

Agenda Item: 5**REPORT OF THE SERVICE DIRECTOR HR AND CUSTOMER SERVICE****VACANCY CONTROL – IMPACT ON WORKFORCE****Purpose of the Report:**

1. To provide Personnel Committee with a second quarterly update, as at 30th November 2013, on the implementation of the Council's Vacancy Control Process. This data has been drawn from the monitoring data held by the HR Service.

Information and Advice:

2. As previously highlighted, the revised Vacancy Control Process was introduced in June 2013 with an overall aim of helping to ensure that the Council can respond to the increasing financial challenges facing it over the next three years whilst minimising the need for compulsory redundancies as far as possible.
3. The intention of the process is that the Council is better able to plan for and achieve necessary future staffing reductions arising from the current programme of service reviews with the minimum of service disruption and risk, whilst also minimising the number and cost of redundancies arising.
4. Vacancy Control is one of a set of measures that have been put in place by the Council (including redeployment and seeking expressions of interest in voluntary redundancy), to support the Council in minimising and mitigating against the impact of post deletions arising from the Council's response to its increasing financial challenges.
5. The Vacancy Control Process covers all permanent and temporary posts across the Council with a number of designated post exceptions predominantly in key front line service areas as detailed in paragraph 12 below.
6. Requests for agency workers or consultants should also be routed through the process.
7. The process requires managers to initially consider whether the post can be deleted as part of budgetary savings and aims to fill posts on a fixed term, temporary basis wherever possible.

Monitoring of the Vacancy Control Process:

8. Managers are required to send all Vacancy Control Decision Records signed off directly by their Corporate Director or a designated Service Director, to the HR Service, prior to advertising or deleting the post.

9. Decision Records are logged in HR and the HR Business Partner responsible for advising the respective service area will check the form to ensure it complies with the process endorsed by this Committee and provide challenge if it does not. The form requires HR sign-off before a copy is sent as approval to advertise together with the recruitment documentation.

Outcomes to date:

10. The data set out in the **appendix** to this report highlights the number of decision records that were received in the second quarter of the operation of the process, between 1st September 2013 and 30th November 2013.
11. During this period 339 vacancies were processed with the following outcomes:
- Permanent – 108 posts (32%)
 - Fixed Term – 213 posts (63%)
 - Agency workers – 18 posts (5%)
 - Deleted posts – 0 posts (0%)
12. It should be noted that in accordance with the Vacancy Control Process, decision records are not required for front-line posts in the following areas, but only if they are fixed term in nature and advertised by the BSC:
- Front line qualified child protection social work and child protection social work team managers
 - Children's residential care
 - Regulated services in ASCH
 - School based catering and cleaning staff.
13. Under the provisions of the Vacancy Control Process, when a vacancy arises, the first decision for managers is to determine if the post can be deleted, either now or in the future, to contribute to budgetary savings. The data set out in the **appendix** to this report highlights that in the second reporting quarter no posts considered under this process were put forward for deletion (only 2 were deleted in the previous quarter).
14. This is reflective of the need to maintain continuity of service delivery during this period whilst the proposals to restructure and redesign services to deliver the savings set out in published Outline Business Cases were under development.
15. Further comparison with the previous report (which reflected only 3 months of data from the date of implementation of the new process), indicates:
- A lower number of vacant posts advertised being subject to a Vacancy Decision Record, 43 fewer than in the previous quarter and 59% overall compared to 61%, indicating that a higher proportion of vacancies arising met the exception criteria set out in 12 above.
 - A higher number of posts being released for advertising on a permanent basis (predominantly in Children's Social Care where a recent recruitment campaign highlighted over 40 substantively vacant Children's Social Work posts), equating to 28 more overall than in the previous quarter and 31% overall compared to 19%.
 - A 25% diminishment in the number of posts filled by agency workers, although the total number of posts filled in this way remains comparatively low overall.

16. In light of the Council's proposals to reduce staffing numbers as part of its current service review and budget setting process, as detailed in the Section 188 notice issued on 6th November 2013, the on-going application of the Vacancy Control process will be critical to identifying as many substantive vacancies as possible to effect the redeployment of displaced permanent employees.
17. An inevitable consequence of the need to maintain service continuity whilst service reviews are implemented could result in some elements of the Council's workforce, for example its support functions, becoming increasingly temporary and flexible in nature.
18. Other key front line service areas such as those in Transport, Property and Environment are likely to find it increasingly difficult to sustain temporary arrangements over the longer term, a trend which is beginning to become apparent after 6 months of operating the Vacancy Control process.
19. In critical service areas such as Children's Social Care, a further consequence will be some ongoing degree of reliance on agency workers to maintain key specialist service provision. The impact of this is highlighted as part of the Employee Resourcing Information report also submitted to this Committee.

Other Options Considered

20. The potential to remove any form of vacancy control process and leave the management of this entirely at the discretion of individual managers was considered. It was determined that robust and consistent corporate control and monitoring is necessary to effectively manage and minimise the impact of increased financial pressures on staffing levels and the potential for compulsory redundancies and this was the model agreed by Personnel Committee on 12th June 2013.

Reasons for Recommendations

21. To monitor and review the effectiveness of the Vacancy Control measures put in place to ensure that the Council is able to plan for and achieve necessary future staffing reductions with the minimum of service disruption and risk whilst also minimising the number and cost of redundancies arising and the proportion of these that are compulsory; ensuring legal compliance with regard to the employers duty towards staff at risk of redundancy.

Statutory and Policy Implications

22. This report has been compiled after consideration of implications in respect of finance, the public sector equality duty, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Human Resources Implications

23. The human resources implications are implicit in the body of the report. A commitment has been given to the recognised trade unions to provide them, through the Central Joint Consultative and Negotiating Panel, with the data set out in this report, updated thereafter

on a quarterly basis.

24. Trades union colleagues have commented on the contents of the report and welcomed the ongoing monitoring of the impact on the workforce and the production of the information. Trades union colleagues have commented specifically on the potential impact of the vacancy control process on the number of temporary fixed term employees and agency workers and potential impact on promotional opportunities for employees.

Equalities implications

25. The proposals within this report will provide a structure and level of scrutiny to ensure consistency and fairness of process application across the whole Authority.

Financial Implications

26. The proposals within this report will help to ensure that the Council can respond to the increasing financial challenges facing it over the next three years whilst containing the impact on redundancies as far as possible.

RECOMMENDATIONS

It is recommended that Personnel Committee:

1. Note the contents of this report and the impact on the profile of the Council's workforce.
2. Receive future vacancy control summary information reports (as set out in the appendix to this report), as part of, and in synch with, the overarching employee resourcing information report.

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For any enquiries about this report please contact:

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Constitutional Comments (KK 17/12/13)

27. The proposals in this report are within the remit of the Personnel Committee.

Financial Comments (SEM 16/12/13)

28. There are no specific financial implications arising directly from this report.

Background Papers and Published Documents

Trade union side comments.

Electoral Division(s) and Member(s) Affected

All