements across the 2017/20 budget period.

The Director of HROD referred to the main points and themes within the report which included:-

- The saving target of £200,000 for 2017/18 had been achieved through the introduction of a five day voluntary annual leave purchase scheme;
- The savings target of £1.5million for 2018/19 had been achieved and exceed through a number of measures which included:-
 - an adjustment to the standard vacancy factor used across the Council from 2% to 2.5%;
 - the release of long term vacancies in the Core;
 - a review of Council funded car parking passes and the creation for clear criteria for allocation; and
 - additional annual leave purchase, supported by an enhancement of the scheme to enable a further five days to be purchased and a voluntary Christmas closedown of non-essential Council services.
- Planned savings for 2019/20 included:-
 - a review of the Essential Car User (ECU) Allowance as an analysis had revealed that the vast majority of ECU recipients were not compliant with the minimum miles eligibility threshold in place under the scheme;
 - an increase of the income target for annual leave purchase based on projected performance in 2018/19; and
 - the introduction of a salary sacrifice model for pension AVCs

- Taking account for the above, there remained a £690K savings gap and an analysis of opportunities to close this gap was currently underway.

Some of the key points that arose from the Committees discussions were:-

- Clarification was sought as to what was meant by the term standard vacancy factor and what impact might this have on service areas where there was not high levels of vacant posts;
- What reassurance could be given that the Council effectively managing the staffing needs of the Core if posts that had been vacant for some time were now being removed;
- How many staff were likely to be affected by the review of the essential car user allowance;
- Had consideration been given as to the possible impact that the review of essential car user allowance may have on staffing levels;
- There was concern with the amount of agency and consultancy staff being engaged by the Council and it was felt that this was an area that required scrutinising further;
- What assurance could be given that the annual leave purchase scheme was not conflicting with demand within services
- Where was the additional £690,000 savings going to come from; and
- Could further explanation be given on what the proposal to introduce a salary sacrifice model for pension AVCs would entail.

The Director of HROD explained that for staff who were employed in NJC graded posts, the Council traditionally budgeted salary costs at the top increment of these grades less 2%. However, from analysis of the number of current vacancies and work force underspend it had been identified that that further budget savings could be made by adjusting the standard vacancy factor from 2% to 2.5%. Reassurance was given that although using the standard vacancy factor was the corporate standard for budgeting salary costs, this proposal would not be applied universally without due consideration and thought within each service area, to ensure that this did not have any detrimental impact on the delivery of services.

It was reported to the Sub Group that as part of the savings plan, a review of all current vacant posts was being undertaken to determine if they were truly required and specifically in terms of the Core, a piece of work was being undertaken to review the priorities and demand on the Core to ensure that it had appropriate levels of staffing. It was also reaffirmed that the £160k savings that had been made through work to release long term vacancies in the Core were permanent revenue savings.

The Director of HROD advised that a large proportion of staff that would be affected by the review of the essential car user allowance were Children's social workers. Officers were undertaking an analysis of the how many employees would be affected by this change and options were being considered in order to mitigate the impact. It was anticipated that notice would be given to the staff affected in November. The Sub Group was advised that there was some financial contingency in place should these changes result in an increase in casual car mileage and further work on this would be undertaken on the potential impact on Children's Social Work workforce stability and feedback provided to the Group.

The Director of HROD agreed to provide an update on the figures in relation to agency spend. Reassurance was given that the Council was looking to reduce the need for agency staff, with circa 200 being currently engaged across the Council, excluding Adult Social Care Networks. It was reported that HROD did not currently collect data on the use of consultants centrally but would be working with key services to do so in the future and the use of IR35 had supported the Council to undertake a large review of its third party engagement which had resulted in significantly reduced costs. The Executive Member for Finance and Human Resources commented that there would be occasional need to engage consultants as the Council found it difficult to recruit to some posts due to the competitive offers from the private sector.

The Sub Group was advised that in relation to the increase in annual leave purchase scheme there was no conflict with the demands of service at present and the volume of staff that had requested to purchase additional leave was manageable. It was explained that the additional £690,000 savings needed to be achieved equated to circa 23 posts on an average salary and it was felt that through a review of existing vacancies these posts could be identified as not required resulting in achieving the necessary savings.

The Director of HROD explained that pension AVC's were currently made as additional payments by an employee from their gross salary, however, new guidelines allowed a shared cost arrangement between the employer and employee through a salary sacrifice arrangement, which would result in potential savings of circa. £200,000.

Decision

The Sub Group:-

- (1) Notes the report; and
- (2) Requests a further report on the agency and consultancy spend incurred by the Council.

RGSC/HRSG/18/21 Workforce Equality

C agenda Can oen of you cover RGSThe Sub Group considered a report of the Director of HROD, which outlined the key workplace equality priorities that the Council had identified for specific action in 2018-19 and beyond in support of both the Council's corporate Equality Objectives and the Our People Strategy.

The Head of Workforce Strategy referred to the main points and themes within the report which included:-

- The Council's workforce representation priorities;
- Achievement of an 'Excellent' re-accreditation against the Equality Framework for Local Government (EFLG) resulting in being one of a very select number of authorities to have retained the award in consecutive terms;
- The outcomes from the Workforce Equality Review undertaken in early 2018;

- The proposed response actions to the review which also aligned with the workforce outcomes of the EFLG reassessment process;
- How the Council would use its affiliation with the Disability Confident Employer framework to provide impetus to its disability-related activity;
- A programme of work to address the underrepresentation of BAME employees across the workforce;
- Apprenticeship opportunities;
- A refresh of the information and guidance of equality related information available on the Council's intranet which would provide an opportunity to undertake a gap analysis of areas where information or guidance needed refreshing, was not available or needed to be created; and
- Gender Pay Gap Reporting

Some of the key points that arose from the Committees discussions were:-

- Was any work being undertaken on or around social class as part of workforce equality;
- Was there any plans to enact upon the comments made in the Council's Workforce Equality review on how reflective or unbiased a recruitment panel could be if it lacked diversity;
- Had the council undertaken any form of mapping exercise to identify where employees lived within Manchester communities and the posts they held, with specific reference to those who may live in low super output areas;
- Did equality training differ dependent on the seniority of staff;
- It was suggested that Officers should undertake a piece of work looking at class of origin and class of destination within the workforce;
- How did the Council intend on ensuring that senior leadership opportunities existed for BAME and disabled staff;
- Had there been any monitoring of the level of protected characteristics across the workforce and those that have accessed voluntary redundancy in the last eight years;
- How did the Council promote its position as an equitable employer of choice;
- An explanation was requested on what was meant by reverse mentoring;
- What was being done to identify employees as disabled following return to work interviews in order for reasonable adjustments to be made;
- What could be done to address the negative perceptions that the Councils recruitment process was not necessarily fair to all and that promotion opportunities were sometimes biased;
- Did the Council collect data on those staff who had caring responsibilities;
- Did the Council monitor satisfaction levels of its staff; and
- It was suggested that more could be offered to by ways of flexible working/job sharing.

The Equalities Team Leader advised that the Council at present did not monitor social class as it wasn't felt that this was an issue that needed to be monitored. It was commented that consideration was being given to address the comments made on the make-up of recruitment panels in the workforce equality review.

The Head of Workforce Strategy advised that a mapping exercise of where staff lived could be undertaken. The Deputy Leader commented that identifying someone's class was a difficult construct and the Executive Member for Finance and Human Resources added that there would need to be some caution in trying to correlate the progression of staff and whether they lived in a low super output area. There was also a need to ensure that any such exercise did not alienate staff who did not live within the city.

The Head of Workforce Strategy advised that the specific online equality training did not differentiate for staff, but there was additional specific training for managers who were on a Grade 10 or above. He also advised that the Council's Work and Skills Team had a number of scheme to help with entry to the work place for priority groups, which included a supported internship programme that had had a number of success stories to date, however, it was acknowledged that more proactive work was needed to improve progression opportunities for BAME and disabled people within the Council's workforce.

In terms of monitoring of protected characteristics, it was explained that the Council did undertake this and it was commented by officers that although the Council's work force had decreased by around 40%, the equality make up remained similar to 2010 levels. The Head of Workforce Strategy also advised that the Council produced an annual data set on key workforce equality metrics but it was agreed that the Council should do more to demonstrate that it was an equitable employer.

In relation to reverse mentoring, it was explained that the idea behind this was that both parties acted in the capacity of a mentor as well as a mentee which would result in both participants gaining something from the process.

The Head of Workforce Strategy explained that Return to Work (RTW) forms already asked whether an employee's absence had been due to a disability and guidance was available to Managers as to how to manage staff appropriately that returned to work with a form of disability, although, it was suggested that there was work needed to improve the conversations between managers and staff during RTW meetings in order to build a better understanding of expectations on both parties. The Director of HROD commented that there were toolkits available for Managers to enable them to support staff with protected characteristics.

The Group was advised that all Managers were required to undertake Recruitment and Selection training before they took part in form of recruitment and a s comprehensive suite of guidance, toolkits and support would be launched to help address the perceptions of a lack of transparency in the process.

The Director of HROD informed the Group that the Council did not collect statistical data on whether staff had caring responsibilities at the present moment, but the BHeard Survey did ask whether an employee had caring responsibilities. The Executive Member for Finance and HR commented that the Council could approach Best Companies to ascertain whether it could provide satisfaction levels for the Council as a whole, as part of the survey findings, so not to risk identifying any individual member of staff.

Officers acknowledged that there was possibly more that could be offered to staff in terms of flexible working and a change in culture across the whole organisation to support new ways of working would be the catalyst for delivering this.

Decision

The Sub Group:-

- (1) Requests that Officers submit a report to the February 2019 meeting that looks at staffs' social class of origin and destination from commencement with the Council to their final position of employment;
- (2) Requests that within the above report, the Sub Group be provided with a map that illustrates where employees live within Manchester communities and the posts they hold, with specific reference to those who may live in low super output areas;
- (3) Requests a report to a future meeting on the internal and external HR communications in relation to the promotion of the Council being an equitable employer of choice; and
- (4) Requests that the Sub Group be provided with an update at an appropriate time on the levels of satisfaction across the Council as detailed within the BHeard Survey.

RGSC/HRSG/18/22 Work Programme

The Sub Group considered a proposed work programme for its next meeting on 29 November 2018.

Decision

The Sub Group agrees the work programme of its next meeting.