



BROMLEY CIVIC CENTRE, STOCKWELL CLOSE, BROMLEY BRI 3UH

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EXECUTIVE AND RESOURCES POLICY DEVELOPMENT AND SCRUTINY COMMITTEE

Meeting to be held on Wednesday 1 February 2017

Please see attached report marked “to follow” on the agenda.

11 HR INFORMATION (Pages 3 - 10)

*Copies of the documents referred to above can be obtained from
<http://cds.bromley.gov.uk/>*

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Report No.
CEO1628

London Borough of Bromley

PART ONE - PUBLIC

Decision Maker: Executive & Resources PDS Committee

Date: 1 February 2017

Decision Type: Non Urgent Non-Executive Non-Key

Title: HR INFORMATION

Contact Officer: Charles Obazuaye, Director of Human Resources
Tel: 020 8313 4355 E-mail: obazuaye.charles@bromley.gov.uk

Chief Officer: Director of Human Resources

Ward: n/a

1. Reason for report

1.1 At the request of the Chairman of the Executive & Resources PDS Committee, this report provides a summary of the current sickness levels by Department and the Council's HR staffing capacity in the last 5 years.

2. RECOMMENDATION(S)

2.1 That Members note and comment on the contents of this report.

Impact on Vulnerable Adults and Children

1. Summary of Impact: N/A
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Corporate Policy

1. Policy Status: Existing Policy:
 2. BBB Priority: Excellent Council
-

Financial

1. Cost of proposal: Not Applicable:
 2. Ongoing costs: Not Applicable:
 3. Budget head/performance centre:
 4. Total current budget for this head: circa £1.5 controllable budget
 5. Source of funding: Council
-

Personnel

1. Number of staff (current and additional):
 2. If from existing staff resources, number of staff hours:
-

Legal

1. Legal Requirement: Statutory Requirement Non-Statutory - Government Guidance None:
Further Details
 2. Call-in: Not Applicable:
-

Procurement

1. Summary of Procurement Implications: N/A
-

Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All Council staff including casual staff and agency staff, plus potential recruits, applicants, etc
-

Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments:

3. COMMENTARY

- 3.1 In the last 5 years the Council has travelled through a difficult journey of transformational and transitional changes with challenging HR and employment implications. Throughout this period HR successfully managed a number of significant deliverables including top Member priorities e.g. the local terms and conditions of employment and the fundamental review of staff representatives. These were achieved despite year on year reduction in HR capacity.
- 3.2 Suffice to say that Bromley Council remains the only London Borough to successfully come out of nationally and regionally negotiated terms and conditions of employment. This is the fifth year of implementing the local terms and conditions of employment and it means that the industrial relations and pay negotiating processes previously carried out at the national/regional levels are now managed locally by Bromley HR.
- 3.3 Bromley HR also successfully implemented the Single Status Agreement ie harmonisation of terms and conditions of employment, pursuant of the equal pay legislation at no litigation/legal or industrial relations costs to the authority. Bromley Council is one of a very few authorities who managed to avoid a costly protracted litigation. The work of Bromley HR staff in securing a robust Single Status agreement with the Unions in 2009/10 is better understood by referencing here the estimated circa £750m damages in the well-publicised Abdullah v Birmingham City Council equal pay case.
- 3.4 Sickness management is one of the ongoing challenging operational and strategic issues putting pressures on the thin HR resource in the organisation, comprising only 25.43 FTE or 30 staff headcount. Based on the recent London Councils survey, Bromley HR is one of the thinnest in London. The 2016 HR resources survey result by London Councils is shown in **Table 1** below.

Table 1: 2016 Resources Survey results

Borough Type	Carrying Out the specified HR type work areas			
	Average FTE Establishment (Current funded posts)	Average FTE of employees in post*	Average FTE of HR Employees	Average FTE of temps/agency/interims/consultants
12 Inner Boroughs	67.8	52.4	49.2	7.9
15 Outer Boroughs	48.4	31.8	35.4	2.1
29 boroughs (all respondents)	57.0	41.0	41.5	4.7

**This figure includes staff carrying out the work specified but who were employed by other departments e.g. Payroll which is carried out by Finance in some boroughs.*

- 3.5 From the above it is quite clear that Bromley HR at 25.43 FTE is much lower than the London average. The **Table 2** below shows the level of HR resource in the last 5 years vis-à-vis the Council workforce number in the same period. Approximately 15 staff (FTE) have been lost in HR since 2013.

Table 2

	All Corporate Employees		HR	
	Headcount	FTE	Headcount	FTE
2013	1995	1654.10	47	40.85
2014	1909	1578.95	43	36.54
2015	1798	1494.78	33	29.86
2016	1766	1445.02	31	28.61
2017	1603	1332.77	30	25.43

- 3.6 The total employee headcount (not FTE) is used against the HR FTE to take account of the fact that part-time employees do not generally use up less HR resource particularly in relation to certain HR activities e.g. issuing of contracts, sickness absence of disciplinary cases etc. There lies the problem! There are a number of HR metrics that provide a reference for an employee to HR ratio, but they do not necessarily offer apple to apple comparisons. For example, the organisation operating model or overarching strategies (e.g the Commissioning journey in Bromley Council) or/and organisational priorities and improvements (e.g Children’s Services following Ofsted Inspection) may tilt the balance between employee:HR one way or the other. It also depends upon the value the organisation places not just on HR as a function, but Human Resources management in general. The latter will include the role of line management, the value of good performance management, staff engagement, leadership and people management in its widest sense. The ability to create a ‘dream organisation’ (or an employer of first choice) i.e. being able to attract, develop and retain quality staff is dependent on the HR leadership and the quality and quantity of HR capacity in the organisation.

- 3.7 Apart from the obvious challenges and pressures arising from the recruitment and retention of key staff in Children’s Services and elsewhere in the Council, on the back of the commissioning journey/process in the Council, Bromley HR has never been busier as a result of the simultaneous changes across the organisation giving rise to restructurings, redundancies or TUPE transfers. Consequently, there is an increase in HR workload and the level and complexity of HR issues and employment tribunal claims. In the last 12 years or so the Council has never lost any individual employment tribunal claim, largely because of the quality of HR support and legal colleagues. Currently HR resource is thinly spread to support complex changes simultaneously including diverse and very complex tribunal cases.

- 3.8 The work of HR on behalf of the council is generally informed and regulated by laws. There are more than 100 employment laws in the UK despite various attempts by previous and current governments to streamline them. Separately, the Council being an emanation of the state is also required to give (direct) effect to EC directives at least for now pending the outcomes of the Brexit negotiations.

Every aspect of employment from “cradle to grave” or recruitment to dismissal (including post dismissal issues and pre-recruitment matters (e.g. discrimination) is regulated by domestic and European laws. However, the mains laws are as follows:

- Transfer of Undertaking (Protection of Employment) Regulations 2006 – amendment 2013; Acquired Rights Directive 1997
- Employment Protection Act
- Equality Act 2010
- Fixed Terms (Prevision of less favourable treatment) Regulation 2000

- Equality Act 2010
- Trade Union and Labour relations (Consolidation) Act 1992
- Employment Rights Act 1996
- Health & Safety at Work Act
- Local Government Pensions Regulations

The point here is that the Council's legal obligations and duties in relation to employment are diverse and complex; requiring quality HR support to help managers assert and reassert their right to manage and deliver good outcomes for staff, the Council and Bromley residents without falling foul of the law.

In general, HR functions include the following:

- Job design and analysis
- Workforce Planning
- Recruitment
- Reward & Benefits
- Employment Law issues
- Managing Change
- Training & Development
- HR Management Information
- HR Business Services including issues of contracts, managing pre-employment, in-employment and post-employment contract issues and queries
- Grievances and Disciplinarys
- Performance appraisals/management
- HR Strategic Services

3.9 Sickness Management

- 3.9.1 The Council has an absence management procedure for dealing with short-term and long-term sickness absences. The Council's procedure and approach is consistent with the ACAS Code of Practice and the relevant legal provisions mainly in relation to disability discrimination and unfair dismissal claims.
- 3.9.2. The Council takes seriously its legal and moral duty of care to employees on sick leave irrespective of the reasons for absence. The duty to monitor an employee's health at work is not dependent on whether it is work-related or not. Hence the Council provides Occupational Health assistance including doctor and senior nurse support to staff in order to prevent sickness absence or deal with it in a firm but fair manner, balancing the employee's need to recover with the Council's service delivery objectives. The Occupational Health assistance also includes confidential face to face or telephone counselling service.
- 3.9.3 The Council takes a robust but fair approach to both short and long term absence. The Director of HR chairs a monthly Sickness Case Conference comprising HR, the relevant manager and the Occupational Health doctor or nurse to highlight and deal with complex, protracted or 'locked-up' sickness absence cases. The conference is an opportunity to gather various perspectives from the manager, HR and the Health professional on how to respond to the sickness absence. HR also provides managers with training on how to

manage sickness absence and performance management in general. To improve the quality and level of sickness reporting HR has also implemented an on-line reporting tool as part of the self-service. This is likely to increase the level of sickness absence in the organisation in the short-medium term but the quality of sickness level information is much better in the long run. Sickness absence is a key Corporate Performance Indicator which is available to the Chief Executive his Corporate Leadership Team (CLT).

3.9.4 How Do We Compare? In 2016 (January to December figures) the overall sickness level per employee is 6.6 days per employee, broken down into 3.3 days each for short term and long term sickness days per employee. The figures for the department were 3.1 days lost per employee for the Chief Executive's Department, 7.3 days for Education, Care & health Services and 7.2 days for Environment & Community Services. These figures do not include leavers.

- The average level of employee absence across all sectors is 6.3 days lost per employee although there are variations across the different sectors.
- The public sector has an average of 8.5 days lost per employee, broken down further this is 9.9 for Local Government and 9.6 for Central Government;
- In the private sector the average working days lost per employee is 5.2;
- If looking across all sectors but focusing on organisation size, those employing between 1000-4999 have average working days lost per employee of 8.1;
- In 2016 the average days lost per employee across the London Boroughs was 8.1;
- The median cost of absence per employee, across all sectors is £522;
- The median cost of absence in the public sector is £835 per employee.

4. POLICY IMPLICATIONS

4.1 The issues covered in this report are relevant to the 'Excellent Council' priority indicator in the Building a Better Bromley strategic document.

5. FINANCIAL IMPLICATIONS

5.1 None arising directly from this report.

6. PERSONNEL IMPLICATIONS

6.1 These are reasonably covered in the report.

7. LEGAL IMPLICATIONS

7.1 These are reasonably covered in the report. Except to add that sickness related or capability related dismissals may give rise to unfair dismissal or/and disability discrimination claims against the Council pursuant to the Employment Rights Act and the Equality Act 2010 respectively. The latter may include a claim for being subjected to a detriment which may or may not include a dismissal due to the person's disability, under Section 15 of the Equality Act 2010, or/and failure to provide reasonable adjustments to a disabled staff under section 6 of the same Act .

Non-Applicable Sections:	Impact on Vulnerable Adults and Children and Procurement Implications
Background Documents: (Access via Contact Officer)	

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