

Title of report	Human Resources (HR) – Annual Report
Public/confidential	Public
Action	For discussion
Summary/ purpose of report	Provides an annual update on Human Resources shared service.
Recommendations	The Resources Committee is asked to note the contents of this paper and provide any feedback on any of the areas reported.
Link to Strategic Plan	The information in this report links to: Outcome 4 - Our stakeholders value our work.
Link to the Risk Register	The information in this report links to: Risk 2 - The SSSC is not able to demonstrate to our stakeholders (including SG) that its operational activity is fulfilling its strategic outcomes.
Equality Impact Assessment (EIA)	An EIA was not developed as this work is not a new or changed policy, service or procedure.
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Documents attached	Appendix 1 – Temporary HR structure
Background papers	None

1. INTRODUCTION

- 1.1 This annual report provides information and analysis on Human Resources (HR) activities from 1 April 2018 until 31 March 2019. It sets out key priorities in the coming year, progress achieved in the past 12 months and the current workforce profile.
- 1.2 HR are committed to supporting the organisation and the workforce through leadership, service and excellence in human resources management. HR provide various services which are available to all employees as well as advice and guidance on a multitude of staff employment situations. HR supports all employees throughout their employment life cycle. This support starts at the hiring process, continues throughout employment and goes into retirement.

2. PROGRESS MADE 2018/19

- 2.1 HR, through our new shared service model, continues to make positive changes in the way it works to ensure that the organisation and workforce are fully supported and engaged to deliver their roles well.
- 2.2 Overall the priorities for HR are designed and delivered to reflect both HR and the organisation's continuous drive to maintain an employer of choice status. To be an organisation that knows how to attract, recognise and retain talent.
- 2.3 The key priorities and achievements made in the previous year are summarised below :
- implementation of an HR shared services structure to meet the needs of both the SSSC/Care Inspectorate
 - managed 54 recruitment campaigns with over 500 applications being received
 - managed the appointment of 43 new starts and 31 internal promotion
 - begin to review and redesign our recruitment approach
 - maintained the Bronze Healthy Working Lives award and currently progressing to achieving the Silver Award. This has included a significant amount of activities and information campaigns including leading on Mentally Healthy Workplace Training, Menopause Factsheet, CPR training etc
 - continued to provide quality and valued HR advice and support for managers and employees across the full range of employment issues i.e. disciplinaries, grievances etc., and supported through to resolution, in many cases successfully supporting resolution at the informal stage
 - continued to develop and drive strong employee relations with the Partnership Forum
 - continued to provide dedicated professional high-quality support to managers in managing sickness absence to reduce sickness absence across the organisation and promote health and wellbeing
 - continued to refresh our key policies and review guidance for managers
 - commenced phase1 of the implementation of a new HR/Payroll system

across both organisations.

This report provides more detailed information of how these objectives have been met.

3. HR STRUCTURE AND SHARED SERVICES

- 3.1 The implementation of a shared Human Resources service between the SSSC and the Care Inspectorate began during the third quarter of 2017. The rationale for the creation of a shared service team was to reduce duplication, improve efficiency and improve best value for both organisations. Within the overall team, there is a wide pool of experts providing high quality customer service through simplified, consistent processes based on legal compliance and best practice.
- 3.2 Initially, little progress was made on the implementation of the shared service, and the Head of HR left our employment. In July 2018, the Care Inspectorate's Senior HR Adviser was given an opportunity to act up to position of Head of Human Resources on an interim basis and a temporary team structure was agreed by both the Management Group (EMT), Scottish Social Services Council (SSSC) and the Executive Group, Care Inspectorate (CI). Appendix 1 provides the current temporary HR team structure.
- 3.3 Within the current structure, a business partnering model has been created to ensure that each directorate has a dedicated and committed HR team to work with. There are two Senior HR Advisers who lead each of the functions and provide a dedicated management service to each of the organisations. Each team has a dedicated HR Adviser and HR Assistant who lead a key function within HR and also provide a dedicated HR advisory service to a particular area of the business.
- 3.4 The temporary structure is in place until September 2019, however, an evaluation has begun and this will be provided to the Executive Group of CI and EMT of the SSSC for their consideration in due course. It is anticipated that a permanent shared services structure will be in place by October 2019.
- 3.5 The most recent major event in March 2019, to continue the transition towards a more streamlined and co-ordinated function, was the move to one large office with all the HR team working together. HR work collaboratively with a wide range of support functions throughout both the CI/SSSC and this move ensured that we stayed close to our colleagues across the organisations.

4. POLICY/GUIDANCE DEVELOPMENT

- 4.1 Good people management policies set out the organisation's commitment to its workforce in relation to all aspects of employment and define many key rules that govern the organisation. With over 40 people management policies in place, HR have a clear three-year policy review programme in place.

4.2 Around 12 policies are currently being reviewed in line with the policy review timetable for 2019/20 and are on track to be completed. These include:

- Dignity at Work Policy
- Grievance Policy
- Smoking Policy
- Alcohol and Drug Policy
- Special Leave Policy
- Establishment Control
- Workforce Change
- Salary Protection
- LGPS Employers Discretions
- Carers Leave
- Exit Interview
- Agile Working

4.3 In addition to these, there are also health and safety policies due for review which are taken forward by our health and safety team.

5. PAYROLL

5.1 A contract for the provision of a new HR/payroll system and outsourced payroll service was awarded to Zellis (previously NorthgateArinso) in April 2018. Setup work commenced in May 2018 and our first live payroll was processed in October 2018 with all staff being paid successfully in the first pay run.

5.2 While we are currently behind in our implementation, feedback on the self- service functionality has been positive with users finding it more intuitive than the previous system (Pulse). Discussions are underway with the service provider to bring the implementation back on track and resolve any discrepancies between the services and functionality agreed contractually and those currently being delivered.

5.3 Separate to the rollout of a new system, we have used the development of the new HR Shared Service to review how we coordinate payroll activity. Payroll has historically involved both the HR and Finance teams who have a mutual interest in the process, and although the teams have always worked together informally, there has never been a formal coordination of payroll activities. In October 2018, we established a Payroll Delivery Team consisting of representatives from both teams who worked together to deliver payroll operations for the organisation alongside Zellis and all parties attend a weekly conference call. It is envisaged that once the major implementation work is complete, the team can work on new and more efficient ways of working.

6. REWARD AND BENEFITS

6.1 We have undertaken some benchmarking of our overall reward package and believe our overall offering remains very competitive.

- Of 41 public bodies in Scotland that information was available for, the

SSSC's annual leave entitlement is the highest. An analysis of an XperthHR benchmarking report suggested this entitlement is also very generous when compared to other employers in general.

- Of the 41 public bodies, the majority work 37-hour weeks compared to the 35-hour week at the SSSC.
- Some employers had maternity/paternity/adoption benefits that exceeded the SSSC's offering, but the SSSC's offering was financially in line with what the bulk of employers were offering.
- The SSSC's pension provision (the Local Government Pension Scheme) is very generous compared to defined contribution schemes that are offered by most other employers.

6.2 Discussions are currently underway with the Partnership Forum around the 2019-20 pay award.

7. EMPLOYEE BENEFITS

7.1 The SSSC offers employees a strong mix of employee benefits within a supportive environment.

7.3 The complete employee reward package includes a competitive annual leave and public holiday entitlement together with a range of family friendly policies, health and wellbeing offerings, continuous professional development/educational opportunities and a generous defined benefit pension scheme.

7.4 In addition, other leave options are available to employees to assist during times of illness, injury and various life events which include special leave, flexi leave, flexible working, flexible retirement etc.

7.5 In addition to this the following benefits, as result of Healthy Working Lives (HWL), are also available to employees.

7.6 Credit union

7.6.1 Discovery Credit Union was implemented in March 2019 and 2 employees joined the scheme in March 2019. One employee joined the credit union in April 2019 which makes a total of three employees at present who are members of the credit union scheme.

7.6.2 Throughout the year it is intended that the credit union scheme is promoted through HWL via posters in all break out areas and a communication sent out to all employees via the i-Bulletin and weekly update.

7.7 Childcare vouchers

7.7.1 20 employees are in the original Edenred childcare voucher scheme. As a result of a new government initiative - Tax Free Childcare - this scheme is no longer available.

7.7.2 However, if any employees had joined the childcare voucher scheme on or before 4 October 2018 there is still the facility to keep getting vouchers

or directly contracted childcare as long as they have not previously made a successful application for Tax-Free Childcare, they remain with the same employer and their child remains eligible. If they are a member of the Childcare Vouchers scheme and decide to leave they cannot re-join.

- 7.7.3 Regular communication/promotion of the schemes are planned throughout the year with the next scheduled for May 2019.

7.8 Cycle to work

- 7.8.1 One employee joined the cycle to work scheme in 2018-19 and purchased a bike. Further promotional campaigns are scheduled to take place with a joint promotion on Bike Week together with our Cycle to Work scheme week beginning 3 June 2019.

7.9 My lifestyle

- 7.9.1 The "mylifestyle" hub gives all employees access to a range of employee benefits and rewards to suit individual lifestyles. These include discounts and offers for supermarkets, high street stores, holidays etc, together with a "myresources" page which provides help, guidance and tips on how to budget and manage money with links to useful advice websites, video tips and money saving calculators.
- 7.9.2 Since its launch in 2017, 70% of our workforce have signed into the portal and £20,985 of discount vouchers have been purchased through it totalling savings of £1,266 for our employees.

8. HEADCOUNT AND FTE

- 8.1 The organisation's headcount for 2018-19 was 268. The table below shows the headcount for previous years for comparison.

	FTE	Headcount
18-19	252	268
17-18	250	264
16-17	258	272
15-16	249	263
14-15	225	238

9. AGE PROFILE – as at 31 March 2019

9.1	A Under 25	6.96%
	B 25-34	31.87%
	C 35-44	23.81%
	D 45-54	20.88%
	E 55-59	11.36%
	F 60-64	4.76%
	G 65+	0.37%
	Grand Total	100.00%

10. LABOUR TURNOVER – 18-19

- 10.1 Labour turnover figures show the amount of people who left an organisation as a percentage of the number of people employed over the same period. At the SSSC, labour turnover for 2018-19 is currently 15.3% (voluntary i.e. resignations = 13.4%, the remaining percentage is made up of dismissals, ill health retirements, fixed term contracts ending etc.) which compares with 14.4% for 2017-18 (voluntary = 9.1%).
- 10.2 Starters - 43 external new starts and 31 internal promotions.
Leavers - 41 leavers.
- 10.3 Voluntary turnover has been high over the last year in Fitness to Practice. However, fluctuations in resignation rates are common from time to time and it will only be a concern if a high level of turnover continues over a prolonged period. We will continue to monitor and report on turnover.

11. ILL HEALTH RETIREMENTS

- 11.1 There has been one ill health retirement.

11.2 Retirement Workshops

- 11.2.1 A "Planning for Your Future" workshop is available for all employees considering or nearing retirement (within five years). This is provided by Age Scotland and is a one-day session to help employees make an informed decision about their choices. The session provides an opportunity to spend time with a number of experts - an independent Financial Adviser, Solicitor, Allied Health Professional and Career Adviser.
- 11.2.2 The session covers the following topics:
- Managing the change that retirement brings
 - Financial matters
 - Health & wellbeing
 - Enjoying your time
 - Legal matters
 - Action planning for the future

12. FLEXIBLE WORKING ARRANGEMENTS

- 12.1 94 staff in our workforce have a flexible working arrangement e.g. condensed hours or a flexible working pattern of some sort. 65 of these 94 are part time.

13. RECRUITMENT ACTIVITY

- 13.1 While the SSSC continues to take a balanced approach to recruitment, actively seeking to fill job openings internally whenever possible, it is sometimes necessary to bring in specific skills and experience from the external labour market.
- 13.2 In 2018/19 the following SSSC recruitment statistics apply :

- 54 recruitment campaigns including 15 internal campaigns
- 500 applications received (including notes of interest and CVs) across 54 campaigns
- currently preparing a bank of pre-prepared advert, job profiles, person spec
- working with internal communications to establish a shared workflow to post vacancies on a timely basis which is planned and within each department's capacity
- working with internal comms to develop a recruitment microsite to increase the visibility of vacancies and to position ourselves as an employer of choice to attract best talent.

13.3 HR are committed to reviewing and redesigning our current approach to recruitment to ensure that the SSSC can identify and secure the best talent in a timely manner.

13.4 We continue to research best practice in terms of social media channels and the use of external review boards e.g. LinkedIn, Glassdoor to create a better understanding of our employer brand and reputation.

14. YOUTH EMPLOYMENT – MODERN APPRENTICES

14.1 7% of our staff are between the ages of 16-24 with many of them in development roles (e.g. Trainee Solicitors, Apprentices, Interns, Precognition Assistants).

14.2 There are currently four modern apprentices within SSSC – Human Resources, ICT and Registration.

14.3 Philip Gillespie, Director of Innovation and Development, is currently looking at EMT and Operational Management Team (OMT) members mentoring modern apprentices. It is hoped this will be developed shortly.

14.4 On Monday 4 March 2019, we welcomed Bill Bowman, MSP for North East Scotland to both the SSSC and CI as part of our celebrations in support of Modern Apprenticeship Week, the aim of which was to highlight the benefits to both the organisation and our Modern Apprentices of having this programme in place. Also in attendance was a representative from Skills Development Scotland who co-ordinate Modern Apprentice week and Neil Mason from Quest, an external Modern Apprentice assessor. All of the Modern Apprentices were present at the event, as were their line managers and Lorraine Gray, Chief Executive, SSSC and Peter Macleod, Chief Executive, CI.

14.5 The event provided an opportunity for discussion about the importance of the programme in providing an alternative route towards a recognised qualification and work experience for those who do not wish to go onto College or University once they have left school education. The Modern Apprentices had the opportunity to tell those present how they are finding their experience and how it is benefitting them both now and in the future.

14.6 Their work provides a great support to teams across the organisation

together with providing them with the knowledge and skills that will help them progress both internally and externally.

14.7

Our work with Modern Apprentices supports our commitment to youth employment in supporting young people and helping them develop in the world of work.

15. INVESTORS IN PEOPLE

15.1 Investors in People is a standard for people management which started out as a UK Government project and is now an independent, not-for-profit company that helps thousands of organisations to lead, support and manage people well for sustainable results. Measuring our progress to this standard helps us to improve the employee experience of working at the SSSC.

15.2 There are four levels of award - Standard, Silver, Gold and Platinum (top 1% of organisations). Within each of these there four levels of "maturity" (Developed, Established, Advanced and High Performing). SSSC currently holds the Silver level award.

15.3 From 2015 when the SSSC were first awarded silver level to the latest assessment in late 2018, the SSSC moved from 'developed' to 'established' levels of maturity in the areas of building capability and structuring work.

15.4 Highlights of work undertaken this past year which has enabled SSSC to retain silver award status includes:

- redesign of the performance and development review process to what is now called the development discussion. This was released in Aug 2018 and supports employees career aspirations and development activities. The development discussion links to the SSSC Leadership and Management Competency Framework which was released in 2017
- continued promotion of Values in Practice award program to recognise employees
- continued promotion of SSSC values in corporate induction sessions.

15.5 An action plan has been developed of work planned for 2019/20 which will help progress attainment of the gold award. Some of these actions include:

- 15.6
- strengthening leadership and management capability to support consistent good practice
 - introducing new talent management initiatives and reviewing existing recruitment policy
 - regular staff survey program
 - consider supporting social wellbeing and developing a corporate social responsibility strategy
 - support a respectful culture with training such as dignity at work and respectful challenge.

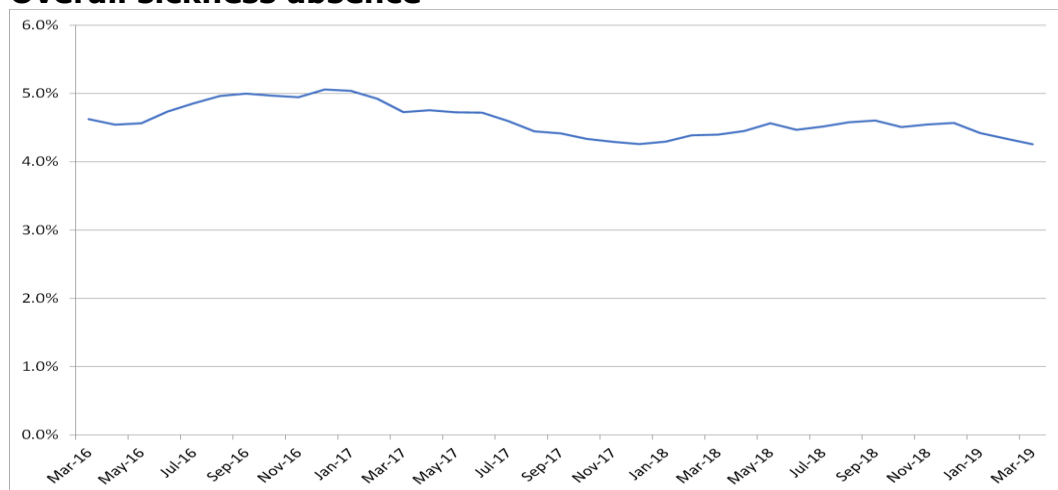
16. DISCIPLINE, GRIEVANCE, DIGNITY AT WORK, CAPABILITY

- 16.1 Although there are no current open employee relation cases at this time, there is one current employee suspension which is being managed under the Maximising Attendance policy.
- 16.2 During 18-19, the following employee relations cases took place:
- One Disciplinary – concluded September 2018 – written warning.
 - Two Grievances – both went to appeal and concluded September 2018 and December 2018. Both employees currently on long term sickness absence. This is being managed through the SSSC Maximising Attendance Policy.
 - One informal Dignity at Work – concluded June 2018 – no further action.
 - One Capability - concluded September 2018 – dismissal.

17. SICKNESS ABSENCE

- 17.1 Note that the rates shown on the sickness charts are the 12-monthly rates as at that date (i.e. the figure plotted on May 2017 will be the 12-month period up to May 2017) rather than the figure for that month.
- 17.2 For information, overall sickness absence from April 2018 – March 2019 is 4.3%. The chart below shows several year's data to allow for comparison.

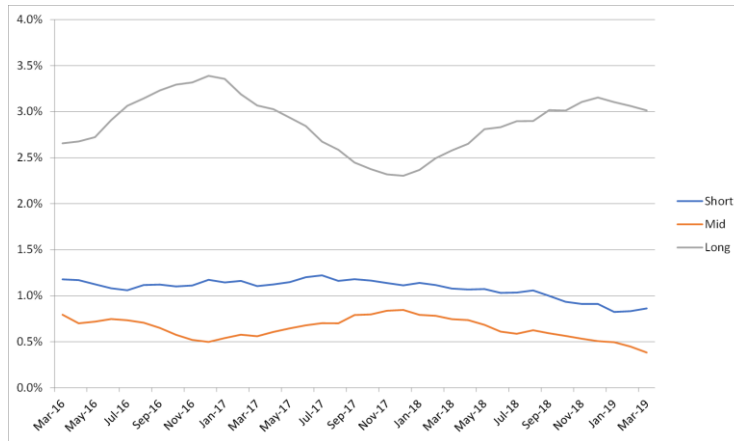
17.3.1 Overall sickness absence



17.3.2 Short / long term sickness

For information:

- Short term = up to 7 calendar days
- Mid term = 8-27 calendar days
- Long term = 28+ calendar days



17.4 Sickness absence levels vary from year to year and there are many factors that can influence this e.g. the number of staff off on long term sickness absence, flu pandemics etc.

17.5 HR continues to prompt and support managers in robustly managing both short and long term absences. In addition, HR have regular monthly case management meetings to ensure all sickness absence is captured and to continue to review best practice and seek out additional ways of driving down sickness absence.

18. **EMPLOYEE ASSISTANCE PROGRAMME – HELP**

18.1 A number of wellness opportunities are offered to employees through our HWL initiatives. Also offered is a confidential Employee Assistance Program (EAP) which is an online and offline personal support programme that gives employees unlimited access to a range of specialist support and information including financial, relationships, health, legal and family care, plus access to the Wellbeing Zone. This includes information on weight management plans, healthy eating, stress management solutions, 10-minute wellness, general advice centre.

18.2 This year (April 2018 – March 2019), the average number of counselling sessions was 2.3, with two clients receiving mental health assessments and referred for counselling and structured interventions.

18.3 Lack of uptake on employee assistance programmes is notoriously low across the UK and views on this range from employers thinking they have a happy workforce to other statistics that contradict this e.g. high absence figures.

18.4 HR are committed to raising awareness to the EAP with a most recent communication being issued in April 2019.

18.5 In addition, for all HWL activities e.g. Mentally Healthy Workplace Training, Mental Health awareness week, and all other information campaigns, HR ensures that full details of the employee assistance programme are included on all communications or at any actual events, including inductions.

- 18.6 HR will continue to include raising awareness on the employee assistance programme and ensure that it has a presence at all future relevant trainings/briefings, together with planned communications/promotions

19. HEALTHY WORKING LIVES

- 19.1 Healthy Working Lives (HWL) became a sub group of the Health and Safety Committee on 12 February 2019. It was agreed that HWL would feature as a standing item on the Health and Safety agenda and that there was no further requirement for formal HWL meetings. However HWL would still maintain their action plan and continue to develop and promote key health and wellbeing initiatives across the SSSC and CI.
- 19.2 The HWL bronze award has been successfully maintained and is due for review in September 2019. The majority of the required criteria has been completed for the silver award. The outstanding elements are for the revised Smoking Policy and Alcohol and Drugs Policy to be ratified by the Resources Committee on 5 June 2019. Thereafter these will be submitted and uploaded to the NHS HWL portal for final sign off. Once this has been signed off, a site visit from NHS HWL will be arranged and this will complete the process.
- 19.3 HWL are committed to promoting health and wellbeing across both the SSSC and CI and have an extensive action plan in place which is continuously updated, reviewed and added to. HWL welcome ideas and thoughts for any health and wellbeing initiatives from all employees and this is communicated out on a regular basis via the Weekly Update or i-Bulletin.
- 19.4 Detailed below are a few of the health and wellbeing activities and information campaigns that have taken place over the last year:
- two blood donation days last year on 29 May and 1 November 2018 and in total across both dates 79 pints of blood was received
 - a flu vaccination day was held in October 2018 and 36 staff attended
 - in January 2019 a Menopause factsheet was prepared and published with information such as what the symptoms are, how it can impact women in the workplace and what we can all do to help our colleagues going through menopause
 - in January 2019 a promotion was prepared and published reminding staff what fitness and wellbeing activities are available to them including corporate gym membership at Leisure Active Dundee, Yoga, Body Balance, Cycle to Work, Park Lives, Couch to 5k and the My Lifestyle portal. We contacted private gyms and other local authorities and now have information about other gyms staff can join and get discounts at. This was communicated to all employees in an Easter fitness promotion in April 2019
 - HWL led a Mentally Healthy Workplace Training pilot session in March 2019 with the training scheduled to be rolled out to all managers with the online section to be made available to all employees in Q3/Q4
 - an annual Pedometer/eight-week Step Count Challenge is held which originally began in 2016. This year's challenge is currently underway

(May-June 2019) and 13 teams across SSSC and CI are participating.

19.5 In addition, HWL have done 14 promotions in line with key monthly UK health campaigns and these are Skin Safety, The Big Pink (breast cancer awareness), Hidden Illnesses, Lung Cancer Awareness, Wear It Beat it (British Heart Foundation), Cervical Cancer Prevention, Christmas Jumper Day, Mental Health Awareness Week, No Smoking Day, National Walking Month, On Your Feet Britain Day, Stress Awareness Month, Time to Talk Day (mental health) and Walk All Over Cancer.

19.6 HWL continue to promote and be actively involved in a variety of healthy working lives initiatives. The support for all HWL events or information campaigns is tremendous. In every single event, information campaign or activity, there has been excellent employee participation and engagement.

20. RESOURCE IMPLICATIONS

20.1 This report is for information only. There are no direct resource implications as a result of it.

21. LEGAL IMPLICATIONS

21.1 There are no legal implications arising out of the terms of this report.

22. STAKEHOLDER ENGAGEMENT

22.1 There is no stakeholder engagement activity as part of this report. However, the report will be shared with the SSSC's Partnership Forum.

23. IMPACT ON PEOPLE USING SOCIAL SERVICES AND CARERS

23.1 This report is for information only and there is no impact on users and carers.

24. CONCLUSION – LOOKING AHEAD

24.1 While the past year in HR has seen many highlights and challenges, there has been considerable progress made to support the organisation and the workforce through a shared service approach.

24.2 Looking Ahead - HR plan to continue to transform the way we recruit, continue to proactively manage employee relation cases and upskill line managers to deal with people related issues.

24.3 HR will hold briefing sessions on key policy/guidance development as well as setting out our offering in terms of an HR Customer Charter and the HR offering for key work streams such as recruitment.

24.4 We will continue to improve and enhance our current high-quality service and will continue to revisit how things are done and explore or new digital technology options that can help create efficiencies and streamline processes.

25. BACKGROUND PAPERS

25.1 None.