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| **HIGH LIFE HIGHLAND****REPORT TO BOARD OF DIRECTORS****26 March 2024** | AGENDA ITEM REPORT No HLH/ /24 |

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| **HR UPDATE – Report by Chief Executive** |

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| **Recommendation**The purpose of this report is to update Board Members on the charity’s HR related matters.It is recommended Directors:1. note the standing HR matters for Q3 (Oct-Dec 2023);
2. comment on the Staff Exit Surveys (2023) report;
3. note the work underway to take a more planned approach to absence and attendance described in section 3.3.6 of this report;
4. agree that the staff attendance RAG ratings be amended in line with the most up to date figures from the Office of National Statistics as they are published each year;
5. note that as a result of feedback in this survey that there will be a staff focus group on work-life balance to determine whether any actions are needed to seek to address this; and
6. note that as a result of feedback from this and other staff and Board forums that work is underway to develop a training plan for the organisation.
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| **1.** | **Business Plan Contribution** |
| 1.1 | High Life Highland’s (HLH) purpose is Making Life Better. The HLH Business Plan contains eleven Business Outcomes which support the delivery of this purpose, and this report supports the following highlighted outcomes from the Business Plan:1. Seek to continuously improve standards of health and safety.
2. Commit to the Scottish Government’s zero carbon targets and maintain the highest standards in environmental compliance.
3. Use research and market analysis to develop and improve services to meet customer needs.
4. **Increase employee satisfaction,** **engagement and development to improve staff recruitment and retention.**
5. Improve the financial sustainability of the company.
6. Value and strengthen the relationship with THC.
7. Develop and deliver the HLH Corporate Programme and seek to attract capital investment.
8. Use research and market analysis to develop and deliver proactive marketing and promotion of HLH and its services.
9. Initiate and implement an ICT digital transformation strategy across the charity.
10. Develop and strengthen relationships with customers, key stakeholders and partners.
11. Deliver targeted programmes which support and enhance the physical and mental health and wellbeing of the population and which contribute to the prevention agenda.
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| **2.** | **Background** |
| 2.1 | This report summarises and updates the following standing HR matters, relating to 2023/24 Q3.* Staffing matters:
	+ establishment;
	+ turnover;
	+ attendance management;
* Implementation of HR policies/procedures;
* Industrial relationships
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| 2.2 | The report will also cover the following non-standard HR matters:* 2023 Exit Survey Report
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| **3.** | **Update on standing HR matters Q3 (Oct – Dec 2023)** |
| 3.1 | Staffing matters – establishment |
| 3.1.1 | Changes to the charity’s staffing establishment = +0.15FTE ([**Appendix A**](https://www.hlhinfo.com/userfiles/file/Board/Meetings/Board_Meetings/2024/28032024/Appendix-A-HR-REPORT.docx)) |
| 3.1.2 | Quarter 3 (2023/24) establishment = 846.98 FTEQuarter 2 (2023/24) establishment = 846.83 FTE |
| 3.2 | Staffing matters – turnover |
| 3.2.1 | The number of resignations as a percentage of posts (number in brackets denotes the number of individual resignations) during the quarter was:* October = 1.1% (11)
* November = 0.8% (10)
* December = 1.3% (13)
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| 3.3 | Staffing matters – attendance management |
| 3.3.1 | Attendance management **(**[**Appendix B**](https://www.hlhinfo.com/userfiles/file/Board/Meetings/Board_Meetings/2024/28032024/Appendix-B-HR-REPORT.docx)**)** has been RAG rated as red in the performance report and can be summarised as follows:* Short-term absence (<10 consecutive working days) = +0.18
* Long-term absence (>10 consecutive working days) = +0.16
* Long-term absences carried into Q4 = 19 individuals
* Average days sick per FTE employee = +0.35 days
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| 3.3.2 | Although there has been a slight increase in both short-term and long-term absences during Q3, it might be expected that seasonal changes result in a slight increase in absence during this quarter. |
| 3.3.3 | It is recommended that the Board consider whether the RAG ratings used for monitoring attendance be amended to reflect the most up to date Office for National Statistics (ONS) figures which have changed since 2021 when the RAG rating used by the management team and in Performance reports was set.  |
| 3.3.4 | Absence levels in the UK for public sector employees in the most recent (2022) ONS report was 3.6%. Absence rates in Scotland are higher than the UK average and the ONS has reported that: “Groups with the highest rates of sickness absence in 2022 included …. people working in care, leisure, or other service occupations” and the UK absence rate in those occupations is 4.3%. |
| 3.3.5 | If the RAG ratings were to be based on the UK absence rate for, leisure and other service occupations the RAG ratings would be as follows: i. Green = attendance rate 95.7% or higher.ii. Amber = attendance rate between 94.6% and 94.7%.iii. Red = attendance rate less than 93.7%. |
| 3.3.6 | This would make the HLH absence rate amber. Given that absence rates have been Amber/Red since 2021/22 and that there has been an increased absence rate following absence management training during Q2, a plan is being developed to attempt to address absence rates which includes:1. Trade union engagement.
2. Communication of the cost of absences.
3. Management training.
4. More systematic use of return to work interviews.
5. More systematic use of disruption rates as defined by the Bradford Factor which uses frequency and duration of absences to assess/report in absence levels.
6. Improving systems for absence management reporting which supports managers at individual site/team level.
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| 3.3.7 | The review of the RAG ratings in line with ONS figures is important in the context of seeking to improve attendance rates as it will give realistic benchmarks for staff teams to aim for. |
| 3.4 | Implementation of HR policies or processes |
| 3.4.1 | The following list details the application of HR policies or processes at the time of writing this report:* Disciplinary procedure = 2
* Internal resolution process (formerly Grievance) = 6
* Dignity at Work = 2
* Whistleblowing = 0
* Official complaints against staff (external) = 1
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| 3.5 | Industrial relations |
| 3.5.1 | The charity recognises and engages with the following unions:* EIS (Music instructors)
* GMB
* UNISON
* Unite the Union
 |
| 3.5.2 | Ongoing communication and consultation with the above unions is undertaken through the Joint Consultation Forum (JCF) and which meets quarterly. |
| 3.5.3 | The JCF met on 6 December 2023. The following items were discussed:* East Caithness Community Facility update
* Budget update
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| **4.** | **Exit Surveys Summary – 2023**   |
| 4.1 | Board Members will note the full summary report of Exit Surveys between 1 January to 31 December 2023 in [**Appendix C**](https://www.hlhinfo.com/userfiles/file/Board/Meetings/Board_Meetings/2024/28032024/F-Item-12C-HR-Report-Appendix-C.pdf). |
| 4.2 | Employees are offered the opportunity to respond to the Exit Survey at the time of leaving the Charity. Reminders are then sent after 7 days, 14 days and 24 days. |
| 4.3 | The following key points have been extracted from the summary report. Numbers in brackets show 2022 figures for comparison. |
| 4.4 | During the last 12 months, 162 (*102*) former employees have been invited to participate in the exit survey and 63 (*48*) have taken up the opportunity to do so. This equates to a percentage return rate of 39 % (*48%*).  |
| 4.5 | *Reason for leaving*Of those who completed the survey: * 48% *(40%)* of staff left to take up a new job
* 8% *(10%)* of staff moved away from the area
* 11% *(16%)* of staff retired
 |
| 4.6 | *Enjoyment working with HLH*Of those who completed the survey:* 62% *(65%)* of staff have enjoyed working for HLH ‘a lot’ or ‘a great deal’
* 38% *(33%)* of staff would have rated their enjoyment as a “reasonable amount” or less.
 |
| 4.7 | *Remuneration* Considering the current cost-of-living situation but also reflecting the higher-than-normal pay awards over the past 2 years:* 71% *(68%)* of staff thought they were ‘reasonably well paid’ or higher
* 27% *(28%)* of staff thought they were ‘underpaid’ or worse.
 |
| 4.8 | *Working relationships*In general, those who completed the survey had positive working relationships with their colleagues’ and line manager.  |
| 4.9 | *Training*In terms of training offered by HLH, of those completing the survey:* 53% (*60%)* thought the training was good or above average.
* 27% (*16%)* thought training offered to be average.
* 15% (*20%)* thought training was poor or extremely poor.
 |
| 4.10 | *Work-life-balance*For those completing the survey:* 27% *(22%)* never needed to work extra hours (over and above contracted hours)
* 65% *(65%)* of staff reported working extra hours to undertake the requirements of their job.
 |
| 4.11 | *HLH as an employer*73% *(68%)* of those completing the survey rated HLH as a good employer or better (very good, excellent), with 71% *(65%)* saying they would recommend employment with HLH to a family member or friend. 62% (55%) said they would consider returning to HLH in the future.  |
| 4.12 | *Follow-up*6% (*12%*) of staff asked for a separate follow-up with Senior Management/HR – all requests were followed up. |
| 4.13 | In summary, the electronic form continues to provide the Charity with an opportunity to identify and address matters raised through this post employment engagement and to feed back to the appropriate/key persons in the organisation.  |
| 4.14 | Findings show that in the UK average participation rate for exit interviews is between 30 and 35% so HLH is above average but recognises that with a 39% response rate it does still mean that most exiting employees are leaving without providing insight as to why. |
| 4.15 | HR is engaging with managers to ensure that exiting staff are encouraged to complete and return the surveys to provide the Charity with an even better insight into reasons for staff turnover and to identify any emerging patterns at an early stage. |
| 4.16 | Whilst there has not been any dramatic movement either way with responses received in 2023 compared to 2022, it is positive to note a 5% increase of those completing the survey that rate HLH as a good employer and a slight increase in those who state they have been reasonably well paid or higher. |
| 4.17 | Those that have rated the training offered by HLH as good or above average has dropped by 7% since 2022, though in contrast those that rated it as poor has also reduced by 5% in 2023. A project team has recently been established within the Corporate Service Team to review the training offer and availability of training and how it is recorded, across the whole organisation. Recommendations will be fed back to the Board later in the year. |
| 4.18 | The responses on the question about work-life balance will be tested with staff through a representative focus group to ascertain whether any action is needed in relation to that. At this stage, the results suggest that this is not a major factor in people choosing to leave the organisation but worth exploring with current staff.  |
| 4.19 | The exit survey results will be presented to the Joint Consultative Forum Trades Union Meeting.  |
| **5.** | **Policies update** |
| 5.1 | The following HR policies have been considered in line with the review schedule:* **Dignity at Work Policy** – reviewed with update to include HLH’s purpose, Making Life Better, but otherwise, no changes required;
* **Exit Survey** – reviewed with update to include HLH’s purpose, Making Life Better, but otherwise, no changes required;
* **Code of Conduct -** reviewed with change to replace Role Model Behaviours with i-care values;
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| **6.** | **Implications** |
| 6.1 | Resource Implications – there are no new resource implications arising from this report |
| 6.2 | Legal Implications – there are no new egal implications arising from this report |
| 6.3 | Equality Implications – there are no new equality implications arising from this report. |
| 6.4 | Risk Implications – there are no new risk implications arising from this report.  |
| **Recommendation**It is recommended Directors:1. note the standing HR matters for Q3 (Oct-Dec 2023);
2. comment on the Staff Exit Surveys (2023) report;
3. note the work underway to take a more planned approach to absence and attendance described in section 3.3.6 of this report;
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6. note that as a result of feedback from this and other staff and Board forums that work is underway to develop a training plan for the organisation.
 |

Designation: Chief Executive

Date: 7 March 2023

Authors: Morven MacLeod, Head of HR

**Appendix A**

**CHANGES TO STAFFING ESTABLISHMENT IN Q2 (July - September 2023)**

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| **Post Title** | **Location** | **FTE** | **Additional comments** |
| Caretaker | Dingwall | 0.08 |  |
| Assistant Youth Workers (2) | Thurso | 0.46 | Fully funded Community Regeneration Fund - Fixed term until 31.3.24  |
| Assistant Youth Worker | Inverness  | 0.07 |  |
| Tutor Coach | Aviemore | -0.06 |  |
| Leisure Supervisor | Aviemore | 0.06 |  |
| Senior Network Librarian | Inverness | -0.8 |  |
| Clerical Assistant | Dingwall | -0.8 |  |
| Clerical Assistant | Inverness | -1.0 |  |
| Clerical Assistant | Wick | -1.0 |  |
| Clerical Assistant | Auchtertyre | -0.34 |  |
| Leisure Assistants (4) | Dingwall | 2.07 |  |
| Leisure Assistants (3) | Wick | 1.38 |  |
| Technical Assistant | Inverness  | -0.11 |  |
| Assistant Coach | Inverness | 0.14 | Fully funded - Strathdearn Community Development |
|  |  | **0.15** |  |

Table 1

**Appendix B**

**Attendance Management Tables**

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| **SHORT-TERM ABSENCE RATES** |
|  | **Quarter 1****(Apr–Jun)****%** | **Quarter 2****(Jul–Sep)****%** | **Quarter 3****(Oct–Dec)****%** | **Quarter 4****(Jan–Mar)****%** |
| **2021/22** | 0.66 | 0.66 | 1.13 | 1.62 |
| **2022/23** | 2.07 | 1.63 | 1.35 | 1.52 |
| **2023/24** | 1.49 | 1.29 | 1.47 |  |

Table 2

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| **LONG-TERM ABSENCE RATES** |
|  | **Quarter 1****(Apr–Jun)****%** | **Quarter 2****(Jul–Sep)****%** | **Quarter 3****(Oct–Dec)****%** | **Quarter 4****(Jan–Mar)****%** |
| **2021/22** | 1.93 | 2.88 | 2.96 | 2.51 |
| **2022/23** | 3.76 | 3.52 | 3.38 | 3.12 |
| **2023/24** | 2.79 | 2.78 | 2.94 |  |

Table 3

\*Number of employees off for periods exceeding 10 days were 33 in Q2 and 33 in Q3.

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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)** |
| **2021/22** | 1.63 | 2.33 | 2.70 | 2.73 |
| **2022/23** | 3.61 | 3.40 | 2.89 | 2.83 |
| **2023/24** | 2.61 | 2.52 | 2.87 |  |

Table 4