

Agenda Item	<b>14.</b>
Report No	<b>RES/34/19</b>

## HIGHLAND COUNCIL

**Date:** 28 August 2019

**Committee:** Corporate Resources Committee

**Report Title:** Corporate Workforce Plan 2019/20

**Report By:** Executive Chief Officer – Resources and Finance

### 1. Purpose/Executive Summary

- 1.1 In the last 15 months, the Council has developed a long-term approach to Workforce Planning. The Workforce Planning Strategy 2017-2023, approved by members in [August 2017 \(item 19\)](#), set out 5-year roadmap and a series of strategic objectives that will allow the council to maintain and develop our highly skilled workforce, a workforce that will allow us to continue to deliver the highest levels of service to our communities.
- 1.2 Part of the roadmap required Services to develop and present their individual Service Workforce Plans to strategic committees. Revised service plans have been approved by strategic committees in May 2019 (see background papers for link to current plans). This paper, using the Workforce planning strategy as a guide, combines the overall themes from the current Service Plans, and presents a set of objective-led Corporate Workforce Planning priorities for 2019/20. Service Plans will be further revised to realign with the Executive Chief Officer Service structure as part of the transition arrangements.
- 1.3 There has also been a refocusing of the workforce priority themes over the last 8 months following consultation and engagement sessions with members, senior teams and employees. The Corporate Resources Service Plan which was agreed at [23 May 2019 Resources Committee \(item 14\)](#), highlights the key themes of sustainability, flexibility, transition and training and development as the critical workforce components of the major change and redesign programme currently underway across the Council. These themes will be enabled by a Workforce Data Project which will create a HR digital programme of works covering the entire employee lifecycle from recruitment to retirement. The overall aim of the workforce plan is to sustain the workforce, improve performance and deliver services fit for the future. Engagement is critical to enable success. The Council's Health and Wellbeing Strategy will also underpin the programme of work with the relationship between employee and line manager playing a key role in wellbeing.

## 2.

### Recommendations

2.1 Members are asked to:

- i. consider the Corporate Workforce Planning priorities for 2019/20
- ii. note that the Transformation and Transition Paper at Council on 5 September will provide details of the resources required to deliver the priorities for 2019/20.

## 3. Implications

- 3.1 Resource - Additional staffing resource totalling 8.5 FTE will be required to deliver the workforce planning programme. This will present a new budget pressure.
- 3.2 Community - (Equality, Poverty and Rural) – Equalities Impact Assessments will be conducted as work emerges on the Talent Attraction Retention and Returns action plan and Brexit Readiness Plan.
- 3.3 Risk - Workforce sustainability has been included as a corporate risk in the Corporate Risk Register.
- 3.4 Legal – Care is required that large scale and complex workforce change is managed in line with current employment legislation and Highland Council policy.
- 3.5 There are no Climate Change, Carbon Clever or Gaelic implications identified.

## 4. Background

- 4.1 This Corporate Workforce Plan will underpin the councils priorities; sustaining a motivated and skilled Workforce is at the centre of the Council's Corporate Plan to "grow and retain our own skilled workforce in the Highlands; making it an exceptional place to come and study and to remain to work; further developing an ambitious modern apprenticeship programme to create increased capacity for modern apprenticeships beyond the original target of 150 by Autumn 2019; Develop processes for staff transition and retraining which support council redesign and a flexible workforce by April 2020 and collaborate with our partners to develop integrated workforce planning strategies to address skills gaps, attract key workers and encourage young people to return after studying away".
- 4.2 The most immediate challenge facing the Council in planning for the Workforce of the future is the lack of a long-term budget position to address the ongoing financial challenge. This is being mitigated to some extent through redeployment and proactive vacancy management. However, long-term alignment of financial and workforce planning remains fundamental to the sustainability of service delivery.
- 4.3 It is expected that the Council will need to consider a range of innovative and far-reaching options and that members are likely to be asked to give consideration to these in due course due to the scale of the fiscal constraints being faced by the Council over the course of the next few years. The Council will continue to place great value in our partnership agreement with Trade Unions and priority will always be given to meaningful and constructive consultation in delivering solutions.

4.4 The current resource within the HR team, which includes Learning & Development, Modern Apprenticeship Team and Occupational Health, Safety and Wellbeing is well below the benchmarked industries standards. Since 2011 the median ratio of employees to HR professionals in UK organisations has reduced from 80:1 to 39:1. To an extent this reflects the increasing value placed on employee contribution. In the same period at Highland Council the ratio has increased from 154:1 to 285:1. This means that the median UK employer will have seven times more HR professionals than the Council. The work of the HR team will be critical in supporting the new 8 Executive Chief Officer Service model along with the priority workforce planning work specified in this report.

## **5. Engagement**

5.1 To support the change programme and transformation, the Council has embarked on a series of staff engagement sessions in November 2018 and January 2019. Employee Forums have also taken place in Inverness and Dingwall in June 2019. Additional employee forums are being set up in areas across the Highlands which will enable a small dedicated group of employees across services to meet regularly with senior managers to discuss issues to strengthen staff participation and involvement in taking forward transformation in the Council. This work replicates good practice outlined in [‘Engage for Success’](#) which is a voluntary movement committed to promoting employee engagement.

5.2 The Staff Partnership Agreement with the Trade Unions is now well established, however will be reviewed with our Trade Union partners in line with the new Organisational Framework.

## **6. Sustainable Workforce**

6.1 Service plans have identified diminishing numbers of people available within the labour market in the Highlands, specifically in areas of teaching, social work and professional job families. These recruitment challenges are expected to exacerbate in the medium term, with significant youth out-migration predicted. The details of the workforce sustainability challenge facing the Council can be found in the Talent Attraction, Retention and Returns paper considered at Council in [December 2017 \(item 17\)](#).

6.2 The current Terms and Conditions offered by the Council are excellent when compared to many other organisations, this has a positive impact in attracting and retaining staff which will be more actively promoted and marketed in recruitment material.

6.3 The Modern Apprenticeship (MA) Programme is on target to achieve 150 modern apprentices into training by Autumn 2019 and looking to expand to 200 by Spring 2020. This figure includes a mix of occupations: Business Administration, Early Years Childcare, Project Management, Housing, Civil Engineering, Trades, Mechanic and IT; with others doing Graduate Apprenticeships (GA) in Civil Engineering, Renewables Engineering, Surveying, and Design & Manufacture.

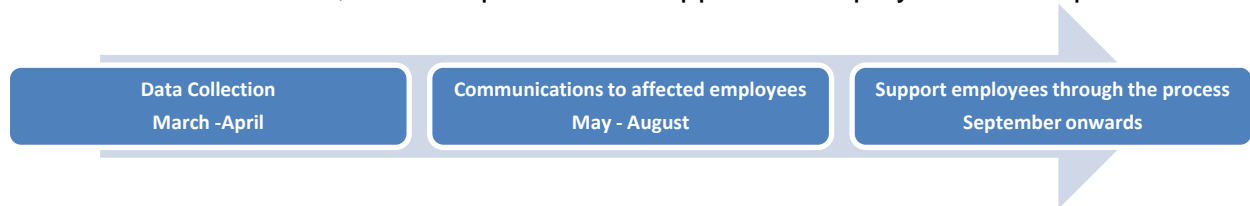
6.4 As well as providing upskilling for existing staff the MA Programme is also having a positive effect in attracting new employees to embark on a career in the Council. However, youth out-migration is a significant and growing challenge for the Public Sector in the Highlands; the Council is therefore committed fully to the regional Talent Attraction Retention and Returns Action Plan. The MA Programme is a highly successful initiative and one which we will continue to develop. Projected increase beyond 2020 as stated in the Corporate Plan will require an additional Learning and Development and administrative resource to support the programme.

- 6.5 The Talent Manager started on 1 June 2019, for a period of 12 months, funded from the Change Fund. This role is to lead the Council's talent attraction initiative and to develop, implement and oversee a corporate talent attraction strategy. In order to achieve this, the Talent Manager has been tasked with identifying problematic posts and locations to recruit to through Service Workforce Plans, create a suite of advertising/recruitment strategies and work in collaboration with partners (NHS, HIE, UHI). This work will also include reducing the reliance on agency workers in some parts of the Council.
- 6.6 The recent redesign review of agency workers made a number of recommendations which are currently being implemented. Inevitably, due to the need to maintain service delivery, agency workers will be required at times across the Council to cover for statutory or health and safety reasons, seasonal increases in workload or to cover where there is a specialist role which has proven difficult to fill through standard recruitment process. The period of cover would normally be short-term (approximately 12 weeks) as this is deemed an appropriate length of time to run a recruitment exercise for any longer term absences.
- 6.7 HR and Procurement are currently working with Services to use a single agency provider to reduce costs, the initiative also reduces use of agency by using: fixed term employment contracts; redistribution of work; secondments; acting up to higher grade duties or investigating the transition pool for workers otherwise facing redundancy.
- 6.8 The continued use of agency workers can be beneficial from both worker and employer perspective due to the flexibility provided. This however remains a challenging area to manage with current resources. Funding has been secured from the Change Fund to create a temporary post of Recruitment Analyst which over the next 12 months will monitor and reduce the cost of agency spend to ensure agency workers are being used as a short term solution and only where alternative solutions cannot be used.

## **7. Brexit Readiness Plan**

- 7.1 On 29 March 2017, the UK Government triggered Article 50, starting the formal process of the UK leaving the EU. The government is looking to secure the status of British nationals living in other member states and EU nationals already living in the UK as early as possible. The UK remains a full member until exit the EU on 31 October 2019, and all rights and obligations of membership remain in place until then. We anticipate that EU nationals make up to 10% of our workforce; there will inevitably be British employees with spouses who are EU nationals that will be affected.
- 7.2 One of the first challenges was to understand how many Highland Council employees are EU nationals. Like many other organisations, Highland Council has not captured any information regarding EU nationality as part of the recruitment phase as there was previously no requirement to do so. An audit of EU nationals and their length of stay in the UK has taken place. 152 respondents identified themselves as EU/EEA national, with 142 indicating that they were planning to remain, 7 undecided, 2 preferring not to say and only one intending to leave.

- 7.3 All of those who came forward have been provided with a named person in the HR service who will support them if needed when they apply for Settled Status. A readiness plan was developed and implemented by Organisational Development to adopt a phased approach to Brexit preparation, commencing with the data collection exercise in March 2018, with comprehensive support for employees now in place.



- 7.4 As well as supporting staff through the process, contingency planning to anticipate and address potential workforce sustainability risks and skill gaps will be required. This is being incorporated into the 2019/20 Workforce Planning cycle.

## 8. Flexible Workforce and Transition

- 8.1 The financial context inevitably has an ongoing impact on staff morale, particularly over the past 3 years. Job security is an important factor in any organisation. The Council will continue to put in place measures to mitigate against uncertainty by developing a flexible workforce. The introduction of a flexible workforce was highlighted by all services in their workforce action plans. Job roles will be designed to widen remits of roles to enable varied work with opportunities for employees to grow and develop. Developing a Village Officer role is one such example which utilises posts within the same job family Community Works Operative/Labourer/ Facilities Assistant to provide grass cutting, minor road works, street cleaning, toilet cleaning, school/council building cleaning currently undertaken in individual roles.
- 8.2 In response to individual Service workforce plans, transition is being used to interchange staff to support the changing nature of what the Council needs to develop a sustainable workforce model for the future. Working in close partnership with Trade Unions, the Council has optimised transition opportunities and has an excellent track record of avoiding compulsory redundancies.
- 8.3 The Creation of a portal provides corporate visibility of current employees who may need to change roles, alongside employees looking for deployment as personal development opportunities. Managers will be able to recruit from this portal to short, medium, long term positions – providing in-house opportunities and enhancing employee experience, skills and resilience and meeting needs of the organisation.
- 8.4 In preparation for future transition requirements, an online transition portal has been developed and piloted. Information input into the portal is used to pursue matches where vacancies exist elsewhere in the Council. An excellent example of the portal working in practice: 75 Pupil Support Assistants have completed their personal profile since the Portal went live on 12 April 2019. This has resulted in the successful transition of 26 PSAs into areas of work where we experience staff shortages, including Early Learning and Childcare and Clerical Posts. Two additional HR Officers have been recruited, funded from the Change Fund to help support the recruitment to 200 EYP posts (50 in 2019 and 150 in by 2020) due to the expansion of early learning and childcare provision funded by Scottish Government. The portal will be used where possible to transition existing staff into these roles.

## **9. Digital Transformation**

- 9.1 The Council recently underwent an informal Digital Maturity Assessment conducted by the Scottish Government's Digital Office. Overall, the assessment was positive with the Council in a good position to exploit the opportunities presented by new technology. In particular, the potential of new operating systems such as Office 365 and Windows 10 will allow access to new, more efficient ways of working. The maturity assessment recommended that the Councils separate digital elements should be more joined up.
- 9.2 This has recently been initiated within the Corporate Development Service where the alignment of the Digital Ambition and ICT Strategy will be a focus in supporting positive use of technology to deliver technology benefits across the organisation. Digital training and upskilling continues to be a focus for the next 12 months, with the roll out of a training toolkit and workshops to ensure that employees are fully supported in the migration to the new technology as it comes online. A new career structure has been put in place to develop and retain a skilled digital staffing resource which is required to support a range of workforce planning initiatives including the transition portal, behavioural and competency-based recruitment, development of websites and career pathway sites, revised Employee Review and Development (ERD) process.
- 9.3 Additional specific resource will be required within the Learning and Development Team to focus on developing digital learning materials.

## **10. Leadership and Management Training**

- 10.1 Managers must be able to communicate a clear vision of how we plan to progress as a council and provide their teams with a consistent story about where we are going and what we need to do to get there. Managers will be encouraged to empower their employees, devolving decision making to the lowest level. All employees will be given a voice to express their views and concerns and to allow them to be involved in the decision making process, with the employee forum and staff surveys as key enablers.
- 10.2 The development of leadership capacity will be delivered through a new programme designed to support Service workforce plans. As well as establishing a clear competency framework, the programme will offer all managers the ability to attain benchmark leadership qualifications through assessment of their experience and current practice.
- 10.3 Work has begun with Heads of Service to quantify and agree the requirement for leadership development and to prioritise delivery. This approach has been piloted with a group of senior managers from Community Services. Aspiring managers will have the opportunity to develop leadership skills and qualifications through delivered training. The benchmark qualification for Council managers will be ILM 3 & 5 certificated by the Institute for Leadership and Management.
- 10.4 Depending on the delivery timelines planned for, a large-scale programme of leadership development will require additional funding. Options setting out various delivery models will be proposed once the scale of the programme has been quantified.

## **11. Workforce Data**

- 11.1 Workforce planning will be a key tool in supporting the redesign of the Council. Full and accurate data on the current workforce held in a way that can be efficiently reported and analysed is the cornerstone of effective workforce planning. The Council requires

its data systems to support a full HR establishment which will provide a real time model of the Highland Council's establishment of approved posts, incumbent employees and vacancies.

- 11.2 Significant work is required to ensure that all the necessary data, data structures and processes are in place to support effective reporting and trend analysis. As an essential tool in the management of HR information and decision making the baseline will be consistent with Service staffing budgets.

## **12. Employee Wellbeing**

- 12.1 The Employee Wellbeing Strategy 2019-21 identifies the Council's commitment to improve health and wellbeing and its impact on improving the overall levels of health of our employees across the Council.
- 12.2 Employee Mental Health continues to be a priority supported by the network of Mental Health Representatives, winner of team of the year at the Quality Awards in 2018.
- 12.3 The Council is committed to providing a development opportunity for all staff. An additional staffing resource has been funded from the Change Fund to support the delivery of wellbeing training to all staff.
- 12.4 The promotion of mental health and wellbeing is also supported by our Occupational Health Provider (Iqarus) with initiatives such as the development of a Health Promotion Calendar to focus on particular topics on specific dates.
- 12.5 A procurement exercise is underway to introduce an Employee Assistance Programme as approved at Council in [May 2019 \(item 7b\)](#). It is anticipated that this service, for staff and elected members, will be introduced in November 2019.

## **13. Staffing Requirements**

- 13.1 Additional staffing resource will be requested to enable support to the Workforce Planning priority work and to deliver Service requirements. Therefore, a case will be brought forward as part of the Transformation, Transition and Change Fund proposals at Council on 5 September.

Designation: Executive Chief Officer - Resources & Finance

Date: 15 August 2019

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Background Papers:

Workforce Planning Strategy 2017-2023

Talent Attraction, Retention and Returns

Service Workforce Plans: Development & Infrastructure [16.5.19 \(item 9\)](#); Community Services [16.5.19 \(item 18\)](#); Corporate Resources – [23.5.19 \(item 14\)](#); Care & Learning [29.5.19 \(item 11\)](#)

Engage for Success