

Committee	Safer Stronger Communities Select Committee	Item No	6
Title	A Briefing on the 2017/18 Employment Profile		
Wards			
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Class	Part 1	Date	12 July 2018

1 Summary and Purpose

- 1.1 This report provides information on key trends within the Council's workforce and an update on activity to ensure that the Council is a fair employer. A detailed profile of the workforce is attached as Appendix 1.

2 Recommendation

- 2.1 To note the report.

3 Background

- 3.1 An employment profile of the Council's workforce has been published annually since 2000. The report serves a number of functions:
- To look at the profile of the council's workforce against the protected characteristics of gender, ethnic origin, age and disability
 - To provide data by themes such as sickness, absence and recruitment
 - To review the people management priorities of the Council.

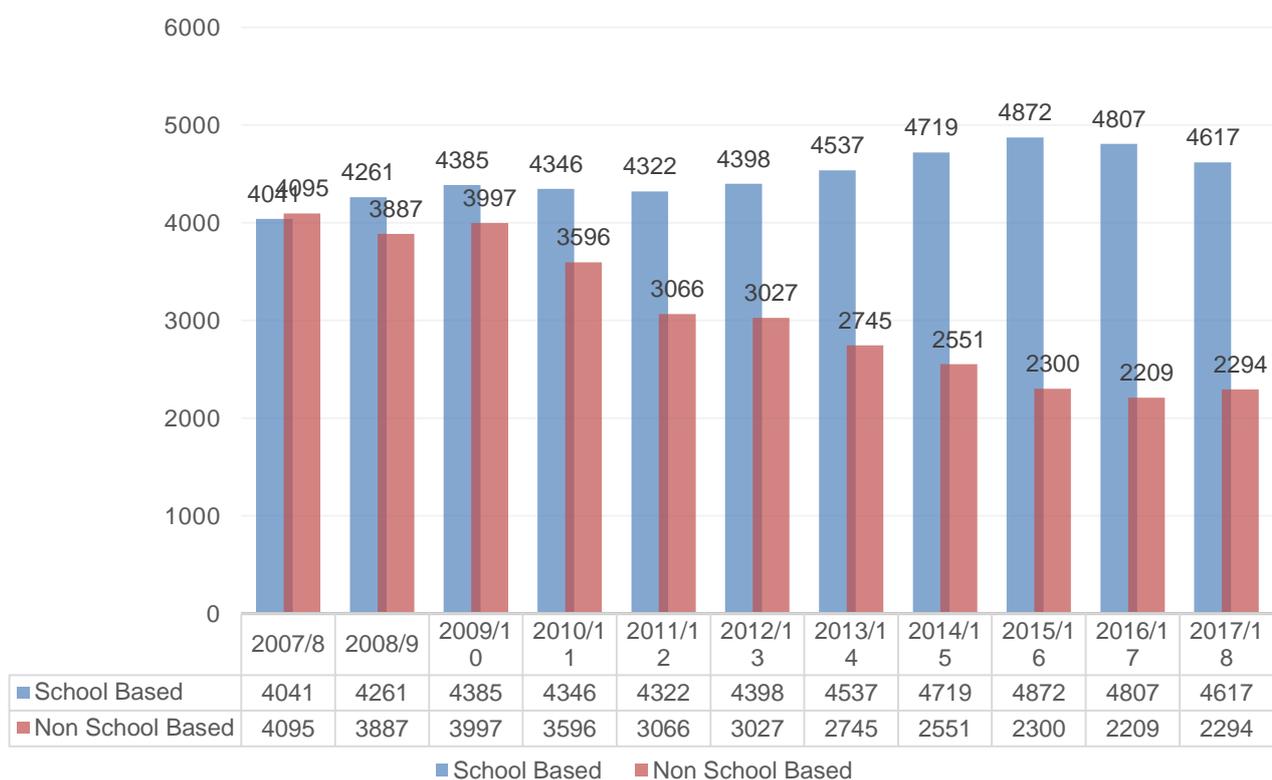
4 Employment Profile 2017/18 – Headline Figures and Trends

- 4.1 The Council employed 2295 non-schools employees as at 31 March 2018; 4617 schools employees, 112 (excluding schools) casuals/claims employees and 664 agency based workers.
- 4.2 In 2017/18 the number of non-schools employees increased from 2209 at the beginning of the year, to 2295 by the year's end, a net increase of 86 employees which is 4% of the workforce.

Total No of employees at April 2017	2209
No. of employees leaving on redundancy terms	10
Voluntary Severance	0
Voluntary /Other leavers	188
Less Total Leavers 17/18	198
Add New Starters 17/18	275
Total No of employees at March 2018	2295

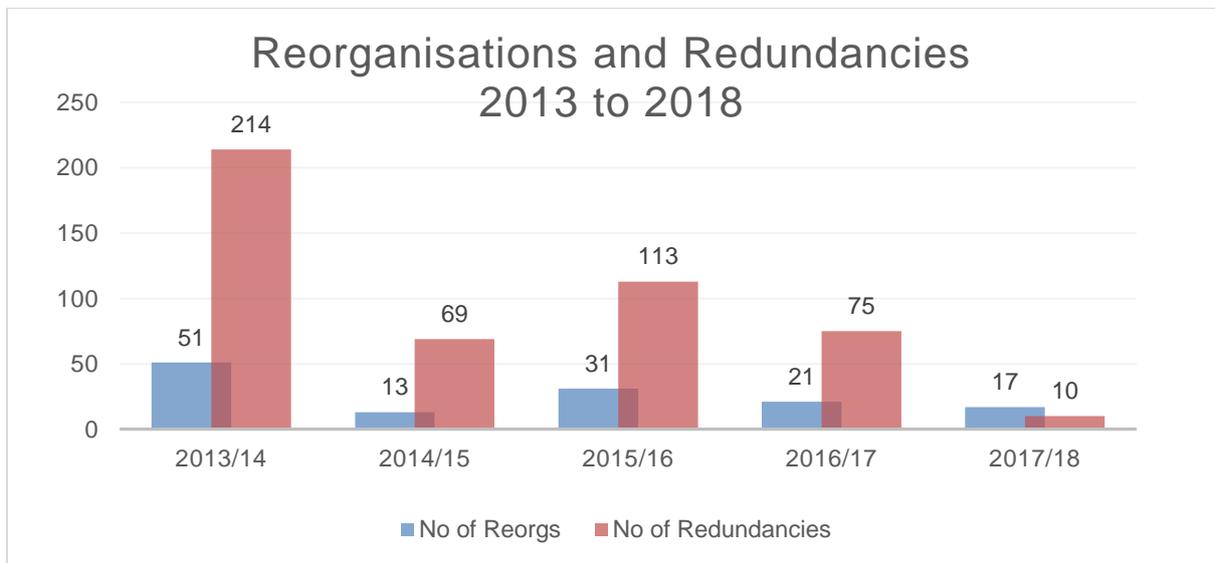
- 4.3 188 voluntary leavers/others left the Council, representing a 8.4% turnover. This is higher than the 7.5% turnover of last year, but is lower than the trend in previous years.
- 4.4 Analysis of the 188 voluntary leavers, identifies that turnover is highest (14.6%) amongst those with less than 5 years' service and age band turnover is highest amongst those aged 21-25. Analysis needs to be undertaken to identify the trends and reasons this may occur.
- 4.5 Agency employee numbers fluctuate throughout the year but the total number of agency personnel employed as at March 2018 was 664 (522 FTE) compared to 660 in March 2017 and 736 in March 2016. The average number of agency employees has remained consistent.
- 4.6 School based employees have fallen for the first time since 2011/12, and the increase in Council based employee numbers is the first increase 2009/10. Outlined below is a trend of the total number of employees between 2007 to 2016/17 (these figures include schools)

Total Employees Trend 2007 to 2018 (incl schools)



5 Organisational Change

- 5.1 The Council continues to assess the impact of redundancies using all the protected characteristics. There were 17 reorganisations in the last financial year which resulted in 10 staff being made redundant. The chart below outlines the number of reorganisations and redundancies over the last 5 years.



5.2 The table below outlines the numbers of redundancies by Directorate following the 17 reorganisations during 2017/18.

Directorate	Total redundancies	% Total Staff Redundant	Total number of Reorganisations
Community Services	0	0%	2
Customer Services	1	10%	5
Children & Young People	8	80%	6
Resources & Regeneration	1	10%	4
Total	10	100.00%	17

5.3 The table below provides a breakdown of employees made redundant by gender and shows that 50% were women. This is slightly lower than the proportion of female employees which is broadly representative of the total number of female employees (69.4%).

Breakdown of Redundancies by Gender		
Gender	Total Redundancies	% Total Staff Redundant
Male	5	50%
Female	5	50%
Total	10	100%

5.4 The table below provides a breakdown of redundancies by ethnicity. It shows a slightly lower percentage of redundancies amongst BME employees, when compared to percentage of BME staff employed in the Council (41.6%). The Council continues to monitor the impact of reorganisations on the BME workforce.

Breakdown of Redundancies by Ethnicity		
Ethnic Origin	Total Redundancies	% Total Staff Redundant
BME	4	40%
White	6	60%
Not disclosed	0	0%
Total	10	100%

5.5 The table below provides a breakdown of leavers by age band and shows that there were significantly more leavers in the age range '55+'.

Breakdown of Redundancies by Age		
Age	Total Redundancies	% of Total staff redundant
16-20	0	0%
21-24	0	0%
25-34	0	0%
35-44	2	20%
45-54	2	20%
55+	6	60%
Total	10	100.00%

6 Representation

- 6.1 The Council's workforce continues to be broadly representative of the community in terms of both the ethnicity and gender makeup of the local population. 41.7% of the Council's workforce is from a BME background; which compares to a median across London Councils of 41% BME employees, and is an increase on last year's reported figure of 39.2%. Of the 7.4% of employees (164 employees) promoted during 2016/17, 57 were BME, representing 43% of promoted employees.
- 6.2 The percentage of senior BME employees (those in grades SMG1 –SMG3) is 17% - a slight increase on last year's reported 14%.
- 6.3 The BME workforce in 2017/18 makes up 41.7% of all employees, a slight increase of 2.5% from the previous year. The percentage of the workforce classing their ethnicity as "unknown" is 5.9% although employees are asked to update their protected characteristics periodically. The move to the Employee Self Service Oracle HR system in 2018/19 is expected to reduce this further.
- 6.4 The majority (59.4%) of the Council's employees are women who are well represented at all grades including senior levels, with women making up 55% of the top 5% earners. (top 5% of earners) which is similar to 57% in 2016/17.
- 6.5 Employers with more than 250 employees are now required by the Government to publish information on the gender pay gap in their organisation. The goal of the legislation requiring the report is to eliminate the gender pay gap from its current level of 18.1% nationally.

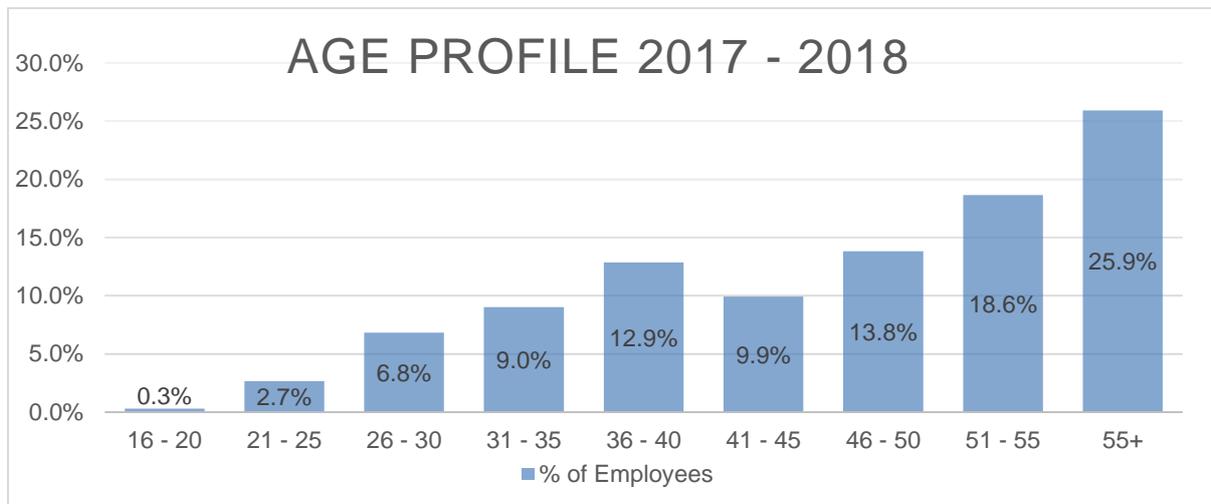
6.6 The table below outlines the Council's gender pay gap outlining both the mean and median salaries for both genders. Female employees are, on average, paid more than male employees at Lewisham Council and the percentage pay gap difference is -10.9% (mean) and -15.8% (median). This is the largest pay gap towards women across Councils in London.

Pay rates	Gender pay gap - the difference between women's pay and men's pay as a percentage of men's pay (minus % means women have higher pay, positive % means men have higher pay)	Gender pay gap - women's pay as a percentage of men's pay	Hourly rate of women	Hourly rate of men	Difference £
Mean hourly rate (Male hrly rate - Female hrly rate) / Male hrly rate x 100	-10.9%	110.9%	£19.99	£18.03	£1.96
Median hourly rate (as above calc but for median hourly rates)	-15.8%	115.8%	£19.03	£16.44	£2.59

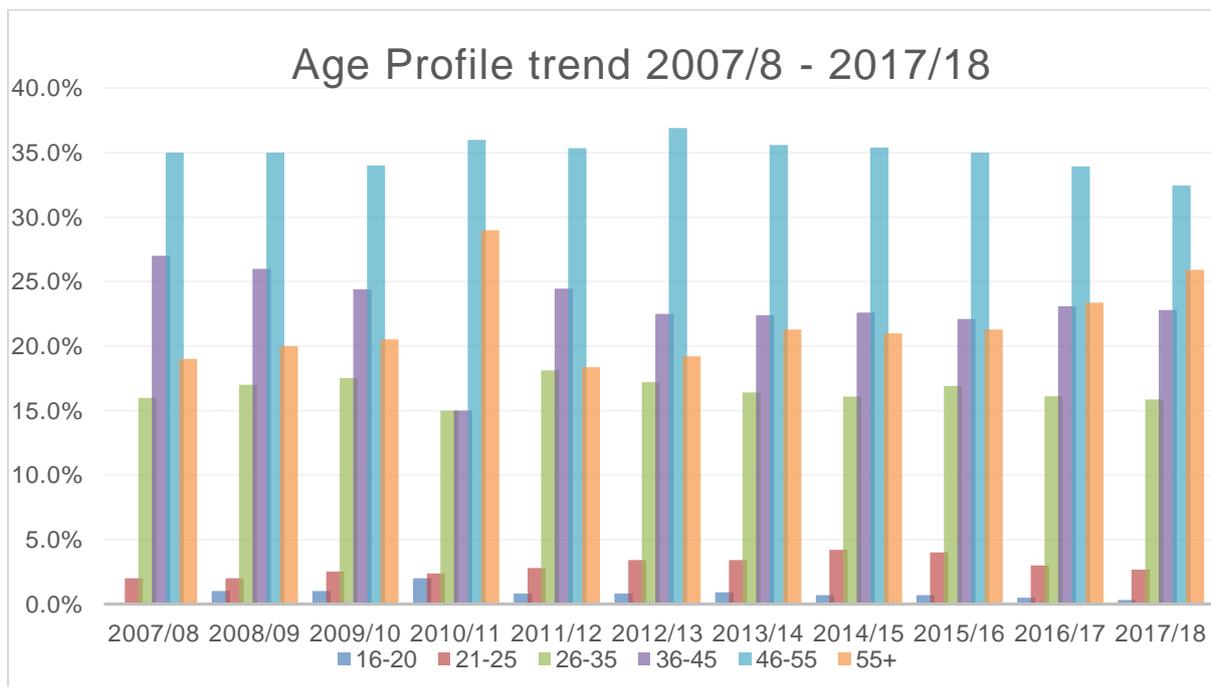
6.7 The table below details the proportion of men & women in each quartile of the pay structure to show the spread of male and female employees across the organisation.

Pay Quartile Information				Workforce composition			
Pay quartiles	Women	Men	Total	Women headcount	Men headcount	Total headcount	Quartile ranges
Proportion of women and men in the upper quartile (paid above the 75th percentile point)	67%	33%	100%	371	182	553	38007 to 143961
Proportion of women and men in the upper middle quartile (paid above the median and at or below the 75th percentile point)	69%	31%	100%	378	174	552	31953 to 36912
Proportion of women and men in the lower middle quartile (paid above the 25th percentile point and at or below the median)	68%	32%	100%	375	177	552	24738 to 31140
Proportion of women and men in the lower quartile (paid below the 25th percentile point)	38%	62%	100%	212	340	552	18222 to 23610

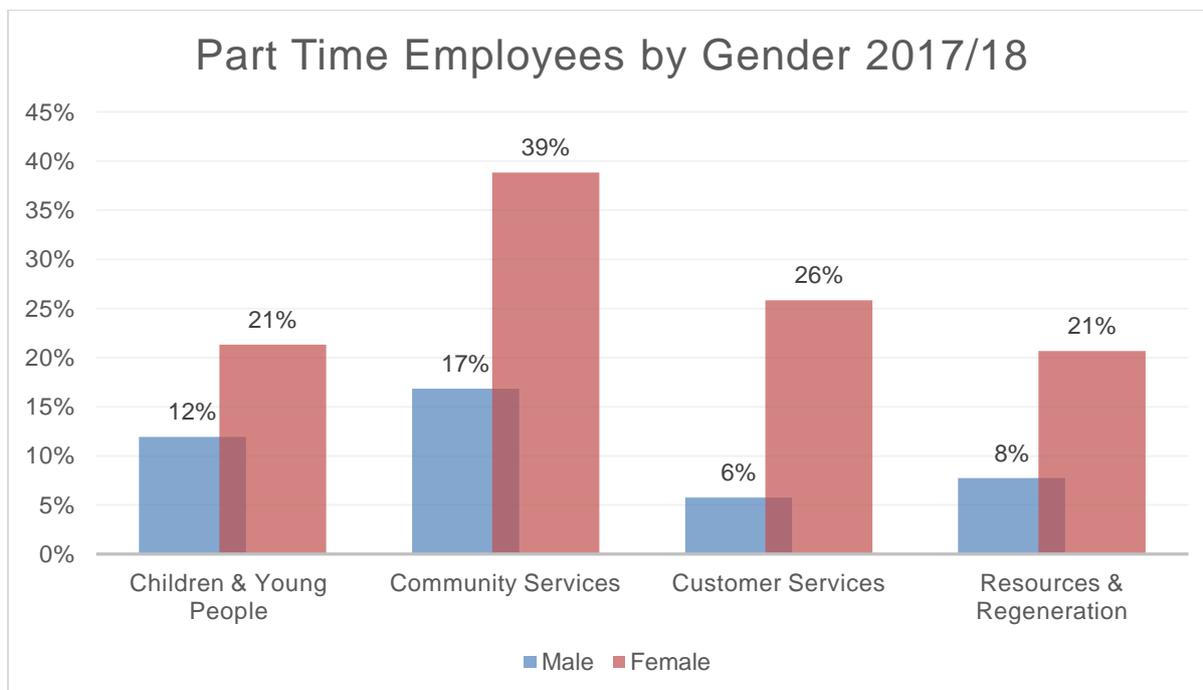
6.8 The age profile of the Council is detailed below, demonstrating that 68.2% of employees are over 40. The average age of the workforce in Lewisham is 45, this is due to the fact that historically, people entered local government to build a career and tend to have remained working for the Council.



6.9 Over the past 11 years the number of staff in age bands '16-20', '21-24', '25-34', '45-54' have remained broadly similar. The age group 55+ has increased by 2.8 percentage points from 2016/17 which can be explained by the numbers of staff in this age group who remain working for the Council for a number of years. All age bands in 2017/18 are broadly similar when compared to the 2016/17 financial year



6.10 The Council continues to encourage the take up of flexible working. Part time employees represent 19.9% of the Council's workforce, a decrease of 2% from last year. In addition there are significant numbers of employees undertaking other flexible working options such as term time only patterns and flexi time. Of the female workforce, 28% are part time the same as last year. The chart below demonstrates the percentage of part time workers of all employees in each Gender.



6.11 The Council monitors the workforce by all “protected characteristics”, employees are encouraged to record their protected characteristics each time they go into the HR System. Completion of this information is discretionary by employees and individuals have the option to record “prefer not to say”. This information is collected at application stage and through periodic reviews.

Marital Status: 68% of employees responded to this question. Of those who responded, 26% declared they were married or in a civil partnership

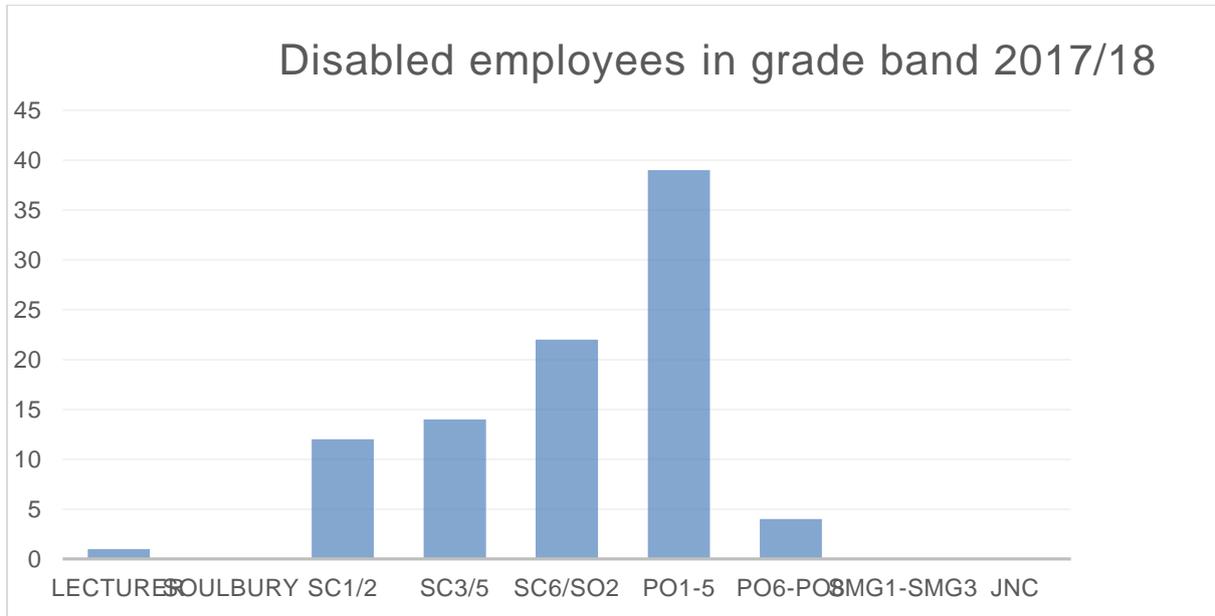
Sexual Orientation: 60% of Council employees responded to this question, an increase of 5% on the response level last year. Of those who responded 2.1% identified as Gay/Lesbian/Bisexual/Transgender.

Religion/Belief: 60% of employees responded to this question, an increase of 5% on the response level last year. Of these responses, 31% identified as being Christian.

Pregnancy and Maternity: 36 employees took maternity leave, 20 employees took paternity leave.

6.12 The Council continues to work with the Trade Unions and employee fora including the, the Disabled Employees Forum, the LGBTQ+ Forum, the Apprenticeship Forum and the Young Employees Network. These employee forums provide a route through which our employees can meet with like-minded colleagues and help to inform the development of policies in a way that promotes access, choice and fairness. HR are currently working with disabled employees to help develop appropriate and relevant training materials for managers.

6.11 The chart demonstrates percentages of disabled staff within each of the grade bands. A total of 4.0% of non-schools employees have declared that they consider themselves to have a disability, a decrease of 0.1% points from 2016/17. This compares to an average across all London Councils of 4.9% (source London Councils Human Capital Matrix 2016/17).

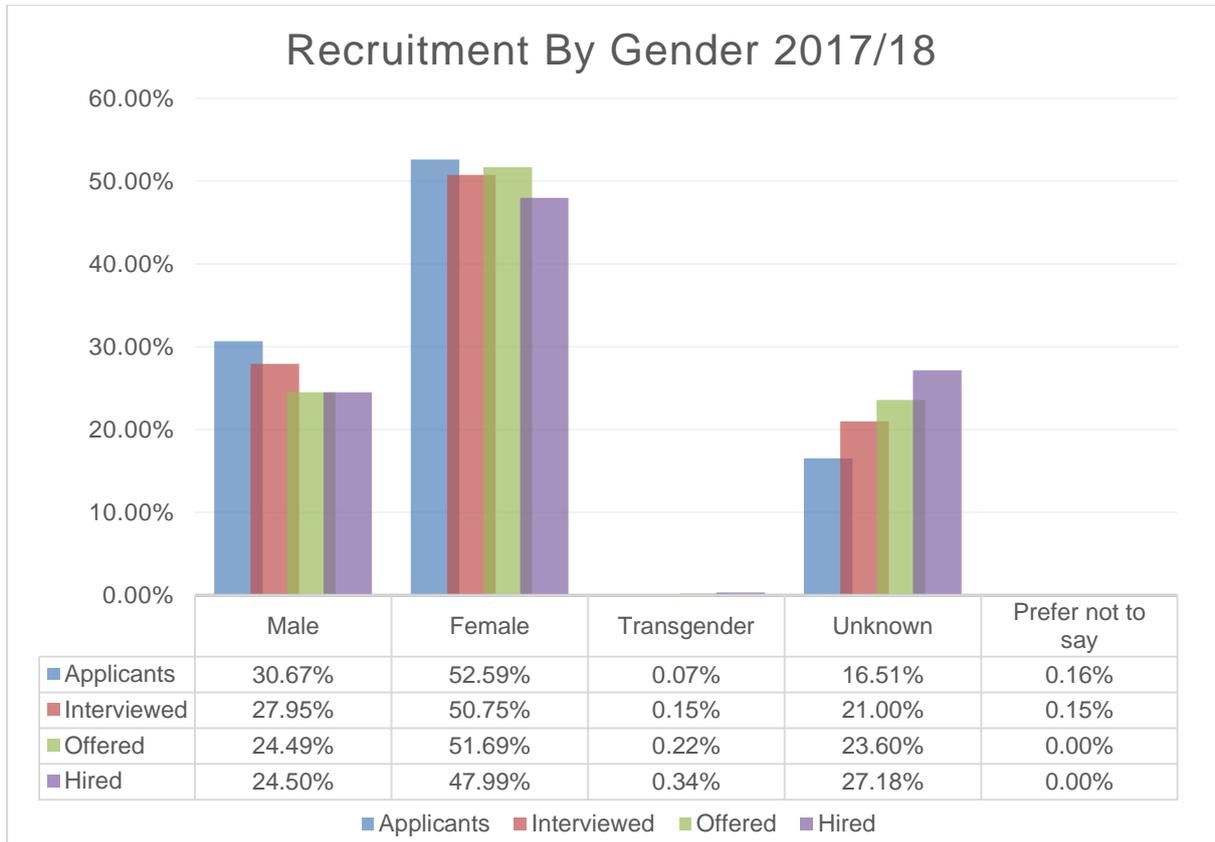


7 Agency Workers

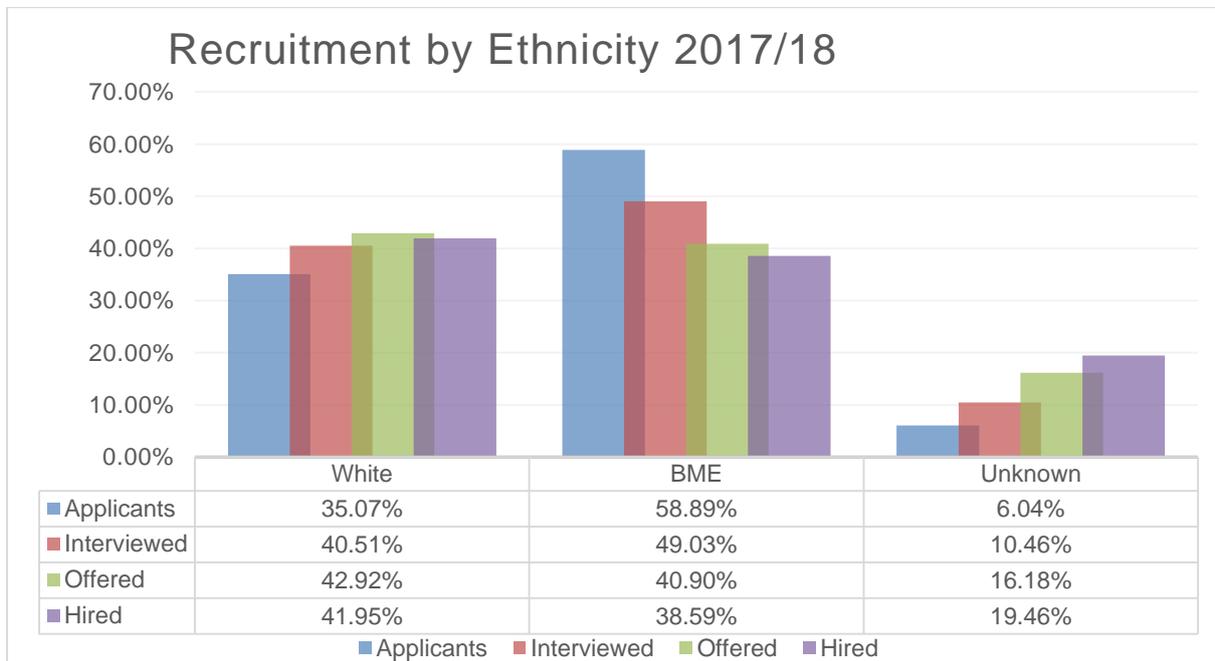
- 7.1 Agency worker numbers fluctuate throughout the year but the total number of agency workers engaged as at March 2017 was 664 (522 FTE) compared to 660 reported in March 2017.
- 7.2 Agency workers are used for a variety of reasons, but the main reasons for agency usage over the last year has been for flexible resourcing.

8 Recruitment

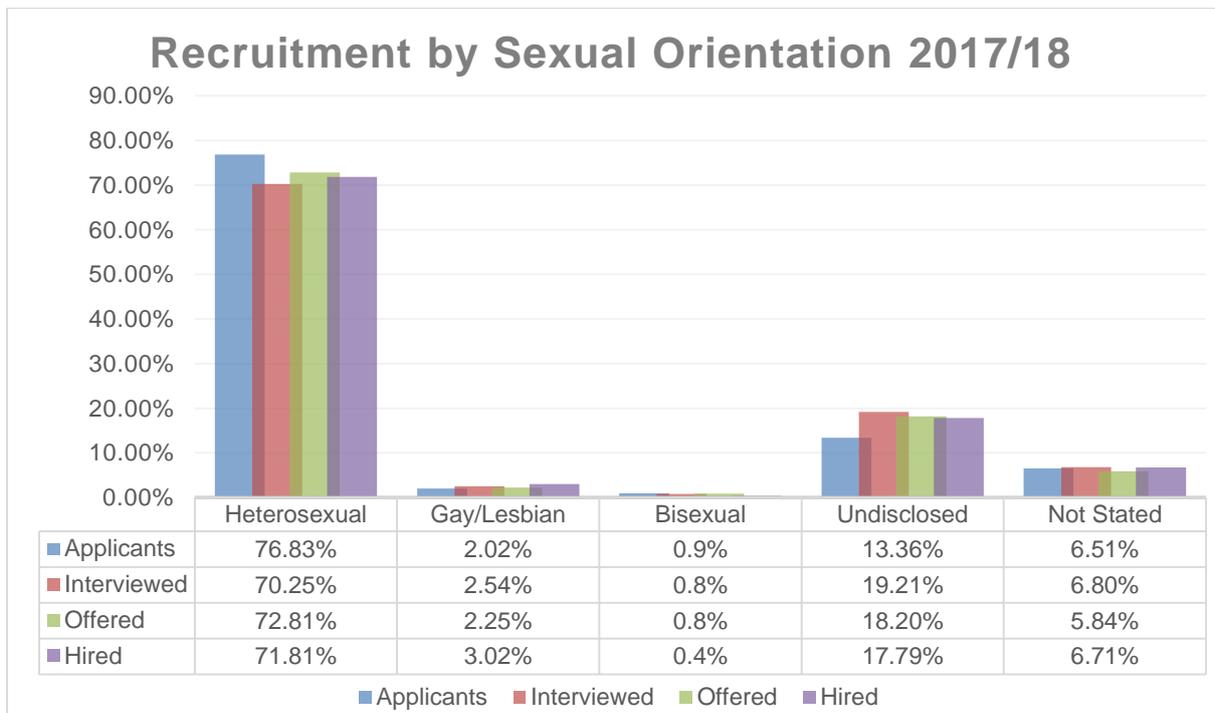
- 8.1 The Council received 4252 applications for 284 roles and appointed to 298 posts. 52.6% of applications made to the Council during 2017/18 were from female applicants which is an increase from 48% in 2016/17. Of the total appointments made during 2016/17 female appointees account for 46.2%. However please note that 702 applicants have "unknown" gender so these numbers may likely to be higher in reality.



8.2 During 2017/18, 58.9% of applications were made by applicants who identify as BME, which was broadly similar to 2016/17 data. During 2016/17 BME candidates represent 38.59% of the total BME appointments made.



8.3 2.92% of all job applications made during 2017/18 were from applicants who identify as Lesbian Gay Bisexual or Transgender (LGBT) which is similar to last year's figure of 3%; 3.6% of total appointments made during 2017/18 were candidates who identify as LGBT, which is higher with last year's figure of 2.3%.



9 Leavers

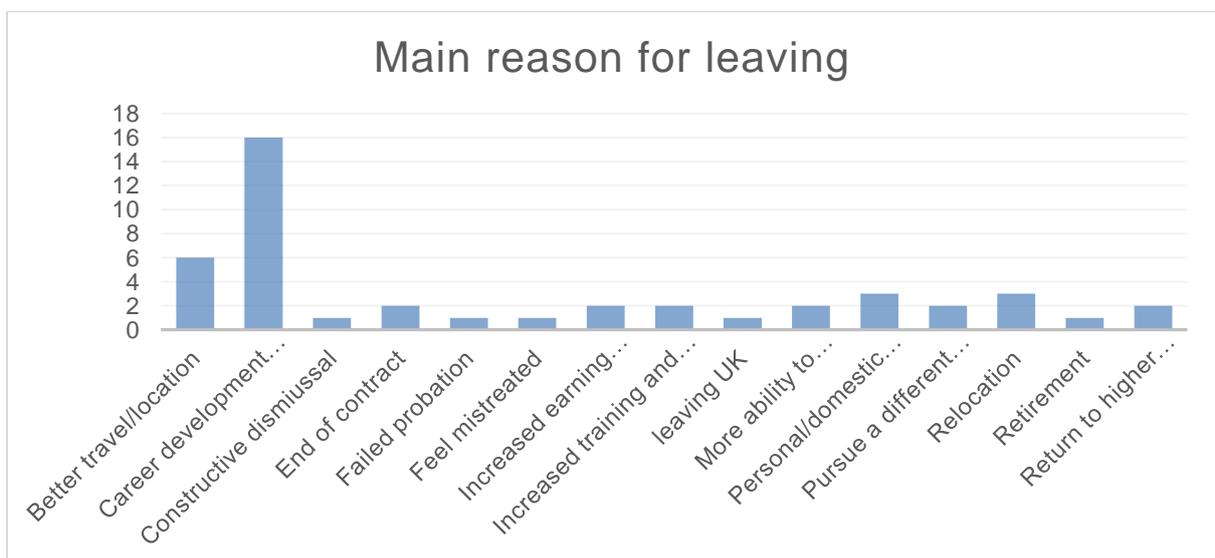
9.1 During 2017/18, 198 employees left Lewisham Council's employment of which:

- 10 left for reasons of redundancy
- 188 voluntary leavers/others left the Council

9.2 Of all 198 leavers 188 were voluntary, representing a 8.4% turnover, which is higher than 7.5% turnover figure in 2016/17. The remainder of other leavers were through retirement, death, dismissal, end of contracts, etc. Analysis of the increase in turnover is being undertaken

9.3 45 people completed an exit questionnaire during 2017/18 (1 more than who responded in 2016/17).

9.4 The chart below provides an outline of why leavers left Lewisham. The largest group said it was for 'career development and progression' with better travel/location' the second largest reason. The main destination of leavers was 'other local authority'.

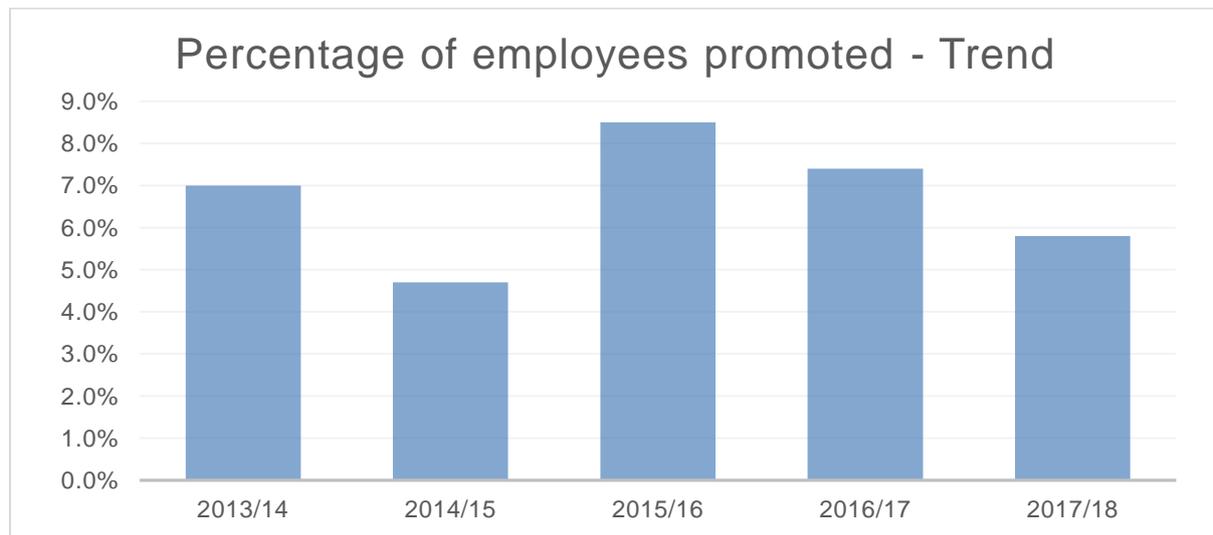


9.5 The employees who left the council as a result of budget savings continue to be offered outplacement support which includes:

- CV writing
- Job Search skills
- Interview skills
- Working for Yourself programmes
- Individual financial advice from Money Advice Service
- Advisory sessions from Jobcentre Plus
- One to one coaching sessions from Reed
- Comprehensive “employability skills” information including practice psychometric tests

10. Promotions

10.1 The percentage of promoted non-schools employees during 2017/18 is 5.8%. Promotion is defined as those staff who have had their post regraded or achieved promotion through appointment to a more senior position and it also includes staff appointed to higher grades as a result of the restructures.



11. Jobs and the local government market

11.1 The Council continues to run a range of employment initiatives to ensure it remains an active employer in the local community.

11.2 The National Graduate Development Programme offers one of two placement to a trainee with a local connection. Interviews took place on 27th June 2017 for the next intake of National Management Trainees, and the Council continues to aim to offer this training to local candidates.

- 11.3 The Government announced in the autumn 2015 budget statement that it was committed to creating three million new apprenticeships in this Parliament from 2015-2020, with two primary measures to achieve this ambition.¹ The two measures are the Apprenticeship Levy which is a charge of 0.5% of an organisation's pay bill (for those organisations whose pay bill is more than 3 million pounds) to create a fund to be used for training. The other measure is that public sector organisations have a target of 2.3% of their workforce being apprentices. The Council is developing a strategy to make sure the most effective use of the Levy is achieved, including new roles and development of its existing employees.
- 11.4 The Council continues to run other service specific trainee schemes including Legal who take on 3 trainees on a 2 year training programme; Finance who take on 2 CIPFA trainees on a 4 year trainee programme and the Council also participates in the "Step up to Social Work" training programme, now in its 5th Cohort. All 4 students in the 4th cohort were appointed to permanent roles during 2016/17. The Council is considering how to use the Levy to support these professional qualifications.

12. Social Workers

- 12.1 In line with other London Boroughs, the Council faces challenges in being able to recruit and retain more experienced social workers. However, in an effort to address this issue, the Council has been successful in being able to attract Newly Qualified Social Workers (NQSW), particularly since the creation of the South East London Teaching Partnership in September 2015. Working with Goldsmiths University, the Royal Borough of Greenwich and the London Borough of Southwark, the partnership has created a centre of excellence where social work practitioners and academics can share their experiences and openly debate best practice. This partnership, in conjunction with the excellent training offer, has led to the Council being able to attract NQSW's via this avenue, and also via the 'Step up to Social Work' programme, a fast track programme for graduates interested in becoming Social Workers.
- 12.2 Pay and benefits continue to be monitored to make sure Lewisham is consistent with other London Boroughs and work is also being undertaken to improve both the corporate and Social Care recruitment offer. Agency workers who previously supplied their services via their own limited company have also been encouraged to take on permanent roles as a result of the tax changes brought about by the introduction of IR35²
- 12.3 Initiated by Chief Executives in London; 32 London Borough Heads of HR, together with Directors of Children's Social Care, signed a Memorandum of Co-operation in April 2015 to seek to address the migration to agencies by establishing a joint response to containing agency pay rates. This joint approach provides some control over escalating agency pay rates and the Council will continue to monitor this by benchmarking with data collated by London Councils. A similar Memorandum was agreed earlier this year for Adult's Social Care.
- 12.4 An annual analysis report of recruitment and retention activity is undertaken each year which helps inform any specific areas or issues that need to be monitored or addressed.

¹ https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/484209/BIS-15-651-english-apprenticeships-our-2020-vision-executive-summary.pdf

² <https://www.gov.uk/guidance/ir35-find-out-if-it-applies>

12.5 There are a range of very positive reasons why social workers would want to work for Lewisham, including:

- a manageable caseload
- small teams and administrative support
- supportive management and supervision
- research-based practice as part of an education partnership with Goldsmiths, University of London
- career pathway to meet learning and development needs
- first-class ASYE programme for newly-qualified social workers
- mobile and flexible working with access to smartphones and iPads for all front-line practitioners
- free parking near to work (non-contractual)
- salary sacrifice childcare

12.6 A range of options and strategies are kept under review and the Children Social Care Service has embarked on a Workforce Development plan which includes:

- Promoting the curriculum through Teaching Consultants and providing positive student placements to encourage Goldsmith's students to apply for NQSW roles in Lewisham
- Guaranteeing Step Up Students a prioritised interview at the end of their placement
- Marketing the benefits of working for Lewisham to existing agency workers to encourage them to apply for permanent posts.
- Review of induction materials and creation of on-line induction processes and documents
- A discrete Children's Social Work employment portal.

Appendix 1