

**Agenda for consultative meeting of the
Personnel Committee
Tuesday, 30th November, 2021, 2.00 pm**



Members of Personnel Committee

Councillors I Thomas (Chair), V Ranger (Vice-Chair),
M Allen, M Armstrong, P Arnott, D Bickley,
K Blakey, F Caygill, B De Saram, I Hall,
P Hayward, R Lawrence, J Loudoun,
N Hookway and C Pepper

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Venue: online via zoom

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18 November 2021

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Between 27th July 2021 to 17th January 2022, the Council has delegated much of the decision making to officers. Any officer decisions arising from recommendations from this consultative meeting will be published on the webpage for this meeting in due course. All meetings held can be found via the [Browse Meetings](#) webpage.

- 1 Public speaking
- 2 Minutes of the previous meeting 2 September 2021 (Pages 3 - 6)
To agree the minutes of the previous meeting held on 2 September 2021.
- 3 Apologies
- 4 Declarations of interest
Guidance is available online to Councillors and co-opted members on making [declarations of interest](#)

- 5 Matters of urgency
Information on [matters of urgency](#) is available online.
- 6 Confidential/exempt item(s)
To agree any items to be dealt with after the public (including the Press) have been excluded. There are no items which officers recommend should be dealt with in this way.
- 7 **Recruitment and retention update** (Pages 7 - 14)
- 8 **Apprentice pay policy** (Pages 15 - 21)
- 9 **People data reporting proposals** (Pages 22 - 27)
- 10 **Worksmart review update** (Pages 28 - 32)
- 11 **Personnel Forward plan** (Page 33)

[Decision making and equalities](#)

For a copy of this agenda in large print, please contact the Democratic Services Team on 01395 517546

EAST DEVON DISTRICT COUNCIL**Minutes of the consultative meeting of Personnel Committee held online on 2 September 2021****Attendance list at end of document**

The meeting started at 10.00 am and ended at 11.18 am

1 Chair Introduction

The Chair welcomed the newly appointed HR Manager, outlining her past achievements to date, and continued development to obtain a Senior Leader MBA Degree Apprenticeship.

2 Public speaking

There were no members of the public registered to speak.

3 Declarations of interest

Cllr J Loudoun; Minute 6: Personal Interest; Former employee of union and receives a pension from that union.

4 Matters of urgency

None.

5 Confidential/exempt item(s)

None.

6 Implementation of proposed independent review of EDDC Management Structure and workforce/HR priorities

The report set out a proposal to revise the original remit for the independent management review, following discussions on the potential procurement frameworks and the desire to include aspects such as:

- Current workforce challenges
- Management pay review
- Succession planning
- Leadership and management development.

An HR Manager has now been appointed and has identified workforce challenges as:

- Ensuring that workforce capacity meets service demand, within budgetary constraints
- Overcoming significant recruitment challenges
- Establishing more robust succession planning
- Learning from the recent office relocation and pandemic working arrangements which support both excellent service delivery and retention of staff

- Continuing to support managers and staff through recent significant changes in working practices and high service demands, relating the work to the emerging Council Plan, and a strong focus on staff health and wellbeing
- Build upon positive employee and trade union relations to support high performance, recruitment and retention, including retaining the Platinum Investors in People (IIP) accreditation.

Prioritising these elements meant that recruitment, retention, and how staff would operate post-pandemic, would need to be addressed first, delaying the review of the management structure until next year.

The interventions to deal with these challenges were set out in the report, alongside the proposed written specification for the appointment of an organisation to undertake the review. The proposed evaluation criteria and procurement approach were also set out for the committee to consider. The expected timeframe led to recommendations for consideration in February, to coincide with the budget setting for 2022/23.

Discussions had been made with framework providers, giving a confidence that a suitable provider could be found.

Debate from the committee included:

- Clarity on how information from exit interviews was used;
- Involvement of the Chair of Personnel and the Portfolio Holder for Council and Corporate Co-ordination in putting forward the revised approach; discussion would take place after the meeting on the merits of extending this to include another Member from the committee, retaining political balance;
- IIP accreditation renewal was not due for 18 months, so did not attract expenditure for 2022/23 budget. The accreditation was a means of independent assessment on how well the Council was run, and the Platinum accreditation achieved was testament to that. The Council continued to be the best Council both regionally and nationally;
- Work was already underway in assessing how the workforce would operate post-pandemic, including a staff survey and Service Lead evaluation of office-based needs;
- Current informal career pathways would be expanded to look at customer care centre entry level posts that lead to posts within services. The IIP accreditation benefits included regular performance reviews of staff, which enabled high performers to be identified;
- There was no specific budget for continuous improvement, but training budgets were in place, although reduced in recent years due to budget pressures. Assessment would be made on the effectiveness of online learning modules. Continual improvement was a core value for all services across the Council, as part of the embedded process of the systems thinking approach. This had led to both efficiencies in service delivery for the benefit of our customers, and also made budget savings in eliminating waste;
- Awareness of the Council's IIP accreditation should be raised, as it is a selling point for recruitment of staff.

A separate issue of staff availability to see the public at Exmouth Town Hall currently, which had been raised at the previous Cabinet meeting, would be discussed outside of the meeting.

RECOMMENDED to Senior Officer for Decision

1. To prioritise an independent review of the pay and grading structure and rates of pay to ensure that the Council achieves its vision and values to seek continuous improvement and to recognise the pressure on resources, alongside its aspiration to be a median pay employer and to mitigate against current and significant recruitment and retention issues, with the independent review of the management structure then commissioned to be undertaken following this.
2. That external resources to undertake the review are sourced via a Central Professional Services Procurement Framework.
3. That the proposed written specification and evaluation criteria set out in the report be approved.
4. In order for the Council's commitment to transparency to be clearly demonstrated and to avoid 'behind the scenes' lobbying, that all correspondence from Councillors with the successful bidder will be disclosed to the Personnel Committee.
5. That the other HR priorities recommended in the report, which also aim to secure continuous improvement, enable the Council to adapt to new ways of working and mitigate against resource pressures and current workforce challenges, be approved.

Attendance List

Councillors present:

I Thomas (Chair)
M Armstrong
P Arnott
D Bickley
K Blakey
B De Saram
I Hall
P Hayward
R Lawrence
J Loudoun
N Hookway

Councillors also present (for some or all the meeting)

S Hawkins
J Bailey
C Brown
S Chamberlain
M Chapman
P Millar
A Moulding

Officers in attendance:

Simon Davey, Strategic Lead Finance
Joanna Fellows, Corporate HR Manager
John Golding, Strategic Lead Housing, Health and Environment
Henry Gordon Lennox, Strategic Lead Governance and Licensing (and Monitoring Officer)
Debbie Meakin, Democratic Services Officer
Mark Williams, Chief Executive

Councillor apologies:
V Ranger

Chair

Date:

Report to: Personnel Committee

Date of Meeting 30th November 2021

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Recruitment and Retention Update

Report summary:

This report summarises progress against the recruitment and retention related activities that were agreed by Committee on 2nd September 2021.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That the Committee endorses the content of the report.

Reason for recommendation:

To allow the Committee to retain an overview of actions being taken to mitigate against current recruitment and retention challenges.

Officer: Jo Fellows, HR Manager. Email: jfellows@eastdevon.gov.uk

Portfolio(s) (check which apply):

- Climate Action and Emergency Response
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Democracy, Transparency and Communications
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities
- Tourism, Sports, Leisure and Culture

Equalities impact Low Impact

Climate change Low Impact

Risk: Medium Risk; If actions are not taken to mitigate against current recruitment and retention issues, this may lead to additional pressure being placed on workforce capacity and therefore place a risk on the effective delivery of Council services.

Links to background information Workforce Priorities report presented to Personnel Committee on 2nd September 2021 ([Agenda for Personnel Committee on Thursday, 2nd September, 2021, 10.00 am - East Devon](#)).

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
- A greener East Devon
- A resilient economy

Report in full

1. Introduction

1.1. This report provides an update on the various actions being progressed to mitigate against current recruitment and retention concerns, which are placing additional pressure on Council workforce resources and therefore the effective delivery of services. These actions are being taken whilst also being mindful of the wider current economic context.

2. The economic context

2.1. The October 2021 Office for National Statistics (ONS) figures continue to demonstrate that UK labour supply is not keeping up with labour demand. Across the UK unemployment has fallen back to 4.5% while vacancies have reached a new peak of 1.1 million, with 1.45 unemployed people per vacancy – the lowest figure in at least half a century. The Institute for Employment Studies suggests that this is being exacerbated by a reduction in jobs growth compared to before the pandemic, a smaller population due to migration following Brexit and higher ‘economic inactivity’, with 310,000 fewer older people in the labour market than expected (especially older women), and 210,000 fewer young people (especially younger men)¹. The ONS state that growth in average total pay (including bonuses) was 7.2% and regular pay (excluding bonuses) was 6.0% among employees for the three months June to August 2021, however, they advise that as this growth is affected by base and compositional effects, it should be interpreted with caution. A further report on UK pay rates from the ONS is expected this month².

2.2. Locally East Devon has recovered from Covid-19 restrictions, furlough and unemployment much quicker than was originally anticipated and there are now more people in work than before the pandemic, although Exmouth Town and Axminster remain the areas with the highest claimant count rates in the district. In East Devon and across the whole of Devon there are currently more job vacancies than people, with the sectors seeing the highest demand of vacancy rates being care workers, van drivers, chefs, cleaners and admin support. In addition to this, the current Not in Education Employment and Training (NEET) rate for young people is low, with many remaining in full time education and training rather than finding work. Traditionally East Devon has been a low wage area with data from the Annual Survey of Hours and Earnings (ASHE) showing workplace based earnings for full time employees in East Devon were 91% of the level across the UK in 2016, this had fallen slightly to 89% in

¹ [Labour Market Statistics, October 2021 | Institute for Employment Studies \(IES\) \(employment-studies.co.uk\)](#)

² [Average weekly earnings in Great Britain - Office for National Statistics \(ons.gov.uk\)](#)

2020³. However, wages have started to rise due to shortages in the labour market, coupled with large companies newly established in East Devon offering generous starting bonuses to entice workers.

3. Agreed actions to mitigate against recruitment and retention challenges

3.1. Personnel Committee agreed the following actions on 2nd September 2021:

- 3.1.1. An **independent reward review**, to determine whether changes need to be made to the pay and grading structure and rates of pay to ensure that the Council achieves its aspiration to be a median pay employer and to mitigate against current recruitment and retention issues. Using external support would enable the Council to access independent reward specialists with extensive pay benchmarking data and expertise to develop costed recommendations that also take account of the current economic situation and the Council's budgetary position. An internal HR-led review of the overall employment package, particularly staff benefits, is also recommended to determine whether further improvements could be made, which could also support wider strategic priorities (e.g. climate change).
- 3.1.2. **Recruitment strategy review**, to assess whether actions could be taken to strengthen the Council's employer brand and to open up potential new talent sources which could also support the Council's wider economic development, equality, diversity and inclusion and anti-poverty strategies. With certain key posts likely to require recruitment over the next few years and particular service areas where there are known skills shortages, this work will also involve specific attraction strategies for those roles. This would be led by HR, with support from the Council's existing recruitment advertising agency.
- 3.1.3. Development of a more structured and wide ranging **'grow our own' strategy** to develop existing talent and recruit new staff, led by HR. This is likely to help reduce our existing recruitment and retention challenges and support succession planning. This would include introducing career pathways supported by targeted learning and development opportunities and reviewing the Council's existing use of apprenticeships and other mechanisms.

3.2. Progress against each of these interventions is set out below, along with the steps that have been taken to improve evaluation of the impact of those interventions, particularly with regard to accurate vacancy data.

4. Reward Review

4.1. The primary focus to date has been on the procurement of an external consultancy to undertake the independent Reward Review. A supplier has now been commissioned and they commenced work in mid-November. The work will involve the following stages:

- 4.1.1. Mobilisation and collation of background data and information
- 4.1.2. Labour market data pay benchmarking against a sample of agreed jobs across the Council
- 4.1.3. Reporting of initial findings and potential options and liaison to enable HR/Finance to undertake high level cost modelling
- 4.1.4. Presentation of the outputs, recommendations and proposed next steps.

4.2. The supplier has indicated that further work may then be required to refine the recommendations and to engage with key stakeholders before having in place a clear set of final recommendations and costings. However, this is outside the scope of the

³ [Labour Market Profile - Nomis - Official Labour Market Statistics \(nomisweb.co.uk\)](https://www.nomisweb.co.uk/)

agreed £25k budget. It is therefore proposed that the work is reviewed at that stage to determine whether further external consultancy support is required and if so, additional funds sought.

- 4.3. The intention is to bring costed recommendations to this Committee in January 2022, subject to sufficient progress being made and clarity secured in line with paragraph 4.2 above. It is acknowledged that costed recommendations will need to be available early in the New Year to inform budget planning and all steps will therefore be taken to achieve this.
- 4.4. The trade union are being kept informed of progress and involved at appropriate stages. We also continue to keep staff informed, whilst managing expectations that this work is a review and at this stage no decisions have been made about future pay rates.
- 4.5. Although separate issues, the following pay-related matters are also worth noting, as they will impact on the overall pay package and have budget implications for the Council:
 - 4.5.1. The national 2021/22 local government pay negotiations are unfortunately ongoing, due to lack of agreement between the national employers and trade unions. The Council continues to monitor progress and keep staff informed.
 - 4.5.2. The Government has announced that the National Living Wage (for over 23 year olds) will increase to £9.50 per hour from April 2022 and the National Minimum Wage (for those under 23 years) will also increase. This will impact on the lower nationally determined salary points in the Council's grading structure (the lowest spinal column points are £9.25 per hour (point 1) and £9.43 per hour (point 2) which are part of the Council's Grade 1). Currently we have minimal numbers of staff on this grade so it is not envisaged that this will have a significant budgetary impact, but it is still worth noting.
 - 4.5.3. The Government is to increase National Insurance contributions by 1.25% for employer and employee contributions from April 2022 (the health and social care levy), which will lead to an additional cost of £119k on the Council's annual pay bill and see a net reduction in pay for employees.
 - 4.5.4. The Council's Anti-Poverty Strategy includes an aspiration for the Council to be a Real Living Wage employer and to promote the Real Living Wage to other employers. The current Real Living Wage rate is £9.90 per hour. Further consideration of this, including the budgetary impacts, will be included in proposals which arise from the Reward Review

5. Recruitment Strategy Review

- 5.1.1. Discussions are taking place with the Council's recruitment advertising agency and internally to determine how improvements to the Council's employer brand can be progressed. Due to cost pressures, it is likely that the work will be undertaken internally, but details are still to be confirmed.

- 5.1.2. This branding work will include how we ensure that we target people from a wide range of protected characteristics and backgrounds, so that we maximise supply of good candidates. This will also include what support we may need to provide or facilitate (for example, employability skills and pipelines into employment, such as work experience). Work to engage with particular special interest and community groups will inform this activity.
- 5.1.3. HR and managers are also making reconnections with recruitment agencies to understand their current offer and how that might support recruitment to specific roles. For example, surveyors are currently being sought via this route. This does incur additional costs (as the agency requires a fee to undertake the search) but is offset against usual recruitment advertising costs.
- 5.1.4. Agency workers remain an option where posts cannot be recruited to. However, these are at higher cost and therefore we continue to advise services to seek staff by traditional routes first, where possible.

6. 'Grow our own' Strategy

- 6.1.1. The longer term strategy is to have in place career pathways and strong apprenticeship schemes which enable the Council to develop people into roles. This will assist with recruitment and retention and reducing key skills shortage areas (such as Planning and Environmental Health⁴), will support succession planning and will contribute to the Council's Anti-Poverty and economic prosperity objectives in the Council Plan.
- 6.1.2. The current Revenue Apprentice vacancies have highlighted some barriers which will need to be addressed, such as apprentice pay, the Council's brand and making connections with local education establishments, as a pipeline into employment. The Apprenticeship Pay Policy report to be considered by the Committee at this meeting aims to begin to address this.
- 6.1.3. There is a high level of interest from service areas in engaging with this work. The HR Manager plans to start with two or three pilot areas, working with the service, appropriate apprenticeship training providers and the Economy Team, to design a scheme that is attractive to candidates, meets service needs and includes pipelines into employment and career pathways for further development and progression.
- 6.1.4. To support this work, the Council as employer has become a member of the South West Apprenticeship Ambassador Network, which aims to promote apprenticeships to other employers and to young people in schools and colleges. It also provides us with access to information and contacts which will support our work.

7. Resources

- 7.1. It is evident that services and the HR Team are having capacity issues with dealing with the volume of recruitments alongside other service delivery pressures, which can slow down the process of filling vacancies. This operational pressure also makes it more challenging to undertake the strategic interventions required, as stated above.
- 7.2. To provide additional temporary HR resource, a HR graduate placement via the University of Exeter is being sought, funded from vacant hours within the existing HR Team.

⁴ The LGA reported in February 2021 that environmental health and planning officers were the most difficult roles to recruit to within district councils, although at that time 46% of councils were experiencing recruitment difficulties over a wide range of roles ([LGA Research Report - COVID-19 Workforce Survey - 5 February 2021-2 \(local.gov.uk\)](https://www.local.gov.uk/research-reports/lga-research-report-covid-19-workforce-survey-5-february-2021-2)).

8. Measuring outcomes and impacts

- 8.1. With operational pressures on the HR Team during the pandemic, the previous work to monitor vacancies ceased. The Team have worked hard to re-establish this information and the first vacancy report is attached at Appendix 1.
- 8.2. There are currently 11 vacancies where recruitment is in progress, with a further 16 vacancies where decisions are being made about recruitment (for example, work being undertaken to update job descriptions). The average length of time to complete a recruitment process is 93.55 calendar days, which also takes into account preparation for recruitment and new recruits having to complete notice periods with previous employers before joining the Council. Inevitably, internal resource pressures are impacting upon the timescale, as managers and HR undertake recruitment activity alongside other priorities.
- 8.3. There are currently 41 market supplements in place across the Council at a cost to date this year of £137,000, compared to £67,000 for the whole of the preceding financial year⁵, which also reflects the current concerns raised about pay rates, which is being explored further through the independent Reward Review. The report also includes data on the number of agency workers and turnover rates. Unfortunately it is not possible to compare these current figures with previous years, as reliable previous year data is unavailable.
- 8.4. This information provides a good baseline to inform and measure the recruitment and retention interventions that we are putting in place. Vacancy data will form part of the people data report provided to future Committees, as set out in the Proposed People Data Reporting paper, to be considered at this meeting.

9. Conclusion

- 9.1. This report provides an update on the recruitment and retention interventions being progressed. Although there are positive steps being taken, it is also recognised that this is within the context of a challenging economic climate and internal resource pressures. Further updates will be provided to Committee.

Financial implications:

The financial details are outlined within the report.

Legal implications:

The report does not identify any legal implications requiring comment.

⁵ There have been a growing number of market supplements year on year, with 19 in 2017/18, rising to 33 in 2020/21 and now 41 to date this year. Comparisons with previous years will be part of the future people data reporting.

Appendix 1 – Vacancy data

	EDDC Total	By Service Area
VACANCY DATA:		
Total Vacancies (NOT Recruiting)	16	Countryside & Leisure-2 Environmental Health – 2 Governance & Licensing - 2 Housing Services – 1 Planning Strategy & Development – 1 Revenues & Benefits-2 Streetscene - 6
Total Vacancies (Recruiting in Progress)	11	Chief Executive - 1 Countryside & Leisure -2 Environmental Health -1 Housing Services-3 Planning Strategy & Development -2 Revenues & Benefits-1 Streetscene -1
Total current vacancies	27	
RECRUITMENT ISSUES & AGENCY WORKER DATA:		
Average length of time a Recruiting in Progress vacancy is vacant	93.55 days	Not available
Total Positions filled by Agency	34	Not available
Total Positions currently subject to a Market Supplement	41	Chief Executive - 7 Environmental Health – 2 Finance - 1 Governance & Licensing - 4 Growth Development and Prosperity - 4 Housing Services – 7 Place, Asset and Commercialisation - 4 Planning Strategy & Development – 10 Revenues & Benefits-1 Streetscene - 1
TURNOVER DATA:		
Turnover (voluntary & non-voluntary)	7.58%	Chief Executives – 0% HR & Payroll – 0% Governance & Licensing - 4% Housing, Health & Environment -10.10% Planning, Strategy & Development – 5.56% Growth, Development & Prosperity - 7.14% Finance - 2.78%
Turnover (voluntary)	6.35%	Chief Executives – 0% HR & Payroll – 0% Governance & Licensing - 4% Housing, Health & Environment -8.71% Planning, Strategy & Development – 4.17% Growth, Development & Prosperity - 7.14% Finance - 2.78%

Notes:

- Vacancy data is as at 5th November 2021.
- Turnover data is as at 31st October 2021.
- Previous months and years data is not included as some if it was prior to the HR system improvements to the data and reporting. This information will be provided in future reports, as the data becomes available.
- Benchmarking data is currently unavailable as either the information is not recorded or is not recent . HR will continue to explore options for sourcing appropriate benchmarking data, with the aim of including in future reports, if possible.
- The data above will in future be part of the wider people data reporting which will be provided to SMT+ and Personnel Committee (see People Data Reporting Proposals report).

Definitions:

- **NOT Recruiting Vacancies** - Vacancies that are not currently part of the recruiting process, where a valid Authority to Recruit is in place or the position has been vacant for less than 1 month. This may be because they are on hold or recruitment is being prepared. Excludes positions that are vacant due to secondments.
- **Recruiting in Progress** - Vacancies where recruitment is in progress.
- **Average length of time a vacancy is vacant** – this counts the number of calendar days a Recruiting in Progress Vacancy has been vacant. The count is from either when the post became vacant or in the case of a new post, from when the post was added to the HR system. It is only possible to calculate this figure for the Council as a whole due to HR system capabilities.
- **Agency** - The number of posts that are currently filled by Agency Workers. This could be because of recruitment issues or for other reasons. The number of these posts by Service or information on costs cannot be determined, as this information is not held centrally as they are not part of the payroll.
- **Market Supplement** – This is an additional payment that is made in excess of the job evaluated grade for the post because of recruitment issues linked to market pressures. It is in accordance with the Council's Market Supplement Policy. This figure is based on the number of positions/people that are actually being paid for a Market Supplement at the time the report is run. It does not include vacant positions that may attract a market supplement if they were not vacant, as this information is not held in the HR system.
- **Turnover (voluntary & non-voluntary)** – Voluntary and non-voluntary turnover is the proportion of all leavers and is expressed as a percentage of the number of employees. Non-voluntary turnover includes dismissal for reasons of disciplinary, performance, redundancy, end of fixed term contract and ill health retirement.
- **Turnover (voluntary)** – Voluntary turnover is the percentage of employees leaving the organisation voluntarily or retiring.

Report to: **Personnel Committee**



Date of Meeting 30th November 2021

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

Apprentice Pay Policy

Report summary:

This report proposes changes to the Council's pay policy for newly recruited apprentices.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That the Personnel Committee recommend to Council that National Joint Council (NJC) rates are paid to newly recruited apprentices in accordance with the Council's standard pay and grading structure.

Reason for recommendation:

To ensure that the Council remains competitive in the local apprentice employment market, supporting recruitment and retention and achievement of the Council's Anti-Poverty and Economic Prosperity aims.

Officer: Jo Fellows, HR Manager. Email: jfellows@eastdevon.gov.uk

Portfolio(s) (check which apply):

- Climate Action and Emergency Response
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Democracy, Transparency and Communications
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities
- Tourism, Sports, Leisure and Culture

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk;

Links to background information Workforce Priorities report presented to Personnel Committee on 2nd September 2021 ([Agenda for Personnel Committee on Thursday, 2nd September, 2021, 10.00 am - East Devon](#)).

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
 - A greener East Devon
 - A resilient economy
-

Report in full

1. Introduction

1.1. This paper proposes changes to the Council's current pay policy for newly recruited apprentices. It describes the current arrangements, why changes are proposed and the implications of the change.

2. Current Apprenticeship Arrangements

2.1. The Council has a long history of employing a small number of apprentices across a range of service areas including Streetscene, Finance (Revenues and Benefits & Income and Payments), Planning, Electoral Services, and Legal). The number of new recruit apprentices have reduced over the last 18 months due to the pandemic, with 6 recruited in 2018/19 compared to 0 in 2020/21. The average age of new recruit apprentices over the last five years is 24 (although apprenticeships are available to people regardless of age).

2.2. In 2017 the Government introduced a range of reforms to increase the number of apprenticeships across the economy, including:

- 2.2.1. The Apprenticeship Levy whereby employers with a pay bill in excess of £1.5m per annum automatically contribute 0.5% of their annual pay bill to the Levy account, which then funds apprentice training and assessment, but not salary. The Council's Levy contribution is c£50,000 per annum but as of 31st October 2021 only £13,856 has been spent so far this financial year. If the employer does not spend their Levy contribution within 24 months of it being placed in their account, it is transferred to a Government account.
- 2.2.2. A Public Sector Apprenticeship Duty and Target, requiring public sector employers to actively consider the use of apprenticeships as part of workforce planning and to work towards 2.3% of their workforce being apprentice starts. The Council's latest reported Target figure for 2020/21 is 0.41% and therefore below the Public Sector Target.
- 2.2.3. That apprenticeship training could be used for existing staff as well as new recruits. To date, since 1st April 2017, 9 existing staff within the Council have benefited from this.

- 2.2.4. A growing number of apprenticeship qualifications across a wide range of occupational areas, from entry level (Level 2 – GCSE equivalent) through to Master’s Degree level (Level 7).
- 2.3. To date, the Council’s pay policy for new recruit apprentices has been to pay National Minimum Wage (NMW) at the standard rate (currently between £4.62 and £8.91 per hour, depending on age), rather than the NMW apprentice rate (£4.30 per hour). Existing staff who have undertaken apprenticeship training have continued on their substantive NJC pay rate, in line with our standard grading structure (the lowest salary point on our standard grading structure is currently £9.25 per hour). Appendix 1 provides further information on the NMW and NJC salary rates.
- 2.4. The Council does not currently employ any new recruit apprentices, as the four who were most recently in post have nearly completed their qualification and have been successfully appointed to substantive roles in the Council. However, two Revenue Apprentice vacancies have been advertised since early September 2021, without success, which has highlighted that our current pay rates are a factor in not attracting people to these opportunities.

3. Proposed Changes to Apprentice Pay

- 3.1. It is recommended that apprentice pay for new recruits are aligned with the Council’s standard grading structure and NJC salary points. Each apprenticeship opportunity would be evaluated in line with the standard Job Evaluation process. Due to the entry level nature of new recruit apprenticeship roles, it is envisaged that most roles would be evaluated at Grades 1 (£9.25-£9.62 per hour) or 2 (£9.81-£10.41 per hour). As with current arrangements, managers would be expected to allocate budget accordingly, following analysis of the role requirements and identification of the grade through Job Evaluation.
- 3.2. This change is proposed for the following reasons:
- 3.2.1. **Pay competitiveness in the local market** - Local intelligence demonstrates that many employers are now paying above NMW rates. For example an Exeter based IT firm is paying c£9.87 per hour for a Level 2 Accountancy Apprenticeship, Devon County Council pay £9.62 per hour (NJC salary point 3) for their Level 3 Business Administration apprenticeships and the University of Exeter’s Level 2/3 apprentice starting salaries are £9.50 per hour.
- 3.2.2. **‘Growing our own’** – recruiting more apprentices is a key part of the Council’s grow our own strategy, one of a number of workforce priorities agreed with the Committee on 2nd September 2021. Developing apprenticeship programmes aligned with career pathways will help to mitigate against our current recruitment and retention challenges, particularly in skill shortage areas, and support succession planning. Without an attractive apprenticeship proposition it will not be possible to effectively implement this approach.
- 3.2.3. **Council Plan Priority One – Better homes and communities for all (Anti-Poverty Strategy)** – this approach will support Objective 3 of the Poverty Reduction Strategy which is to promote an inclusive economy, by raising skills and improving access to a range of employment opportunities for people on low incomes. It should be noted that apprenticeships are available to people regardless of age, so having a competitive apprenticeship employment offer can support people from a range of backgrounds, not just young people. The Anti-Poverty Strategy also states an aspiration for the Council to be a Real Living Wage employer (minimum hourly rate of £9.90 per hour), which will be

considered further following the Reward Review (see paragraph 4.5.4 of the Recruitment and Retention Update to this committee).

- 3.2.4. **Council Plan Priority Three – A resilient economy** – through providing quality apprenticeship employment opportunities, the Council can demonstrate its commitment as a large local employer to wider economic prosperity in the district. As stated in the Recruitment and Retention Update (paragraph 2) provided to the Committee at this meeting, the current economic position is placing additional challenges on the ability to recruit to all roles, including apprenticeships. A smaller pool of talent to source candidates from also necessitates the need to ensure a competitive and attractive apprenticeship employment proposition.
- 3.2.5. **Maximise Levy spend** – the potential to attract a greater number of people to apprenticeship vacancies within the Council will lead to an increase in apprentice starts, enabling more effective use of the Apprenticeship Levy, which the Council is obliged to contribute to and will lose to the Government if it has not fully utilised internally. An increase in apprentice starts also increases the Council's ability to meet the Public Sector Target.

4. Implications of this change

- 4.1. Paying higher rates of pay will have budgetary implications, but this is difficult to quantify because the demand for future new recruit apprentices is as yet unknown. Based on the average number of new recruit apprentices each year over the last five years (2.2 per year), the difference between paying NMW and NJC Grade 1 is between £19,643 and £1,435 per annum based on an average of 2.2 apprentices, excluding on costs and depending upon the apprentice's age (see Appendix 2). Using the average age of apprentices over the last five years (age 24), they would be subject to the National Living Wage requirements and therefore the cost differential would be at the lower level (£1,435 per apprentice per year).
- 4.2. However, it should also be noted that the Government have announced an increase in the NMW from April 2022, which will also impact on the Council's lowest nationally determined National Joint Council (NJC) salary points (as described in paragraph 4.5 of the Recruitment and Retention Update, presented to this meeting). Using the average age apprentice again as an example (age 24), they are entitled to the National Living Wage which will increase to £9.50 per hour from April 2022, which is likely to be comparable with the lowest point on the NJC scale in any case.
- 4.3. Through the 'grow our own' strategy we aim to increase the number of new recruit apprentices, which could lead to additional costs. However, the work to develop these apprenticeship programmes will include conversations with service areas to identify where there may be opportunities to convert existing established vacant posts into apprenticeship opportunities, which could therefore lead to salary savings. When assessing the suitability of converting posts, the developmental needs of apprenticeship roles and revising tasks and responsibilities accordingly would be considered.
- 4.4. Using the standard Council pay and grading structure for new recruit apprenticeship roles would mean that any changes as a result of the current independent Reward Review will also impact on apprentices in the future. However, apprentices will still remain a small proportion of the overall workforce and apprentice numbers will be included in cost modelling as part of the Review.

4.5. It is acknowledged that pay rates are not the only factor which can impact on the attractiveness of Council apprenticeship opportunities. Other factors include the local government/Council brand, location (particularly where travel across the district may be problematic for some candidates) and perceptions of apprenticeships. The recruitment and 'grow our own' work already planned will aim to mitigate against these, for example through the development of a strong employer brand, work to develop closer links with local secondary schools and colleges (as a pipeline into apprenticeship roles) and membership of the South West Apprenticeship Ambassador Network (which promotes apprenticeships to employers, young people and their carers).

5. Conclusion

5.1. It is hoped that the recommendations in this report, to increase apprentice pay rates to align with the Council's standard pay and grading structure, will assist the Council in increasing apprentice starts to support recruitment, retention, succession planning and the Council's poverty reduction and economic prosperity strategic priorities.

Financial implications:

The financial implications are included in the report based on 2.2 apprentices (average to date over 5 years). In addition on costs in the order of 30% on top of the figures quoted would normally be included in the budget to cover National Insurance, Pension Contribution etc.

Legal implications:

The report does not identify any legal implications requiring comment.

Appendix 1 – National Minimum Wage and Council Grading Structure comparisons

National Minimum Wage (NMW) and National Living Wage (NLW) rates

Age	Hourly rate April 2021 April 2022 figures are in brackets	Annual salary (based on 37 hours per week) based on April 2021 figures April 2022 figures are in brackets
Under 18	£4.62 (£4.81)	£8,913 (£9,279)
18 to 20	£6.56 (£6.83)	£12,656 (£13,177)
21 to 22	£8.36 (£9.18)	£16,128 (£17,710)
23 and over (known as NLW)	£8.91 (£9.50)	£17,189 (£18,328)

The NMW also has an apprentice rate of £4.30 per hour for those aged under 19 years old or for those aged 19 or over and in the first year of their apprenticeship (this will rise to £4.81 in April 2022). However the Council has not used this rate, instead choosing to use the standard NMW rates based on the individual's age.

EDDC Grading Structure (20/21 rates, based on National Joint Council (NJC) salary points*)

Grade	NJC Spinal column point	Hourly rate	Annual salary (based on 37 hours per week)
1	1	£9.25**	£17,842
	2	£9.43**	£18,198
	3	£9.62	£18,562
2	4	£9.81	£18,933
	5	£10.01	£19,312
	6	£10.21	£19,698
	7	£10.41	£20,092
3	8	£10.62	£20,493
	9	£10.83	£20,093
	10	£11.05	£21,322
4	11	£11.27	£21,748
	12	£11.50	£22,183
	13	£11.73	£22,627
	14	£11.96	£23,080

Grades 1-4 only are shown for comparative purposes, as most apprentice roles will be at the lower grades due to their nature.

*The national NJC pay award, which was due in April 2021, is still pending.

**The lowest NJC rates will not be compliant with the National Living Wage from April 2022 (when it rises to £9.50 per hour). We await further guidance from the national employers on this.

Appendix 2 – Indicative Costs

The figures below are based on the average number of new recruit apprentice starts over the last 5 years:

Year	Number of new recruit apprentice starts
2016/17	0
2017/18	3
2018/19	2
2019/20	6
2020/21	0
Average over the last 5 years:	2.2

Annual salary cost for 2.2 apprentices (based on the average numbers over the last 5 years):

at current NMW under 18 rate	at current NMW 18-20 rate	at current NMW 21-22	at current NMW over 23 rate (NLW)	at Grade 1, NJC salary point 1	Difference between NMW under 18 and Grade 1	Difference between NMW over 23 rate (NLW) and Grade 1
£19,609	£27,843	£35,483	£37,817	£39,252	£19,643	£1,435

All figure exclude on costs (e.g. tax, National Insurance and pension contributions), which are c30% in addition to the above figures.



Report to: Personnel Committee

Date of Meeting 30th November 2021

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

People Data Reporting Proposals

Report summary:

Proposals for the frequency and content of key workforce data to the Personnel Committee, to support policy decision making and an overview of workforce matters.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That Committee agree to the people data reporting proposals set out in this report.

Reason for recommendation:

To provide clarity on future workforce data reporting arrangements.

Officer: Jo Fellows, HR Manager. jfellows@eastdevon.gov.uk

Portfolio(s) (check which apply):

- Climate Action and Emergency Response
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Democracy, Transparency and Communications
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities
- Tourism, Sports, Leisure and Culture

Equalities impact Low Impact

Climate change Low Impact

Risk: Low Risk;

Links to background information Scrutiny Committee, 7th October 2021: [Agenda item - Further report on proposed actions to improve staff morale - East Devon](#) and [071021 Performance report quarter one 2021-22 - Committee report.pdf \(eastdevon.gov.uk\)](#)

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
 - A greener East Devon
 - A resilient economy
-

Report in full

1. Introduction

- 1.1. This report proposes that key people/workforce data is provided to the Personnel Committee on a regular basis to inform policy decisions and to provide an overview on workforce matters. The paper provides information on the data already provided to Members and proposals for future reporting.

2. Current Reporting

- 2.1. The following workforce data is currently reported to Members as part of the Scrutiny Committee Quarterly Monitoring of Performance:
 - 2.1.1. Sickness absence (working days lost)
 - 2.1.2. Headcount (Total average for the quarter)
 - 2.1.3. Turnover (Cumulative Staff Turnover as a percentage of all staff (voluntary leavers))
 - 2.1.4. Redundancies (number as of year to date).
- 2.2. In addition, Scrutiny receive the annual People Data Report for each financial year, which includes additional information such as the number of disciplinaries and grievances, learning and development and apprenticeship activity and the workforce age profile.
- 2.3. Alongside the data we provide internally, the Council also has a number of external workforce reporting obligations related to the:
 - 2.3.1. Gender Pay Gap
 - 2.3.2. Public Sector Apprenticeship Target
 - 2.3.3. Data Transparency (senior salaries, organisation chart, pay multiple, trade union facility time)
 - 2.3.4. Pay Policy Statement.

3. Proposed Changes

- 3.1. Although the above is useful information, there are additional areas that it would be helpful to report on, considering current workforce priorities, the significant proportion of the budget spent on workforce and the impact of staffing on service delivery. For example, vacancy data is of particular current concern due to the recruitment and retention challenges that the Council is experiencing which incurs additional costs to the Council and places a significant risk on service delivery. Having more detailed information on trends, such as regarding sickness absence and headcount, and comparing the Council's workforce data against comparable benchmarks may also assist with policy planning and decision making. Alongside this, to support the Council's Equality Duty, information on a broader range of protected characteristics (e.g. ethnicity) will help the Council to identify improvements to its policy and practice.
- 3.2. The appendices at the end of this paper summarise the proposed content of the people data reports to be provided to the Personnel Committee. Two reports are proposed:
 - 3.2.1. **For each Committee meeting** (approximately every other month) – a summary of key data since the last Committee meeting, based on monthly reporting undertaken by the HR Team. Areas of particular concern requiring regular monitoring (for example headcount, vacancies and sickness absence) will be the focus of this report. (Appendix 1)

3.2.2. **An annual report** (for the summer Committee meeting). This will summarise a range of people data for the previous financial year and will build on the current People Data Report to include, for example, a broader range of equality and diversity information. It will also reference the external reporting requirements by providing information on areas such as the Council's Gender Pay Gap and Apprenticeship Target. (Appendix 2).

3.3. The reports above will replace the workforce information currently included in the Scrutiny Committee Quarterly Monitoring of Performance and will be available to all members via the Council website.

3.4. The proposals take into account relevant workforce data that is already available to the HR Team, for example via the Council's HR and Payroll System, and also considers what additional data needs to be collated by HR. Some of this additional data may take further time to develop and this forms part of the Team's work plan. It should also be noted that some data is dependent on employee's providing the relevant information – for example, although the Council asks employees to complete Exit Interviews to provide information on their reason(s) for leaving, we cannot obligate individuals to do so, which limits our ability to use such data to inform policy and practice.

3.5. As these reports will be available on the Council's website they may also assist with more efficiently responding to Freedom of Information and other requests regarding workforce data.

4. Conclusion

4.1. These proposals set out people data requirements based on the Council's current workforce priorities, which will help to inform policy decisions and retain oversight. It is suggested that this is kept under review, with data requirements changing if new areas of focus emerge. However, this will need to be balanced with the availability of relevant data, the need to have consistency in data to provide meaningful trend analysis and the capacity of the HR Team.

Financial implications:

There are no direct financial implications identified.

Legal implications:

The report does not identify any legal implications requiring comment.

Appendix 1 – People Data Report for each Committee meeting

A summary of key data for the period since the last Committee meeting, based on monthly reporting undertaken by the HR Team.

- **Headcount**
 - Actual headcount and Full Time Equivalent (FTE)¹ based on the most recent month's report
 - Actual headcount and FTE over the last 12 months
 - Budgeted headcount for this financial year
 - At Council and Service Lead level

- **Vacancies, Agency Workers and Recruitment**
 - Number of current vacancies based on the most recent month's report at Council and Service Lead level
 - Average length of time a vacancy is open (in calendar days) based on the most recent month's report
 - Number of posts currently subject to a market supplement based on the most recent month's report
 - Number of posts currently filled by agency staff based on the most recent month's report (unable to provide costs as this is held locally by service areas)
 - The above compared to equivalent data over the last 12 months (the first reporting will be in November 2021 so this trend analysis will not initially be available) and benchmarking data (if available - this is currently being explored).

- **Turnover**
 - Voluntary turnover rate based on the most recent month's report
 - Non-voluntary turnover rate based on the most recent month's report and number of redundancies to date this financial year
 - Combined voluntary and non-voluntary rates based on the most recent month's report
 - At Council and Service Lead level
 - The above compared to equivalent data over the last 12 months
 - Appropriate benchmarking data (e.g. district councils in Devon), if available

- **Sickness Absence**
 - Number of working days lost based on the most recent month's report
 - The above compared to equivalent data over the last 12 months
 - At Council and Service Lead level
 - Appropriate benchmarking data (e.g. district councils in Devon), if available
 - Top three reasons for absence this month
 - Number of working days lost due to Covid reported sickness absence case based on the most recent month's report

¹ 'FTE' is a unit to measure employees in a way that makes them comparable although they may work a different number of hours per week. The unit is obtained by comparing an employee's average number of hours worked to the average number of hours of a full-timer. A full-time person is therefore counted as one FTE, while a part-time worker is a proportion of one FTE. For example, a part-timer employed 18.5 hours a week where full-time work consists of 37 hours, is counted as 0.5 FTE.

Appendix 2 – Annual People Data Report

Presented each summer to the Committee.

- **Headcount and employment costs**

- Actual headcount and Full Time Equivalent (FTE) per month for the financial year compared to data for the previous 5 years
- Actual headcount and FTE by grade for the year compared to the previous year
- Budgeted headcount for this financial year compared to the preceding 5 years
- At Council and Service Lead level
- Annual salary costs for this financial year compared to last 5 years
- Staff travel costs for this financial year compared to last 5 years

- **Vacancies, Agency Workers and Recruitment**

- Vacancies per month for the financial year compared to preceding data for the previous year at Council and Service Lead level (the first reporting will be in November 2021 so this trend analysis will not initially be available)
- Average length of time the vacancy is open in the financial year, compared to the average for the previous year (the first reporting will be in November 2021 so this trend analysis will not initially be available. This will be in calendar days.)
- Number of posts filled by agency staff for the financial year compared to data for the previous year (the first reporting will be in November 2021 so this trend analysis will not initially be available. We are unable to provide agency costs data as this is held locally.)
- Number of market supplements in place and overall cost at the end of the financial year compared to the preceding 5 years
- Information on recruitment activity and impact (e.g. number of applications for posts this year compared to preceding year)

- **Turnover**

- Voluntary turnover rate per month for the financial year compared to data for the previous 5 years
- Non-voluntary turnover rate per month for the financial year compared to data for the previous 5 years including number of redundancies and dismissals this financial year compared to the last 5 years
- Combined voluntary and non-voluntary rates for the financial year compared to data for the previous 5 years
- Appropriate benchmarking data (e.g. district councils in Devon), if available

- **Sickness Absence & Wellbeing**

- Number of working days lost per month for the financial year compared to data for the previous 5 years
- Number of working days lost per FTE for the financial year compared to previous 5 years
- Appropriate benchmarking data (e.g. district councils in Devon), if available
- Short-term absence (8 days or less) rates and reasons, compared to previous 5 years
- Medium-term absence (9 days – 2 months) rates and reasons, compared to previous 5 years
- Long-term absence (more than 2 months) rates and reasons, compared to previous 5 years
- Number of occupational health referrals during this financial year compared to last year
- Number of Employee Assistant Programme (EAP) counselling self-referrals during this financial year compared to last year

- **Employee relations and engagement**

- Number of cases of disciplinary action (excluding absence warnings) this year compared to last financial year
- Number of grievances this year compared to last financial year
- Trade union facility time (taken from the Data Transparency information)
- % staff survey response rate this year compared to last annual survey
- Key findings from staff survey for this year

- **Learning and development and 'growing our own'**

- % of the workforce undertaking mandatory training, by service area
- % of the workforce accessing e-learning this year compared to previous year
- Number of training events delivered this year and number of attendees
- Number of new recruits on apprenticeship programmes
- Number of existing staff undertaking apprenticeship qualifications
- Apprenticeship Levy contribution and spend for this year compared to last year
- Public Sector Apprenticeship Target submission for this financial year compared to last year
- Key learning and development/'grow our own' successes and demonstration of impact (e.g. awards, staff feedback, new initiatives etc.)

- **Workforce Profile**

- Workforce numbers/proportions by age, gender, ethnicity and disability for this year compared to previous year, relevant benchmark and EDDC population data
- Gender Pay Gap submission for this financial year compared to last year
- Pay multiplier (ratio between highest and lowest paid, as reported in the Pay Policy Statement and under the Data Transparency requirements)

Report to: Personnel Committee

Date of Meeting 30th November 2021

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A



Worksmart Review Update

Report summary:

This report provides the Committee with an update on the Worksmart Review, which is determining the Council's future ways of working, informed by learning through the pandemic.

Is the proposed decision in accordance with:

Budget Yes No

Policy Framework Yes No

Recommendation:

That the Committee note the contents of the report.

Reason for recommendation:

To allow the Committee to retain an overview of the work being undertaken to review the Worksmart approach.

Officer: Jo Fellows, HR Manager. Email: jfellows@eastdevon.gov.uk

Portfolio(s) (check which apply):

- Climate Action and Emergency Response
- Coast, Country and Environment
- Council and Corporate Co-ordination
- Democracy, Transparency and Communications
- Economy and Assets
- Finance
- Strategic Planning
- Sustainable Homes and Communities
- Tourism, Sports, Leisure and Culture

Equalities impact Medium Impact

Climate change Medium Impact

Risk: Low Risk; The equality and climate change impacts of a change in the Worksmart approach are being identified and mitigated against, as part of this work.

Links to background information Workforce Priorities report presented to Personnel Committee on 2nd September 2021 ([Agenda for Personnel Committee on Thursday, 2nd September, 2021, 10.00 am - East Devon](#)).

Link to [Council Plan](#)

Priorities (check which apply)

- Better homes and communities for all
 - A greener East Devon
 - A resilient economy
-

Report in full

1. Introduction

- 1.1. This report provides an update on the work being undertaken within the Council to review the current Worksmart approach, informed by learning from ways of working through the pandemic.

2. Background

- 2.1. [Worksmart](#) was initially introduced when the Council relocated to its new Blackdown House offices in Honiton in 2019. It aimed to create an even better working environment where people can work more smartly, flexibly and be more productive, with flexibility of working arrangements in terms of time and place.
- 2.2. The Government's initial Stay at Home message at the outset of the Covid-19 pandemic led to nearly all office-based staff working from home. In July 2021 the Government guidance indicated that people could begin to return to workplaces, where they had been previously working from home during the pandemic. However at East Devon District Council we continue to operate a 'work from home if you can' approach for the time being, whilst Covid-19 cases remain high, to ensure the continued duty of care to our staff and to mitigate against the impact Covid-19-related absence may have on our teams and the delivery of our services, particularly in light of current demand and capacity pressures. We are also conscious of the need to continue to monitor the [Government's Autumn and Winter 2021 Pandemic Plan](#).
- 2.3. A multi-disciplinary Worksmart Review working group has been established, with representatives from HR, Strata, Estates, Climate Change, Customer Service Centre, Communications, Health and Safety and Finance. The purpose of the Review is to incorporate learning from our ways of working before and during the pandemic into our future Worksmart approach so that we can continue to create a working environment where people can work safely, smartly, flexibly, sustainably and productively.
- 2.4. There are three areas of focus for this work:
 - 2.4.1. How we continue to meet customer needs.
 - 2.4.2. How we support sustainability and mitigate against climate change.
 - 2.4.3. How we provide an attractive working environment that supports recruitment and retention, high performance, staff engagement and inclusion.

2.5. The scope of the Review includes the Worksmart vision and principles, policy and practice changes that may be required and how we can effectively use our assets (ICT, buildings and equipment) to support our approach. It will also include evaluation of the changes made to inform further developments as we learn more about what works to support our customers, the environment and our workforce. Many other organisations are also reviewing their working practices and therefore this work also includes learning from others and identifying potential opportunities to share resources (for example, through One Public Estate).

3. Findings to date

3.1. The information below summarises the findings to date from a customer, environment and employee perspective, which will inform the Worksmart Review.

3.2. **Customer** – To date customer feedback has been fairly positive regarding the operating arrangements during the pandemic, but we need to continue to monitor this. We need to ensure that we maintain a strong link between Worksmart and the digital transformation and performance management reporting work that is being undertaken, as our working arrangements will need to change as we implement improved digital channels and understand more about customer demand, through the availability of improved data. The current Worksmart Review decisions and actions will be based on what we know now, with further change when we know more. We therefore need to manage staff and customer expectations and build flexibility into the Worksmart approach, so that we can adapt to future needs.

3.3. **Environment** – it is recognised that Worksmart can significantly support our climate change aspirations, by minimising carbon emissions through how we travel, the use of buildings, the use of equipment and other assets and how we procure goods and services. For example, recent research has indicated that working from home can lead to around an 80% reduction in CO₂e per person¹. The Worksmart Review will include how we can use our estate (including working with partners) to reduce our carbon footprint. It will also consider our travel arrangements, use of digital rather than paper and how our procurement approach can support sustainability. As an employer we will need to determine whether there are measures which we would wish to impose (subject to appropriate consultation) and where we will aim to influence behaviour change and the implications of this on staff morale, recruitment, retention and any tax implications.

3.4. **Workforce** - the Staff Survey undertaken in May/June 2021 (which had an 88% response rate) indicated that many staff want to continue to work more flexibly following the pandemic (for example, only 4% of staff wanted to work for all of their time in the workplace and 52% were reluctant to return to the workplace). 70% of staff felt that they were more productive as a result of homeworking. We need to balance individual staff needs alongside ensuring effective service delivery, team cohesion, a sense of belonging to the organisation, staff wellbeing and parity and inclusion. It is evident that one size will not fit all, also considering that not all employees have the opportunity to work from home, due to their role. Staff are also looking for further clarity about future working arrangements.

4. Revised Worksmart Vision and Principles

- 4.1. The findings above indicate that a flexible approach is required to ensure that we maximise the benefits of Worksmart whilst meeting the needs of our customers, the environment and our workforce. The approach to flexible working will also vary across each service area and team, as the Council is a complex and multi-faceted organisation. This means that we should not be prescriptive about where employees work from (i.e. implementing a complete work from home or work from the workplace approach) and instead this should be based on the needs of the service, team and individual, within agreed principles set out by the Council. The focus of Worksmart should also continue to include when you work, as much as where you work from, subject to service need.
- 4.2. The existing Worksmart vision has been reviewed in light of the above findings so that the vision for Worksmart going forward is that:
'We want to create an even better zero carbon working environment where people can work more smartly, more flexibly and be more productive, whilst delivering and enhancing the services we provide.'
- 4.3. The outcomes for Worksmart are therefore to ensure that:
- 4.3.1. We achieve greater workforce productivity and our services are accessible and delivered effectively when and how customers want them.
 - 4.3.2. We are purposeful about how we use our workspaces to meet customer and employee needs.
 - 4.3.3. Opportunities to work collaboratively and network across the organisation are maximised through the effective use of technology and our workspaces.
 - 4.3.4. We have clarity about and see a reduction in the costs and environmental impacts of our use of Council and employee work spaces, vehicles and other assets.
 - 4.3.5. People have more choice about when, where and how they work, supported and connected by effective and appropriate use of technology and informed by the needs of the team, customer and environmental impacts.
 - 4.3.6. People have the opportunity to lead more balanced and healthier lives and Worksmart makes us an attractive employer to work for.
 - 4.3.7. Business continuity will be improved by the ability to work in an all-electronic environment and from a much wider range of locations.
- 4.4. It is recognised that although our approach cannot be prescriptive, as one size will not fit all, it is necessary to have in place some Worksmart Principles which underpin our vision and outcomes. The existing principles will therefore be reviewed, along with the Council's existing behaviours framework, to ensure that they support our aims. From this, it will then be possible to determine the policy, practice and other changes that are required to support the revised Worksmart implementation. It is envisaged that this work will be undertaken from now until early 2022.
- 4.5. In the meantime, we will continue to advise staff to work from home where they can, to keep Covid-19 case rates low and to protect the most vulnerable. However, it is also appreciated that not everyone has suitable working environments at home and therefore we will also continue to enable staff to safely make use of our buildings, where required. Covid-19 safe measures will also continue and will be kept under review if Government advice changes. Further communications with staff will take place before Christmas, to provide them with information on the revised Worksmart vision and outcomes and update on the work that is taking place.

5. Conclusion

5.1. Although we are aware of the need to provide clarity about future working arrangements, this also needs to be balanced with continuing to mitigate against Covid-19 risks and ensuring that the needs of our customers, the environment and our workforce are fully considered. Good progress is being made and further updates will be provided to the Committee in due course.

Financial implications:

There are no direct financial implications to highlight at this stage.

Legal implications:

The report does not raise any specific legal implications requiring comment.

Personnel Committee Forward Plan 2021/22

Decision / matter	Comments
20th January 2022	
Reward Review recommendations	To then go to Full Council, if there are budget planning implications, in February 2022
Worksmart Review update	This may include any proposed changes to terms and conditions/HR policy, if identified by that time, through the review
Pay Policy Statement annual review	To then go to Full Council in February 2022
Staff morale and wellbeing update	Informed by the re-run of the HSE staff survey that took place in November/December 2021
People Data report	As per appendix 1 of People Data Reporting Proposals report to November 2021 committee meeting
14th April 2022	
Management Review	Decision was made at 2 nd Sept 21 Ctte to delay until Spring 2022 following completion of Reward Review. Likely to return to Ctte April 2022
People Data report	As per appendix 1 of People Data Reporting Proposals report to November 2021 committee meeting
Summer 2022 (date TBC)	
Annual People Data report	As per appendix 2 of People Data Reporting Proposals report to November 2021 committee meeting
Wellbeing update	Informed by the outcomes of the Worksmart Review
Autumn 2022 (date TBC)	
People Data monthly report	As per appendix 1 of People Data Reporting Proposals report to November 2021 committee meeting
liP reaccreditation preparation	By Autumn 22 we will be further into the planning for liP reaccreditation so it may be timely to bring a paper at that point

Specific terms and conditions/HR policy proposed changes that are not part of any wider reviews/areas of work, to be brought to the Ctte as required.
None identified as yet.