

<b>Committee</b>	Audit Panel	<b>Item No</b>	
<b>Title</b>	A Briefing on the 2016/17 Employment Profile		
<b>Wards</b>			
<b>Contributors</b>	Adam Bowles, Head of Organisational Development and Human Resources		
<b>Class</b>		<b>Date</b>	14 <sup>th</sup> Sept 2017

## 1 Summary and Purpose

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

To discuss and note and the report.

## 3 Background

A profile of the Council's workforce is published annually. Key findings reproduced in this report are used to review the people management priorities of the Council.

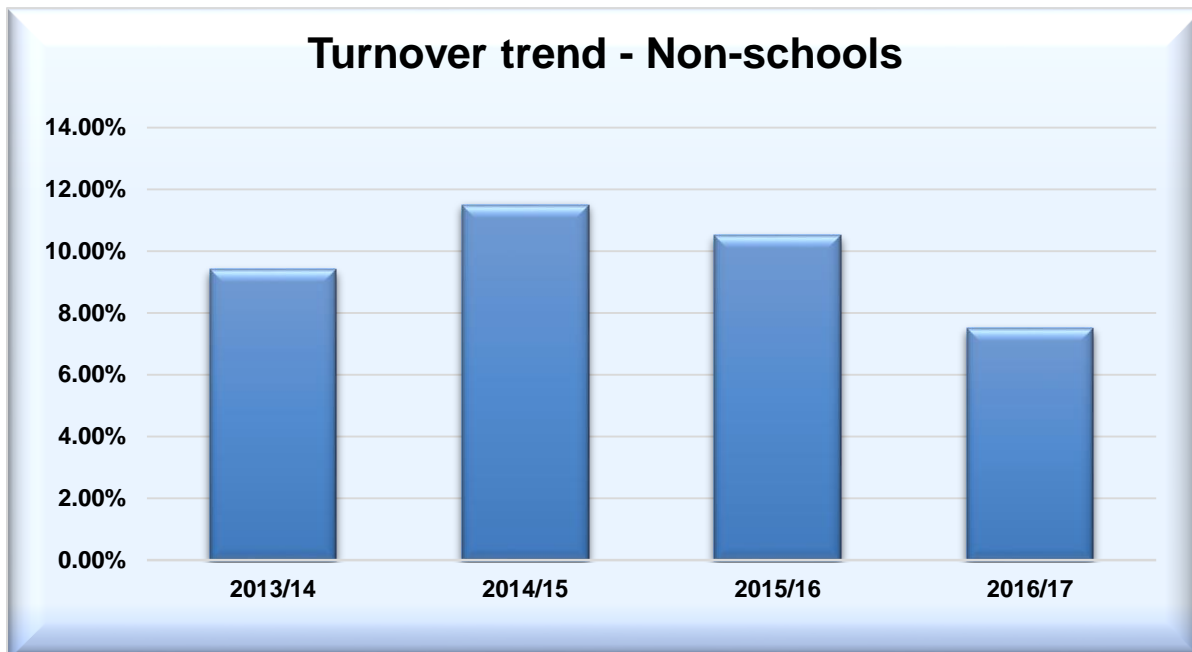
## 4 Employment Profile 2016/17 – Headline Figures and Trends

4.1 The Council employed 2209 non-schools employees as at 31 March 2017; 4807 schools employees, 101 (excluding schools) casuals/claims employees and 660 agency based workers.

4.2 In 2016/17 the number of non-schools employees reduced from 2300 at the beginning of the year, to 2209 by the year's end, a net reduction of 91 employees which is 4% of the workforce.

<b>Total No of employees at April 2016</b>	<b>2300</b>
No. of employees leaving on redundancy terms	- 75
Voluntary Severance	0
Voluntary /Other leavers	- 262
<b>Less (Total Leavers 16/17)</b>	<b>1963</b>
<b>Add New Starters 16/17</b>	<b>246</b>
<b>Total No of employees at March 2017</b>	<b>2209</b>

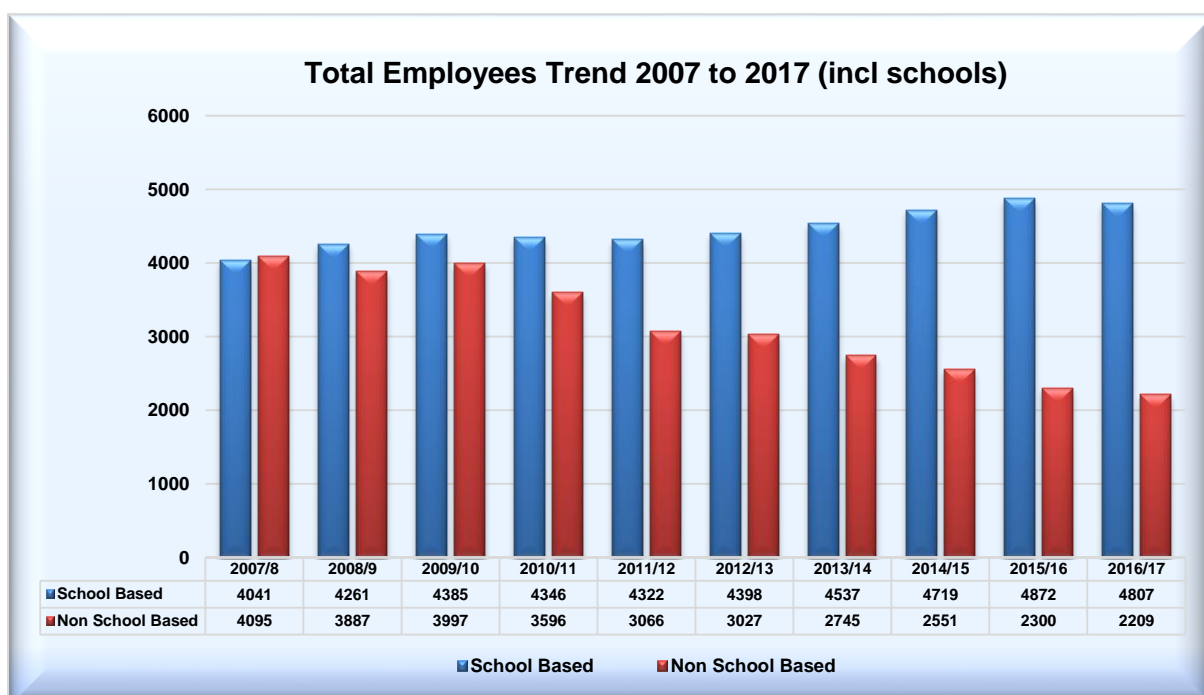
4.3 Turnover in 2016/17 was 7.5%, which is 3% points less than the previous year; the trend is outlined in the following table:



Analysis of the 169 voluntary leavers, identifies that turnover is highest (13%) 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.

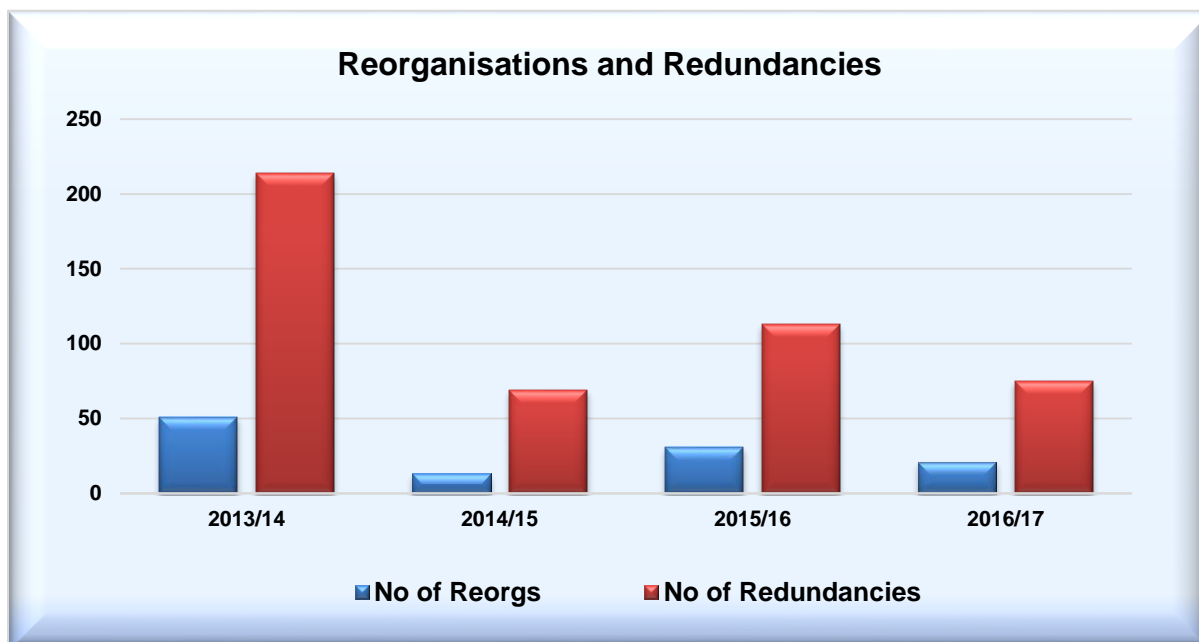
4.4 Agency employee numbers fluctuate throughout the year but the total number of agency personnel employed as at March 2017 was 660 (559 FTE) compared to 736 in March 2016 and 630 in March 2015. The average number of agency employees has decreased due to permanent recruitment being undertaken.

4.5 School based employees continue to increase in number while Council based employee numbers are reducing. Outlined below is a trend of the total number of employees between 2007 to 2016/17 (these figures include schools)



## 5 Organisational Change

5.1 The Council continues to assess the impact of redundancies using all the protected characteristics. There were 21 reorganisations in the last financial year which resulted in 75 employees being made redundant. The table below outlines the numbers of reorganisations and employees made redundant over the last 4 years.



5.2 The table below shows a breakdown by Directorate of the numbers of employees made redundant in 2016/17 resulting from 21 reorganisations.

Directorate	Total Redundancies	Total number of Reorganisations/redundancies
Community Services Directorate	51	2
Customer Services Directorate	2	11
Children & Young People Directorate	19	5
Resources & Regeneration Directorate	3	3
<b>Total</b>	<b>75</b>	<b>21</b>

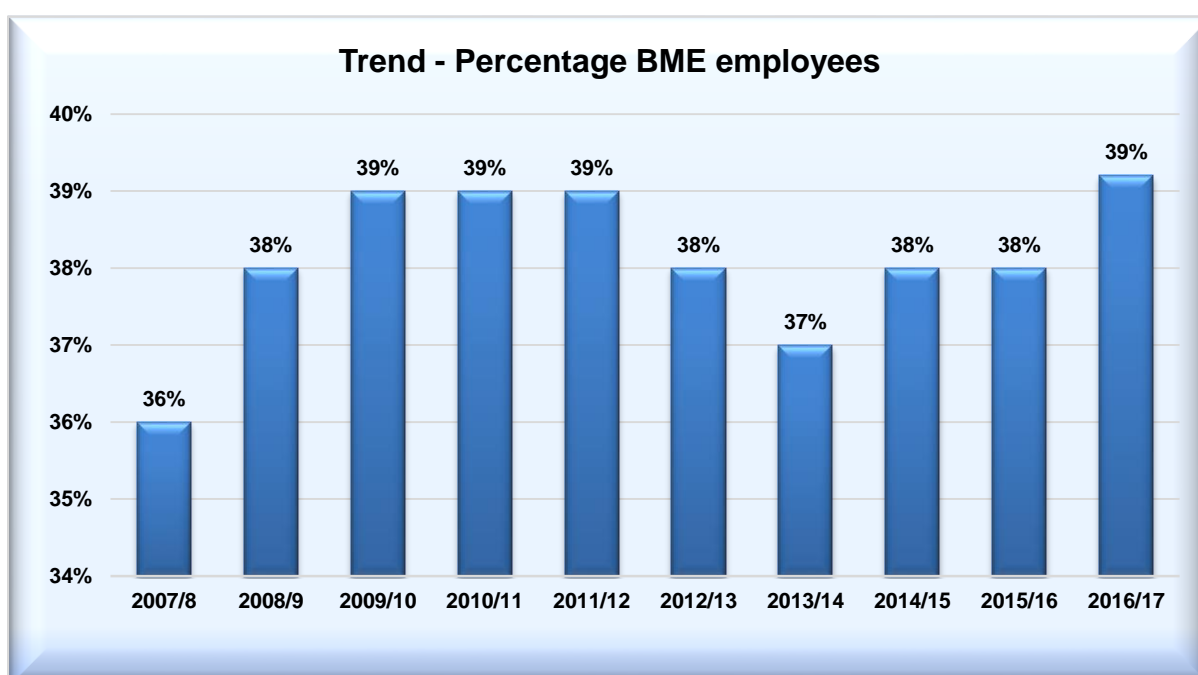
5.3 The table below provides a breakdown of employees made redundant by gender and shows that 72% were women which is broadly representative of the total number of female employees (61%).

Breakdown of Redundancies by Gender		
Gender	Total Redundancies	% Total Employees Redundant
Male	21	28%
Female	54	72%
<b>Total</b>	<b>75</b>	<b>100%</b>

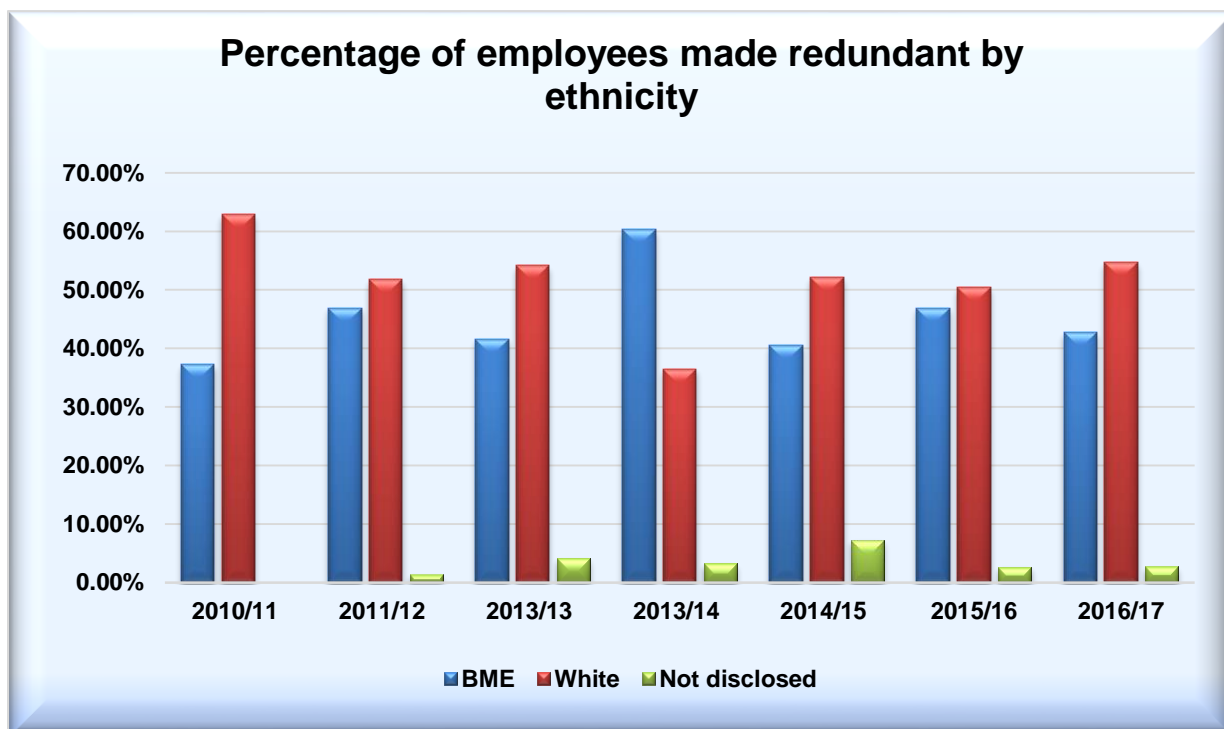
5.4 The table below provides a breakdown of redundancies by ethnicity. It shows a slightly higher percentage of redundancies amongst BME employees, when compared to percentage of BME employees employed in the Council which is 39%. The Council continues to monitor the impact of reorganisations on BME employees and will take appropriate action should this pattern continue.

<b>Breakdown of Redundancies by Ethnicity</b>		
<b>Ethnic Origin</b>	<b>Total Redundancies</b>	<b>% Total Employees Redundant</b>
BME	32	43%
White	41	55%
Not disclosed	2	2%
<b>Total</b>	<b>75</b>	<b>100%</b>

Below is a chart outlining 10 year trend of BME employees in the Council:



5.5 The next table provides a breakdown of the number of leavers over the last 5 years by ethnicity. The disproportionate impact on BME leavers in 2011/12 was due to the closure of the Domiciliary Care Service and the reorganisation of the Early Intervention Service. In 2013/14 the impact of the closure of the Early Years and Youth Service significantly affected who accounted for a total of 60% of the total leavers in that financial year. In 2014/15 the impact of the restructure in Service Point in Customer Services also significantly affected female BME employees. The percentage of BME employees made redundant in 2016/17 is representative of the percentage of BME employees in the council.



5.6 The table below provides a breakdown of leavers by age band and shows that there were significantly more leavers in the age ranges '45-54' and '55+' which given the numbers of Council employees in these age bands, is not unexpected.

Breakdown of Redundancies by Age		
Age	Total Redundancies	% of Total employees redundant
16-20	0	0
21-24	0	0
25-34	8	11%
35-44	10	13%
45-54	22	29%
55+	35	47%
<b>Total</b>	<b>75</b>	<b>100%</b>

## 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. 39.2% of the Council's workforce is from a BME background; which compares to a median across London Councils of 41% BME employees. Of the 7.4% of employees (164 employees) promoted during 2016/17, 3.1% of the BME workforce were promoted.

6.2 Although the percentage of senior BME employees (those in grades SMG1 – SMG3) is below the Council's target at 14% - this percentage is broadly similar to previous year.

6.3 The BME workforce as at 2016/17 makes up 39.2% of all employees, a slight increase of 1% from the previous year. The percentage of the workforce classing their ethnicity as “unknown” is 5% although employees are asked to update their protected characteristics periodically. This is an improvement on last year.

6.4 The majority (60.5%) of the Council’s employees are women who are well represented at all grades including senior levels, with women making up 57% of the top 5% earners. This is higher than last year’s figure of 51% and compares to the median figure of 52% for all London Boroughs. <sup>1</sup>

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. 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 -6.94% (mean) and -11.06% (median).

Gender Pay Gap		
	Mean Salary	Median Salary
Male	£32,452.38	£29,612.96
Female	£34,873.40	£33,294.00
Pay Gap	-6.94%	-11.06%

Full Time		
	Average Hourly rate	Average Hourly rate
Male	£17.78	£15.96
Female	£19.82	£19.03

Part Time		
	Average Hourly rate	Average Hourly rate
Male	£21.17	£18.24
Female	£20.24	£20.03

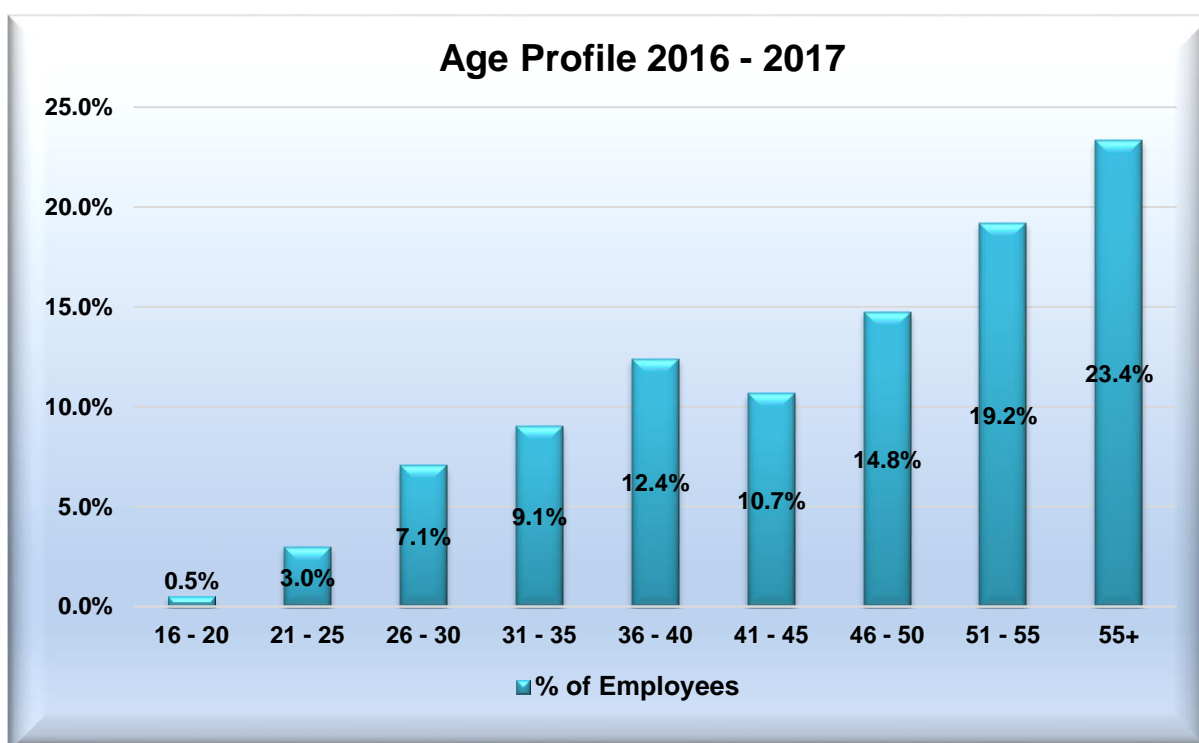
The table below details the proportion of men & women in each quartile of the pay structure to show the spread of male and female employees across the organisation.

Quartile			
	Upper Salary	No. of Men	No. of Women
1st Quartile	£25,875	344	227
2nd Quartile	£32,478	175	363
3rd Quartile	£38,532	152	413
4th Quartile	£142,536	202	333

<sup>1</sup> Human Capita Matrix survey 2015/16

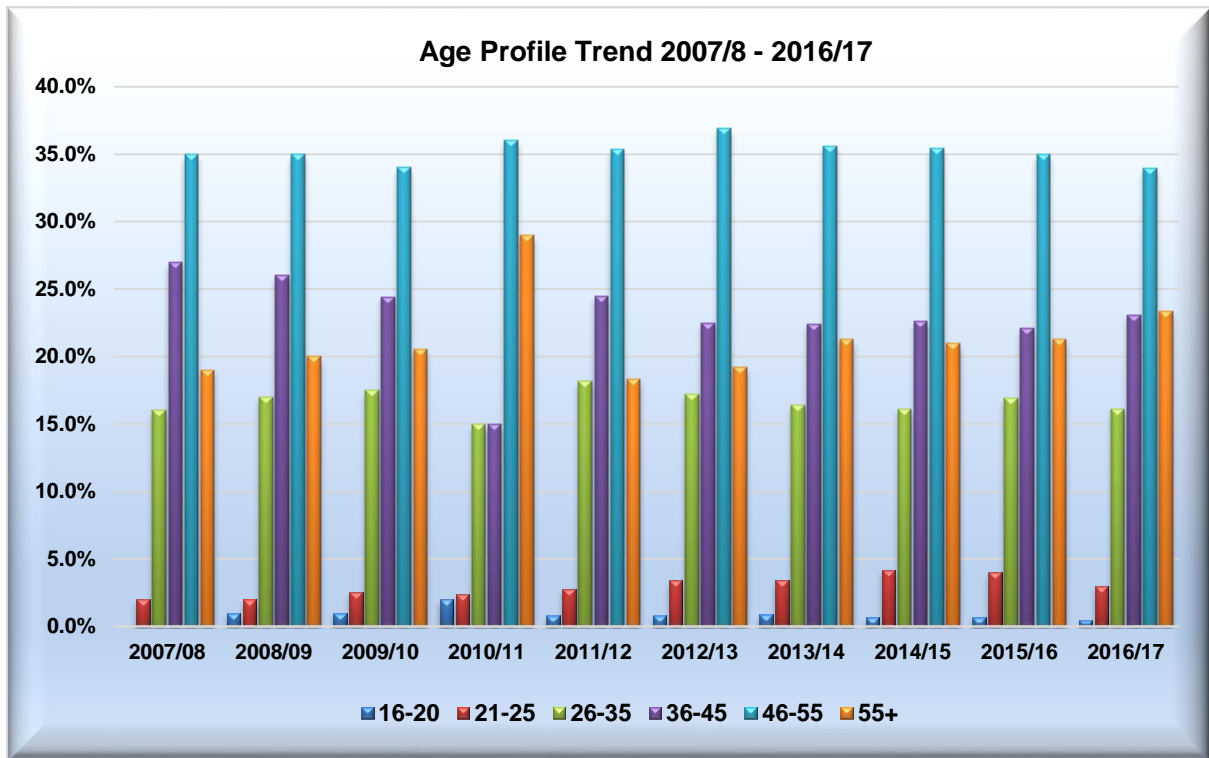
Gross – based on end of year payroll figures for 2016/17	
Total Pay Bill for all Lewisham employees	£205,255,583
Pay Bill for non-Schools employees	£72,216,046

6.6 68% of employees are aged over 40, with the percentage of the workforce aged under 25 decreasing to 3.5% during 2016/17 compared to 4.7% in 2015/16. The median figure for employees aged under 25 across London Boroughs is 3.0%<sup>2</sup>. The Council continues to attract young people via schemes such as the Apprenticeship Programme, the National Graduate Development Programme and other traineeships such as Legal Trainees, Finance Trainees and Social Work Traineeships, such as “Step up to Social Work”. This will help the Council to maintain a talent pipeline including for ‘hard to fill’ roles.

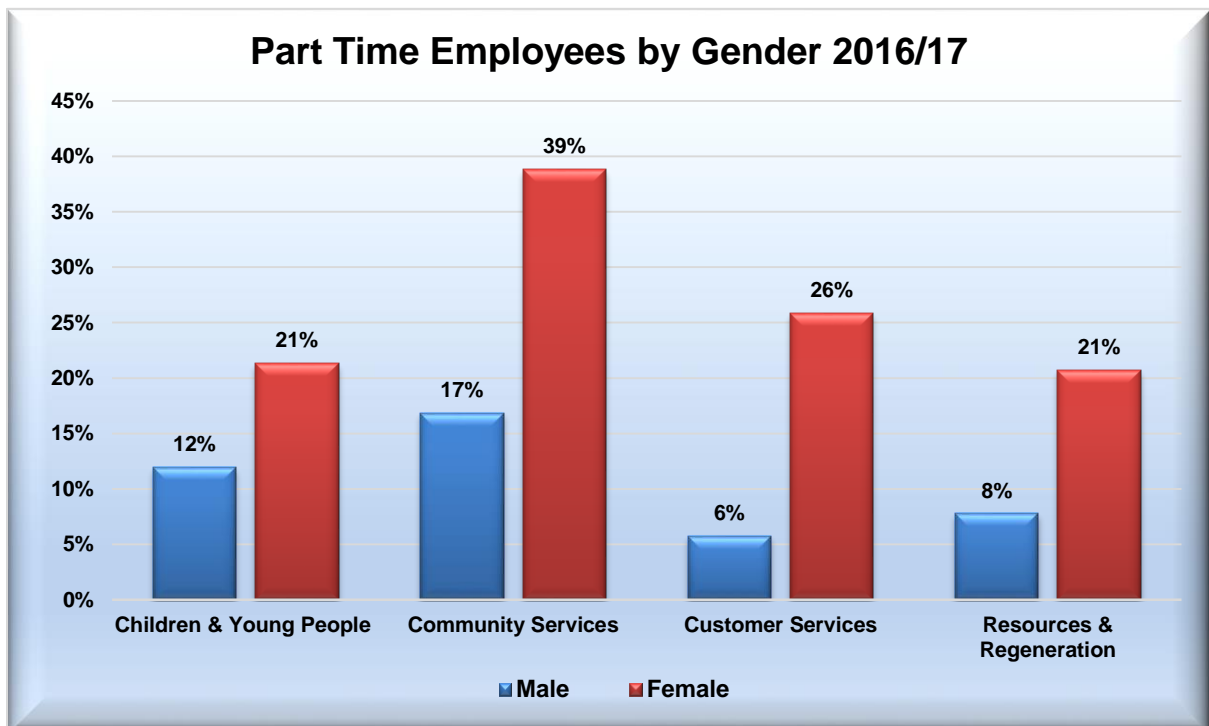


6.7 Over a 10 year period, the age band ‘46-55’ has the highest number of employees (34%) in the council followed by ‘36-45’ (23%) and ‘55+’ (23%); there has been a slight decrease in the number of employees in age band 36-45; and an increase in the number of employees in age band 55+ although there is a slight decrease of 2% when compared to last year - this can be explained by the numbers of employees in this age group who remain working for the Council for a number of years. The age bands in 2016/17 are broadly similar when compared to the 2015/16 financial year except 21-25 which has a decrease from 4% in 2015/16 to 3% in 2016/17. This means over two thirds of all employees – 68% - are aged over 40.

<sup>2</sup> Human Capita Matrix 2015/16



6.8 The Council continues to encourage the take up of flexible working. Part time employees represent 21% of the Council’s workforce, a decrease of 2% from last year. Of the female workforce, 28% are part time compared to 30% last year. In addition there are significant numbers of employees undertaking other flexible working options such as term time only patterns and flexi time. The chart below demonstrates the percentage of part time workers of all employees in each Gender.





6.9 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

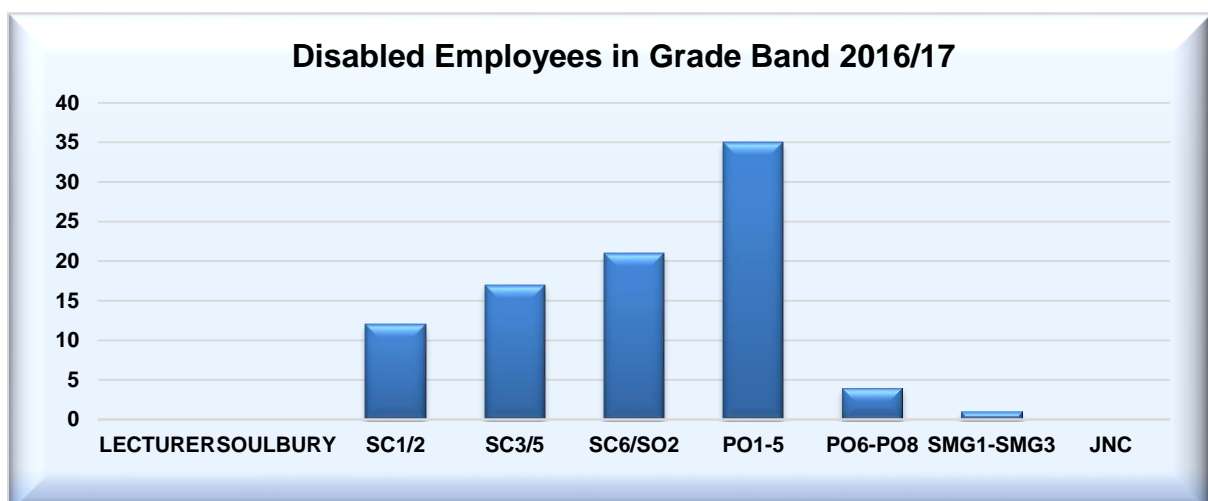
Sexual Orientation: 55% of Council employees responded to this question, an increase of 10% on the response level last year. Of those who responded 1.7% identified as Gay/Lesbian/Bisexual/Transgender.

Religion/Belief: 56% of employees responded to this question, an increase of 15% on the response level last year. Of these responses, 29% identified as being Christian.

Pregnancy and Maternity: 42 employees (3.1% of the female workforce) took maternity leave, 14 employees took paternity leave.

6.10 The Council continues to work with the Trade Unions and employee fora including the Black and Multicultural Forum, the Disabled Employees Forum, the LGBT 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 below demonstrates percentages of disabled employees within each of the grade bands. A total of 4.1% of non-schools employees have declared that they consider themselves to have a disability, an increase of 0.4 percentage points since 2015/16. This compares to an average across all London Councils of 4.5%<sup>3</sup>



<sup>3</sup> Human Capital Matrix 2015/16

## 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 660 (559 FTE) compared to 736 reported in March 2016 and 630 in March 2015.

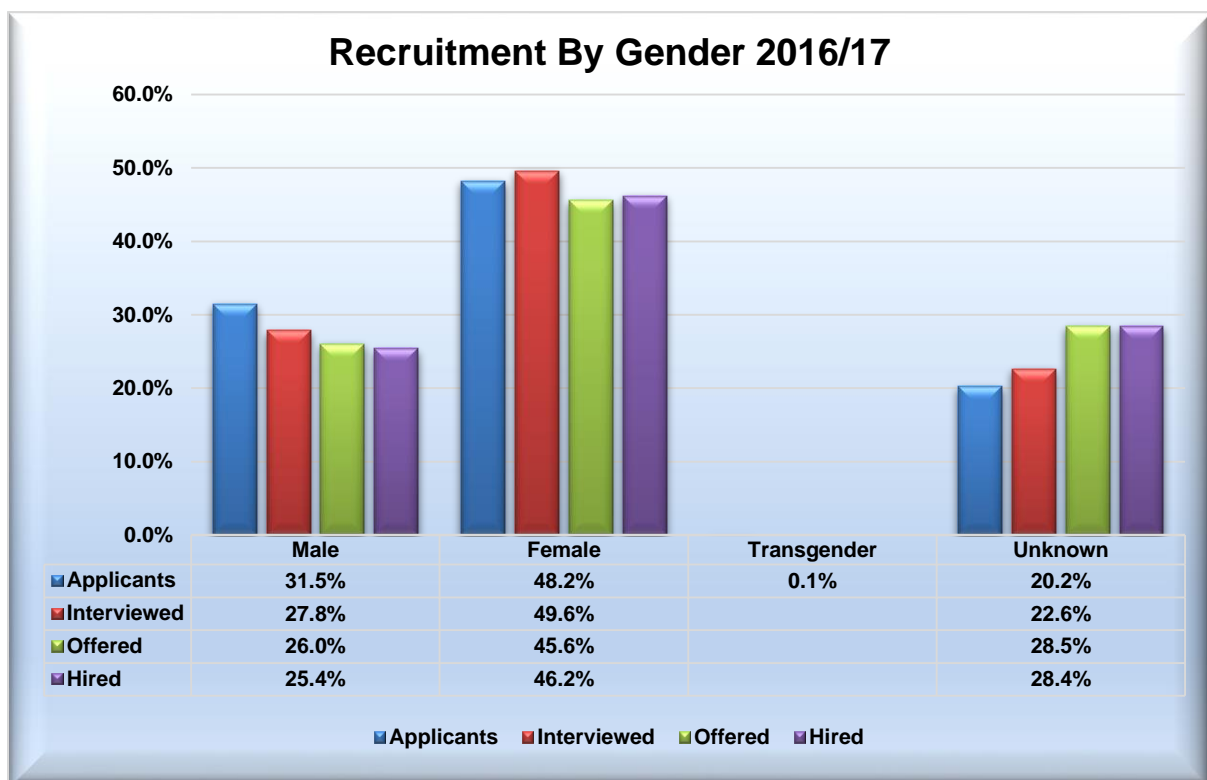
7.2 Agency workers are used for a variety of reasons, but the main reasons for agency usage over the last year has been for flexible resourcing.

7.3 53% of agency workers had a tenure of more than a year in 2016/17 which is 20% higher than the previous year.

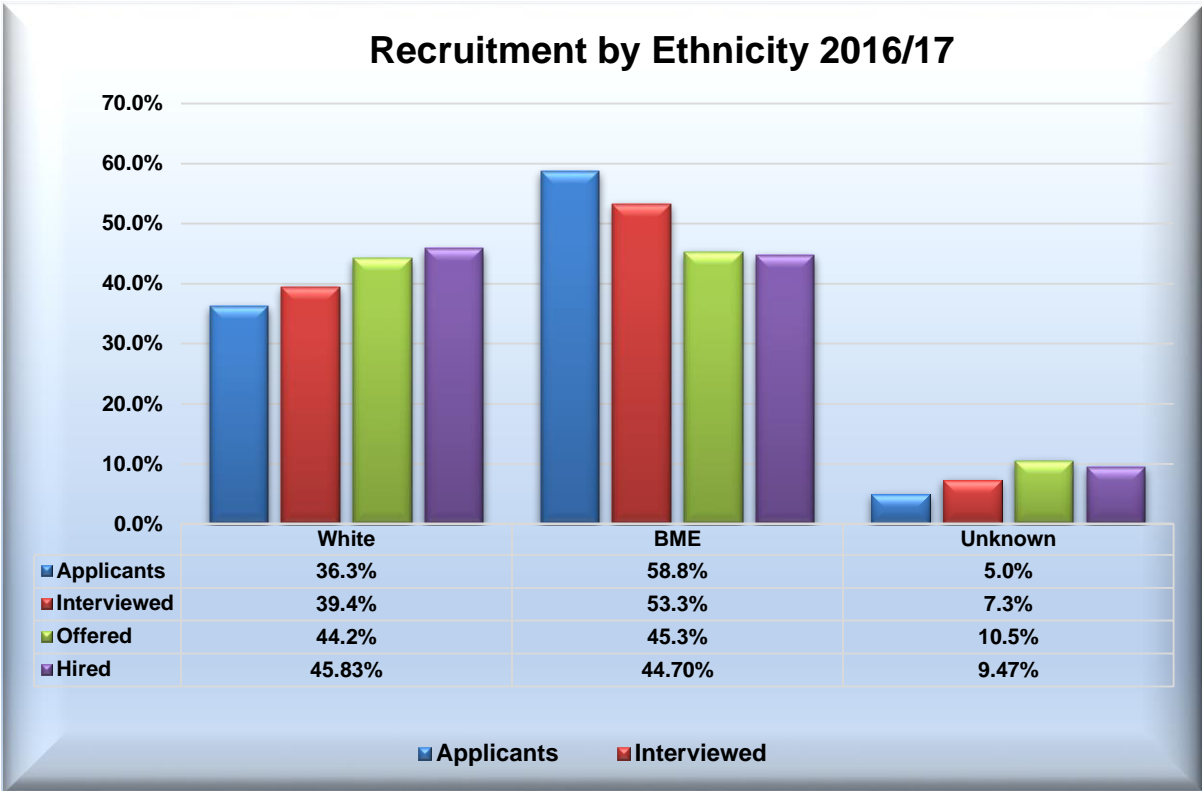
## 8 Recruitment

8.1 The Council recruited to 284 jobs during 2016/17. The total number of applications made was 4112 and the total number of people appointed to these jobs was 264.

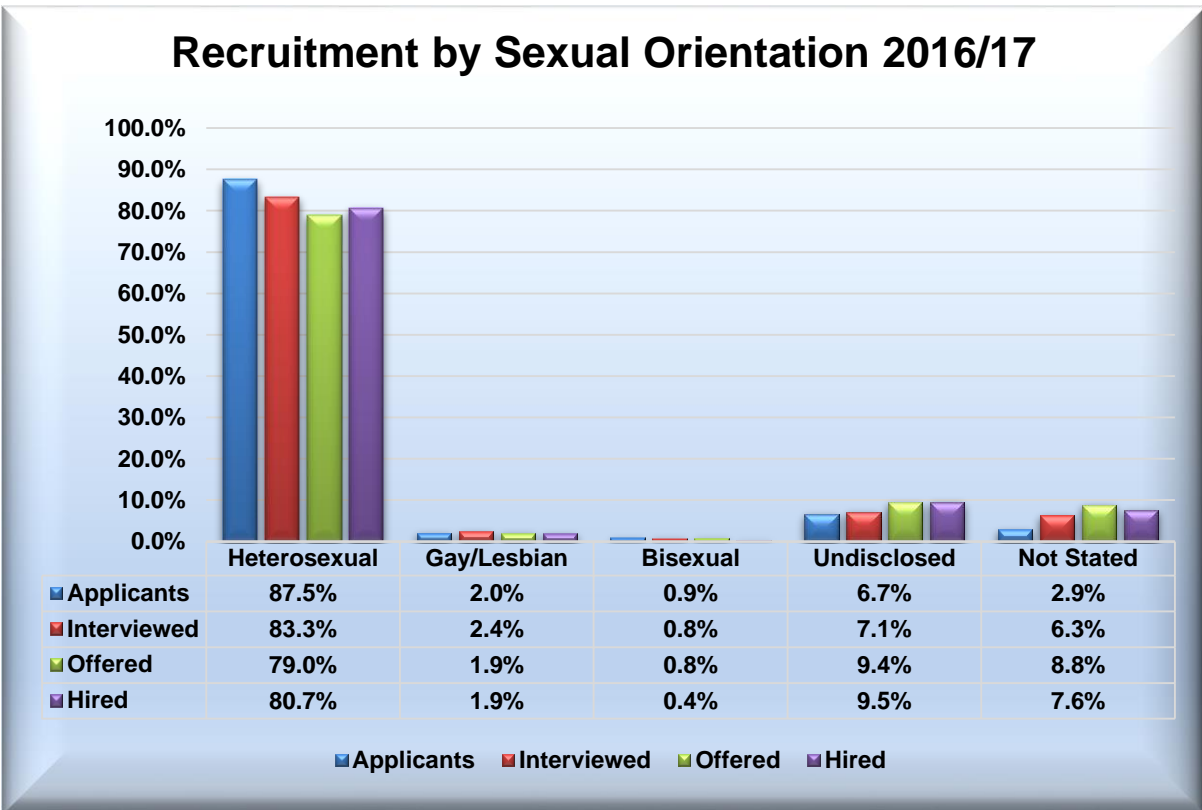
8.2 48% of applications made to the Council during 2016/17 were from female applicants which is 10% fewer than during 2015/16. Of the total appointments made during 2016/17, female appointees account for 63% of all appointments made, a consistent figure with last year.



8.3 During 2016/17, 59% of applications were made by applicants who identify as BME, which compares to 52% during 2015/16. During 2016/17 BME candidates represent 45% of the total appointments made.



8.4 3% of all job applications made during 2016/17 were from applicants who identify as Lesbian Gay Bisexual or Transgender (LGBT) which is higher than last year's figure of 2%; 2.3% of total appointments made during 2016/17 were candidates who identify as LGBT, which is consistent with last year's figure.

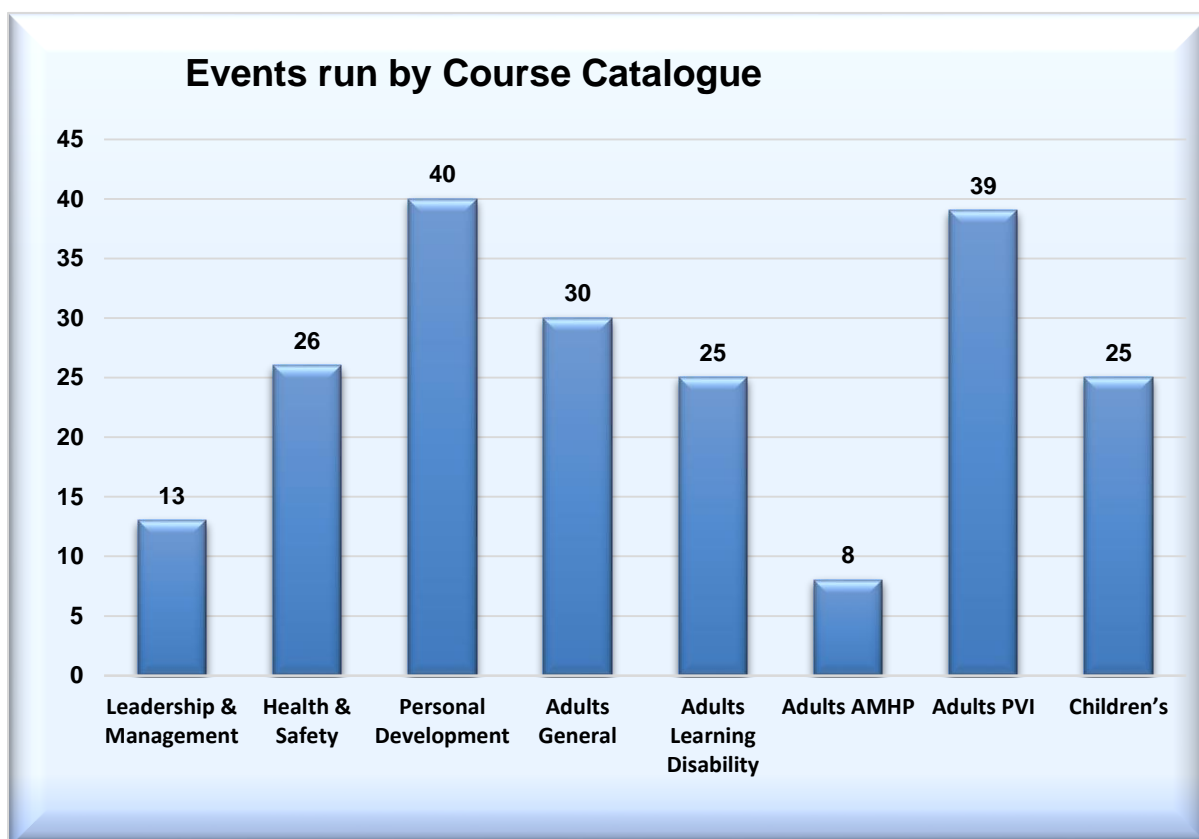


## 9. Learning and Development

9.1 In April 2015 the Council went into partnership with Reed Learning for delivery of face to face learning. During the period of April 2016 – March 2017, a total of 206 courses were successfully delivered via the Reed Learning Partnership. In addition a total of 65 external events were also part of the learning and development training programmes.

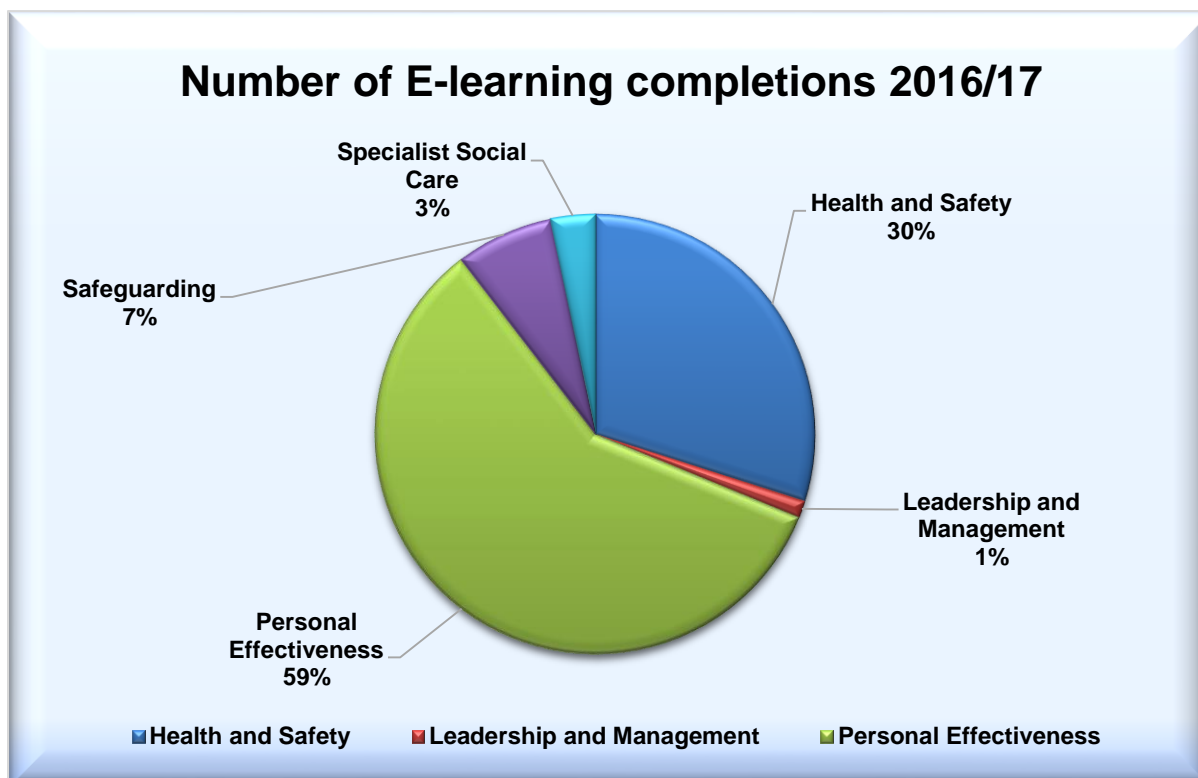
9.2 Of the Learning Partnership (LP) courses and external events that were run, 107 courses had an attendance of over 70%. A total of 3127 both internal and Private, Voluntary and Independent (PVI) delegates booked to attend both LP courses and external events and a total of 1291 delegates attended, resulting in a 42% attendance for the training year. Of the 1291 delegates that attended courses, 713 were internal council employees and 578 were from PVI organisations.

9.3 Of attendees, Community Services directorate had the highest attendance with 212 attendees followed by Customer Services with 130. CYP and Resources and Regeneration had 83 and 46 respectively. A total of 135 Children and Adults social care delegates attended the external events arranged by the L&D team.



9.4 Of the learning programmes described above, Adult courses were the most delivered with a total of 102 events.

9.5 Of the E-learning programmes listed below by course types, 154 employees completed 38 courses relating to the subject areas below. Personal Effectiveness courses were the most completed



## 10 Leavers

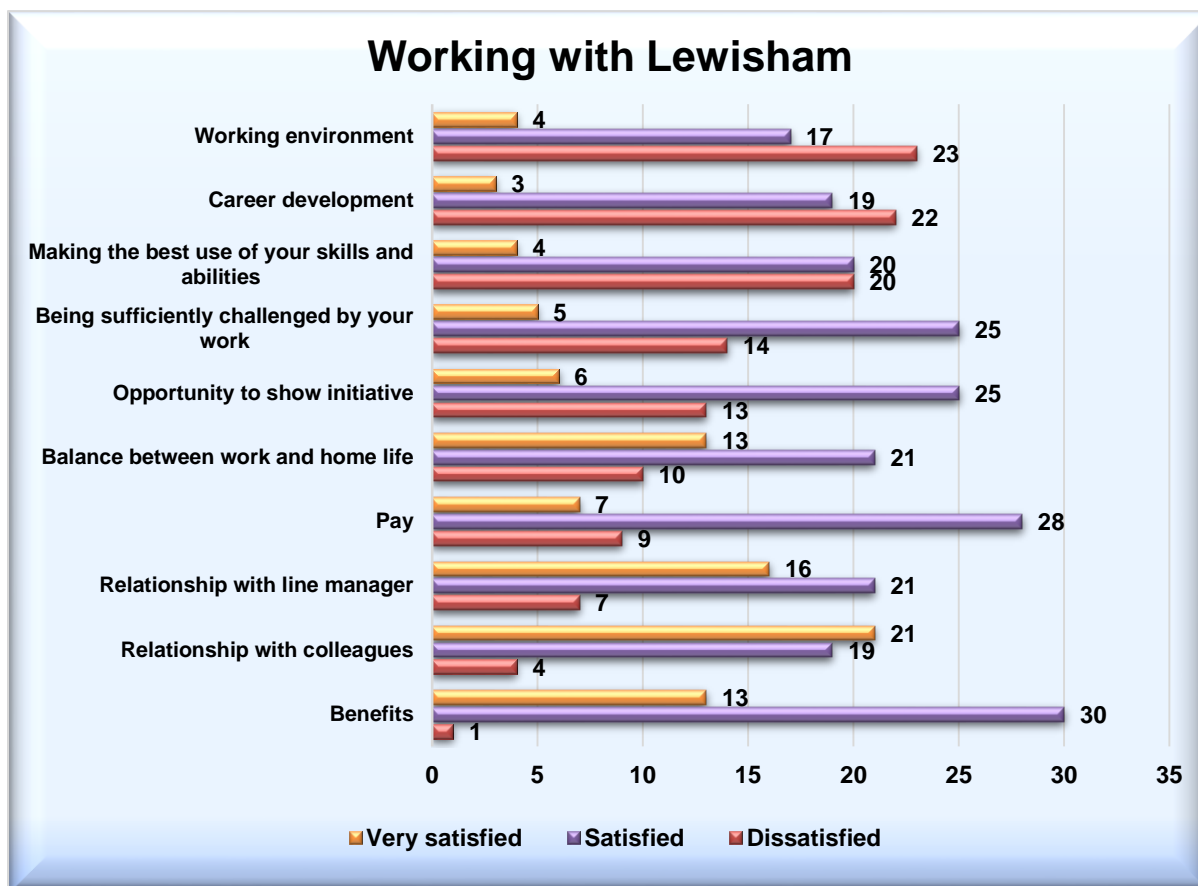
10.1 During 2016/17, 337 employees left Lewisham Council's employment of which:

- 75 left for reasons of redundancy
- 262 voluntary leavers/others left the Council

10.2 Of all 337 leavers 169 were voluntary, representing a 7.5% turnover, which is less than 10.5% turnover figure in 2015/16, but continues to be higher than the average trend for the previous years. The remainder of other leavers were through retirement, death, dismissal, end of contracts, etc. Further analysis of the increase in turnover is being undertaken

10.3 44 people completed an exit questionnaire during 2016/17 (8 more than employees who responded in 2015/16).

10.4 The chart below provides an outline of what leavers felt about working for Lewisham. They were asked to indicate to what extent they were either "satisfied" or "dissatisfied" with different aspects of working for Lewisham. 98% of respondents were satisfied/very satisfied with the benefits that Lewisham offers to employees and 79% of respondents were satisfied/very satisfied with their pay; 91% of respondents were satisfied / very satisfied with their relationship with colleagues; and 48% of respondents were satisfied/very satisfied with the working environment; 50% of respondents were dissatisfied with career development opportunities. The main reason employees gave for leaving was 'career development' and the main destination of leavers was "other local authority".



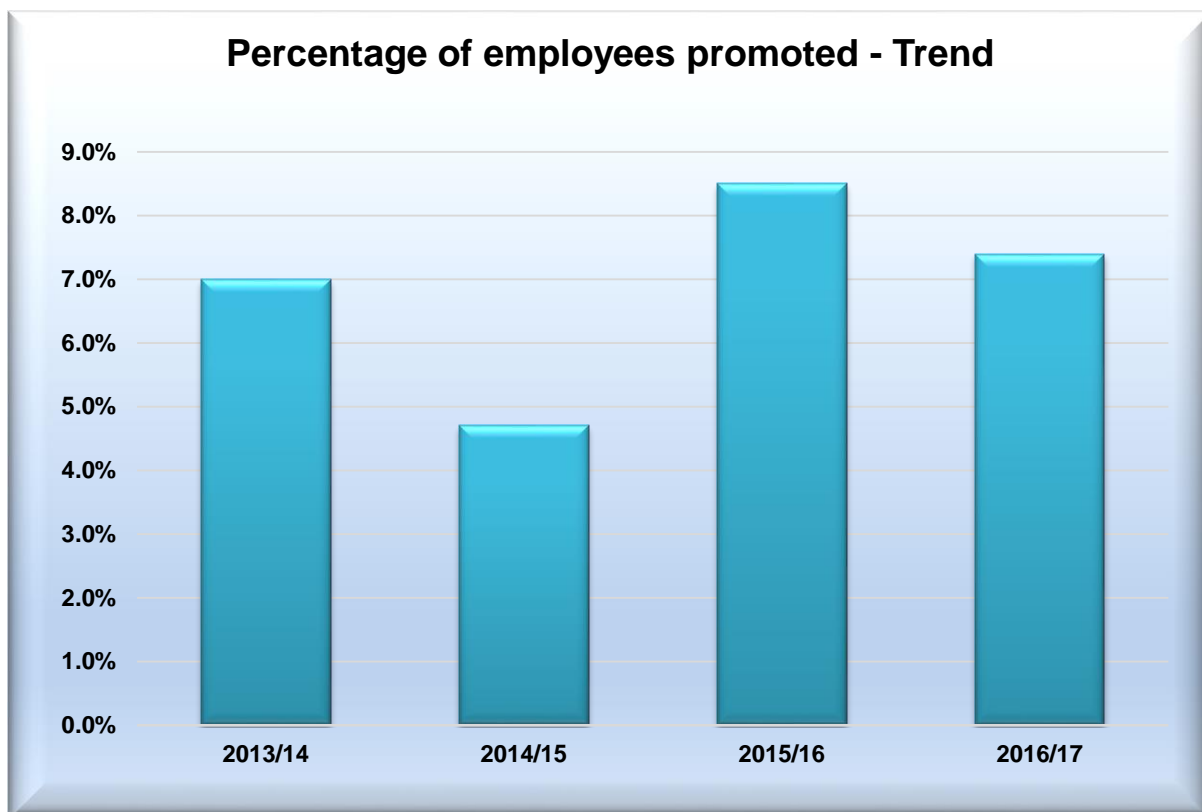
10.5 The employees who left the council as a result of budget savings continue to be offered outplacement support which includes:

- 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

## 11 Promotions

11.1 Promotion is defined as those employees who have had their post re-graded or achieved promotion through appointment to a more senior position and it also includes employees appointed to higher grades as a result of restructures.

11.2 The percentage of promoted employees during 2016/17 is 7.4%. A trend of promotions since 2013/14 can be seen below.



## 12 Jobs and the local government market

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

12.2 The National Graduate Development Programme offers one of two placement to a trainee with a local connection. Interviews took place on 19<sup>th</sup> June 2017 for the next intake of National Management Trainees, and the Council continues to aim to offer this training to local candidates.

12.3 In December 2014, recommendations from a review of the Work and Skills Strategy agreed that the Apprenticeship programme should be extended to cover residents aged from 16 to 64 years to better reflect the needs of residents. During the financial year 2016/17, 33 apprentices were recruited to the programme, of which 8 were appointments to council apprenticeship posts, and 25 were with partnership organisations. Outcomes for Apprentices since the launch of the scheme in 2009 and 31 March 2017, identified that 77% of apprentices have progressed onto employment, or further training.

12.4 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.<sup>4</sup> 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.

12.5 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 5<sup>th</sup> Cohort. All 4 students in the 4th cohort were appointed to permanent roles during 2016/17.

### **13 Social Workers**

13.1 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. The Council has progressed over 80 NQSW's through the Assisted Year in Employment (ASYE) since 2013. Of these 80, 64 remain with the Council.

13.2 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 IR35<sup>5</sup>

13.3 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.

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<sup>4</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/484209/BIS-15-651-english-apprenticeships-our-2020-vision-executive-summary.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/484209/BIS-15-651-english-apprenticeships-our-2020-vision-executive-summary.pdf)

<sup>5</sup> <https://www.gov.uk/guidance/ir35-find-out-if-it-applies>



13.4 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.

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

- Supportive management/supervision
- Small teams
- Low/managed caseloads
- Excellent post qualifying/CPD opportunities including Twilight workshops on latest research based practice as part of Education Partnership with Goldsmiths
- Innovative approaches such as Theraplay, ADAM, Secure Base
- Excellent ASYE programme
- Career pathway
- Administrative support
- Childcare vouchers

13.6 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
- Establishing a CSC internal communications group to work with HR to develop L&D communication plan

## Appendix 1