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| HIGH LIFE HIGHLAND REPORT TO BOARD OF DIRECTORS24 March 2021 | AGENDA ITEM REPORT No HLH /21 |

## **HUMAN RESOURCES - Report by Chief Executive**

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| **Summary** The purpose of this report is to update Directors on Human Resources activity for the period October to December 2020 which includes information relating to absence, disciplinary and grievance issues during this period as well as information on the pandemic’s impact on staffing related matters.  It is recommended that Directors: 1. note and comment on the content of the quarterly HR report including the update on the staffing establishment and attendance management and union engagement;
2. note that measures taken by the charity in terms of staff health, wellbeing and welfare will be the subject of the bi-annual health and wellbeing update; and
3. note the changes to the annual leave year.
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| **1.** | **Business Plan Contribution** |
| 1.1 | This report supports the highlighted Business Outcomes from the High Life Highland (HLH) Business Plan:1. Sustain a high standard of health and safety, and environmental performance
2. **Implement the Service Delivery Contract with THC**
3. **Improving customer engagement and satisfaction**
4. **Improving staff engagement and satisfaction**
5. **Enhance the positive charity image**
6. Be a trusted and effective partner
7. Achieve sustainable growth across the organisation
8. Develop health and wellbeing across Highland communities
9. **Develop and promote the High Life brand**
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| **2.** | **Background** |
| 2.1  | The Human Resources (HR) report is a summary of HR activity in the preceding quarter, offering an update on current staff numbers along with any change since previous reports. There is also an outline of the absence levels (which are sub-sectioned into short and long-term absence in this report); activity relating to any disciplinary, grievance and harassment issues; and an employee relations update. |
| **3.**3.13.1.13.1.2 | **Human Resources Report: Oct-Dec 2020**Staff Establishment NumbersThe changes to the establishment for the period in full-time equivalents (FTE) are as follows:Establishment at end of **Quarter 2 2020/21** (Jul 20 to Sep 20) =**723.48** Establishment at end of **Quarter 3 2020/21** (Oct to Dec 20) = **739.55**Quarter 3 has seen a significant increase to the establishment of 16.07 FTE and these changes are detailed in **Appendix A.** |
| 3.1.3 | The main reasons for these changes are:1. a reduction in the use of relief/casual staff, some previously employed by services to fill gaps in the establishment and replaced with contracted posts;
2. the provision of short-term contracts to workers carrying out fixed term projects as part of the recovery programme, including Youth Work and Adult Learning;
3. additional posts for the new Alness leisure facility; and
4. small amendments to existing establishment FTE in facilities to ensure efficient service delivery.
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| 3.2 | Attendance management |
| 3.2.1 | Reports show absence levels split between short-term absence (˂10 consecutive working days) and long-term absence (>10 consecutive working days). |
| 3.2.2 | The short-term absence rate % up to the end of Quarter 3 were as follows:

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| **SHORT-TERM ABSENCE RATES** |
|  | **Quarter 1****(Apr–Jun)****%** | **Quarter 2****(Jul–Sep)****%** | **Quarter 3****(Oct–Dec)****%** | **Quarter 4****(Jan–Mar)****%** |
| **2018/19** | 0.99 | 0.99 | 1.32 | 1.42 |
| **2019/20** | 0.90 | 1.00 | 1.58 | 1.33 |
| **2020/21** | 0.01 | 0.15 | 0.42 |  |

Quarter 3 has shown an increase of 0.27% in the short-term absence rate compared to quarter 2 of 2020/21. It should be noted that quarter 1 rates reflected the high level of staff placed on furlough leave through the Coronavirus Job Retention Scheme (CJRS) during that quarter and therefore low absence levels. Quarter 2 and 3 reflects the return to work for many staff and therefore as would be expected, a higher level of absence reporting.  |
| 3.2.3 | The long-term absence % rate up to the end of quarter 3 was as follows:

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| **LONG-TERM ABSENCE RATES** |
|  | **Quarter 1****(Apr–Jun)****%** | **Quarter 2****(Jul–Sep)****%** | **Quarter 3****(Oct–Dec)****%** | **Quarter 4****(Jan–Mar)****%** |
| **2018/19** | 2.12 | 2.37 | 2.70 | 2.73 |
| **2019/20** | 3.37 | 2.55 | 1.27 | 1.64 |
| **2020/21** | 0.05 | 0.78 | 2.22 |  |

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| 3.2.43.2.5 | Quarter 3 has shown an increase of 1.44% in the long-term absence rate compared to quarter 2 of 2020/21 and as with the short-term absence increase is an expected result of staff returning to work and absences being reported as normal.  There were seven long-term absences within the quarter (4 in Q2) which carried forward into Q4 2020/21.  |
| 3.2.8 | The average sick days per employee up to the end of Quarter 3 were as follows:

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| **AVERAGE SICKNESS ABSENCE DAYS PER EMPLOYEE** |
|  | **Quarter 1****(Apr–Jun)** | **Quarter 2****(Jul–Sep)** | **Quarter 3****(Oct–Dec)** | **Quarter 4****(Jan–Mar)** |
| **2017/18** | 2.30 | 2.17 | 2.39 | 2.53 |
| **2018/19** | 2.02 | 2.18 | 2.45 | 2.57 |
| **2019/20** | 2.82 | 2.34 | 1.74 | 1.81 |
| **2020/21** | 0.04 | 0.64 | 1.64 |  |

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| 3.2.9 | The average sick days/FTE per employee shows an increase of 1.0% days compared to Quarter 2 of 2020/21.  |
| 3.2.103.2.11 | As outlined in previous reports, HR has historically worked closely with all managers and employees to find opportunities to encourage earlier returns to work. The current COVID-19 situation has meant that some staff remained on furlough leave during quarter 3, but managers have remained committed to keeping in contact with all staff, regularly checking in on their general health, wellbeing and welfare and highlighting to the HR Manager any concerns they have regarding staff health and wellbeing during this time.In addition, as staff have returned to work and health concerns have been raised, HR and service managers have been pro-active in supporting those staff through early intervention including OH referrals and Counselling services.  |
| 3.33.3.1 | Staff TurnoverThe number of resignations per month as a percentage of posts in Q3 was 1% in October, 0.3% in November and 0.15% in December. |
| 3.3.2 | Staff turnover therefore sits as ‘green’ RAG-rated status in terms of the Charity’s performance reporting.  |
| 3.43.4.13.53.5.13.63.6.13.73.7.1 | Use of the charity disciplinary processesThere were two issues considered under the Charity’s disciplinary process in quarter 3 2020/21. Use of the charity grievance processesThere were two new matters received under the charity’s grievance procedure in quarter 3 2020/21. HarassmentThere were no harassment issues raised during quarter 3 2020/21.WhistleblowingThere was one instance where the Charity’s whistleblowing policy was invoked. The disclosure was fully investigated and pending completion of an action plan agreed by the Executive, the instance is considered all but concluded.  |
| 3.83.8.13.8.2 | Employee relations The Charity has engaged with the four Trade Unions (TUs) representing members within the organisation, namely Unison, Unite, GMB and EIS. The Charity deals with the TUs formally through the Joint Consultation Forum (JCF) which met on 9 December 2020. Discussions included:1. Update on furlough position;
2. HLH recruitment policy during pandemic;
3. Use of CCTV for public health purposes;
4. Annual leave deductions;
5. Home insurance and mortgage validations for home workers; and
6. Staff Health and Wellbeing.
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| 3.8.3 | In addition, the above Trade Unions are invited to meet with the Principal Estates Manager in the current absence of the staff Health and Safety Group.  |
| 3.8.4 | Management and representatives of HR also discuss with the Trade Unions individual issues as and when required – such communications with the Trade Unions has occurred more regularly throughout the pandemic period. |
| **4.** | **Status Review Group** |
| 4.1. | The Status Review Group (SRG) continues to meet on a weekly basis to provide a platform to review:* any claims from relief staff regarding their employment status with HLH;
* internal vacancy recruitment; and
* changes to the establishment.
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| 4.2 | The SRG consists of the Director of Corporate Services (Sponsor), HR Manager, Principal Business Support Manager, Finance Manager and all Principal Managers for services. Other Senior Managers attend on an ad-hoc basis where necessary.  |
| 4.3 | In quarter 3 the SRG considered 159 requests falling within the categories listed above and of that, recommended for approval to WBM:* 94 changes to contract status (i.e. relief to contracted hours) or the creation/deletion of posts (as detailed in **Appendix A**)
* 65 internal vacancies to be advertised.
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| 4.4 | The positions adopted by the SRG are in line with the spirit of agreement with Unions during discussions around the management of the pandemic and the temporary collective agreement put in place at the original lockdown. The processes and considerations by the SRG continue to be welcomed by the Trade Unions.  |
| **5.** | **Employee health, wellbeing and welfare** |
| 5.1 | During the period referred to in this report, the staff health, wellbeing and welfare of staff has obviously become an even greater focus as the Charity has both prepared for staff to return to work, as well as extended furlough leave for others due to changes implemented from the Scottish Government.  |
| 5.1.1 | For the vast majority of staff, the changes have been accepted and self-managed; however, for a number of staff, the changes, lack of routine, the lack of colleague contact and isolation has clearly been challenging. |
| 5.1.2 | Board members will be given a wider and more comprehensive update on staff health and wellbeing as part of the Health and Wellbeing Manager’s report.  |
| 5.2 | During the pandemic and with an increased focus on employee health, wellbeing and welfare, discussions have taken place in terms of the considerations around this. From a corporate services delivery perspective, these are being split into two clear categories:* Health and wellbeing (preventative): This could be classed as the “proactive element” where amongst other things, efforts are made by the Charity to support employees in keeping mentally and physically fit, prevent sickness, absence or the need for interventions. This aspect sits with the Health and Wellbeing Manager;
* Welfare (supportive): This could be classed as the “reactive element” whereby an employee may require/seek support from the Charity through HR processes such as OH Referrals, counselling, engagement with trained colleagues etc. This aspect sits with the HR Manager.
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| 5.35.3.1 | It is clear that staff health, wellbeing and welfare is going to remain a major focus for the Charity as it moves through, and perhaps more so, out of the pandemic period. Taking this into account a new risk associated with staff health, wellbeing and welfare had been added to the Charity’s Risk Register.  |
| 5.4 | Ongoing general updates on staff health, wellbeing and welfare will be given where necessary/appropriate to the Health and Safety and Environmental Compliance Committee.  |
| **6.** | **Change to Annual Leave Year** |
| 6.1 | HLH’s Annual Leave Year currently runs from 1 February to 31 January each year.  |
| 6.1.1 | In normal circumstances, staff are not permitted to carry forward any untaken leave at 31 January. This year, because of the exceptional circumstances and in order to allow those who have not managed to take all their leave by 31 January 2021, staff have been permitted to carry forward untaken leave, to be used by 31 March 2021.  |
| 6.1.2 | Following discussions regarding the annual leave year, it has been identified that there are a number of advantages to running the annual leave year concurrently with the financial leave year. These include:1. accurate budgeting for services in terms of staff expenditure and cover;
2. no requirement to make an annual leave accrual calculation for the annual accounts; and
3. removing the “rush” to utilise holidays when returning from festive break in January and the operational impacts this can have on the business from mid-December to end of January each year.
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| 6.1.3 | Therefore, HLH intends to amend the annual leave year to run from 1 April to 31 March each year (concurrently with the financial year). In order to do this 2021/22 annual leave year will run from 1 February 2021 until 31 March 2022. Staff will receive the appropriate pro-rata additional days in the current leave year to take them to the 31 March 2022. (i.e. a 14 month leave year). There will be no detriment to staff annual leave entitlement. |
| 6.1.4 | From 1 April 2022 the new 12-month cycle will start. |
| **7.** | **COVID-19** |
| 7.1 | **Coronavirus Job Retention Scheme (CRJS) Update** |
| 7.1.1 | Following the Government’s announcement on 1 November 2020 of a further extension to the CJRS, HLH informed staff of its intention to continue to utilise the scheme whilst still proceeding with the recovery plan in place. Some staff remained on full furlough whilst many returned to work on a full or part time basis. |
| 7.1.2 | However, the First Minister’s announcement on 20 December 2020 stating that Scotland would move to Level 4 Measures effective from Boxing Day meant the closure of all HLH facilities again with only essential staff asked to attend work until further notice.  |
| 7.1.3 | Therefore, the following number of staff were placed on either full or part time furlough effective from 26 December 2020:

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| **Total no. of contracted staff**  | **No. of staff placed on full furlough** | **No. of staff placed on part time furlough** | **No. of staff not furloughed** |
| 862 | 558 | 101 | 203 |

In addition, a further 180 non contracted staff who worked during the recovery phase, were fully furloughed and will receive a variable payment based on average earnings between October–December 2020.  |
| 7.1.4 | Retained staff have continued to manage the organisation, including property maintenance; preparation for recovery; and providing online services where possible, including music tuition, archives, book bug and fitness classes. The Active Schools Co-ordinators, Youth team and Adult Learning team have also continued to provide vital support to the communities and clients with whom they work through online contact and provision of their services. |
| 7.1.5 | Staff who were not placed on furlough leave have been working from home, wherever possible. As a result, the Charity has commenced further discussion with office-based staff regarding a continuation of formalised flexible working, i.e. permanent or blended working from home, which may result in a revised way of working for the wider Charity.  |
| 7.1.7 | The Chancellor’s budget statement in March 2021 announced that the CJRS would be extended until September 2021. |
| 7.1.8 | Pending the Scottish Government’s announcement on how the lifting of restrictions and the Level System will be applied in the Highlands at the end of April, HLH will continue to utilise the CJRS as required. |
| **8.** | **Policies update** |
| 8.1 | The following policies have been considered in line with the review schedule and have had minor amendments in terms of senior staff post titles and referencing to HLH as a Charity:1. Code of Conduct;
2. Whistleblowing Policy;
3. Overtime;
4. Redeployment and Redundancy; and
5. Provision of Alcohol.
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| **9.**9.19.29.39.4 | **Implications**Resource Implications – there are no new resource implications arising from the recommendations of this report.Legal Implications – there are no new legal implications arising from the recommendations of this report.Equality Implications – there are no new equality implications arising from the recommendations of this report.Risk Implications – there are no new risks arising from the recommendations of this report. |
| Recommendations:It is recommended that Directors: 1. note and comment on the content of the quarterly HR report including the update on the staffing establishment and attendance management and union engagement;
2. note that measures taken by the charity in terms of staff health, wellbeing and welfare will be the subject of the bi-annual health and wellbeing update; and
3. note the changes to the Annual Leave Year.
 |

Designation: Chief Executive

Date: 10 March 2021

**Appendix A**

**CHANGES TO STAFFING ESTABLISHMENT IN QUARTER 3**

**(October-December 2020)**

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| **Post Title** | **Location** | **FTE** | **Comment** |
| Tutor Coach x 73 (various disciplines) | Various | 6.02 | Previously non-contracted relief hours |
| Youth Support Worker | Tain | 0.86 | Fully funded until 31.8.21 |
| Youth Work Tutor Coach | Tain | 0.14 | Fully funded until 31.3.21 |
| Leisure Supervisor | Alness Leisure Centre | 0.85 |  |
| Cashier Receptionist | Alness Leisure Centre | 0.57 |  |
| Leisure Assistant x 3 | Alness Leisure Centre | 2.65 |  |
| Leisure Assistant x 2 | TRACC | 1.23 |  |
| Leisure Assistant | Averon Centre | 0.35 | Temp until 31.3.21 |
| Assistant Youth Workers x 3 | Golspie/Dingwall/Ft William | 2.4 | Temp until 31.8.21 |
| Adult Learning Co-ordinator (Refugee Resettlement Project) | Various | 1 | TUPE from WEA 01.04.21- Fully funded until 31.3.23  |
| Total |  | 16.07 |  |