Agenda item	**21**
Report no	**EDI 20/17**

HIGHLAND COUNCIL

Committee: **Environment, Development and Infrastructure Committee**

Date: **8 November**

Report Title: **Community Services Workforce Plan**

Report By: **Director of Community Services**

1.   **Purpose/Executive Summary**

1.1   This report sets out a summary of the Community Services Workforce Plan for 2017 - 2021.

2.   **Recommendations**

2.1   Members are asked to note the Community Services Workforce Plan 2017 - 2021.

3.   Background

3.1   Workforce planning is the process that organisations use to make sure they have the right people with the right skills in the right place at the right time. At Weekly Business Meeting on 24 April 17 it was agreed that a consistent approach to workforce planning should be implemented across all Council Services and presented in a consistent format. It was further agreed that these plans should reflect the design principles and action plan timescales attached at **Appendix 1**.

3.2   Workforce plans were last presented by Services in Autumn 2015. Since then workforce requirements have been directly affected by budget cuts, VERS and EERS. Moreover, ongoing redesign work, peer reviews and the Chief Executive's restructure proposals means that Workforce Planning is a strategic priority. The overall aim is to produce a Corporate level Workforce Strategy by the end of October 2017. To inform the corporate requirement, service level workforce plans should, wherever possible, take account of opportunities across Services.

3.3   Effective workforce planning will support Community Services to:

- deliver improved services;
- review how many employees are needed;
- manage employee budgets effectively; and
- ensure sufficient and appropriate training is provided to cope with variations in supply of and demand for various skills.

3.4   The Community Services Workforce Plan has been prepared using the Highland Council six point model, which is reflected in the layout of this paper. The period of the plan is from 2017 – 2021, which will be a rolling 4 year plan, monitored and reported to the appropriate Committee on an annual basis.

4.   Context and Environment

4.1   As part of the Workforce Planning exercise, the Community Services Senior Management Team undertook focused sessions to consider the design principles provided corporately, as well as reviewing outcomes from WFP exercises in 2015.

4.2   Although the majority of the Service objectives stay the same, there are several areas that have emerged as key changes that require to be taken cognisance of.

4.3   Changes have occurred in relation to the impact that Localism and Council Redesign has and will have on the development of a realistic Work Force Plan for the next 4 years. Specific changes of approach were highlighted in relation to economic factors that needed to be taken into consideration, for example:

- potential impact of Brexit;
- current pay scales and terms and conditions which has the potential to affect the organisation's ability to address skill shortages;
- savings target of some £160 million over the next 5 years;
- requirement to match workload to resources; and

- effect of demographics and an ageing workforce.

4.4   The Service's need and continued appetite to look at establishing a flexible and agile workforce was consolidated through discussion; this being further accentuated by the requirement to bring two external contracts back in-house.

4.5   An additional 'driver' in relation to workforce planning was the recognition of work that needed to be further developed to meet needs of our elected Members and communities in relation to improved communication.

4.6   Further cognisance was taken of the impact of ICT. The Service has the strategic input of an ICT Business Partner and as such the 'business' efficiency and support of staff will be facilitated by a focused ICT approach going forward.

4.7   There was clear recognition that corporate and service ICT needed to have 'fit for purpose' processes, and accurate management data systems to enable effective and efficient decision-making to support management and staff in their roles. Identification of equipment and improvement of ICT processes will aid and improve service delivery and output e.g. mobile working, performance improvement and customer responsiveness. Training in corporate ICT systems as well as access to ICT was identified as a business need.

5.   Future Workforce Profile

5.1   When considering its future workforce profile, Community Service's Senior Management Team acknowledged the impact that budget implications will have on staffing resource. Future Workforce Profile statements provided an overview of recognition of what needed to change from current staffing establishment.

5.2   The need to utilise as effectively as possible the current workforce and prioritise service delivery as agreed by Members was the main focus.

5.3   Addressing service inefficiencies through more focused management approaches using Council policies together with partnership working with Trade Unions will work to ensure sustainable workforce. Areas such as reducing overtime budgets, ensuring that the use of agency workers is cost effective and that terms and conditions promote use of flexible working.

5.4   Attendance management to ensure staffing resource was as productive as possible would continue to be a focus.

5.5   Requirement that staff within Community Services understand and are able to work to their current roles with a more focused approach on performance management and staff development.

5.6   Achieving these requirements in developing a workforce for the future rests on the management abilities of tier three and four managers. It is critical that the development and empowerment at this level of management is recognised and supported as a key priority.

5.7   Along with the recognition of developing management skills, it was clear that communication and engagement with staff was necessary to ensure appropriate change management processes occurred when implementing actions from the Work Force Plan.

5.8   In May 2017, the Community Services Senior Management Team provided detailed information on their current and projected staffing resources to aid in the development of a corporate workforce planning exercise. This exercise provided clear indications of possible corporate synergies, i.e.:

- Housing and Building Maintenance identified potential synergies within the Housing and Property section of Development and Infrastructure Service which would need to be mapped to ensure best fit;
- Roads and Transport highlighted synergies with Development and Infrastructure within the engineering and flooding teams; and
- identified synergies within Community Services Transport provision with Development and Infrastructure and Care and Learning Services.

5.9   This provides scope to consider and offer realistic alternatives and options for staff through rationalisation of a number of job roles which should create more flexibility across different teams and services and support the transition model being developed as part of the Corporate Strategy on Workforce Planning.

6.   Current Workforce Profile

6.1   The Service has a total of 1,419 staff. The majority of staff in Community Services (68%) are HC3, 4 and 5 and part of the Technical and Practical job family, as defined within the Job Evaluation Scheme.

6.2   76% of staff within Community Services are job evaluated within the same Job Family - Practical and Technical, which provides the service with an opportunity for identifying synergies across the Service as well as corporate synergies for the most effective utilisation and development of staff.

6.3   Age profile: currently 76% of the current workforce is over 40 yrs. of age – with 48% over 50.

6.4   Another initiative that the Service is keen to utilise due to the ageing workforce and succession planning programme is the utilisation, where appropriate, of the Modern Apprenticeship scheme. Currently we have 32 apprentices in craft skills such as joinery, mechanics etc. with Modern Apprenticeship frameworks being investigated for difficult to recruit to posts in areas where succession planning is a key priority. These issues should also be addressed through the continued development of corporate initiatives and solutions through 'transition' portal.

6.5   Restructuring has been a constant theme since the Service was formed in 2014. The most recent restructuring in 2016 has been the most significant change to date, moving from an integrated to a functional service delivery model. This resulted in a reduction of the Senior Management Team from 8 Heads of Service and Area Managers to 4 Heads of Service covering Roads & Transport, Housing & Building

Maintenance, Environmental & Amenity Services, and Performance & Resources.

6.6   This has also resulted in a new structure for 3rd tier managers across all sections with recognition that new Heads of Service have had to implement major change over a very short period of time and continue to deliver services to the standard demanded of Highland Council Members and the public.

6.7   Sections within the Service continue to restructure as an outcome of redesign and review of needs of the organisation for the next four years. Currently there are three structure reviews occurring within Transport; Building Maintenance, and Amenities.

6.8   There has also been a reduction of approximately 60 staff since April 2016 as a result of the Employee Early Release Scheme.

7.   Absence Management

7.1   The Service has made a focused and concerted effort to address levels of absence, by providing directed training and tool box talks along with a proactive management approach. This has resulted in a visible drop in absence statistics from 3.61 actual sick days per person in 2015/2016 to 2.91 in 2016/2017 - a marked improvement. The current Highland Council average rate is 2.58. Through continued use of management information and a focused approach by all managers, the Service has witnessed a change in behaviour of staff with regards to attendance management and, as stated, continues to see improvement.

7.2   Within Community Services there are staff teams that are, and will be, affected by 'wear and tear' due to their current occupational role. Within the Corporate Workforce Planning Strategy the proposed transition ideology in developing a corporate flexible workforce would be a positive step to fully utilising a workforce taking into consideration physical and mental aspects of their recruited to role. This would also provide additional benefits of potentially reducing work-related absence and losing staff through medical capability.

7.3   Another element of this reduction is the specific focus on reaching 100% Employee Review and Development (ERD) outcomes for all Community Services which was set by the Director in 2015. The ERD process covers staff health and welfare and their ability to meet the requirements of their contractual agreement with the Service. It also supports the development of performance management ensuring that all employees have a clear understanding of their role and responsibilities in relation to their job evaluated grade, and are supported to achieve standards demanded by their roles and grade. Prior to 2015 ERD completion rates were hovering around 25%. Currently the service is delivering 85%+ completed ERDs.

7.4   As a result of improved attendance management, agency worker numbers continue to be managed appropriately (fewer required). Exercises on identifying posts of longer term agency workers have been carried out and addressed resulting in decisions on filling vacant posts rather than continually using agency workforce. As part of the future workforce profile statements and action plan the Service will identify areas that require agency workers on a regular basis with a view to either increasing staffing establishment or utilising more effectively current establishment

or training staff to meet needs of service delivery, thus reducing need and cost of agency or using external contractors.

7.5 It should be understood however that the use of agency workers, within such a demand-led Service, will continue to be essential for several functions that otherwise would not be able to operate on a daily basis.

8 Workforce Actions

8.1 Please refer to **Appendix 2** for a detailed Workforce Action Plan.

In summary, to ensure that the Service has the appropriate workforce going forward, this will be achieved through:

- developing an affordable and sustainable workforce;
- identifying synergies within the Service to help develop a more flexible workforce, job affirmation and/or redesign;
- delivering appropriate training and development; and
- continuing to focus and deliver Highland Council policies and procedures e.g. Attendance Management.

8.2 The Service Directorate will allocate Heads of Service to all of the work streams to determine the scope of the elements and work with appropriate people throughout the organisation to define necessary actions and be responsible for outcomes identified.

8.3 Several of the actions have already begun through work undertaken at Service restructure in identifying key learning and development needs to ensure efficient and effective service performance and delivery. Work such as specifically directed and mandatory management training programme ILM 5 incorporating coaching and mentoring programmes on any further or specifically identified development needs of the individual.

8.4 The Service is also committed to the delivery of ILM 2 and 3 to staff reporting to tier 3 Managers to ensure they have the appropriate skills necessary to deliver their role and responsibilities. This action will ensure that there is a standard and consistent approach to management development within the Service that should be recognised and acknowledged by staff as a career opportunity which supports clear succession planning.

8.5 Several actions identified through the Workforce Plan will be linked to work streams covered in the Corporate Workforce Strategy, for example, improvement of management data and business processes.

9. Implications

9.1 Resource: There are positive resource implications from a WFP in relation to best use of workforce, less absence, less agency and so on

9.2 Legal: No implications.

9.3   Health & Safety: Correct training and awareness raising for multi-skilled teams, for example, ensures compliance and best practice

9.4   Community (Equality, Poverty and Rural): No implications.

9.5   Climate Change / Carbon Clever : No implications.

9.6   Other Risks: No implications.

9.7   Gaelic: No implications.

Designation: Director of Community Services

Date: 16 October 2017

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Background Papers: Community Services Workforce Planning Papers, 2015, 2016;

Corporate Workforce Planning Strategy 2017

Corporate Workforce Planning 2017 – 2021 Design Principles and Suggested Action Plan

References:

A. Highland Council Financial Strategy 2017 – 2021
B. Highland Council Workforce Planning Guidance & Toolkit

Design Principles:-

- Aspire to be the Employer of choice in the Highlands

- Develop a medium term workforce aligned with the financial strategy

- Align the workforce plan to key service delivery outcomes, reflecting the need to retain skilled and valued staff

- The Workforce plan should be driven by the change agenda towards localism, Redesign, digital, commercial and efficiency

- Focus on transition and retraining as positive alternatives to redundancy

- Improve recruitment to better meet service outcomes and attract skilled workers into difficult to fill posts

- Cultivate a better understanding of the existing common and generic skills of the workforce

- Development of a more flexible workforce with agile role designs and terms and conditions of service that meet the needs of employees and complements the strategic direction of the Council

- Implement management to staff ratios that create capacity and allow managers to lead and inspire

- Create structures that allows delegation of decision making to a local level and encourages empowerment of employees at all grades

- Re-balance the workforce age demographic

- Maintain good partnering relationships with trade unions

Owner	Stage 1 – by WBM 24 Apr 17	Stage 2 – by end of May 17	Stage 3 – Target date Oct 17
	(Reference B - Workforce Planning Guidance Steps 1-3)		(Reference B - Workforce Planning Guidance Steps 4-6)
Director Finance	Provide Medium Term Financial Plan		
Service Directors	Create medium-term workforce requirements that reflect the long term financial strategy and Workforce planning design principles. HR Business Partners will support*		
HR / Finance	Current Workforce by Service: • Age demographic • Diaspora of staff (Partial) • Breakdown of staff by Grade • Staff Budget • Absence stats • Number of leavers (past year) • Number of new starts (past year) • Turnover rates • Agency costs (finance)		
HR	Maintain dialogue with Trade Unions		
HR	Consolidate on transition lessons learned from 17/18 Budget experience		
HR	Fine-tune Transition portal		
L&D			Create training strategy (dependent on stage 1*)
All	Engage with other Public sector organisations to learn from best practice		
All	Create a mechanism to regulate recruitment to optimise efficiency initiatives and meet strategic outputs		
Service Director, HR, HR Business Partners			Develop action plans to transition workforce from current profile to profile created at stage 1* (dependent on stage 1)

Community Services Workforce Action Plan

Issue/Need	Actions	Outcome	Lead	Target date
Communication	Review of Community Services Communication Strategy to ensure fit for purpose Conduct a second Community Services Communication Survey focusing on communication and culture change	Strategy which improves change management within the service ensuring we meet staff, Member and public requirements on service delivery and customer care. Promoting, encouraging and working with staff to deliver a 'can do' approach across the service.	Head of Performance and Resources	Dec 2017
Requirement for a flexible workforce	Support Corporate Workforce Strategic Objective 8 regarding development of a flexible workforce	Identify potential synergies and review job families within Community Services and across Services. Input into Corporate Strategy utilising work already done within the Service.	Head of Roads and Transport/ Head of Environmental and Amenity Services	May 2018
Management Development	Working with Learning and Development to create a mandatory training and development programme for 3rd and 4th tier managers within Community Services	Monitor, evaluate and develop ILM management programme pilot and roll out to tier 3 and 4 managers. From ERD outcomes develop a Service Training Plan in conjunction with Learning and Development	Head of Environmental and Amenity Services	September 2018

Issue/Need	Actions	Outcome	Lead	Target date
Workforce management data	Feed into Strategic Objective 7 regarding accessible management data - identifying key datasets for Community Services Identify and communicate barriers to accessing or utilising data Ensure staff training is part of the outcome of the corporate strategy	Up-to-date reliable and easy to access workforce data in order to proactively manage establishment, absence and future staffing	Head of Performance and Resources	April 2018
Attendance Management	Continued management focus and monitoring of absence rates across the sections	Reduce the absence rate year on year (2017 - 2021) by 1. Identifying areas suffering 'high' absence rate 2. Identifying reason for absence and any trends 3. Identifying key staff and specific training needs of key staff 4. Ensure appropriate training is delivered 5. Communicate to staff that absence will be dealt with proactively according to policy 6. Implement and maintain policy 7. Review absence rates quarterly 8. Review progress annually	Senior Management Team	Ongoing
ICT	Feed into Strategic Objective 9	Develop IT Strategy for Community Services in conjunction with ICT Business Partner Ensure ICT for Community Services is fit for purpose and provides support to staff, improves service delivery outcomes where appropriate, and is utilised as effectively as	Head of Performance and Resources Senior Management Team	February 2018 Ongoing

Issue/Need	Actions	Outcome	Lead	Target date
		possible. Identify efficiency savings (time and cost) in relation to use of IT.		
Partnership working with Trade Unions as representatives of collective bargaining with The Highland Council	Feed into Strategic Objective 1 and 8	Continue developing service partnership with Trade Unions as representatives of a percentage of Council workforce, to ensure effective consultation, information and communication systems for those staff. Also acknowledging staff who are not members of a Trade Union in relation to information and appropriate levels of consultation.	Director of Community Services	Ongoing