

A meeting of the **EMPLOYMENT COMMITTEE** will be held as a **REMOTE MEETING** on **WEDNESDAY, 16TH SEPTEMBER 2020** at **6:00 PM** and you are requested to attend for the transaction of the following business:-

AGENDA

APOLOGIES

1. MINUTES (Pages 3 - 8)

To approve as correct records the Minutes of the meetings of the Committee held on 12th February and 17th June 2020.

Contact Officer: A Roberts

2. MEMBERS' INTERESTS

To receive from Members declarations as to disclosable pecuniary and other interests in relation to any Agenda Item.

Contact Officer: Democratic Services

3. WORKFORCE REPORT QUARTER ONE 2020-21 (Pages 9 - 22)

To consider an update on HR matters impacting on the performance of the organisation.

Contact Officer: A Whatmore

4. STAFF SURVEY (Pages 23 - 24)

To consider and comment on a report by the Strategic HR Manger on the status of the Staff Survey and the associated Action Plan and a proposed approach for 2020-21.

Contact Officer: A Whatmore

5. USE OF CONSULTANTS, HIRED STAFF AND TEMPORARY STAFF (Pages 25 - 32)

To consider and comment on a report by the Chief Finance Officer on the use by the Council of consultants and hired and temporary staff in 2019/20 compared with the previous year.

Contact Officer: C Edwards

8 day of September 2020



Head of Paid Service

Disclosable Pecuniary Interests and Non-Statutory Disclosable Interests

Further information on [Disclosable Pecuniary Interests and Non - Statutory Disclosable Interests is available in the Council's Constitution](#)

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The District Council permits filming, recording and the taking of photographs at its meetings that are open to the public. It also welcomes the use of social networking and micro-blogging websites (such as Twitter and Facebook) to communicate with people about what is happening at meetings.

Arrangements for these activities should operate in accordance with [guidelines](#) agreed by the Council.

Please contact Anthony Roberts ,Democratic Services, Tel: 01480 388169 / email Anthony.Roberts@huntingdonshire.gov.uk if you have a general query on any Agenda Item, wish to tender your apologies for absence from the meeting, or would like information on any decision taken by the Committee/Panel.

Specific enquiries with regard to items on the Agenda should be directed towards the Contact Officer.

Members of the public are welcome to attend this meeting as observers except during consideration of confidential or exempt items of business.

Agenda and enclosures can be viewed on the [District Council's website](#).

Emergency Procedure

In the event of the fire alarm being sounded and on the instruction of the Meeting Administrator, all attendees are requested to vacate the building via the closest emergency exit.

HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the EMPLOYMENT COMMITTEE held in the Civic Suite 0.1A, Pathfinder House, St Mary's Street, Huntingdon PE29 3TN on Wednesday, 12th February 2020

PRESENT: Councillor R J West – Chairman.

Councillors Mrs A Dickinson, D N Keane, Mrs J Tavener and D M Tysoe.

APOLOGYIES: Apologies for absence from the meeting were submitted on behalf of Councillors Mrs P A Jordan, T D Sanderson and D Terry.

IN ATTENDANCE: A Barber, C Moss and D Moss.

22 MINUTES

The Minutes of the meeting of the Committee held on 4th September 2019, were approved as a correct record and signed by the Chairman.

23 MEMBERS' INTERESTS

No declarations of interests were received.

24 WORKFORCE INFORMATION REPORT (QUARTER 3)

The Committee received and noted a report on Human Resources matters impacting on the performance of the Council during the period 1st October to 31st December 2019. The report included the latest position and trends relating to employee numbers, salary costs and sickness absence. A copy of the report is appended in the Minute Book.

The report indicated that three employees had retired in the quarter. Members recognised the employees' achievements and conveyed their congratulations to them.

The Committee was informed that the workforce headcount was lower than at the end of the previous quarter and that the total spend on pay costs for employees in 2019/20 was forecast to be £1m less than the year's budget. Clarification was received that the figures for bonuses referred to non-consolidated payments for exceptional performance. Members drew attention to the positive position in respect of the gender pay gap.

Members' attention was drawn to the fact that 72% of the workforce had no instances of sickness absence during the quarter, while 26 employees had experienced long-term sickness compared with 12 in the previous quarter. In response to questions by a Member, it was reported that the trends reported were influenced by very low long term sickness rates in the previous quarter.

and reflected usual seasonal variations. There was no cause for concern. It was confirmed that the Managing Director received sickness analysis reports.

Members discussed mental health and anxiety. While details of individual cases were confidential, the Mental Health First Aiders were examining trends. The outcome would be made available to HR. It was accepted that personal circumstances contributed to absence for reasons of anxiety, mental health, depression and stress but recognised that the Council was taking action to address them through the identification of Themes affecting the wider society in the Annual Governance Statement.

In the context of employees leaving the Council, it was reported that a level of turnover was beneficial. However, it was important to understand the reasons for leaving. Exit interviews were used but could not be made compulsory, so ways of encouraging leavers to provide such feedback would be investigated. Staff Council offered to support this process.

Having requested confirmation of the figures for High Earners and of the reasons for changes in the number of individuals in this category, it was

RESOLVED

- a) that the contents of the report be noted, and
- b) that the Council place on record its recognition of and gratitude for the excellent contributions made by the three employees who have recently retired from their employment in the local government service and convey its best wishes to them for long and happy retirements.

25 PAY POLICY STATEMENT 2020/21

With the assistance of a report by the Strategic HR Manager (a copy of which is appended in the Minute Book) the Committee considered the draft 2020/21 Pay Policy Statement. The Statement provided information about the Council's policies relating to the pay and reward of Chief Officers and other employees, as required by the Localism Act. The format of the Statement had been amended to make the presentation of the information clearer. It would be published on the Council's website together with data on senior officers' salaries as required by the Code of Recommended Practice for Local Authorities on Data Transparency. Whereupon, it was

RESOLVED

that the Council be recommended to approve the Pay Policy Statement for 2020/21.

26 STAFF COUNCIL

The current Chairman, George McDowell, had resigned from Staff Council. A replacement would be elected on 25th February. Until then Colin Moss would be acting as Chairman.

The Staff Council representatives then outlined their concerns relating to the current discussions on pay. To put the matter into context, Members were informed that, owing to a series of changes in the Staff Council membership, a proposed process, which had previously been submitted to the Committee (Minute No 18/31 refers), had not been formally ratified by Staff Council. Furthermore, the process had to comply with the Council's Budget setting process. It was proposed that the documented process should be revisited with a view to it being adopted, including seeking endorsement by the Employment Committee. The process would then be followed. In addition, HR would assist Staff Council to establish clear processes and to manage the way it operated. Staff Council Representatives expressed support for these proposals.

Chairman

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HUNTINGDONSHIRE DISTRICT COUNCIL

MINUTES of the meeting of the EMPLOYMENT COMMITTEE held as a Remote Meeting Via Teams on Wednesday, 17th June 2020

PRESENT: Councillors Mrs P A Jordan, D N Keane, C J Maslen, J M Palmer, Mrs J Tavener, D Terry and D M Tysoe and R J West.

APOLOGIES: None.

1 ELECTION OF CHAIRMAN

RESOLVED

that Councillor R J West be appointed Chairman of the Committee for the ensuing Municipal Year.

Councillor West in the Chair.

2 MEMBERS' INTERESTS

No declarations of interests were received.

3 APPOINTMENT OF CHAIRMAN

RESOLVED

that Councillor J Tavener be appointed Vice-Chairman of the Committee for the ensuing Municipal Year.

Chairman

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Workforce Report

Quarter One 2020-21

This report looks at the workforce profile of Huntingdonshire District Council during the first Quarter of the financial year, **1 April – 30 June 2020**. As there was no Q4 2019/2020 report, due to cancellation of last employment committee, the data trend information included in this report includes the results for that quarter.

The key findings from the workforce profile report are:

- The workforce had a headcount of **637** and an FTE (full-time equivalent) count of **580.8** as at 30 June 2020. The total number of employees is the same as at the end of the previous Quarter, with a small increase in the FTE count which had been 580.5 as at 31 March 2020.
- Spend on pay costs for employees in 2020/21 is forecast to be around **£0.9m** less than budgeted for the year.
- The annual average sickness figure has remained the same as for the previous Quarter at 6.5 days lost per FTE but remains low compared to levels in the same quarter in previous years. Note absences linked to Covid 19 – which includes those staff unable to work from home, who isolated or shielded are not counted or recorded within absence records and data was held separately.
- The total number of days lost in Quarter One was lower than in the previous Quarter, with both short term and long-term sickness falling, which reflects the typical trend of lower absences in summer months.
- Just **9%** of the workforce (58 employees) had any sickness absence during Quarter One, which is the lowest level ever recorded. This could reflect that the majority of the non-operational workforce in the previous quarter moved to working remotely at home and this could have improved absence levels as individuals not 100% well would not have had to travel to work or share an office and may continue working.
- **18** employees had long-term sickness (Absences longer than 28 days) in Quarter One. This has fallen from **28** in the previous Quarter.

- The formal HR caseload decreased in Quarter One. **Half** of the active cases related to either long-term or short-term sickness absences. Due to covid 19, employment change activity went on hold and any active cases, although they continued, activity was more challenging due to social distancing restrictions/precautions.

Authors: Business Intelligence and Performance Manager / Strategic HR Manager
Date: August 2020

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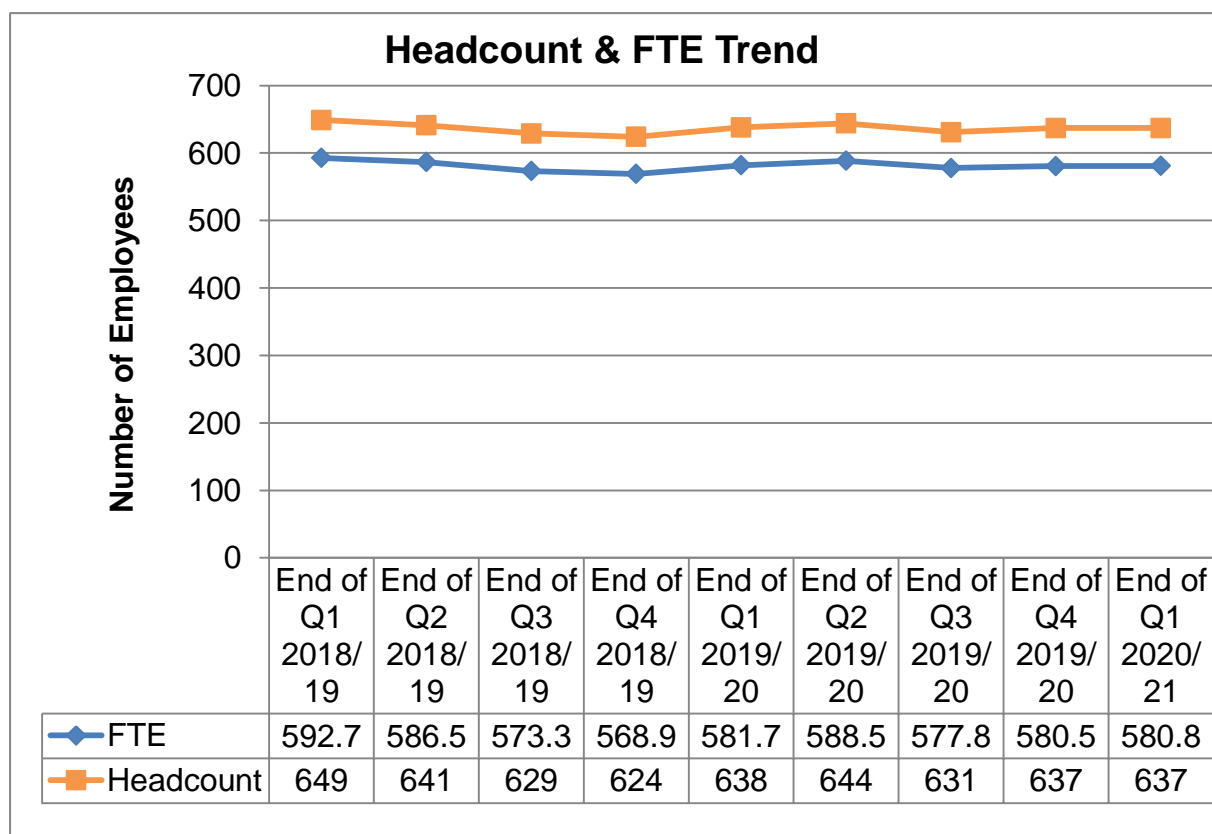
1.0 EMPLOYEE PROFILE

Definition: Headcount is the number of employees working within the Council, counting primary roles only.

A **full time equivalent** (referred to as FTE) is a measure of an employee's workload to make the position comparable across the workforce based on a 37-hour full-time working week. For example, an FTE of 0.5 indicates that the employee works half of a full-time working week (18.5 hours).

1.1 HEADCOUNT AND FTE

At the end of Quarter One (30 June 2020), the total number of employees employed by Huntingdonshire District Council was 637 (excluding those employed on a variable or casual hours basis) with the number of full-time equivalent posts at 580.8.



1.2 PAYBILL

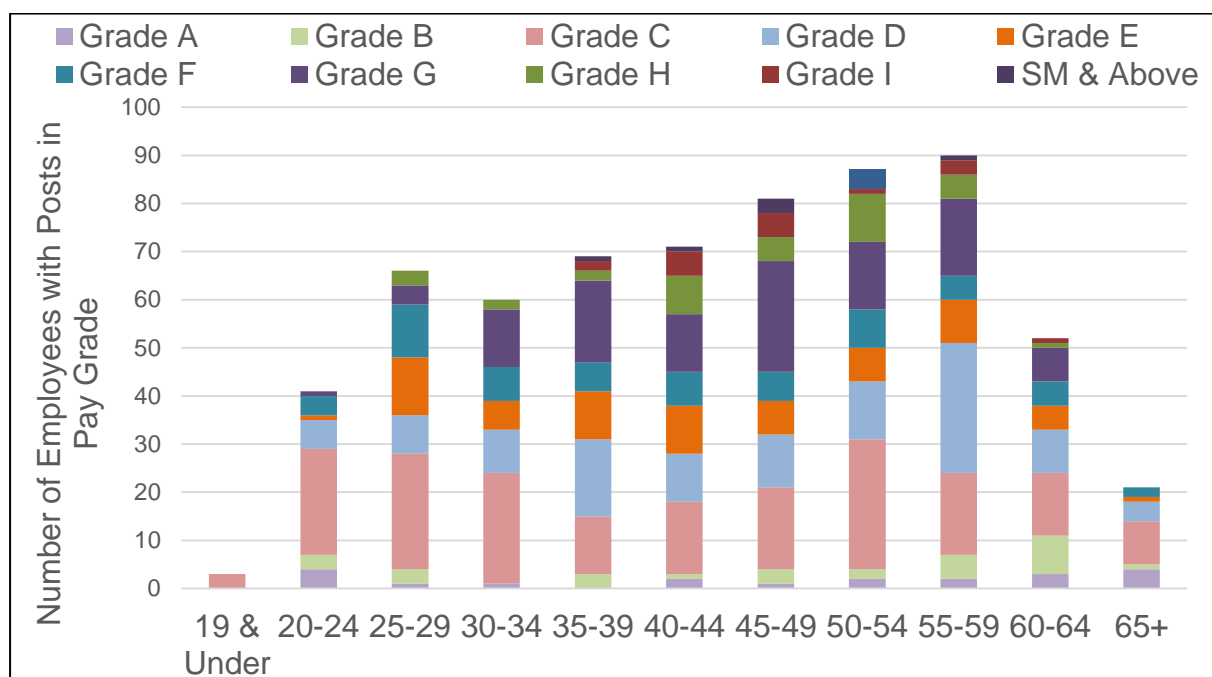
The following table shows the Council's budget, actual and forecast spend on pay costs (including National Insurance and pension contributions) for all employees but excluding hired staff (contractors and agency staff). The forecast spend for the year

is currently within 5% of the budget, based on projections by managers at the end of June 2020.

Year:	Budget (£)	Actual (£)	Forecast (£)
2014/15	23,218,072	21,321,729	
2015/16	22,555,973	20,779,737	
2016/17	22,526,917	21,903,947	
2017/18	24,591,631	23,536,053	
2018/19	25,230,515	23,192,646	
2019/20	24,871,268	23,941,696	
2020/21	25,679,601		24,760,539

1.3 WORKFORCE BY AGE AND PAY GRADE

The number of employees by 5-year age band is depicted below by pay grade. Please note that where an employee has two jobs on different grades, they have been counted within their age band against both grades.



For the purposes of simplifying this graph, employees who have transferred into the Council on existing terms and conditions have been linked to Huntingdonshire District Council pay grades based on their current salaries.

Further analysis will be undertaken in the next quarter, to look at the make-up of those employees over 50 as part of our workforce planning activity.

1.4 HIGH EARNERS

Definition: High earners are classified as employees who are paid at £50,000 or above. This information is published in line with the Government's commitment to improve transparency across the public sector.

At the end of Quarter One, 27 employees (4.2% of the total headcounted workforce) were paid at FTE salaries of £50,000 or above. The total number of employees classed as high earners is greater than the 24 employed at the end of the previous Quarter, partly due to the 2020/21 pay award, which saw the base of Grade I, move above this £50,000 threshold.

1.5 GENDER PAY GAP

Employers with 250 or more employees must publish figures comparing average pay by gender across the organisation. This data is normally produced and published annually in line with regulations. This year the obligation to produce and publish Gender pay Gap data on 31 March 2020 was suspended due to Covid 19 and employers are not required to report until 2021. As there is no change to the pay gap data from that included in previous Workforce reports, this section of the report will instead be updated annually at Q4 or if not available in time, then annually at Q1 (when new data is available).

1.6 LEAVERS

During Quarter One, 17 full-time/part-time employees on permanent or fixed-term contracts left the organisation, which is less than the total leaving in the previous Quarter (31). There were 7 voluntary resignations by employees on permanent contracts from April to June, compared to 22 in the previous Quarter.

Leaving Reason	Service	Total
Death in Service	Chief Operating Officer	1
End of Fixed Term Contract	Corporate Services	1
Retirement	Chief Operating Officer	2
	Leisure & Health	1
	Operations	1
Voluntary Resignation – New Job Offer	Digital & ICT Services	3
	Leisure & Health	2
	Chief Operating Officer	1
	Operations	1
Voluntary Resignation – Better Reward Package	Digital & ICT Services	1
Voluntary Resignation – Work Life Balance	Corporate Services	1
Voluntary Resignation – Other	Operations	2
Grand Total		17

The HR team have introduced a new online Leaver Questionnaire (20 August 2020) which is hoped will provide more qualitative and quantitative information on reasons for people leaving.

1.7 TURNOVER

In the 12 months to 30 June 2020, 90 permanent employees left the Council. As a proportion of the average number of permanent employees over this period, the overall turnover rate for permanent employees is 15.1%, which is slightly lower than the 16.6% calculated for the 12 months to 31 March 2020.

LGA's - Local Government Workforce Survey 2017/18, reports a mean average labour turnover for District Councils of 14%. Recruitment Website engine Monster.com, identifies the UK average employee turnover rate as 15% a year, although this varies between industries and is typically lower in public sector.

2.0 SICKNESS ABSENCE

Definition: Long term sickness is classified as a continuous period of absence of 28 or more calendar days. All other periods of absence are defined as **short term**.

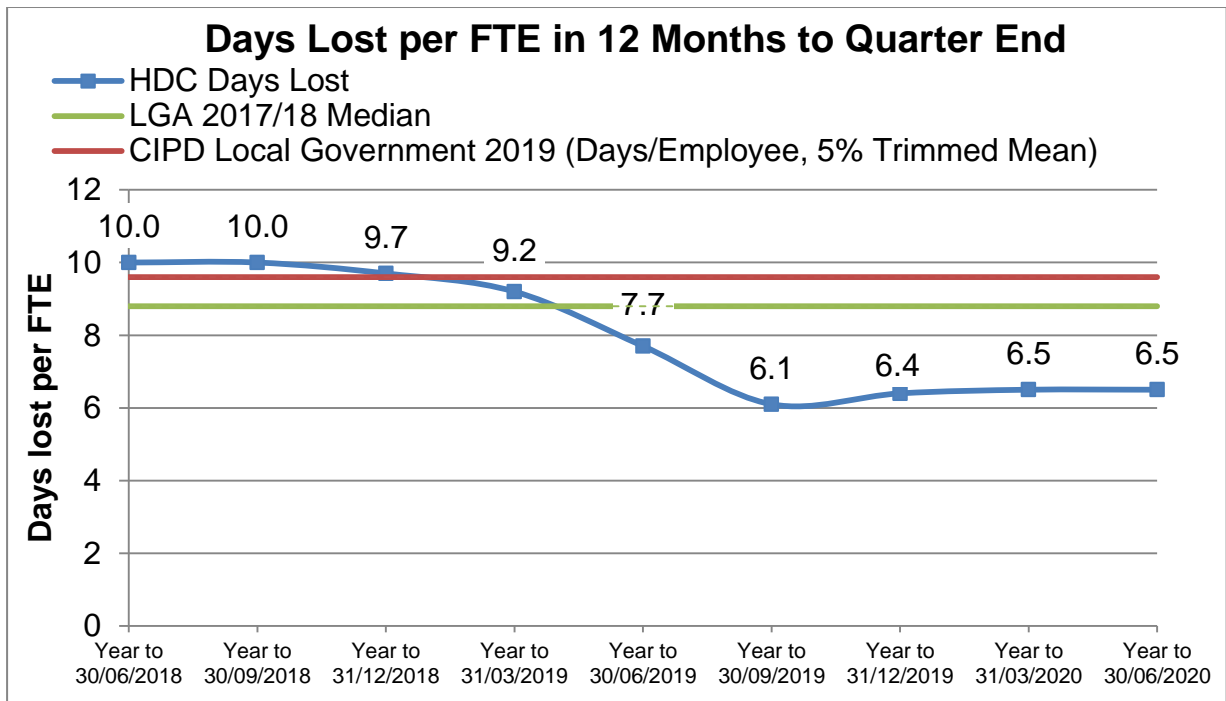
The absence data is calculated per full-time equivalent (FTE) as per the guidelines set out in the previous Best Value Performance Indicators (former statutory dataset) for sickness to account for adjustments in working hours.

Trigger points for management action under HDC policy are as follows:

- 3 or more periods of absence in a rolling 3-month period
- 6 or more periods of absence in a rolling 12-month period
- 8 working days or more in a rolling 12-month period
- Long term absence of 28 calendar days or more
- Pattern of absence (e.g. regular Friday and/or Monday; repeated absences linked to holidays)

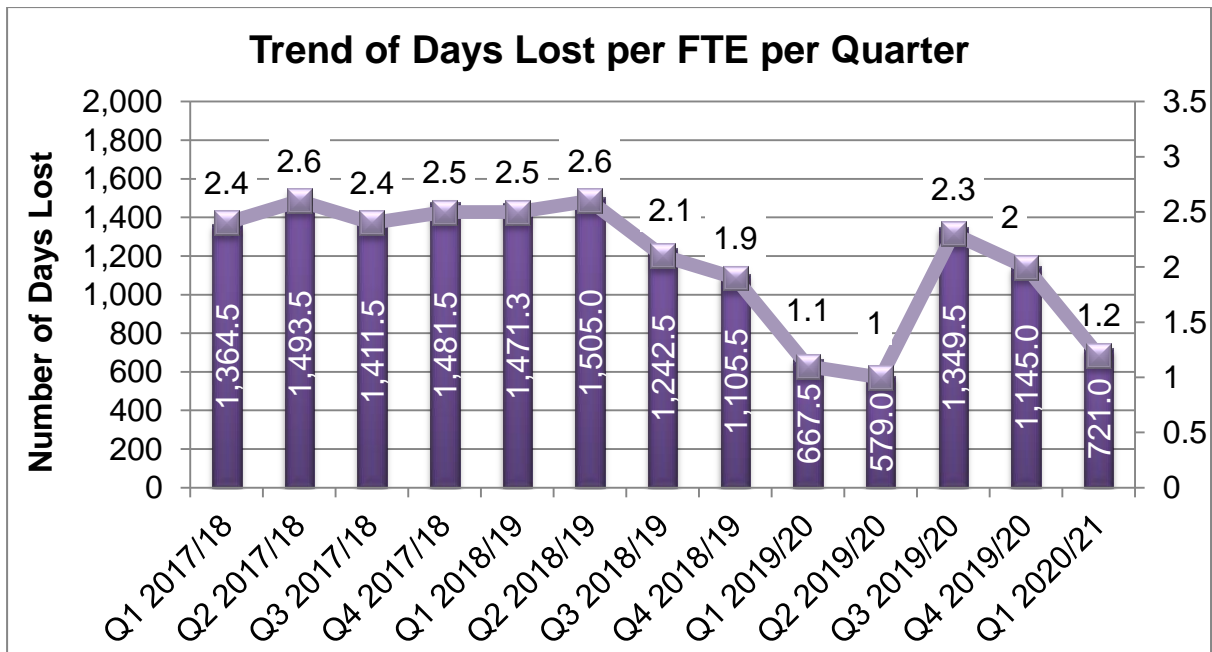
2.1 TREND OF WORKING DAYS LOST ACROSS HDC OVER ROLLING 12 MONTH PERIODS

The graph shows the trend in sickness absence per FTE employee over a rolling 12-month period to the end of each Quarter since June 2018. It shows that sickness absence over the previous Quarter has remained steady at 6.5 days per FTE. This remains low compared to results over recent years.



2.2 TREND OF WORKING DAYS LOST ACROSS HDC BY QUARTER

The total number of working days lost in Quarter One is lower than in the previous Quarter and the days lost per FTE has also decreased. This decrease is a typical trend for Quarter One, with lower sickness levels recorded in summer months.



The number of days lost in Quarter One equates to the workload of almost 12 FTEs based on the 61 working days in the period from 1 April to 30 June.

2.3 REASONS FOR SICKNESS ABSENCE

Please see sickness reporting by category below: -

Sickness reason given:	Quarter One 2020/21		
	Employees	Days lost	%
3rd party accidents	0	0	0%
Asthma, chest, heart, cardiac	2	35	5%
Benign & malignant tumors or cancers	2	89.6	12%
Burns, poisoning, frostbite, hypothermia	0	0	0%
Cough, cold, eye, ENT, infections/viruses	7	12	2%
Endocrine/glandular - diabetes, thyroid	0	0	0%
Gastro - abdominal pain, vomiting	7	43.5	6%
Genito urinary & gynecological	0	0	0%
Headache, migraine, dental, oral	10	13.3	2%
Injury, fracture	8	73.5	10%
Musculoskeletal, including back & neck	12	108.7	15%
Pregnancy related	2	19	3%
Stress, Anxiety, Depression	10	326.5	45%

Compared to the same Quarter last year, there have been fewer days lost for most absence reasons including 'Asthma, chest, heart and cardiac' and 'Cough, cold, eye, ENT, infections/viruses'. This may be linked to lockdown and physical distancing measures to prevent the spread of Covid-19, which the Royal College of General Practitioners has described as the probable cause for fewer cases of common cold, flu and other respiratory diseases in England this year compared to the average.

The most significant increase in sickness compared to the Quarter One 2019/20 was for days lost due to 'Stress, Anxiety, Depression', which have more than doubled. During Quarter One, 10 employees were absent due 'Stress, Anxiety, Depression' for a total of 326.5 working days lost. 314 (96%) of these were 'long-term' absences of 28 calendar days or more.

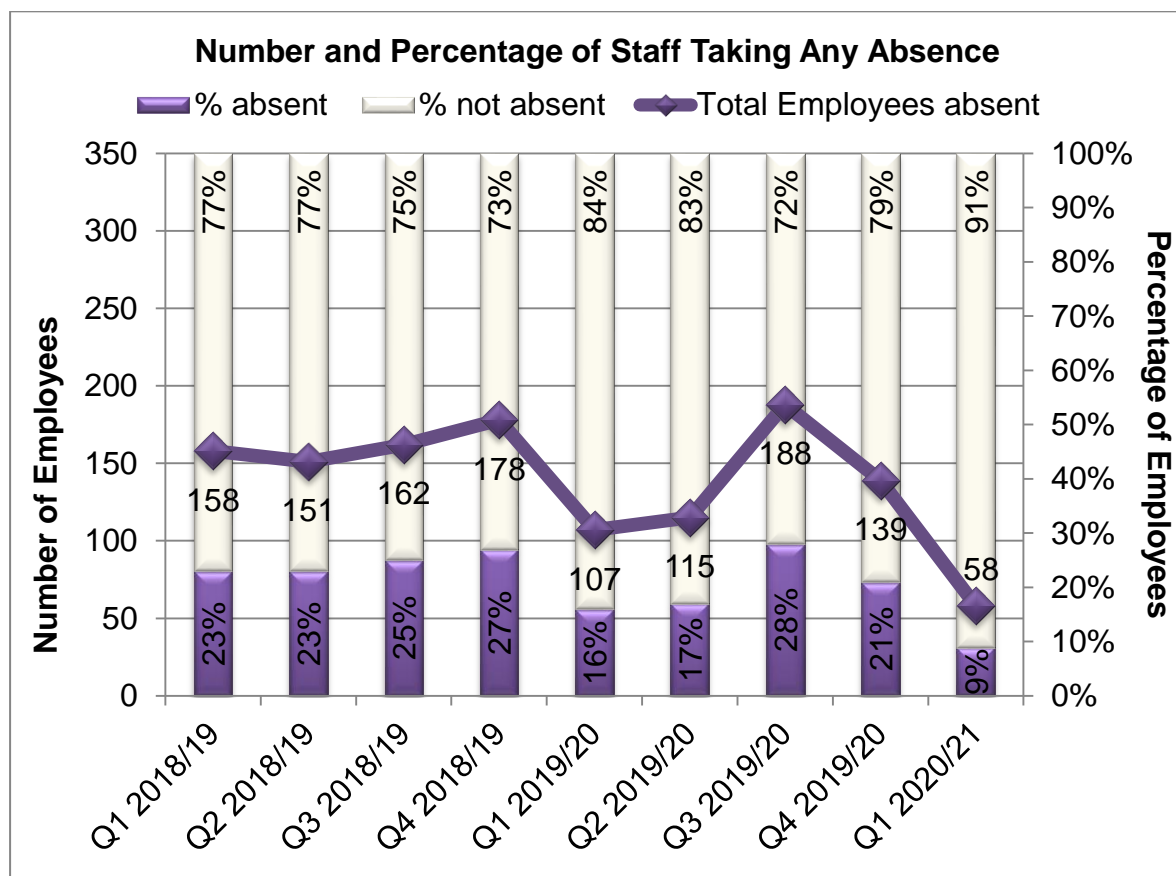
Reason for Absence	No of Days Absence	% of Days Absence	No of People
Personal Reasons	110.4	34%	4
Work Related	81	25%	2
Both Work and Personal Reasons	135.1	41%	4
Total	326.5	100%	10

External data sources show that mental health is on the rise and the impact of isolation, lock down, and returning to work have increased anxieties. (**MIND** - 35% of employees describe their MH as 'poor' or 'very poor' and the prospect of returning to work is causing anxiety; **CIPD** 43% of employees state their general MH has worsened since Covid, rising to 52% for those with existing MH conditions).

HDC has continued to invest in Mental health First Aid and focus on employee Wellbeing including mental health over the last few months. We have seen a rise in demand for our Mental Health First Aiders and for our external counselling service. Mental Health First Aiders report an increase in conversations being up 310% from same period last year (May to August – though outside Q1 period, this is included in this report as current at time of writing the report), this trend is in line with BUPA who have had a 300% increase in calls to their helpline.

2.4 NUMBER OF EMPLOYEES WITH ANY DAYS OF SICKNESS ABSENCE IN QUARTER

Only 58 employees were absent due to sickness in Quarter One, which is 9% of all those employed during the period (excluding those with variable/casual posts only).



2.5 LONG-TERM SICKNESS ABSENCE BREAKDOWN

Quarter	Employees taking long-term sick leave	Total days of long-term sickness	% of total absence long-term
Q1 2018/19	30 (19% of those sick)	1,015.8	69%
Q2 2018/19	33 (22%)	1136	75%

Quarter	Employees taking long-term sick leave	Total days of long-term sickness	% of total absence long-term
Q3 2018/19	26 (16%)	816	66%
Q4 2018/19	17 (10%)	503	45%
Q1 2019/20	13 (12%)	391.5	55%
Q2 2019/20	12 (10%)	310	50%
Q3 2019/20	26 (14%)	833	59%
Q4 2019/20	28 (20%)	724.1	63%
Q1 2020/21	18 (31%)	551.4	76%

Days lost due to long-term sickness fell when compared to the previous Quarter, but long-term absence accounted for more than three-quarters of all days lost in Quarter One. 18 employees represent less than 3% of the Council's workforce.

Dealing with long-term sickness cases remains a high priority for managers and HR work closely with the managers to advise on sickness cases and to ensure the appropriate guidance and support is in place. Of the 18 employees with long-term sickness during the Quarter, 8 remained absent on 30 June 2020.

2.6 SICKNESS ABSENCE REPORTING BY SERVICE

The table below shows that sickness has decreased overall in nearly all services compared to the previous Quarter. However, long-term sickness has increased in three services. The number of days recorded for the previous Quarter are listed in brackets in the second column.

Service	Total days sick	Days Lost/FTE	Employees absent in Quarter
Chief Operating Officer	115.6 (215.4) ↓	0.7	10 (6% of all in service)
CLT/Exec Support/Transformation	61 (15.7) ↑	4.1	1 (7%)
Corporate Resources	32.6 (83.2) ↓	0.7	4 (7%)
Digital & ICT Services	103 (120.8) ↓	1.4	8 (9%)
Housing Strategy and Growth	62 (67.5) ↔	3.0	2 (8%)
Leisure and Health	109.1 (188.6) ↓	1.2	7 (6%)
Operations	237.8 (453.9) ↓	1.3	26 (14%)
OVERALL	721.2 (1,145) ↓	1.2	58 (9% of all HDC employees)

Service	Total days sick – short-term	Days Lost/FTE – short-term	Employees absent in Quarter – short-term sickness
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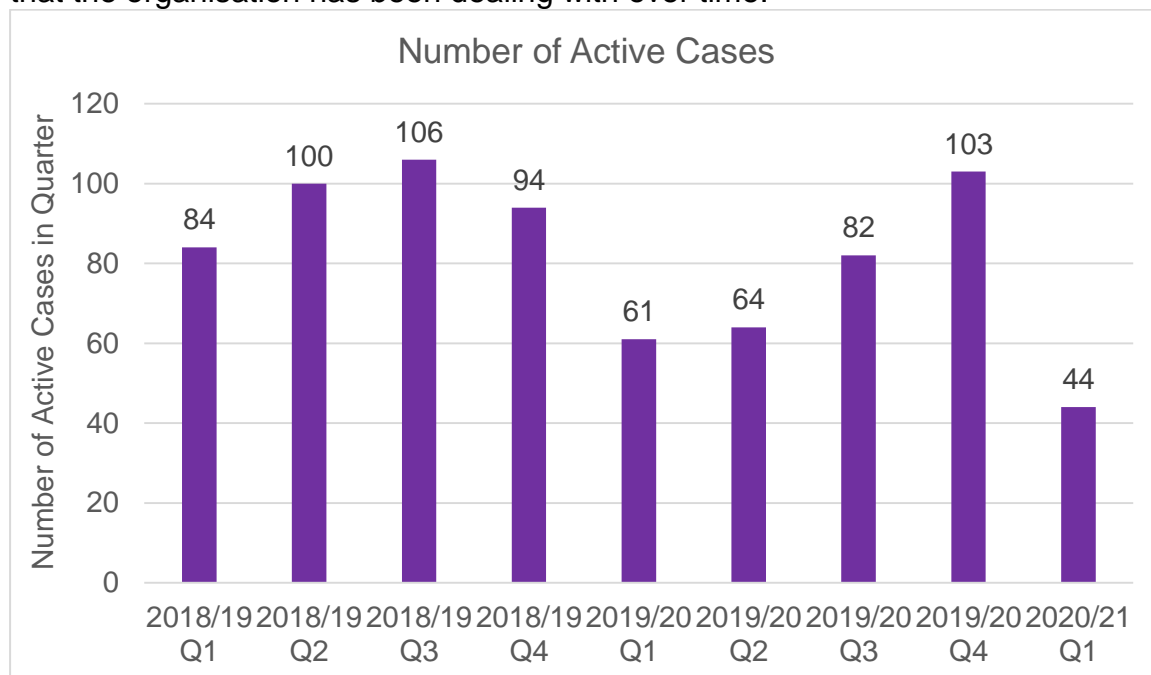
Chief Operating Officer	19 (145.3)	↓	0.1	7 (4% of all in service)
CLT/Exec Support/ Transformation	0 (8.7)	↓	0	0 (0%)
Corporate Resources	26.5 (19.2)	↑	0.6	3 (6%)
Digital & ICT Services	12 (37.8)	↓	0.2	6 (7%)
Housing Strategy and Growth	1 (2.5)	↔	0	1 (4%)
Leisure and Health	28.4 (31.8)	↔	0.3	4 (3%)
Operations	82.8 (175.7)	↓	0.5	19 (10%)
OVERALL	169.7 (420.9)	↓	0.3	40 (6% of all HDC employees)

Service	Total days sick – long-term		Days Lost/FTE – long- term	Employees absent in Quarter – long-term sickness
Chief Operating Officer	96.6 (70.1)	↑	0.6	3 (2% of all in service)
CLT/Exec Support/ Transformation	61 (7)	↑	4.1	1 (7%)
Corporate Resources	6.1 (64)	↓	0.1	1 (2%)
Digital & ICT Services	91 (83)	↑	1.2	2 (2%)
Housing Strategy and Growth	61 (65)	↔	2.9	1 (4%)
Leisure and Health	80.7 (156.8)	↓	0.9	3 (2%)
Operations	155 (278.2)	↓	0.9	7 (4%)
OVERALL	551.4 (724.1)	↓	1.0	18 (3% of all HDC employees)

Note: Numbers of employees shown as absent in the short-term and long-term tables do not necessarily add up to totals shown in the first table because some individuals had both long-term and short-term absences. Figures for days lost/FTE may not add up to totals due to rounding.

3.0 HR CASELOAD

The HR Team's caseload is recorded to provide an indicator of the type of HR issues that the organisation has been dealing with over time.



3.1 BREAKDOWN OF HR CASES BY TYPE FOR THE QUARTER

During Quarter One, there were 44 cases in progress, of which 12 were dealt with under formal procedures. The total was lower than in the previous Quarter, with cases for the previous Quarter also shown below for comparison purposes.

Type of Case	Informal Cases	Formal Cases	Total	Previous Quarter
Appeals	0	0	0	1
Capability – Long Term Sickness	9	0	9	18
Capability – Short Term Sickness	10	3	13	49
Capability – Performance	2	2	4	4
Consultations (including TUPE)	6	1	7	9
Bullying and Harassment (Dignity at Work)	0	2	2	4
Disciplinary	1	3	4	6
Employment Tribunals	0	0	0	3
Grievance	1	1	2	3
Probation	0	0	0	1
Manager Advice / Support	0	0	0	2
Subject Access Request	0	0	0	0
Other	3	0	3	3

Type of Case	Informal Cases	Formal Cases	Total	Previous Quarter
Total	32	12	44	103

Covid 19 saw formal casework slowing down, in particular business change activities, due to practical reasons such as new virtual/distanced requirements, as well as the organisational focus shifted temporarily to other emerging priorities. The HR teams' activities were focused on responding to new temporary guidance to the challenges presented by Covid 19.

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Staff Survey

Meeting/Date: Employment Committee – 16 September 2020

Report by: Strategic HR Manager

This brief report updates on the status of staff survey and the output that informs an action plan; and further sets out the changed approach for 2020/2021 due to Covid 19.

In a normal business year, HDC will have surveyed its employees around July and analysed those results in time for the Employment Committee Sept/Oct. The preparation for a survey would begin in May and involve our Data Analysis team, and HR. Then once the survey is live, all staff and managers would be involved in participating and getting a return, across our operational areas an offline process (hardcopy survey) would be used and the results would be manually entered.

This year, due to Covid 19, the organisation has not taken the normal approach. This is because both the resourcing of a normal survey would have been challenging and the pressure on the staff to complete surveys would have impacted on results. Especially across our operational areas, where working practices were adapted; or the workforce was temporarily redeployed due to temporary closed facilities.

The Strategic HR Manager is formulating a proposal for a different approach for checking in with staff. This proposal will be shared with employment committee offline once recommendations are reviewed by senior Leadership team.

The aim will be to complete a staff engagement survey which is likely to be shorter and focused on the last few months, as well as understanding expectations of staff from HDC as an employer in the coming year. There will be some themes that can map back to our engagement measures.

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**Public
Key Decision - No**

HUNTINGDONSHIRE DISTRICT COUNCIL

Title/Subject Matter: Use of Consultants, Hired Staff and Temporary Staff

Meeting/Date: Employment Committee 16 September 2020

Executive Portfolio: Strategic Resources: Councillor J A Gray

Report by: Chief Finance Officer

Ward(s) affected: All

Executive Summary:

Members requested this annual report in order to monitor the Council's use of interim staff (consultants and temporary staff).

Capital

During 2019/20, consultants have continued to be employed to provide technical and professional advice in respect of the Commercial Investment Strategy, Local Plans, future high street funding and development of market town prospectus for growth. There were also costs for temporary staff which have been employed on capital projects in the year.

Revenue

Overall, there was a net increase of £153k in the cost of interim staff in 2019/20 when compared to 2018/19. The largest increase was in the use of consultants £269k with the employment of temporary staff showing a net decrease of £117k. The continued use of interim staff to meet vacancies across the Council, and to provide expert advice and interim capacity whilst the Council follows the current transformation programme, development of the Local Plans and other business efficiency improvements.

All costs relating to interim staff have been met from within current resources (existing budgets or use of earmarked reserves) and the use of such staff has given the Council the flexibility and short-term capacity to undertake its transformation programme.

Recommendation:

Members are asked to consider the report and comment as they consider necessary.

1. PURPOSE OF THE REPORT

- 1.1 To advise of the use of consultants and temporary staff during the 2019/20 financial year.

2. BACKGROUND

- 2.1 In July 2014 the Employment Panel approved guidance notes for managers regarding the use of consultants and temporary staff.
- 2.2 The use of interim staff is an essential requirement in the day-to-day management of the Council's business. However, there use is limited to a range of specific purposes i.e. to meet a specialist skills gap where a full-time resource would not award the Council value for money, to cover for unplanned gaps in staffing or to meet short-term peaks in workload. The Council's accepted definitions for consultants and temporary staff is shown below:

Consultants

Individuals contracted to the Council as a sole trader or employees of a contractor to provide skills and knowledge the Council lacks. The contract terminates after a defined period of event (e.g. delivery of a report of advice).

Temporary Staff

Individuals contracted to the Council as employees of an agency or contractor to provide additional capacity. They may be providing short term cover for staff absences (e.g. refuse operatives) or medium term cover (e.g. cover for vacant posts while permanent recruitment completes). The supplier is paid by invoice.

3. EXPENDITURE ANALYSIS

- 3.1 The analysis shown below is split between capital and revenue. The reason for this distinction is that interim staff employed for capital development projects are incidental to the project and can be financed from capital resources i.e. the sale of assets.

Capital

- 3.2 During 2019/20, there was a net increase of £48k in the cost of interim staff compared to 2018/19, a summary is shown in **Table 1** and the detailed analysis is shown in **Appendix 1**.

Capital Comparison of consultants and temporary staff 2018/19 and 2019/20			Table 1
	Consultants	Temporary	TOTAL
	£000	£000	£000
2019/20	515	15	530
2018/19	281	201	482
Variance	234	-186	48

The main reasons for the increase in Consultants costs in 2019/20 are:

- Commercial Investments Rowley Centre and Tri-Link
- Construction of industrial units at Alms Close

The main reasons for the reduction in Temporary staff costs in 2019/20 are:

- Completion of the implementation of the new Financial Management System.

Revenue

- 3.3 During 2019/20, there was a net increase of £153k in the cost of interim staff compared to 2018/19, a summary is shown in **Table 2** and the detailed analysis is shown in **Appendix 2**.

Revenue Comparison of consultants and temporary staff 2018/19 and 2019/20			Table 2
	Consultants	Temporary	TOTAL
	£000	£000	£000
2018/19	1,020	1,670	2,690
2017/18	751	1,787	2,537
Variance	269	-117	153

- 3.4 The main reason for the increase in temporary staff costs in 2019/20 relates to an increase in the level activity on specific business as usual areas such as:
- To support development of market town master plans and future high street funding bids to MHCLG
 - To support strategic investment decisions

4. KEY IMPACTS

- 4.1 The use of interim staff assists the Council in meeting services needs and objectives. If such resources are not used from time-to-time, then it is very likely that service delivery and priorities would be impacted and the process of transformation would take considerably longer.

5. LEGAL IMPLICATIONS

- 5.1 There are no direct legal implications arising from this report.

6. RESOURCE IMPLICATIONS

- 6.1 With regard to capital, as the Commercial Investment Strategy matures there will be incidental costs relating to both the acquisition, and in time, disposal of assets. Also, over the life of a capital asset it is necessary for the Council to undertake some enhancement activity to ensure that such assets maintain their capital value, can continue to meet agreed lease standards and health & safety obligations.

6.3 New regulations came into force on 6 April 2017 changing the responsibility for assessing the tax status of consultants, interims, and temporary staff. If directly engaged (not through an agency), the Council must determine whether the individual is acting as if a member of staff and if appropriate, collect National Insurance (NI) contributions and tax. The determination, based on HMRC guidance, considers a number of factors including duration, if a post holder, ability to substitute, etc. Failure to collect the correct tax and NI risks incurring fines, interest charges and back tax. The Management Team have been briefed and provided with links to the HMRC guidance and the HMRC online assessment tool. The Heads of Service have been tasked with identifying any consultants, interims and temporary staff that fall within the scope of the regulations and carrying out the appropriate assessment

7. LIST OF APPENDICES INCLUDED

- Appendix 1 - consultants and temporary staff – capital expenditure
- Appendix 2 - consultants and temporary staff – revenue expenditure

BACKGROUND PAPERS

None.

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CAPITAL EXPENDITURE

Comments on expenditure in excess of £10,000 are provided.

CONSULTANTS CAPITAL EXPENDITURE			
Head of Service	2018/19 £000	2019/20 £000	
COO	16	43	Consultants fees related to Cash Receipting system and CRM
Leisure & Health	53	39	Consultants fees related St Ives fitness project and general advice across all leisure facilities
Operations	11	2	
Resources	193	431	Commercial Investment support for Rowley Centre and Tri-Link; Project Management for Alms Close and Oaktree Centre
ICT	8	0	
TOTAL	281	515	

TEMPORARY STAFF CAPITAL EXPENDITURE			
Head of Service	2018/19 £000	2019/20 £000	
Operations	6	0	
Resources	195	15	Additional support in relation to sale of Bridge Place Car Park
ICT	0	0	
TOTAL	201	15	

REVENUE EXPENDITURE

Comments on expenditure in excess of £10,000 are provided.

CONSULTANTS REVENUE EXPENDITURE				
Head of Service	2018/19 £000	2019/20 £000	Expenditure for 2019/20 includes	Justification for Spend
COO	33	147	£82k in support of loss of senior member of staff; £12k for advice for planning application appeal; £21k support of licensing	Specialist advice not within establishment.
Leisure & Health	5	48	£32k in support of St Ives outdoor proposal	Specialist advice not within establishment.
Operations	96	14		
Resources	96	180	£41k in support of advice on proposed investment in energy from waste. £12k in support of on going provision of insurance claims. £23k in support for on going legal challenge regarding HDC car park facility. £15k in support of treasury activity	Specialist knowledge not available within the establishment. Specialist knowledge not available within the establishment. Specialist knowledge not available within the establishment. Specialist advice not available within the establishment that is required for financial stewardship and audit.
Corporate Team Manager	5	7		
ICT Shared Services	367	123	£35k in support of IDOX application £28k in support of various applications (Capita, Northgate and Uniform) £17k in support of Council Anywhere implementation	Specialist knowledge not available within the establishment. Specialist knowledge not available within the establishment. Specialist knowledge not available within the establishment.
Transformation	46	28	Continuation of the transformation project	Creation of business efficiencies
Housing	0	27	£27k support in development of housing options	Specialist knowledge not available within the establishment. Income generating
Programmes	0	19	£19k consultation on programme management within HDC	Creation of business efficiencies

Planning Policy	103	427	<p>£157k in support of development of Market Town prospectuses for growth.</p> <p>£97k in support of investigate potential development sites with Huntingdonshire (St Ives and Huntingdon).</p> <p>£77k in support of local plan prep.</p> <p>£69k in support St Neots future funding of the highstreets bid.</p>	<p>Specialist knowledge not available within the establishment. Funded by Cambridge and Peterborough Combined Authority.</p> <p>Specialist knowledge not available within the establishment.</p> <p>Specialist knowledge not available within the establishment.</p> <p>Specialist knowledge not available within the establishment.</p>
TOTAL	751	1,020		

TEMPORARY STAFF REVENUE EXPENDITURE				
Head of Service	2018/19 £000	2019/20 £000	Expenditure for 2019/20 includes	Justification for Spend
COO	110	181	Temporary staff	To cover vacancies particularly in Planning (Development Management)
Housing	0	5		
Leisure & Health	10	10		
Operations	728	555	Use of agency staff to cover basic collection rounds.	Requirements to back fill vacancies and holidays with agency staff to maintain service delivery.
Resources	579	548	<p>The Financial Services Team have required extra to complete implementation of the FMS and the delayed recruitment to the Finance Managers post (£164k)</p> <p>Attempts to fill the vacant Estates Management posts have failed and staff are required to fill the income generating portfolio of property (£279k)</p>	<p>Covering vacant posts.</p> <p>Extra resources to undertake one-off project.</p> <p>Covering vacant posts.</p> <p>Income generating</p>
ICT Shared Services	354	367	Hired staff used until permanent staff	To cover vacancies and one-off projects

			appointed and the hire of specialist staff to assist with software and other implementations	
Transformation	6	4		
TOTAL	1,787	1,670		