

Addendum

Employment Committee

Dear Councillor,

Employment Committee - Wednesday, 23 June 2021, 7.30 pm

I enclose, for consideration at the meeting of the Employment Committee to be held on Wednesday, 23 June 2021 at 7.30 pm, the following reports which were unavailable when the agenda was published.

Mari Roberts-Wood
Interim Head of Paid Service

- 7. Workforce Data Summary and Organisational Development Update
(Pages 3 - 20)**

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Agenda Item 7



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TO	Employment Committee
DATE	23 June 2021
EXECUTIVE MEMBER	Portfolio Holder for Corporate Policy and Resources

KEY DECISION REQUIRED	N
WARDS AFFECTED	N/A

SUBJECT	Workforce Summary – 2020/21 data
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RECOMMENDATIONS
(i) The Employment Committee is asked to note the content of the Workforce Data summary, comprising of key equalities workforce information as well as sickness absence and employee turnover data
EXECUTIVE SUMMARY
<p>This report and annex material provides the Employment Committee with an overview of the Council's workforce for the 2020/21 year and an update on the Organisational Development approach.</p> <p>The high-level summary of the workforce data including sickness absence, employee turnover and equalities data, is to give an indication of the organisation's health and workforce demographic.</p>

Agenda Item 7

BACKGROUND

1. It was agreed at the Employment Committee of 29 July 2019, that Employee Demographic and Organisation Workforce Measures data be reported annually, at the first Employment Committee meeting of the municipal year, with the exception of sickness and turnover data which was to be provided twice a year to the Committee. This data helps give an indication of the organisation's health.

KEY INFORMATION

1. The Council needs to understand, plan and develop its workforce requirements for the future in order to provide excellent services to the community it serves and to support the Council's vision, aims and values.
2. Key workforce information helps to inform and shape this, also taking into account organisational health indicators such as turnover and sickness absence rates.
3. Ways in which the workforce has adapted to the Covid-19 crisis, the restrictions and challenges on a personal level, and the increased requirements to support our workforce and communities, have provided an opportunity of reflection on potential new ways of working in the future.
4. Part of the Workforce update for the Employment Committee will include a verbal update on our plans around 'Enabling Hybrid Working', which will be our key Organisational Development priority for 2021/22.
5. For the benefit of new Employment Committee members / as a reminder for the Committee, Annex 2 provides the background to Organisational Development at RBBC and where we had got to with our Organisational Development (or Great People) work, pre covid. Annex 3 is the Great People = Engaged People diagram of the previously agreed Organisational Development approach.

CONSULTATION

1. The Employment Committee were provided with a part year Workforce Summary report for 2020-2021 (with data/figures for the period ending Dec 2020 and some figures as at March 2021) at the Employment Committee meeting of 30 March 2021. Annex 1 of this report is the updated full year report for the financial year 2020/21.
2. The Employment Committee discussed and endorsed the approach to Organisational Development (our Great People = Engaged People approach) at the meeting of 29th July 2019.

ANNEXES

1. Workforce Summary – 2020/21 data
2. Organisational Development (Great People) Approach at RBBC – Summary Briefing Paper.
3. Great People = Engaged People Diagram

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Workforce Data Summary – 2020-2021

RBBC's workforce is key to the success of our organisation and service delivery, and therefore consideration of our employee demographics is essential to future workforce planning and organisational strategy.

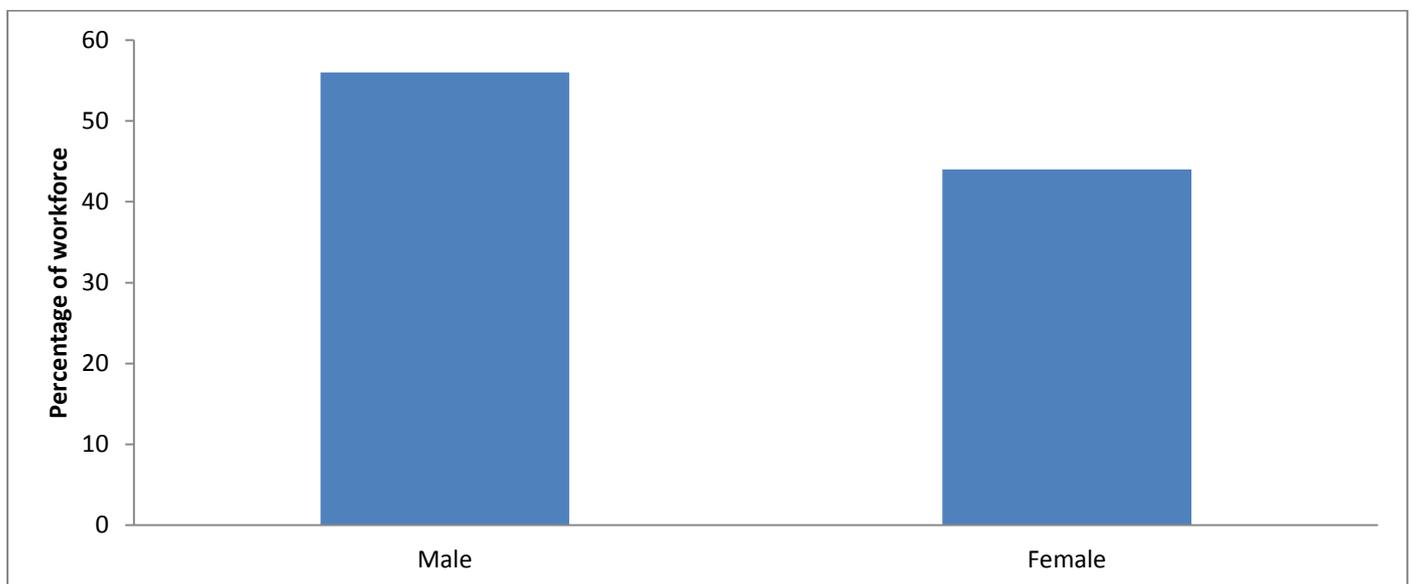
In addition to employee demographics, we also capture and analyse data to help us measure the success of our people management strategies, policies and procedures.

The very recent 2021 Census Data will be analysed and released to us in due course, which will help us update our borough resident comparator data as appropriate.

Employee demographics

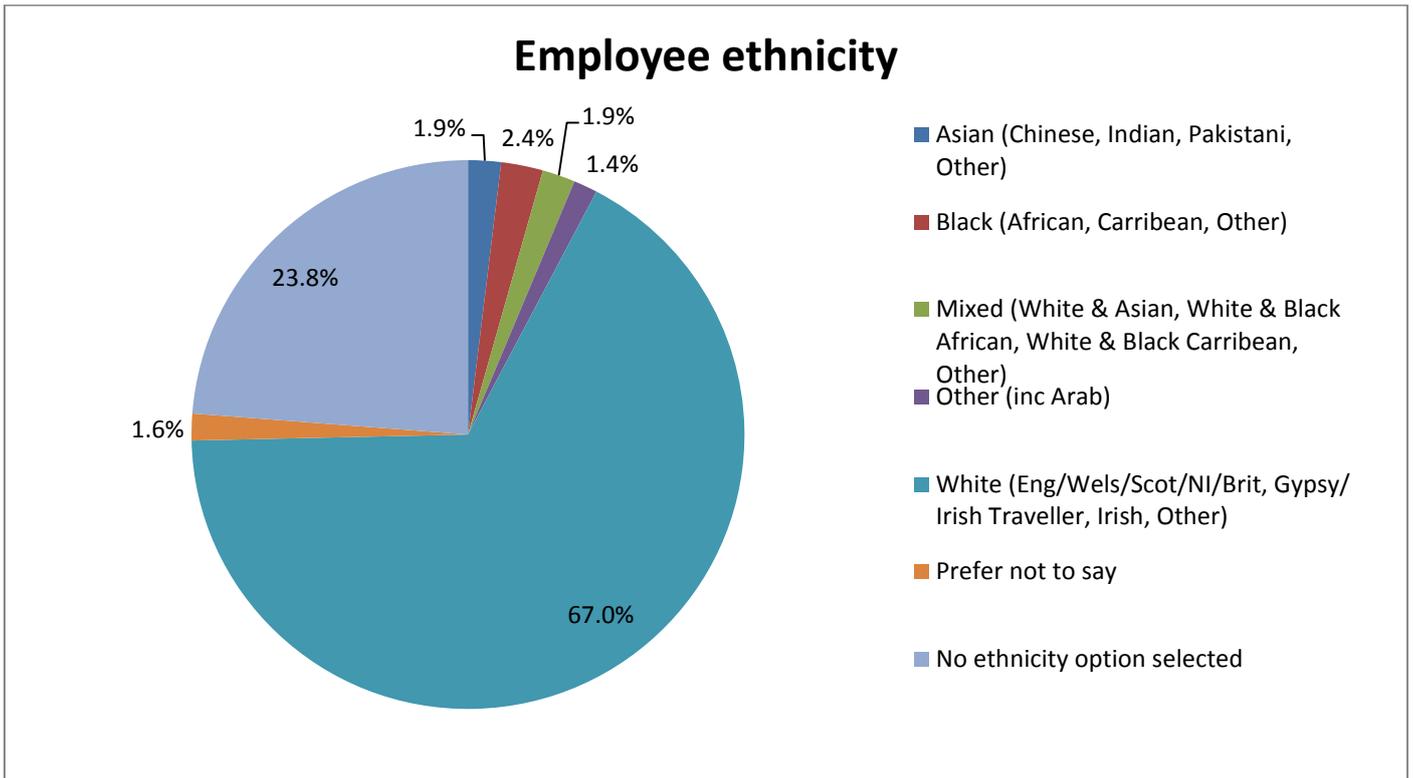
The information below reflects the make up of our organisation workforce, under some of the protected characteristics as defined by the Equality Act 2010. This information is correct as at March 2021.

Employee gender



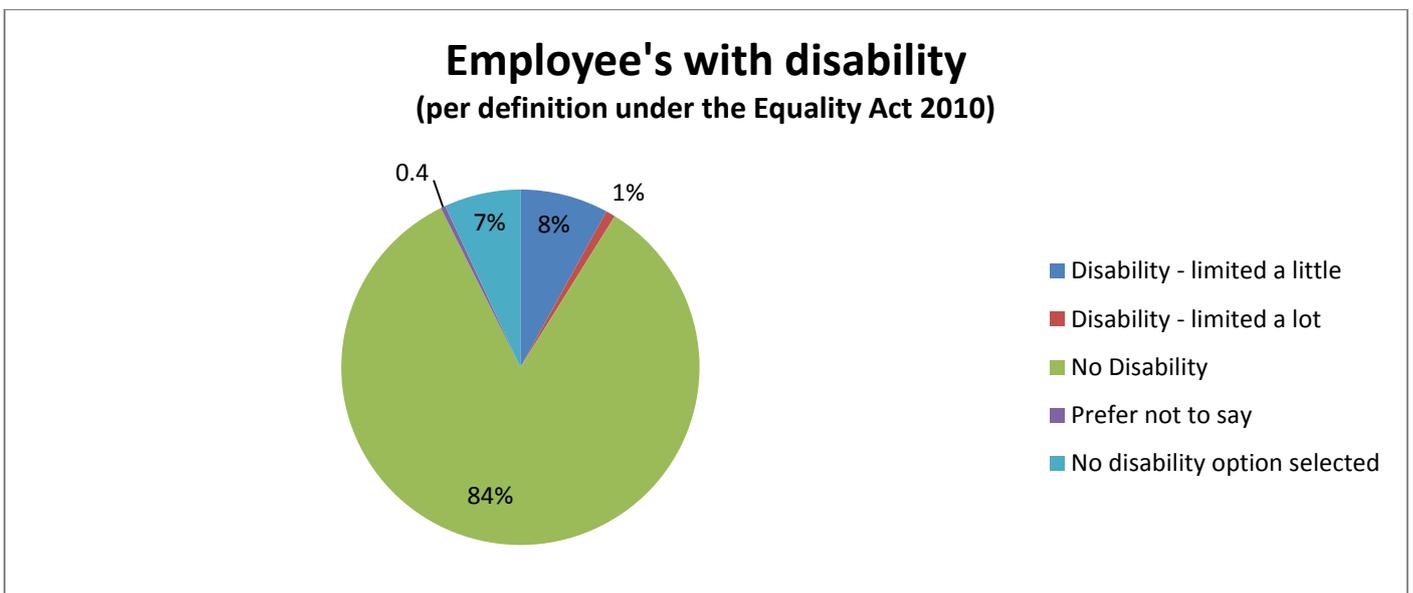
The gender distribution of our workforce is 56% male, 44% female. This data was previously presented to the Employment Committee as at 31st May 2019, when our gender split was 55% male, 45% female.

Employee ethnicity



The ethnicity of our workforce is more diverse than the RBBC resident population (using the comparator data currently available to us). After 'White', the second largest ethnic group in the borough is 'Asian' (5.2% of the population), which is now our workforce's third largest ethnic group at 1.9% of the workforce. Our second largest staff ethnic group is now Black (African, Caribbean, Other) at 2.4% of our workforce (compared to 1.6% of our borough population).

Employee's with a disability
(as per definition under the Equality Act 2010)



□

Where an employee deems they have a condition which affects their ability to perform 'normal day to day activities' for a period of 12 months or more, this is classed as a disability under the Equality Act 2010. For the purposes of our workforce data, we ask employees to self-declare this, and specify if they feel their disability limits them 'a little' or limits them 'a lot'.

Not all employees who select either of these two options choose to provide any further declarations about their disability. Where an employee or a manager feel that greater support can be provided to keep them in work, and /or working at the performance level required, we will discuss, assess and put in place reasonable adjustments (physical, policy or procedural) to aid this, potentially with the additional input and advice provided via our occupational health advisors.

Comparing our disability figures with those we have for the Borough from 2011 Census Data, are workforce is broadly comparable and reflective of the resident data we have. See extract below:

The 2011 Census collected information about the general health of the population and prevalence of long term (12 month+) health problems or disabilities (including those associated with old age).

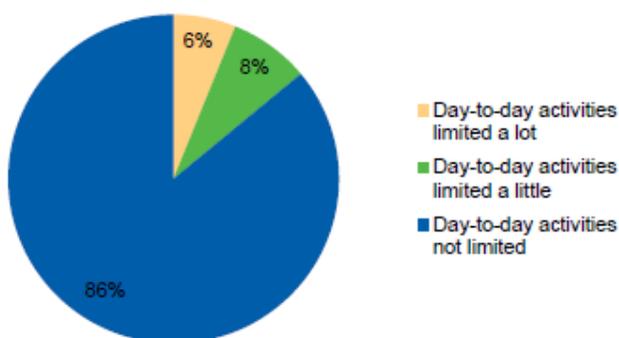
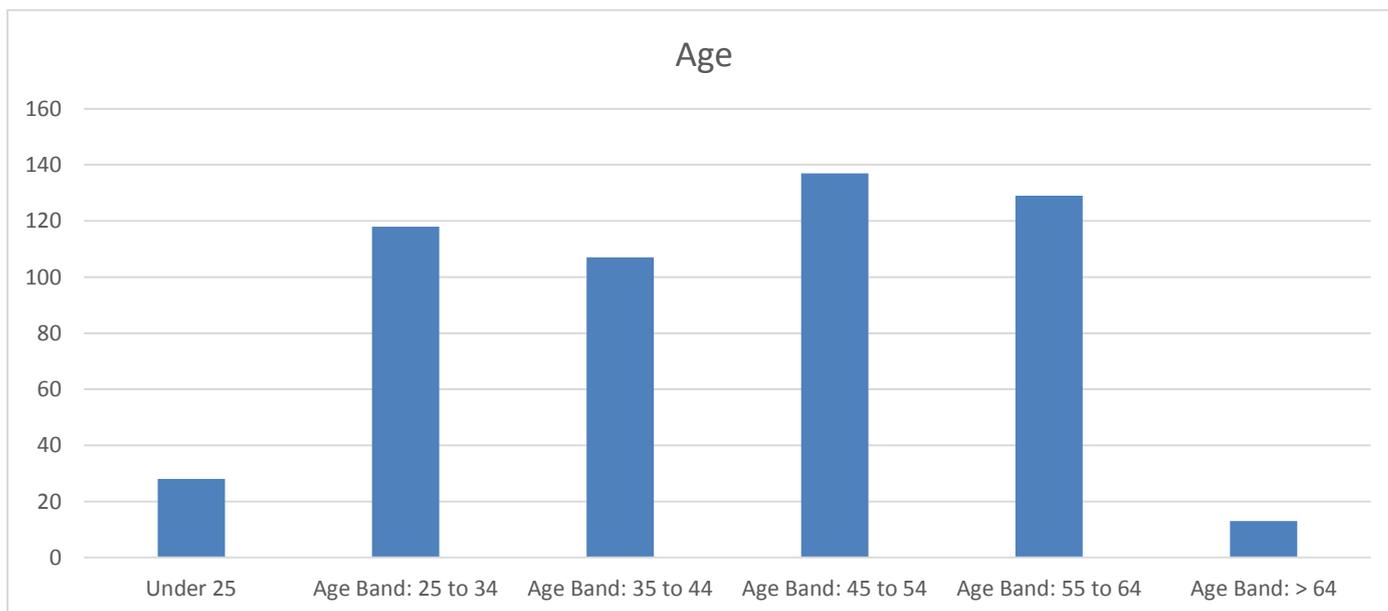


Figure 14: Long term illness / disability in Reigate & Banstead residents (source: Census 2011)

Employee age (total number of employees per age band)

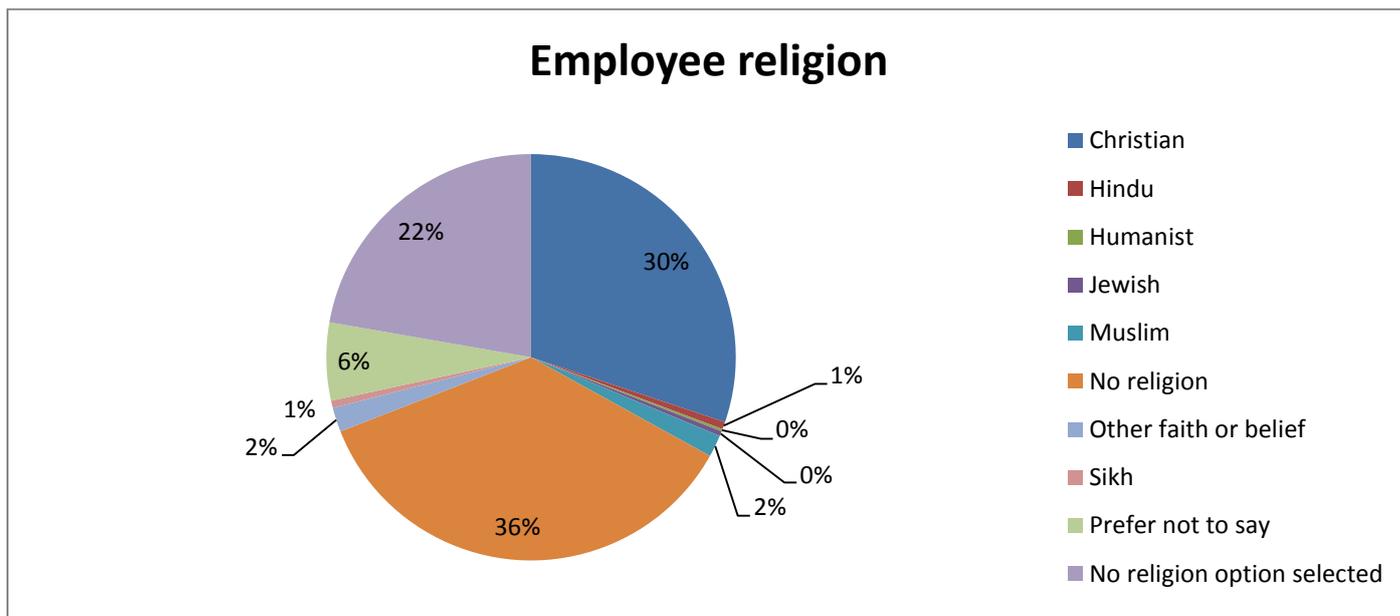


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The age profile of the workforce is fairly evenly distributed across the middle most age brackets. Although there is no longer a statutory retirement age, the figures above show that we have very few employees remaining in the workforce who are aged '65 years old and over'. In 2019, 18.2% of the borough's residents were 65 years old and over.

ONS 2018 population projections suggest that the older population will increase considerably over the next 20+ years. In total, the number of people aged 65 or over could increase from around 26,721 in 2018 to 39,223 in 2042. This information is reviewed in more detail at a team level with HR Business Partners and managers, to aid succession workforce planning as well as policy planning.

Employee religion or belief



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Other protected characteristics

Data is collected from our workforce on a further 4 equalities protected characteristics: sexual orientation, gender reassignment, pregnancy and maternity, marriage and civil partnership. It is completely voluntary for employees to provide us with this information, and therefore we do not have a significant amount of data in these categories. Employees will be encouraged to confidentially provide this, as well as continuing to encourage and improve the data collection rates on the other protected characteristics, so that greater analysis of our workforce makeup can be performed in the future.

Focus and specific plans are being considered as to how we better approach diversity, equalities and inclusion issues for staff (as well as for our Borough residents). Staff feedback will be key in order for us to understand priority issues to be addressed as well as consideration being given to how we better ensure we are attracting a diverse range of people to work at the Council.

Organisation workforce measures

On a quarterly basis, we collate data on a number of indicators to help us assess the organisation's health of workforce stability, performance and effectiveness of people management policy & procedures.

The information shown below is a cumulative total figure for the period 1 April 2018 to 31 March 2021.

Employee sickness absence

Average number of sick days per employee				
Year	Quarter	Short-term	Long-term	Total
2017-18	Q1	4.89	5.17	10.06
	Q2	4.82	4.86	9.68
	Q3	4.81	4.77	9.58
	Q4	4.79	5.28	10.08
2018-19	Q1	4.46	4.33	8.78
	Q2	4.16	4.13	8.29
	Q3	4.27	4.12	8.34
	Q4	4.81	4.05	8.87
2019-20	Q1	4.73	4.34	9.06
	Q2	4.95	4.78	9.72
	Q3	5.09	4.66	9.75
	Q4	4.78	4.4	9.18
2020-21	Q1	4.27	4.35	8.61
	Q2	4.01	3.53	8.13
	Q3	3.36	4.03	7.39
	Q4	2.86	5.06	7.92

□

The average number of days lost to sickness absence has reduced by just over 2.16 working days per person, since 2017. The current average of 7.92 days sickness absence per year per employee (inclusive of periods of long term sickness lasting 20 working days or more), is lower than other public sector organisations (8 days lost per employee) according to the Chartered Institute of Personnel & Development's 'Health and Wellbeing at work report' March 2020 (this is the latest comparison data available as the March 2021 report was unable to outline sickness data in detail due to the impact of COVID and the lack of consistency in terms of how and what organisations recorded for COVID specific absences).

It should be noted that the figures for 2020-21 quoted in the table above do not include any absence specifically related to COVID reasons. From 1st April 2020 to 31st March 2021, 43 people have had a combined total of 291 days off due to COVID.

The falling rates of sickness absence per employee can obviously be viewed as a positive finding in terms of us building a healthier workplace and continuing to support employee wellbeing. Given the challenges of COVID over this last year, when reviewing our sickness data we must consider the impact of our different ways of working on sickness absence (for those normally office based, not physically being in the workplace together and also being able to perform their duties more flexibly). Further analysis and conversations are taking place with Management Team level around the wider assessment of employee health, which includes looking at levels of stress and mental health, giving consideration to other interventions we can make to support employees.

Employee turnover (attrition)

RBBC's voluntary (resignation) employee turnover rate has reduced from a steady average of around 11/12% of the workforce for the past few years, to 7% in 2020-2021. This significant reduction is not a surprise, given the impact of COVID on the employment market. Previously we have felt our turnover rates have been healthy when unemployment had been low as it provided us the opportunity to regularly review our workforce, skills and experience requirements. We will continue to monitor the impacts of COVID on the employment market and in turn, our turnover rates.

The 2020 XpertHR 'Labour Turnover Rates Survey' gives the average turnover rate in for the Public Sector of 9.5% for the period January 2019 to January 2020. The same for the Private Sector was shown to be 19.5%. It is worth noting that this data does reflect the impact of COVID on the employment market.

Recruitment advertising

In 2020-21 RBBC launched 59 job advertising campaigns to recruit to a combination of new positions created as part of the 2020/21 budget process and existing roles which had become vacant. The majority of these campaigns were successfully managed in-house (through generalist HR support, working with recruiting managers), though external support was sought in the case of particularly niche or hard to fill roles (for example, within our Finance team).

There is no doubt that the COVID pandemic has had an enormous impact on the recruitment and employment market. Unemployment rates have increased nationally, and we are seeing an increase in the volume of applications for the positions we advertise. The 'live local, work local' campaign launched during COVID – potentially opening up additional talent opportunities for us for those no longer wanting to commute out of the Borough for work, will continue to be an important way to reach talent, particularly when some organisations start to bring people back into the physical workplace when Government guidance changes.

One position we have recently filled within the HR Team is recruiting to the organisation a full time, in house recruiter - our Recruitment Business Partner (RBP). This was an agreed position as part of the 20/21 budget setting process to ensure we had the right specialist skills in house to work with recruiting managers on effective tailored recruitment campaigns – reducing pressure on recruiting managers, improving the quality of candidates and improving the quality of candidates applying for our positions through targeted recruitment campaigns. The RBP has also got the remit to help us improve our talent attraction approaches and techniques, as well as our on-boarding and induction practices, as well as working with our Communications colleagues on strengthening our employer branding. Review of our overall talent attraction approach is particularly important in light of the new ways of working as a result of COVID and revised candidate/employee expectations of employers.

The collection, analysis and use of data to inform these changes will be key and will include regular review of the success of recruitment campaigns and practices using metric such as the time to hire, cost to hire, and success of new employee/ performance. With the help of our in-house recruiter, this is an area where we will see an improvement of our data analysis and approach.

Apprenticeships

Public sector apprenticeship targets were introduced in 2017 and we are required to employ an average of at least 2.3% of our employees (about 45) as new apprentice starts over the period of 1 April 2017 to 31 March 2021.

The CIPD reported in March that nationally the total apprenticeship starts have fallen from 494,900 in 2016/17 to just 322,500 in 2019/20. We have a very positive attitude towards apprenticeships and have been meeting our targets.

During 2020-21 we had a healthy number of 24 employees doing a range of apprenticeships including:

- Level 2 Arborist
- Level 3 Infrastructure Technician
- Level 3 Customer Service Specialist
- Level 3 Business Administrator
- Level 3 Assistant Accountant
- Level 3 Heavy Vehicle Service & Maintenance Technician
- Level 4 Revenues & Welfare Benefit Practitioner
- Level 4 Children, Young People & Families Practitioner
- Level 6 Environmental Health Practitioner Degree
- Level 6 Chartered Business Management Degree
- Level 7 Accountancy Taxation Professional
- Level 7 Senior Leader Masters (MBA)

Since 1 April 2021 four of our Intelligence Officers have started a Level 4 Counter Fraud Investigator apprenticeship and a Finance Technician has started a Level 3 Assistant Accountant apprenticeship.

It is worth noting that 19 apprenticeships have been started during the pandemic.

Young people are proactively using our apprenticeships to boost their career development, for example a Level 3 Environmental Health Business Administration apprentice is now completing a Level 6 Environmental Health Practitioner degree apprenticeship, and a Level 3 Business Administration apprentice went on to do a Management apprenticeship and is now in a Senior Business Support role.

More apprenticeships are already being set up including a Democratic Services apprenticeship, an ICT apprenticeship, a PMO Support apprenticeship, a Harlequin Chef apprenticeship, and two Sports and Leisure Development apprenticeships.

The latest public sector apprenticeship target is 2.3% for the period 1 April 2021 to 31 March 2022 and we are confident we will exceed this target.

Gender pay gap

Again, COVID has had an impact on the ability for us to compile and publish our Gender Pay Gap figures – resource had to be diverted to supporting the organisation in our response to COVID. The statutory requirement for publishing data was amended in light of COVID and the impact on organisations. This therefore means that when we next report our GPG figures (in the coming weeks), we will be publishing two years of data (the figures for the picture as at 30th March 2019 and 30th March 2020).

It should be noted that the latest data does show that RBBC remains one of the few organisations in the UK reporting a 'negative' GPG (one that is in favour of women).

As agreed, I will share the reports with the chair of the Employment Committee prior to publication and will ensure that the Committee is kept informed when the information has been released.

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Organisational Development Summary Briefing Paper Kate Brown, Head of Organisational Development

Background

1. Pre-covid, engagement had taken place with the Council's 'wider Management Team' (CEX, Directors and Heads of Service) and with the Employment Committee to agree the approach to Organisational Development (or also known as our "Great People" approach).
2. RBBC has had to change and adapt rapidly over the last fifteen months or so in order to respond to the crisis – we have had to maintain our core services and also evolved new services to best support our Borough residents, particularly supporting the most vulnerable, and supported the businesses in our Borough.
3. Although we are still responding to the crisis, we must think to the future and new ways of working and now is the right time to reflect on developing the organisation and our approach towards its Great People.
4. This paper sets out for the Employment Committee where the Great People programme of work got to pre-covid (the pre-covid priorities we had started to focus on).

What is Organisational Development at RBBC? (Pre-Covid)

5. As mentioned, following engagement with the Employment Committee and Council's Management team, our approach to Organisational Development (aka our Great People approach) had been agreed.
6. It is appreciated not all Employment Committee members have seen the definitions around Organisational Development or Great People so it will be useful to provide this background information here.
7. There are a many ways that 'Organisational Development' (OD) can be defined. One way to define it, is as a systematic approach **to improving organisational effectiveness** – one that aligns strategy, people and processes.
8. OD can enable an organisation to be ready for the future by taking steps which create an environment that allows employees to understand, embody and deliver the organisation's objectives.
9. OD involves both "hard" issues – strategy, policies, structures and systems – and "soft" issues those that develop appropriate skills, behaviours, attitudes, culture and a style of leadership that will enable organisations to deliver optimum performance.

10. Management Team as well as the Employment Committee, discussed and agreed the approach for OD at the Council (see separate attachment “Great People Engaged People .pdf”), which has Employee Engagement as the key outcome. Great People at the Council = Engaged People. The approach or strategy is represented in a diagram form at this stage on one page. It has the outcome of Engaged People in the centre, with enablers (i.e. what helps make people engaged at work), in the boxes around the centre.
11. It has been recognised that the term ‘Organisational Development’ is confusing (even for those in the profession!) and it won’t mean anything to many of our employees. Given that for us, the OD approach has “Great People = Engaged People” at the centre, it was agreed that “Great People Programme” will be used to communicate the approach to managers, staff and to Members. Great People is a brand that is internally recognised already – it was developed as part of our original Organisation visioning work when our values and behaviours were designed with staff approximately six years ago.
12. It is important to understand the benefits of having an engaged workforce. Research shows that organisations with high levels of employee engagement are more efficient and effective and that highly engaged employees:
- are more **customer focused**, find they are more **creative** at work, and **take less time off** sick;
 - care about the future of their organisation and put in **greater effort** to help it meet its objectives;
 - feel proud of the organisation they work for and are inspired to **do their best** and **motivated** to deliver the organisation’s objectives.
13. This approach to OD will help shape our culture, develop our leaders and ensure we are the best organisation we can be, with the best people, skilled to deliver our ambitious Corporate Plan priorities.

Great People Priorities (Pre-Covid)

14. As was agreed and supported by the Employment Committee pre-covid, the initial next steps for our Great People Programme of work was to be broken down into **three immediate baselining priority areas** as outlined –
- a. It was agreed that we needed to undertake some **‘baselining’ activity** – i.e. checking in with staff to get their views on the organisation, what is working well, what in their view would make working at RBBC better, how they perceive leaders and managers in the organisation, their individual motivation levels and ultimately how engaged they currently feel at work. This is important as it would help identify priority areas of work for our Great People Programme (the co-designing of the priorities with our workforce). A combination of **engagement methods** were being scoped to compile baseline data including running a **staff survey** and data gathering through team meetings run by Heads of Service. This would result in a mix of quantitative and qualitative data obtained during this baselining exercise. A preferred supplier for an ongoing engagement tool had been identified and supported by the Employment Committee and the procurement preparation had got underway pre-covid.
 - b. The second priority area agreed was **‘Revisioning’ work**. This is a review of our Organisation Vision, Values and Behaviours – for all staff to consider and input into

our organisation values and behaviours – what is important to who we are, our core organisational values. We need to review and make sure our vision, values and behaviours are still correct (do they reflect who we want to be?), understood and accepted through the organisation (as referenced above, these are what make up our Great People brand).

Work had started on this revisioning, working with an organisation called [Loving Monday](#). Their approach to help us consider our re-visioning exercise was to work through how we want people to *feel* at work (and conversely how we don't want people to feel) and this will help determine the right Corporate Behaviours, Values and the Vision of the organisation and how this needs to be considered when thinking about the employee lifecycle at work. The first part of this work started just a week or so before lockdown in March 2020 – the Management Team plus Heads of Service had an Away Day with the Loving Monday consultants. The outcome from that day was an agreed 'top 5' list of the 'wider Management Team's' view of the positive feeling we want people to have at work and those we do not want people to experience.

Top 5 positive feelings Management Team want our people to experience:

- Happy
- Supported
- Inspired
- Kind(ness)
- Valued

Top 5 negative feelings Management Team want to ensure our people do not experience:

- Powerless
- Paralysed
- Alone
- Intimidated
- Uncaring

We were in the process of working out the next steps of how to get a view from the rest of the organisation on their 'top 5 lists' when the covid crisis paused our work in this area.

- c. The final piece of the initial Great People baselining work that had started was a review of how we attract Talent to the organisation (aka Talent Acquisition) – **a review of the Council's recruitment and resourcing approach.**

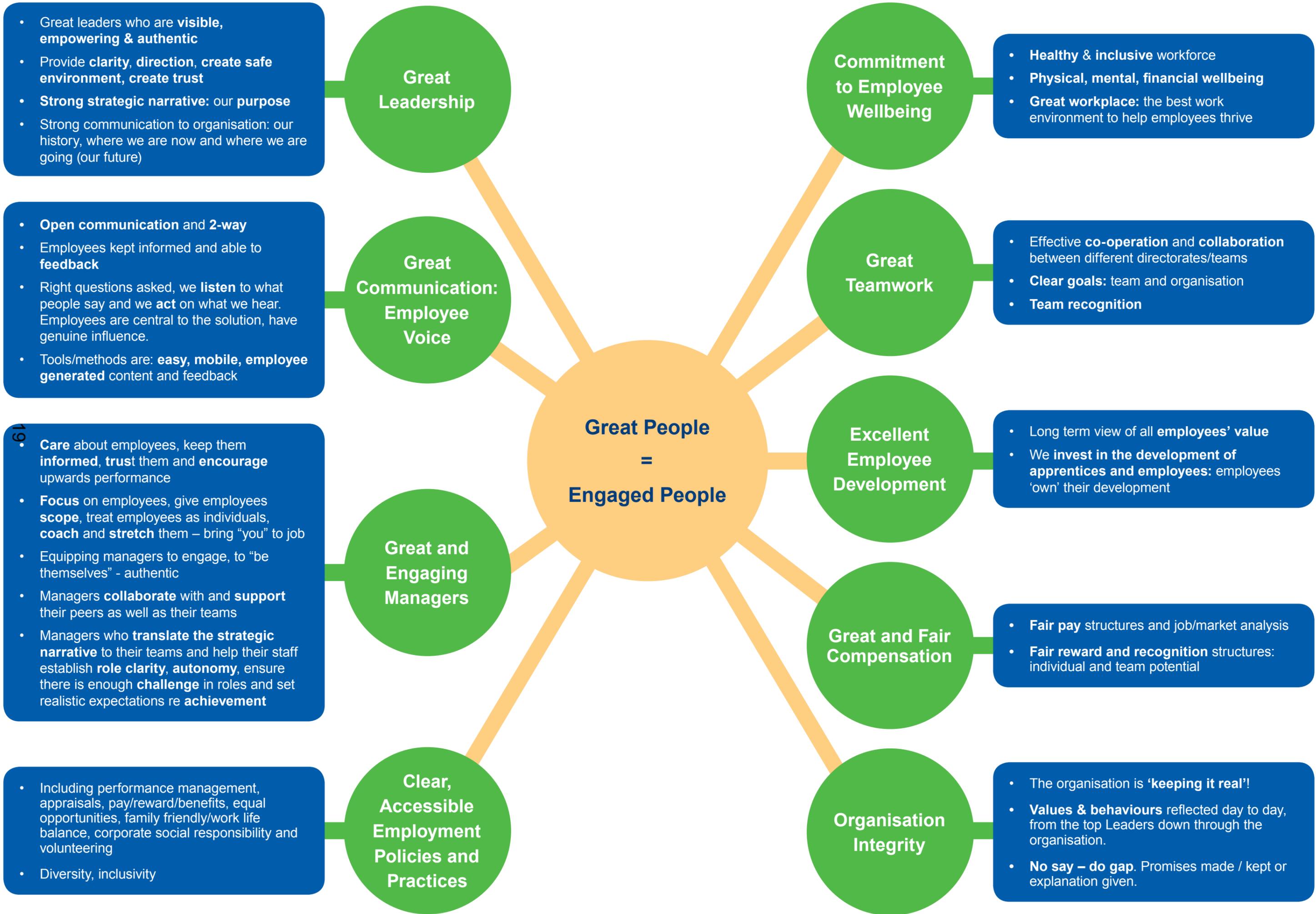
An organisation called OMNI (strategic resourcing specialists) was identified to help us carry out a strategic review of our recruitment approach, providing us with valuable insight into the effectiveness of our resourcing approach and help us identify areas where improvements are required and develop plans to transform the way we recruit for the better, ensuring that our approach is fit to deliver and recruit the talent we need to deliver our business objectives. Another outcome from the review was to include a recommendation as to how the organisation resources 'recruitment' long term (e.g. what dedicated resource in HR we need longer term to support the organisation acquire the best talent possible).

OMNI carried out this review in March, just before lockdown, working with our Wider Management Team, HR, recruiting managers, new recruits and applicants. The review was concluded during the pandemic response last year but the consideration of their recommendations and next steps had to again be paused whilst the organisation responded to the pandemic.

15. From the analysis of the data coming out of the initial three baseline areas of work, it was expected that our priorities for our Great People Programme would be shaped – we'd be listening to the views of staff in the organisation and where it is practicable address the issues raised – i.e. identify priority Great People projects.
16. Each Great People project will have its success measures but in terms of overall success measures for the Great People approach, we would continue to measure and expect to see lower/healthy turnover rate, lower/stable sickness levels, fewer employee relation issues, productivity increases, higher motivation amongst staff and engagement scores increase.
17. As has been discussed with the Employment Committee, it is worth highlighting that measurement of success of our Great People approach is difficult though as many benefits are intangible/unquantifiable – it is around **influencing our organisational culture**. Consider that 'Employee Engagement' is about:
 - our employees feeling pride and loyalty working for us, being a great advocate of the organisation to our clients, users and customers, going the extra mile to finish a piece of work, loving coming to work.
 - drawing on our employees' knowledge and ideas to improve our services and be innovative about how we work.
 - drawing out a deeper commitment from our employees so fewer leave us, sick absence reduces, accident rates decline, conflicts and grievances go down, productivity increases (can be measured – as outlined above).
 - organisation actions that are consistent with the organisation's values. It is about kept promises, or an explanation why they cannot be kept.
 - influencing our Employer Brand – helping us attract talent.

The Great People Approach (During/Post Covid)

18. As explained, the response to the covid crisis has paused the Great People 'baselining' work but in terms of the immediate Great People focus during the pandemic, Staff Wellbeing has (and continues) to be an immediate Organisational Development priority – when considering the enablers to Engaged staff on the Great People diagram.
19. Responding to the pandemic has given us immense challenges but also opportunities to review how we want the organisation look, feel and operate in the future – for staff and for Members. The biggest Organisational Development priority for 2021/22 will be the 'Enabling Hybrid Working' Programme of work. The Employment Committee will receive a verbal update on this workstream being scoped which inevitably will have a number of Organisational Development strands of work that will need to be prioritised.



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