

## People Services and Organisational Development Annual Report 2019

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<b>Type of business</b>	To note
<b>For Council only:</b>	Public session
<b>Issue</b>	To provide the Council with a report of People Services and Organisational Development activities, achievements and workforce metrics.
<b>Recommendation</b>	The Council is asked to <b>note</b> the contents of this report.

### 1. Introduction

- 1.1 This paper provides:
- an annual report of the main activities and achievements of the teams for 2019
  - key workforce metrics for the reporting period 1 January to 31 December 2019; and
  - a forward look at the directorates' people plans for 2020.
- 1.2 A major focus of work for the team throughout 2019 has been the estates programme. The team have played an integral role supporting the consultation process with current employees; recruiting for Colmore Square; supporting the continued exit strategy for employees leaving from London and helping to develop the employment culture in Birmingham and the cross site working across the GDC.
- 1.3 During a year of change and restructure for the People Services and Organisational Development team, including the launch of the new team in August, the team have continued to lead initiatives across the GDC including the introduction of Project SELF (Switch-off, Engage your mind, Love your body, Focus on you) and the commitment to the 'Time to change' mental health initiative. In addition, the team has actively increased the level of partnering with the leadership teams supporting over 86 employee relations cases, 183 recruitment campaigns and supporting the reduction of overall sickness absence by 16.4%.

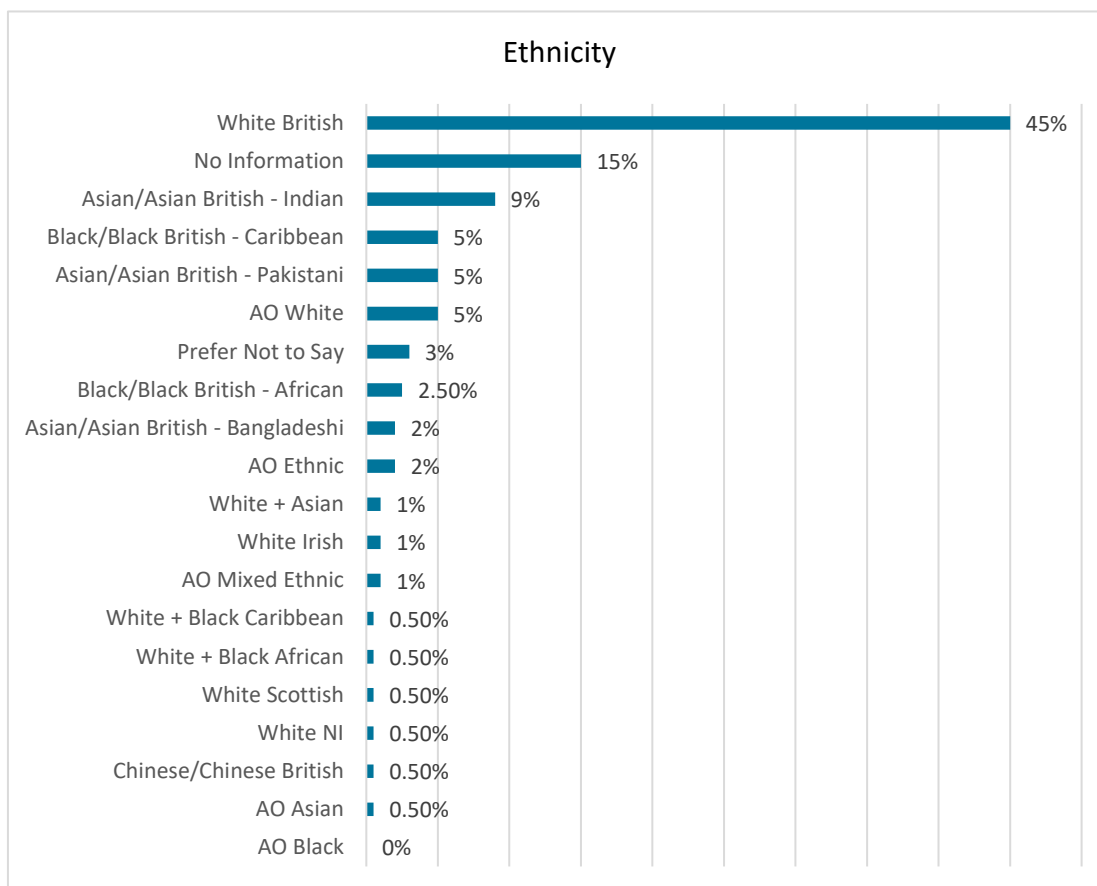
### 2. Workforce Metrics

- 2.1 The GDC employed 353 employees at 31 December 2019 compared to 376 at 1 January 2019. Of these, 324 were permanent employees (2018: 338) and 29 were fixed-term (2018: 38). This represents a 24% decrease in the number of employees on a fixed-term contract over the last year. In terms of permanent employees, there has been a decrease of 4% in staffing numbers over the past year.

- 2.2 During the latter part of 2018 and into 2019 there was a higher reliance on fixed term contracts and there were dual running positions due to the estates project to support efficient handover. As the project is about to complete the number of fixed term contracts has reduced and overall headcount stabilised.
- 2.3 The average length of service at the end of 2019 was 2.5 years. This is a slight reduction on the previous year's average of 2.8 years.
- 2.4 The table below shows that just over a third (124) of employees had less than one year's service and 80% of the business (239) had been with the GDC for less than five years.

	< 1 Year	1-5 years	6-10 Years	11-15 Years	16-20 Years
London	25	116	47	12	
Birmingham	99	53			1
<b>Total</b>	<b>124</b>	<b>169</b>	<b>47</b>	<b>12</b>	<b>1</b>
<b>Percentage</b>	<b>35%</b>	<b>48%</b>	<b>13%</b>	<b>3%</b>	<b>0%</b>

- 2.5 For People Services specifically, the average length of service at the time of writing this report is 8 months for the team based in Birmingham.
- 2.6 The completion rate for Equality, Diversity and Inclusion (ED&I) data for employees is 85%.
- 2.7 The Gender split within the GDC remains stable at 58% female and 42% male. Further information on gender pay gap reporting is in section 3.3.
- 2.8 7% of employees have disclosed they have either a disability or a long-term health condition.
- 2.9 The tables below provides the ethnicity composition of GDC employees.



2.10 **Appendix 1** has further information on the staff composition, including Religion, Sexual orientation and age.

### 3. Remuneration

3.1 The mean gender pay gap (GPG) was reported on 4<sup>th</sup> April 2019 (Snapshot date of 5<sup>th</sup> April 2018) was 13.2% (18.4% median). The gap has increased from the previous year of 10.4% (18.4 median).

3.2 The April 2019 snapshot data, which is not yet published but is due to be published in March 2020, has slightly increased from 2018 to 13.8% (23% Median).

3.3 The Senior People Partner facilitated a GPG reporting workshop with the SLT Board in October 2019. The GPG reporting and other pay gap reporting will be considered as part of the new equality, diversity and inclusion strategy.

3.4 Future work will include an awareness communications plan for employees and whilst it not yet a legal requirement, we still start to report on other pay gaps for protected characteristics, starting with ethnicity. The findings will then support our people strategy.

### 4. Employee Relations

4.1 During 2019 the people services team supported 86 employee relation cases. This includes both formal and informal processes. There were 13 formal performance/capability cases, and 2 formal grievances. There were no disciplinary cases that progressed to the formal stage. There were 2 employment tribunal claims received during 2019.

4.2 Sickness (overall): a total of 2702 days were lost to sickness in 2019 (2018: 3230). This represents a reduction in sickness absence of 16.4%.

4.3 An average of 7.4 days were lost due to sickness in 2019. (2018: 8.6 days per employee). The CIPD Health and Well-being Survey Report 2019 reports that the average level of employee absence is 5.9 days per year per employee.

4.4 Sickness (short term): a total of 1,886 days were taken through short-term absences during the reporting period. This represents 2.5 days per employee that took short term sickness leave in 2019.

4.5 Sickness (long term): a total of 816 days were taken through long term absences during the reporting period. This represents an average of 54 days per employee that took long term sick leave in 2019. Long term sickness is classed as continuous sickness leave of more than 20 working days.

4.6 In 2019 54% of absences have either been recorded as 'other' or 'reason not recorded'. The reasons for absences are captured during return to work discussions but not updated automatically on CipHR. The aim will be to change this when the new People System is implemented.

4.7 The main reason for absence during 2019 is due to 'colds/influenza' at 10.9%. A total of 4.7% of sickness absence was recorded as work related with 7.1% of sickness absence being due to mental health conditions (work and non-work related).

4.8 Being mindful of the level of absence due to colds and flu, vouchers for free flu vaccinations were made available to staff in October. 37 staff opted to redeem a voucher.

4.9 One of the aims of the wellbeing work started in 2019 is to make a positive impact on absence figures. Taking part in the Virgin Pulse Global Challenge (May-September) helped raise awareness of steps to improve physical and mental wellbeing. Mental Health awareness sessions for managers in May contained advice on how to support employees with the aim of reducing absence duration.

- 4.10 In 2020, we will continue to work with staff and managers commencing during induction to reinforce our commitment to employee wellbeing. This will also form an important part of management development, as we equip all staff to have open and honest conversations designed to enable people to thrive and be their best at work.

## **5. Employee Engagement**

- 5.1 The GDC staff survey was conducted between 20 June and 15 July. 232 staff completed the survey (a completion rate of 61%).
- 5.2 61.2% of staff completing the survey want to stay at the GDC for the foreseeable future. Traditionally, we have used this figure in reporting to represent the overall staff engagement score. 4.3% of staff completing the survey said they were not happy at the GDC and were considering alternatives. 15.5% said they were unsure whether they want to stay at the GDC.
- 5.3 Top retention drivers are work-life balance and relationships with colleagues, as well as the satisfaction people get from the nature of the work itself. Key turnover drivers are a lack of career progression or development opportunities, the pay and benefits package, and the relationship between employees and management.
- 5.4 Actions are planned to address a range of areas throughout 2020. These include work to understand what is behind a small number of comments left about bullying and incivility, as well as the design and delivery of management development at all levels of the organisation.
- 5.5 In 2020, the intention is to move to pulse surveys rather than large-scale surveys. This enables us to be more flexible in the type and number of questions we ask staff, as well as getting regular and more specific feedback on impact of the actions we are taking.

## **6. Equality, Diversity and Inclusion**

- 6.1 A new Equality, Diversity & Inclusion Partner, was recruited in August, with a view to embedding ED&I as business as usual. This coincides with the expiry of the existing ED&I Strategy in 2020 and initial work has focused on the ongoing creation of a new Strategy, in line with the CCP and Right-Touch Regulation. The launch of ED&I champions will take place in early 2020.
- 6.2 In February 2019 the GDC signed the 'Time to Change' Mental Health pledge, alongside the enrolment and training of several mental health first aiders. The recruitment of a Health, Safety and Wellbeing Coordinator has signalled the fostering of an environment that maintains and nurtures, and the launch of 'Project SELF' has delivered information and tools for the personal wellbeing of GDC Colleagues through an array of communications.
- 6.3 Our ambition for 2020 will be to support leaders at all levels in the organisation to create an environment in the GDC for high performance, engagement and innovation by being inclusive and by empowering people with the freedom to work within clear frameworks so that they can be the best they can be at work. We will support senior leaders to develop an inclusive culture

## **7. Recruitment and Retention**

- 7.1 Recruitment campaigns: the delivery of over 183 recruitment campaigns were managed during 2019.
- 7.2 Cost per hire: our average spend per hire over 2019 was £999. This a reduction of 3% compared to £1028 in 2018.

7.3 Retention: Natural turnover for the GDC in 2019 was 17% (2018: 23%). Total staff turnover for 2019 was 51% compared to the 2018 figure of 35%. The reason for this difference is due to the estates programme.

## 8. Associates

8.1 The People Services team have reviewed how the organisation manages its associate workforce. A designated People Partner has been recruited to lead the associates work.

8.2 The team in conjunction with the In-House Legal, Finance team and external legal advisors have spent a significant amount of time ensuring the organisation is compliant with IR35 regulations for the GDC's 464 Associates. The risk being that an Associate could be classed as an employee which could result in a fine from HMRC to the GDC. To mitigate this risk, IR35 guidance has been created, the People Partner is ensuring there is appropriate evidence of an Associate being truly self-employed, a check employment status for tax (CEST) process has been introduced records have been centralised. Having a single point of contact for Associates issues helps to mitigate this. Moving forward the team will integrate this knowledge amongst other People Partners to support business continuity.

8.3 The People Partner has supported the Registration team with the engagement of 10 Registration Assessment Panellists during August-September 2019 and subsequently supported their induction to the GDC. They are also assisting the team with the re-engagement of 52 Legal Advisors.

8.4 The significance of this area of work within this team should not be underplayed, progress to mitigate risks and standardise process and practice has been rapid this year, and whilst not always welcomed, provides marked assurances for Council, particularly in relation to IR35 exposure (or lack of).

## People Systems

8.5 A People Systems Manager was recruited to oversee the implementation of what was then known as the HR Systems Strategy. A business case was submitted to the SLT board in November 2019 for a fully integrated Payroll and People System which was approved, and the project team are now in the procurement phase.

## 9. Learning and Development

9.1 *Learning at Work Week 2019 (13-19 May)* – Learning at Work Week is an annual event that puts a spotlight on the importance and benefits of continual learning and development. During this week, 24 sessions took place, covering a diverse range of topics and delivery styles. 194 employees attended events throughout the week, which resulted in over 200hrs of individual learning.

9.2 Through 2019, we continued to advocate the concept of 'everyday learning', promoting the idea that development can take place anywhere, and is not confined to traditional training or classroom-based activities. This has led to the growth of informal lunch-and-learns and other staff-led knowledge sharing sessions e.g.

- coaching circles amongst managers where they share current challenges and best practice.
- the implementation of a staff library, containing magazines and novels as well as personal development books.
- Black History Month saw an informal Q&A event hosted by the Colmore Square Social Committee where staff were able to hear from a local journalist about the career path they had followed.

- 9.3 *Mental Health* – After signing the Time to Change pledge in February, we rolled out mental health awareness training for all staff and managers. Additionally, we have trained 15 Mental Health First Aiders. These individuals assume responsibility for becoming the initial point of contact should someone experience a mental health crisis. These individuals perform an important role in supporting and signposting anyone who may need assistance.
- 9.4 *Corporate Induction* – Significant effort has gone into the induction experience of new starters in the Birmingham office. Corporate induction events have taken place at the start of each month in Birmingham, with a further event in London in October. In total, around 140 staff will have attended an induction event this year
- 9.5 This has led to several iterations of the induction structure and content but has resulted in a process that effectively combines the welcome we want new starters to have, alongside the technical knowledge they need to fulfil their role. The Learning & OD Partner has worked with the SMEs across the business to help optimise the training that new starters have received, including use of the Facet 5 personality profile tool to assist effective team working in newly recruited functions.

## 10. Priorities for 2020

- 10.1 The Executive Director, Organisational Development joined the GDC in early October 2019. A ‘deep dive’ into the POD strategy has been undertaken together with a ‘deep dive’ review of the following areas:
- People issues (for London and Birmingham)
  - Associates
  - Internal communications
  - Equality, Diversity and Inclusion
- 10.2 A deep dive on learning and development and Health, safety and wellbeing is planned for January 2020.
- 10.3 The focus for 2020 will be
- An early refresh of the People Strategy to provide a clear and simple framework for all People activity clearly linked to the delivery of the CCP. This will encompass all current POD activity
  - The People Strategy will focus on four key pillars of work
    - Delivering and Rewarding excellence
    - Talent Management and career progression
    - Building an inclusive Culture and Leadership
    - Working in the digital age
  - A focus on building and embedding the People services and OD team partnering model recognising its potential whilst acknowledging its organisational inexperience. Work has already started in this with a team development programme which commenced in December.

## 11. Legal, policy and national considerations

- 11.1 Employment law advice is sought as and when required via the In-House Legal Advisory Team.

## 12. Equality, diversity and privacy considerations

- 12.1 EDI is an integral part of the People and Organisational Development strategy.

### **13. Next steps and communications**

13.1 The Council is asked to note the contents of this report.

#### **Appendices**

1 – Staff composition for Religion, Sexual Orientation and Age

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Appendix 1 – 2019 GDC Staff composition for Age, Sexual Orientation and Religion

