

# The Highland Council

<b>Agenda Item</b>	<b>4</b>
<b>Report No</b>	<b>AC/19/24</b>

**Committee:** **Audit Committee**

**Date:** **26 September 2024**

**Report Title:** **Best Value Thematic Report 2023/24 – Workforce Innovation**

**Report By:** **Strategic Lead (Corporate Audit & Performance)**

## **1. Purpose/Executive Summary**

**1.1** This report presents the 2023/24 Best Value Thematic Report from our External Auditors. This is the second thematic review which was on the topic of Workforce Innovation. This review examined how well the Council is responding to workforce challenges through building capacity, increasing productivity and innovation.

**1.2** Audit Scotland, our External Auditors, will attend the Committee to present this report.

## **2. Recommendations**

**2.1** The Committee is asked to scrutinise and consider the report findings, in particular the key messages on pages 4 - 5 and the improvement action plan at Appendix 1 of the report.

## **3. Implications**

**3.1** Resource – there are no direct resource implications arising from this report.

**3.2** Legal – the Council has a statutory duty to deliver Best Value (BV). Audit Scotland holds Councils to account for this duty by assessing how effectively they are delivering BV and publicly reporting on the outcome.

**3.3** Community (Equality, Poverty and Rural) – there are no direct implications arising from this report.

**3.4** Climate Change / Carbon Clever –there are no implications arising from this report.

**3.5** Risk – timely implementation of the management agreed actions will assist in driving improvement and ensuring that the Council has effective arrangements to demonstrate that it provides Best Value. By doing so, this will reduce the risk of reputational damage arising from any adverse BV report findings.

- 3.6 Health and Safety (risks arising from changes to plan, equipment, process or people) – there are no implications arising from this report.
- 3.7 Gaelic – there are no implications arising from this report.

#### **4. Impacts**

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children’s Rights and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.
- 4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.
- 4.3 This is an update report and therefore an impact assessment is not required.

#### **5. Background**

- 5.1 Members will be aware that Audit Scotland have adopted a new approach to auditing Best Value in Councils whereby this integrated within their annual audit work and annual BV thematic reviews undertaken. There is still a statutory report on each Council during this five-year period and this is discussed further at section 5.4 below.
- 5.2 The first thematic review examined the effectiveness of the Council’s leadership of the development of the council’s strategic priorities. This report was considered by the Committee in January this year. Audit Scotland are presently following up on this report’s management agreed actions and an update will be provided within their 2023/24 annual audit report which will be presented to the November Committee meeting.
- 5.3 This second thematic review examined how well the Council is responding to workforce challenges through building capacity, increasing productivity and innovation. The audit scope considered the following questions:
- How effectively are the council’s workforce plans integrated with its strategic plans and priorities?
  - How effectively has digital technology been used to support workforce productivity and improve service quality and outcomes?
  - How effectively is the council using hybrid and remote working and other innovative working practice such as a four-day week to achieve service and staff benefits?
  - What innovative practice is the council using to develop its future workforce capacity and skills needs and manage staff reductions in line with its priorities?
  - What progress has the council made with sharing roles or functions across its services and/or with other councils and partners?
  - How effectively is the council measuring the impact of its workforce planning approach?

The key messages are set out in pages 4-5 of the report. Many of the issues identified in the report have already been recognised within the Council and plans are in place to address these. In particular the Operational Delivery Plan 2024-27 approved by Council in May demonstrates clear links with a number of Audit Scotland’s finding which are reported under the following headings:

- Workforce strategy and priorities
- Digital technology and the workforce
- Flexible working and other innovative staff deployment
- Developing future skills and capacity
- Joint workforce arrangements.

A number of areas for improvement have been identified by Audit Scotland. These are detailed in the action plan at Appendix 1 of the report together with the management agreed actions and the associated target dates. Progress with implementation will be followed up by Audit Scotland as part of their normal audit process in 2024/25.

Members should also note that where these link with actions being undertaken within the Delivery Plan that regular updates on progress will be provided to the relevant Strategic Committee/ Board.

- 5.4 No details have yet been released as to the next thematic topic. However, Audit Scotland have stated that the Council will be subject to a full BV review in 2024/25, the timing of which has still to be confirmed.

Designation: Strategic Lead (Corporate Audit & Performance)

Date: 11<sup>th</sup> September 2024

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Background Papers:

# Workforce Innovation: how councils are responding to workforce challenges

Best Value thematic work in Highland Council  
2023-24



Prepared by Audit Scotland  
September 2024

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# Key facts



## Highland Council Workforce 2022/23

<b>10,600</b>	Number of people working for the council – headcount
<b>8,200</b>	Number of people working for the council – full time equivalent
<b>Not publicly available<sup>1</sup></b>	Number of casual/bank staff
	Turnover of staff in last year
<b>8.58</b>	Days lost due to absence in last year per employee



## Highland Council Workforce Age Profile

<b>12%</b>	16 to 30
<b>45%</b>	31 to 50
<b>31%</b>	51 to 60
<b>12%</b>	61 and over

Source: Highland Council

<sup>1</sup> Highland Council do not collect, report or publish this information on a council-wide basis. Refer [paragraphs 25-27](#) and [recommendation 4](#).

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# Key messages

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## Workforce strategy and priorities

- 1 Highland council faces inherent challenges of delivering services across a large rural and geographic area. The council's workforce planning approach endorses a wider focus on the Highland area and economy but workforce planning strategies are not easily accessed or aligned in one place.
- 2 A corporate workforce plan covering the new council structure was due to be presented in June but has been delayed until December 2024.

## Digital technology and the workforce

- 3 The Digital Strategy 2022-27 sets out the council's ambitions for a Digital Highland Council and has been incorporated into the Council Delivery Plan 2024-27. Having a digitally skilled workforce is key to the strategy, but greater pace is needed in implementing the actions to improve skills across the workforce.

## Flexible working and other innovative staff deployment

- 4 The hybrid and flexible working policy is scheduled to be issued in November 2024. The council is supportive of flexible and hybrid working but has yet to carry out a formal assessment of hybrid working and its impact.

## Developing future skills and capacity

- 5 The council is responsive in implementing initiatives in response to ongoing workforce challenges. There are examples of 'grow your own' approaches in key sectors such as social work.
- 6 The council utilises modern apprenticeships and is working to develop its workforce across the Highland area. Work to develop employability and skills initiatives across key growth sectors has been identified but much of this work is at an early stage.

## Joint workforce arrangements

- 7 The council collaborates with partners through established strategic partnerships such as the Community Planning Partnership and Health and Social Care Partnership.

## Measuring the impact of workforce planning

- 8 There is room for improvement in the council's approach to measuring impact of its workforce planning approach. Action plans to support each of the eight themes in the People Strategy remain outstanding creating a gap in how to assess progress.
- 9 Service workforce plans do not identify specific KPIs and some only contain vague action plans. Service level reporting against the corporate measures is varied, making it difficult to track progress.



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# Scope of the audit

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1. The [2023 Local Government Overview \(LGO\)](#) notes that councils have never faced such a challenging situation. Service demands have increased after the Covid-19 pandemic and funding is forecast to reduce in real terms. Workforce pressures including recruitment in a competitive labour market, employee retention and high sickness absence levels are putting councils under continued pressure.

2. [The Accounts Commission's Strategy \(2021-26\)](#) sets out its priorities to focus on inequalities, funding, communities and recovery. The [Code of Audit Practice 2021](#) sets out the Best Value work required to report on these priorities.

## Code of Audit Practice 2021 Best Value reporting requirements

### Best Value reporting – extract from the Code

The Accounts Commission's approach to Best Value involves reporting on individual local government bodies and thematically across the local government sector through performance reports:

- As part of their integrated wider-scope annual audit work appointed auditors use a risk-based approach to assess and report whether the audited body has made proper arrangements for securing Best Value and is complying with its community planning duties, including reporting progress against previous Best Value findings and recommendations.
- The Accounts Commission reports nationally on thematic aspects of local government bodies' approaches to, and performance in, meeting their Best Value and community planning duties. Local government appointed auditors report locally on any such Best Value thematic work prescribed by the Accounts Commission.

3. For 2023/24, the Commission has directed auditors to report on workforce innovation and how councils are responding to workforce challenges.

4. This report covers how Highland Council (the council) is responding to current workforce challenges through building capacity, increasing productivity and innovation. In carrying out the work auditors have considered the following questions:

- How effectively are the council's workforce plans integrated with its strategic plans and priorities?
- How effectively has digital technology been used to support workforce productivity and improve service quality and outcomes?

- How effectively is the council using hybrid and remote working and other innovative working practice such as a four-day week to achieve service and staff benefits?
  - What innovative practice is the council using to develop its future workforce capacity and skills needs and manage staff reductions in line with its priorities?
  - What progress has the council made with sharing roles or functions across its services and/or with other councils and partners?
  - How effectively is the council measuring the impact of its workforce planning approach?
- 5.** An improvement action plan is included at [Appendix 1](#) of this report. This sets out audit recommendations in key areas and the council's planned response including responsible officers and dates for implementation.
- 6.** The coverage of the work is in line with the expectations for council's arrangements for the seven Best Value themes in the [Local Government in Scotland Act 2003, Best Value Statutory Guidance 2020](#).

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# Workforce strategy and priorities

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## The council's approach to workforce planning is focussed on supporting the wider Highland region and local economy

**7.** Highland council employs 10,600 people at a total cost of £394.1 million which equates to nearly half of the council's overall expenditure. A substantial proportion of the council's population is classed as living in remote rural (37 per cent) and accessible rural (10.4 per cent) areas. The council faces inherent challenges of delivering services across a large rural area with a high proportion of its workforce being 50 and over.

**8.** A council focused on achieving Best Value will have a workforce strategy that sets out expectations on how the local authority's staff will deliver its vision, priorities and values.

**9.** To be effective, workforce planning must be integrated across the organisation. Workforce strategies need to support the council in achieving its strategic priorities. They must support other key plans including financial, asset, digital and transformation planning. They need to be under-pinned with detailed workforce plans within services.

**10.** The council's Corporate Plan 2022-27 provides the framework for the delivery and monitoring of the council's Programme 'Our Future Highland'. The Corporate Plan identifies five key strategic priority outcomes:

1. A fair and caring Highland
2. Resilient and sustainable communities
3. Accessible and sustainable Highland homes
4. A sustainable Highland environment and global centre for renewable energy
5. A resilient and sustainable council

**11.** In March 2024, the draft Council Delivery Plan 2024-27 was presented to the council and was formally approved at its May 2024 meeting. The new Delivery Plan contains six portfolios which are intended to support the changes required to deliver the council's priorities in the context of its approved budget. The council view the new Delivery Plan as a critical document providing links to other key strategic documents. Creating a 'workforce for the future' is one of six portfolios contained in the new Delivery Plan.

**12.** The council's workforce planning approach endorses a wider focus on the Highland area and economy, with the workstreams within this priority linking to the council workforce and that of the wider geographic region. Workforce is also a cross-cutting feature of the other portfolio areas.

**13.** A new Chief Executive who took up post in September 2023 and significant changes have been implemented since April 2024 including:

- Reconfiguration of the senior leadership team including moving to three Assistant Chief Executives and fourteen Chief Officers.
- A restructure merging the eight previous council service directorates into three service clusters.

**14.** We would expect workforce strategies and plans to be updated to reflect the changes in the council's structure.

### **A new corporate workforce planning strategy is due to be issued in December 2024**

**15.** In October 2022 the council approved a People Strategy covering the period 2022-27. This is a core document which covers key aspects of workforce planning but it is linked to the previous Corporate Workforce Planning Strategy 2017-22 and now needs to be updated to reflect the new council structure.

**16.** Our 2022/23 report on [Leadership in the development of new local strategic priorities](#) published in January 2024 highlighted that, *"The People Strategy must be aligned to the Financial Strategy and take cognisance of The Financial Crisis – Our Council and Our Community paper submitted to the council in October 2022."* The People Strategy acknowledges the financial challenges the council faces but is not joined up to the council's wider strategic plans.

**17.** The council has prepared a draft Corporate Workforce Action Plan 2023-27 covering the new council structure. This is a short, high level document and has yet to be finalised and presented to the appropriate committee. The intention is that the action plan will incorporate key themes arising from the updated service workforce plans. Once agreed it should form part of the council's overarching Corporate Workforce Planning Strategy and be reflected in the updated People Strategy.

**18.** It is critical that the People Strategy does not stand alone and is developed alongside other key strategic documents including financial and digital strategies.

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## **Recommendation 1**

The council needs to update its People Strategy to align with the new Corporate Workforce Planning Strategy and Action Plan reflecting the new structure of the council. It should be aligned to the Financial Strategy and take cognisance of the latest Medium Term Financial Plan.

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**19.** Both papers were due to be presented to the Corporate Resources Committee in June 2024 but have now been postponed to December 2024. At the time of fieldwork and up to writing this report, audit had not had sight of the

reports and papers in order to comment on progress. As a result we will follow up this area as part of our 2024/25 audit.

## Workforce planning strategies are not aligned in one place

**20.** The council needs to integrate workforce planning across its strategic documents. To date, the council has produced a large number of plans and supporting documents which reflect its ambitions around developing a future workforce, however these are not aligned or easily accessed together in one place. [Exhibit 1](#) summarises the council's various strategic and working documents where workforce planning features.

### Exhibit 1: Highland council workforce planning documents

Workforce planning is outlined across various strategic documents

Strategic document	Linkage to council workforce planning
<b>Council Delivery Plan 2024-27</b>	<p><b>Portfolio 2 - Workforce for the Future</b></p> <p>Contains five workstreams focussed on developing the workforce of the Highland region: Industry sector boards; universal programmes; employment charter; pathways and packages; and into work and job progression.</p> <p>Each workstream is linked to the Highland Outcome Improvement Plan (HOIP) and themes from the Council programme.</p>
	<p><b>Draft Corporate Workforce Planning Strategy and Action Plan</b></p> <p>To be presented to committee in December 2024 and will incorporate themes from service workforce plans. The council should ensure that this clearly aligns to the new Council Delivery Plan 2024-27 'Workforce for the Future' portfolio, and provides linkages to workforce planning across the Health and Social Care Partnership, as well as workforce planning for the wider Highland area (<a href="#">paragraphs 15-18</a>).</p>
<b>Service Workforce Plans 2023-26</b>	<p>Service workforce plans have been prepared for 2023-26 in line with the eight services in the previous council structure. They are due to be amalgamated to support the new council structure.</p>
<b>People Strategy 2022-27</b>	<p>'Recover and re-prioritise' includes eight thematic areas: staff engagement; health, safety and wellbeing; reward and conditions (including job design); talent management; people development; people data and processes; workforce planning; equality, diversity and inclusion.</p>
<b>Talent Strategy 2022-2027</b>	<p>Aims to support delivery of the People Strategy. It is a tool to support managers with workforce planning, setting out the</p>

Strategic document	Linkage to council workforce planning
	<p>councils approach to attracting, identifying, and developing talent, as well and retaining talent.</p> <p>A revised Talent Strategy covering 2024-27 is due to be presented to committee in December 2024. Our review looked at the original 2022-27 Strategy.</p>
<p><b>NHS Highland Workforce Plan 2022-25</b></p>	<p>Sets out the workforce planning approach to health and social care services across Highland in line with the Lead agency model used in the Highland region (<a href="#">paragraphs 80-82</a>). Greater linkages between the council's workforce planning approach and the NHS Highland Workforce Plan is needed.</p>
<p><b>Developing a Strategy to Enable a Future Workforce – A Strong and Fair Economy for all</b></p>	<p>Adopts a focus on the Highland area. Priorities focus on wider economic and employability outcomes across key sectors – health and care; energy; digital; tourism; food; and construction.</p>

Source: Audit Scotland and Highland Council

## Recommendation 2

As a priority, the council should review all the existing workforce strategies and supporting documents and ensure they are aligned. They should be communicated to staff and easily accessible.

### Service workforce plans would benefit from greater linkages to the councils corporate priorities

**21.** Service workforce plans were prepared for the eight services under the previous council structure covering the period 2023-26. Service workforce plans were developed in consultation with service managers from across the council, through a series of workshops that took place in summer 2023 and were approved by the relevant policy committee. Plans are underway to amalgamate the service plans to support the new council structure with a timeline yet to be agreed.

**22.** From discussion with officers we note that the new corporate approach to developing the Corporate Workforce Action Plan will draw from actions across service workforce plans, combine actions and take a corporate lens on what these challenges mean for the council as a whole. The Corporate Workforce Action Plan lists the 'priority challenge' then identifies the 'action required' and the 'desired outcome.' All actions have senior officers as owners and timescales have been identified.

**23.** The current service workforce plans vary in level of detail and robustness. Whilst most broadly reference the People Strategy and contain links to the Digital Strategy, service workforce plans do not link to the council's Corporate Plan and would benefit from more explicit narrative on how they are contributing to the wider Highland Council outcomes.

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### Recommendation 3

Service workforce plans should be reviewed and updated to ensure that they reflect the current council structure, are linked to the council's Corporate Plan and include explicit narrative on how they are contributing to the wider Highland Council outcomes.

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### Service workforce plans consider relevant data but there are gaps in published council-wide workforce information

**24.** To be effective, workforce planning must identify and address future capacity and skills gaps, at operational and leadership levels. This requires comprehensive workforce data and ongoing consultation and engagement with staff and trade unions. Service workforce plans contain data on the current workforce such as WTE, headcount, turnover, and age. The plans consider future workforce needs of the service, based on qualitative data with some plans more detailed than others however scenario planning is limited. We noted that the council do not report council-wide workforce data through any central monitoring. The council have indicated that going forward they intend to report council-wide data to the Resources Committee with individual services reporting to their relevant strategic committee.

**25.** The council also utilises wider data regarding the Highland area in workforce planning. In October 2023 Skills Development Scotland (SDS) produced a Regional Skills Assessment for the Highlands and Islands area. This highlighted that human health and social work was among key areas projecting future demand. The SDS analysis has been used to inform the paper presented to Highland council in December 2023, 'Developing a Strategy to Enable a Future Workforce – A Strong and Fair Economy for All'. This sets out current and future demand in Highland, and a proposed approach to addressing key sector challenges.

**26.** The council does not currently publish council-wide workforce data that can be readily accessed. For example, the council does not publish council-wide data on key metrics such as turnover. The council has identified that some workforce data is not easily accessible due to the current approach to collating HR and payroll data, for example, data on service vacancies cannot be accessed centrally. To address this, an HR and payroll system programme of work is underway in a phased approach with the finance element of the programme being implemented first from April 2024. The HR element is still being considered. The new corporate workforce plan should include an up-to-date position on the overall workforce.

## Recommendation 4

The council should ensure that it collects and reports on council-wide workforce data including data on the overall workforce profile, data on turnover, vacancy rates, casual and temporary staff. These should be monitored and reported on regularly to assess workforce trends and risks.

### The council engages with staff and trade unions

**27.** Leaders need to engage with staff and trade unions over fundamental workforce reform. The council has developed a Staff Engagement Strategy which sets out the council's vision to build an 'ambitious, sustainable, and connected' culture which will be presented to Corporate Resources Committee in September 2024.

**28.** Within the council there are forums in place to support consultation with staff and trade unions. A staff partnership forum is in place which meets quarterly and includes employers and staff side representatives, and senior council officers. The partnership covers a variety of topics, such as office changes and flexible working. The council sought feedback from staff, as well as the wider public, when developing its budget proposals.

**29.** In 2022 the council commissioned an external consultant to carry out a staff survey which looked at a range of workforce issues. The survey received a 47 per cent response rate. The results highlighted areas of strength in relation to staff investment and identified important areas for improvement in terms of how the council incorporates staff views with a summary below.

#### Areas of strength in relation to staff investment

70% of respondents are committed to working for Highland council over the longer term

92% agree they are interested in their work

89% agree they have the skills needed to carry out their job effectively

#### Areas for improvement in terms of how the council incorporates staff views

10% agreed that they can take action to challenge the way things are done in Highland council

17% agreed that senior leaders will act on the results of this survey

12% agreed that 'when changes are made in Highland Council they are usually for the better'

14% agreed that change is managed well in the council

Source: Highland Council



**30.** In November 2023 Executive Chief Officers held service survey sessions to cascade survey results, and have developed actions based on this. Actions include a programme of staff briefings, staff budget engagement, and improvements in the councils change process.

**31.** The council is acting in response to the survey findings. In December 2023 the council considered a staff survey action plan which identified three priority areas;

- engagement;
- senior leadership visibility; and
- managing change.

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# Digital technology and the workforce

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## The Digital Strategy 2022-27 sets out the councils aspirations for a Digital Highland Council, including a skilled digital workforce

**32.** The [2023 LGO](#) notes that digital technology will make councils' future workforces look and work quite differently. In order to achieve the change required, councils need to make good use of digital technology and use the workforce in flexible ways. Digital technology has a strong bearing on a council's workforce needs. It can be used to re-shape jobs to increase productivity and reduce back-office functions while improving service quality.

**33.** Councils need to be innovative in their use of technology and build on new working practices that emerged during the pandemic. In doing so, they must also consider service quality and the needs of people experiencing digital exclusion.

**34.** In September 2022, the council's Digital Strategy & High-Level Implementation Plan was presented to the Corporate Resources Committee. The strategy outlines the aspirations around a Digital Highland Council, as a means of supporting the council to deliver high quality services, within the challenging local government landscape. A key part of the strategy is focussed on shifting the way the council and citizens think about digital services. Three areas of focus are integral to the Digital Strategy:

- **Lead digital:** Digital maturity
- **Think digital:** People, insights, and design
- **Do digital:** Outcomes, delivery and measurement

**35.** The strategy is ambitious and sets a target of reaching level 4 on the Gartner digital maturity scale by 2025 and level 5 by 2027<sup>2</sup>.

**36.** The council's strategy contains three user-focused themes for delivery around people, insights, and design. The people theme encompasses workforce planning and digital skills development. The strategy includes ten strategic outcomes and a high-level framework for specific digital projects

<sup>2</sup> Gartner's Digital Business Maturity Model: Stage 1 (Initiating), Stage 2 (Experimenting), Stage 3 (Scaling), Stage 4 (Transforming), and Stage 5 (Digital Leadership)

across services. It contains several outcomes that are relevant to the council's workforce, for example, outcome two 'Digital, Data and Technology (DDAT) skills and development are a core part of workforce planning'.

**37.** The council recently brought ICT services back in-house having previously been outsourced. In August 2022, the council published its ICT Strategy 2022-2027. The council highlight the distinction between digital and ICT where;

- digital focusses on the use of technology to transform how services are delivered; and
- ICT focusses on the provision of technology.

**38.** The ICT Strategy sets out the council's direction for the development of ICT infrastructure to support the future needs of service and delivery of the Digital Strategy.

### **Implementation of the Digital Strategy is part of the overall Council Delivery Plan but there is scope to identify more specific milestones**

**39.** Implementation of the Digital Strategy is now part of the overall Council Delivery Plan, with digital and data being incorporated across all six council portfolios within the Council Delivery Plan 2024-27. Projects listed include council digital repair systems for Property & Housing; using digital to increase recruitment of foster carers, and digitally involving the community in care; and a number of projects included within the Corporate Solutions portfolio.

**40.** The High-Level Implementation Plan that accompanied the Digital Strategy is split across Digital Foundations and Digital Projects. In measuring success, the council view the Digital Foundations project as core to successful delivery of the strategy. The Digital Foundations mostly relate to people and process rather than technology. The Digital Projects elements are focussed on specific digital initiatives across services, such as health and social care communications.

**41.** A key measure of success for Digital Foundations is the completion of implementation plans for digital by December 2027. However, there is scope for the council to develop more specific measurables to identify what it hopes to achieve in the interim. Similarly, the ICT Strategy outcomes are varied in terms of the provision of targets to support ongoing monitoring. For example, some outcomes have clear targets such as reducing ICT response times while other outcomes are focussed on ICT skills and knowledge, and could be further developed.

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## **Recommendation 5**

Both the Digital Strategy 2022-27 and the ICT Strategy 2022-27 need further development to clarify specific measurables. The Digital Strategy should identify outcomes to be achieved in advance of the implementation plans being developed

by 2027. Similarly, the remaining targets in the ICT Strategy should be developed to ensure there are measures for all the outcomes identified.

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### **The council has realised workforce benefits through its use of digital technology in housing repairs but has yet to realise wider benefits**

**42.** The council has a range of digital projects underway. Most of these are at an early stage and resourcing of these projects remains a challenge, therefore workforce benefits and savings have yet to materialise. Digital is pertinent to a range of savings that are identified as part of the council's Delivery Plan 2024-27, however, workforce related savings cannot be directly quantified as digital is spread across various projects. The Corporate Solutions portfolio identifies £2.1 million in savings, with the largest savings in health and social care.

**43.** There are presently seven different digital projects being undertaken such as using data to prevent council tax fraud, using technology to report potholes as well as health and social care initiatives. It should be noted that technology is just the enabler, with the savings resulting from changes to existing processes.

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## **Recommendation 6**

**There should be more robust identification and quantification of digital savings and how these relate to workforce plans and savings.**

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**44.** One example where digital has evidenced a positive impact is in housing repairs. The council have realised a reduction in missed appointments for housing repairs as part of the My Council programme. Historic challenges around logistics of the housing repairs contact centre resulted in long waiting times. The use of digital has brought improvements with a 62 per cent reduction in missed appointments recorded in May 2024, compared with April 2023.

**45.** The council note that improvements were largely due to changes around process, rather than changing technology. For example, improved communication between customers and the tradesperson when scheduling appointments has had a positive impact. Some technical improvements were also made, such as the re-introduction of a text message reminder service. The council plan to draw on the success in housing repairs as template for other services. Other potential areas of process where digital solutions could be progressed have been identified and are being assessed.

### **A digital skills survey and digital maturity assessment informed the councils digital strategy**

**46.** The council recognises the importance of digital skills across the workforce as a core digital foundation. The Digital Strategy 2022-27 was informed by a Digital Transformation Staff survey carried out in 2021. It found that staff have a good foundation for digital skills for generic Microsoft applications but less so for

intermediate and advanced applications, such as data analytics tools. For example;

- just under 100 per cent of respondents can use MS word;
- over 90 per cent can use Excel; and
- over 90 per cent of respondents do not use tools such as MS SWAY and Power BI.

**47.** The Digital Strategy was also informed by a digital maturity assessment carried out in 2022, which rated the council as '3' on a scale of 1-5 with 5 being the most mature and 1 being the least mature. Most councils are at level 1, 2 or 3. Highland council aims to be at level 4 by 2025 and level 5 by 2027. As part of the maturity assessment a survey was sent to 36 service managers. The survey said that 25 per cent of respondents felt their understanding was low generally.

### **The council recognises the need to build digital skills but greater pace is needed**

**48.** The council has highlighted that in addition to the risk that investment in resources is not sufficient to achieve the required financial savings, there is also a substantial risk around not having appropriately skilled personnel to provide the level of transformation required. Given the challenges that the council faces in relation to its vast geographic and rural area, the council acknowledge that attracting talent to digital and ICT roles remains a key challenge.

**49.** The council is actively working to enhance digital skills across the workforce and is utilising tools such as MS Learn to support digital development. The Digital Strategy included an ambition to create a digital champions network and the digital maturity assessment recommended that this be implemented. The council is progressing work to create a digital champions network but the action has yet to be fully embedded. The council should work to fully implement this action, given that it was first identified in 2022 and has yet to be completed.

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## **Recommendation 7**

**The council should prioritise the implementation of a digital champions network to support the development of a digitally skilled workforce.**

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**50.** The council is working to embed digital across wider council activity including across portfolios in the Council Delivery Plan 2024-27. As part of the development of service workforce plans, the council's digital team were engaged in workshops as part of the process, to support greater integration of digital across wider council planning.

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# Flexible working and other innovative staff deployment

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**The council is supportive of flexible and hybrid working. A flexible working arrangements policy has been drafted but has yet to be agreed and formally issued.**

**51.** During the pandemic councils needed to make the best use of their existing workforce while continuing to monitor employee wellbeing. Councils continue to look to new ways of working to improve job satisfaction and reduce sickness absence and staff turnover. Home-working and hybrid working (a combination of office and home-based working) have now become commonplace.

**52.** The council does not have data on the overall numbers of staff on hybrid or flexible working arrangements but there are plans to collect this in the future. In the 2022 staff survey, 32 per cent of respondents selected working from home as their work base.

**53.** The council is supportive of hybrid working practices with the approach around hybrid working evolving over time. The council have clarified the requirements around office attendance, as it previously was very open-ended. Employees are required to apply for flexible working and it is up to the managers to determine appropriateness of the arrangement. Flexible working has been in place in the council for several years and pre-dates hybrid working.

**54.** In October 2023, the council developed a draft flexible working arrangements policy which sets out guidelines for staff on both hybrid and flexible working. This was shared with trade unions at the time of its initial development. The approach taken considers factors such as wellbeing, ICT security, equality, and diversity. The draft policy provides guidelines around core working hours with a culture that is based on trust. It also highlights the need to accommodate service needs. The policy remains in draft, and is scheduled to go to the HR Subgroup meeting in November 2024 for agreement and then to the Corporate Resources Committee for approval.

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## Recommendation 8

The council need to formalise and agree its flexible working arrangements policy to ensure staff are clear on expectations and requirements.

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## The council considers staff views on hybrid working and the development of flexible working policies

**55.** The council continues to monitor hybrid working to ensure that there is consistency across teams. The council has not carried out a formal assessment of hybrid working. It is looking at wider measures such as Employee Review and Development appraisals (ERDs), staff survey feedback and customer complaints.

**56.** Staff survey feedback has highlighted mixed views on hybrid working with most people agreeing that home working was a positive experience (68 per cent) and 23 per cent said it was somewhat positive. Reasons for this include an improved work-life balance, wellbeing, and workload. A smaller proportion of people (8 per cent) said it was not positive. This was attributed to reasons such as lack of engagement with colleagues, social isolation and a lack of physical resources.

**57.** The council has consulted with staff around hybrid working guidance and staff were engaged in the development of the draft flexible working policy. In February 2023, the council consulted with trade unions on hybrid working through The Highland Council Staff Partnership Forum.

**58.** The council also considers hybrid working through its asset rationalisation programme as part of its ambition to reduce the council's building estate. Through this work the council is looking at developing a community hub model, where staff can meet with colleagues in wider community spaces. This is a longer term aspiration with the identification of community hub sites to be identified by December 2027. This work will also look to collect data on the number of people with hybrid and flexible working arrangements.

## The council has identified some benefits from hybrid working

**59.** As part of the council's savings proposals identified in its Medium Term Financial Plan 2024-27, hybrid working has identified estimated savings of £0.63 million in 2024/25. The paper notes that this translates into a reduction of 12.1 FTE posts through vacancy management and deployment across the council.

**60.** Additional benefits and savings from hybrid working have been identified through the council's asset rationalisation programme which aims to assist with the council's net zero target, help 'co-locate' services and generate savings in the longer term. Members are involved in decisions and rationalisation is being done on a Ward by Ward basis. For areas where a 'base' is still required, for example council depots, there are workstreams on improving the depot and stores facilities with a view to rationalise where possible. This is a longer term programme designed to change workplace provision around hybrid working.

**61.** Examples where the council want to capitalise on the benefits of hybrid working include consolidated management arrangements; strengthening absence management; budgets aligned to deferred recruitment; vacancy management and increased turnover savings. A core part of this work will seek to identify accurate categories of different kinds of hybrid workers, such as

occasional or regular home workers. The council note that it will establish effective processes to manage this through enhanced management training, providing clear guidance and HR policies for staff on hybrid working. The timeline for this and how savings have been identified has yet to be reported in the public domain.

**62.** The council promotes flexible locations for vacancies to enable staff to be located across the Highland region and beyond as well as support recruitment but challenges remain in attracting and recruiting staff. The council's HR system currently records 68 staff from across services and grades who are noted as living outside of the Highland area. This is a very small proportion and represents less than 1 per cent of the total Highland Council workforce.



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# Developing future skills and capacity

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## The council is responsive to workforce risks and has initiatives in place to support succession planning

**63.** Councils need to find innovative ways to ensure the workforce capacity and skills they need to deliver services in the future. Training and development opportunities can help to attract and retain employees and ensure skills are in place. Many councils work with their partners to offer apprenticeship schemes or vocational qualifications. Succession planning is also important to develop future leaders and ensure that essential skills are in place.

**64.** Addressing recruitment challenges is a key priority for the council as part of the Council Delivery Plan portfolio 'A workforce for the future'. In November 2023, the council identified 'sustainability of the workforce' as a key risk within its corporate risk register. To mitigate this risk, the council has taken action to support succession planning across the workforce and includes:

- **Talent Strategy:** The original 2022-27 Strategy was never formally approved by Committee. A revised strategy was developed in July 2023 and is due to be presented to committee in December 2024. It aims to support delivery of the People Strategy. Implementation of the strategy includes methods such as educating managers to consider youth trainees and modern apprentices (of all ages); guiding managers to address skills gaps; supporting managers to consider place-based employment opportunities in partnership with other services or partner organisations; and the establishment of a council career hub to support employee progression across roles and aid staff retention. The career hub has not yet been established due to capacity challenges within the council's HR team.
- **Succession planning toolkit:** In June 2024 the HR service issued a succession planning toolkit and guidance document. These aim to provide service managers with a framework to assess employee skills and capabilities, identify gaps across key roles and identify individuals ready to progress. The council's ERD process is a key part of informing this assessment.

## The council works with partners to develop the workforce of the wider Highland region but work is at an early stage

**65.** The council works with partners to adopt a place-based approach to workforce and skills planning for the Highland area including; the NHS; third and

private sectors; Skills Development Scotland; and Highland and Islands Enterprise Agency. The council has identified cross-cutting areas and sectors to be prioritised to support partners in delivering the revised Highland Outcome Improvement Plan, as set out in the paper on 'Developing a strategy to enable a future workforce for all'. The council and partners have outlined a number of collaborative actions to take forward including:

- Establishing an all-age employability service across the Highlands.
- Improving the delivery of universal programmes of activity in schools throughout the broad general education phase linked to the six key sector areas in Highland – health and care; energy; digital; tourism; food; and construction. This aims to support a pan-Highland approach to skills pathways.
- The establishment of a Highland-wide green skills academy to realise the opportunities of the Green Freeport and align training needs.

**66.** These initiatives are at an early stage and reflect longer term aspirations.

**67.** The council collaborates with partners in the education sector to support the council's own workforce capacity and that of the wider area. The council notes there are ongoing discussions between University of Highland and Islands (UHI) and the council's social work service to develop a local social work qualification. The council should continue to utilise opportunities to work with local partners in education.

## The council utilises trainee programmes

**68.** In the health and social care service, difficulties in recruiting Mental Health Officer (MHO) posts led to the council to developing a MHO trainee programme. This supports qualified social workers to undertake a MHO postgraduate qualification in collaboration with Robert Gordon University.

**69.** Since its establishment in 2022, the council has recruited seven Trainee MHOs. It has received national recognition, winning the Scottish Association of Social Workers (SASW) Best Practice Award in 2023 for the scheme. The council also note that the MHO trainee scheme has received interest from Scottish Government to conduct an evaluative exercise.

**70.** The council also has a trainee social work scheme to support wider service vacancies, see [Case study 1](#) below for more details.

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### Case study 1: Trainee programme in social work

The council have developed a social work trainee programme where students receive dedicated support and progress into permanent roles.

#### *National challenges in social work*

Audit Scotland's [Social Care briefing](#) (January 2022) underlined the substantial workforce challenges including an ageing workforce, high vacancy rates, and

poor terms and conditions. These national workforce challenges in health and social care have been experienced across the health and social care partnership in Highland.

### ***Social work trainee programme***

The council has developed 'grow your own' methods to recruit and retain social workers in response to these challenges including the establishment of a trainee programme. In collaboration with Dundee University, the programme enables staff within Highland Council to train on the job while studying to become a qualified social worker.

The council note that trainee retention from the programme is a strength in Highland with many other local authorities having contacted the team to learn from this approach. The council attributes the Practice Development & Educator role to support student placements as being a key factor in the programme's success as trainees receive dedicated support.

The programme operates on a rolling basis where trainee positions progress to permanent posts and trainees are placed where the council needs them most across the region.

### ***Impact***

In November 2023 the council reported that six trainee posts had been recruited for, which according to the council, has supported a reduction in social work vacancies from 41 per cent to 34 per cent.

At April 2024, the health and social care team in the council had nine trainees in post, eight of whom were existing members of staff who were offered the training as a development opportunity.

Source: Audit Scotland and Highland Council

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## **The council makes good use of apprenticeships to grow the workforce**

**71.** The council recognises the need to encourage people to stay in the Highlands, particularly through engaging young people. The modern apprenticeship (MA) scheme is a key part of supporting the council's 'grow your own' approach. This is delivered in partnership with a range of training providers such as UHI, Edinburgh Napier University, and Glasgow Caledonian University.

**72.** The council considers ongoing and future staffing gaps to assess and prioritise MA places. Between July 2017 and August 2024, 74 per cent of MAs have been taken up from existing council staff, emphasising the council's focus on developing its existing workforce. MAs are offered across 19 frameworks including sectors such as business administration, construction, data analytics, and housing. Supporting apprenticeship posts require coaching and can be resource intensive. The council is working to support services to consider

modern and graduate apprenticeship frameworks as part of their workforce planning strategies.

**73.** Performance against targets for MAs has been positive. The council's 2022/23 annual performance report noted that the MA Programme significantly exceeded targets. For example in 2022/23:

- A target of 50 staff up-skilled and 10 new MAs was exceeded with 148 placements taken on in 2022/23.
- A target of 60 for newly enrolled and upskilled MAs per year was exceeded, with 64 placements enrolled.

### **Leadership programmes have been developed to support succession planning**

**74.** Over the last year the council's People Development team have developed programmes for managers to support future leadership capacity including:

- **Education Leadership Framework:** A leadership framework to support headteachers. This involved forums such as a remote workshop 'New and Acting Headteacher Induction Cohort'. In August 2023, input was given from external and internal speakers such as officers from the General Teaching Council for Scotland, Highland Council HR and experienced headteachers. The council have also introduced a 'Middle Leaders Network' to support leadership development for future education leaders.
- **The Management Connections Development Programme:** Developed for middle managers. Monthly sessions took place between September 2023 and June 2024 bringing together managers from across the council to meet senior leaders and provide a networking platform. The programme focused on specific topics such as managing change and wellbeing. An evaluation of the programme highlighted positive feedback on the effectiveness and relevance of the content and attendees valued the opportunity to network with senior colleagues. The programme was successful in being nominated for consideration at the Highland Council Staff Recognition Award Ceremony 2024 in June 2024.
- **1st Line Manager Development Programme:** Designed for team leaders and first line managers to support them in building a talented and flexible workforce. The programme is based on developing key manager skills such as communication, time management, and performance management.

### **The council has identified reductions to FTE as part of future savings proposals**

**75.** In February the council's Revenue Budget, Council Tax and Medium-Term Financial Plan (MTFP) 2024/25 to 2026/27 was presented to the council. It contains a set of budget savings proposals to support the delivery of 'Our Future Highland' with several of the proposals identified setting out reductions in staff FTE and several savings options and impact on WTE. The new Delivery

Plan approved in May 2024 will be the main mechanism used to delivery the three year budget and associated savings. Examples of savings proposals include:

- **Strategic Operating Model:** £1.670 million of savings to be achieved through a review of the council's middle management structure. It is intended to integrate service provision more effectively and support local areas.
- **Efficiency target of 1 per cent:** £3.175 million to be achieved through reductions to service budgets in line with efficiencies such as vacancy management, redeployment and cost control measures.

**76.** The council operates a 'no redundancy' policy where possible. It is exploring the development of more flexible job roles through generic contracts based on competencies. However, staff engagement has highlighted that there is work to do in improving how the council manages change ([paragraphs 27-29](#)).

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# Joint workforce arrangements across services and partners

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## The council collaborates with partners through established strategic partnerships

**77.** Councils should look to work collaboratively with their partners to make the best use of their existing workforce and plan for the particular workforce needs. They should also work across traditional service department roles within councils to deliver improved services and outcomes. Examples of this include generic working across health and social care, professional posts or functions shared between councils.

**78.** The [LGO 2023](#) highlighted that shared services and shared professionals can help to address recruitment pressures and skill shortages, whilst offering efficiencies, but only a small number of councils are sharing services.

**79.** Highland Council collaborates with partners more widely through established strategic partnerships. This includes working to support workforce solutions for the Highland area and supporting community wealth building. Examples of the council's broader partnerships include:

- **Community Planning Partnership (CPP):** The council works with public agencies, third sector organisations and other key community groups to facilitate community planning and deliver against the outcomes in the Highland Outcome Improvement Plan (HOIP). The revised HOIP contains a focus on developing the workforce through the 'prosperity' priority 'creating opportunities for all people and places to prosper and thrive economically'. The council also intends for it to support wider benefits for the area, ensuring that pathways are created to support initiatives such as the Inverness and Cromarty Firth Green Freeport.
- **The Highland Employability Partnership (HEP):** A council led forum which brings partners together to collaboratively deliver employability services across the area. The composition of the group is made up of local and national public sector organisations, business representatives and third sector representatives.

## The council is exploring some shared recruitment approaches with partners

**80.** The Health and Social Care Partnership (HSCP) has a tailored approach to delivering health and social care services across Highland through the adoption of a lead agency model. The council acts as the lead agency for delegated

functions relating to children and families, while NHS Highland has delegated functions relating to adult services. The respective partners report on delegated functions.

**81.** The NHS Highland 2022-25 workforce plan sets out the workforce planning approach to health and social care services across the Highland region. This contains limited specific reference and analysis of workforce planning for the council and focuses mainly on NHS Highland. Workforce planning across the HSCP should demonstrate clearer alignment but there is some evidence of close working across the partnership. For example, the NHS Highland workforce plan outlines joint approaches to developing new pathways to build the skills for health and social care careers. Council officers have stated that their current work to support joint workforce development includes:

- Sharing internal vacancies with the NHS Highland and High Life Highland.
- Providing Scottish Vocational Qualifications assessment for NHS social care staff and supporting additional training for NHS social care staff.

**82.** Through the CPP there are also instances of the council engaging in collaborative recruitment. The council acts as delivery partner for funding through the Scottish Government Whole Family Wellbeing Fund - an initiative to rollout preventative whole family support. Delivering this initiative involved the recruitment of a programme delivery team led by a programme manager consisting of six 'whole family wellbeing' locality co-ordinators and a business intelligence officer. The collaborative approach included:

- The recruitment panel remained partnership-led and consisted of key post holders across the council as well as the NHS Highland paediatric business manager.
- Cross-partnership secondments: Two locality co-ordinators were seconded from the council and one from NHS Highland; and the business intelligence officer post has been filled through secondment from the council.

## **The council does not have systems in place to report on temporary and agency staff numbers**

**83.** Gaps in the council's reporting of workforce data at council-wide level means that the council does not report on the overall temporary workforce. Similarly, challenges with the council's current HR/Payroll system does not provide up to date data for casual staff. This is being reviewed as part of the HR systems programme. We have reported the lack of data in [paragraph 26](#) as well as [recommendation 4](#).

**84.** Services however do record and monitor the usage of temporary staff. Temporary staff are utilised in some roles, for example positions that are harder to fill, or where there is a need for roles to be carried out over the short-term, such as probationer/supply teaching staff, and roles which have short-term funding.

**85.** The council monitors spending on agency staff but does not record numbers of agency staff. Overall agency spending has fallen over the last four years. In 2023/24 the highest spending on agency staff was in Health and Social Care, followed by Communities and Place. Officers have acknowledged the higher spend in these areas. In Health and Social Care it is imperative that vacancies / sickness absence is covered. Communities and Place includes waste management and bin collection where health and safety rules require three staff per bin lorry. Due to the critical nature of these services, the use of agency staff is necessary where staff are absent due to sickness or there are significant vacancies. This reduces health and safety risks and allows for minimal service disruption.



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# Measuring the impact of workforce planning

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## **The council have identified a set of corporate workforce planning Key Performance Indicators (KPIs) but there is room for improvement in how the council measures and reports impact**

**86.** Councils should monitor the impact of their workforce planning and delivery approaches. This should include cost, service quality and productivity benefits as well as employee wellbeing. This should inform their workforce planning approach. Councils and their partners should also understand the wider impact of their employment practice on the local economy.

**87.** The council's Corporate Plan, renamed the Council Performance Plan from March 2024, identifies five performance measures under the priority of 'Grow and retain our own talent within the Council:

- Identify and agree Corporate Training priorities: improve ERD recording.
- Identify and agree Corporate Training priorities: achieve compliance with training.
- Identify and agree Corporate Training priorities: Managers mandatory training modules on Traineasy.
- Percentage of indicators in the Occupational Health & Safety Strategy with a quarterly green rating.
- Staff Attendance (average sickness days lost).

**88.** Progress against performance indicators is to be reported through quarterly strategic service committees as part of wider performance monitoring. The service performance reports provide a quarterly update on sickness absence rates for the service and the council wide figure, but the other corporate workforce measures identified, such as the corporate training indicators are not routinely reported on.

## **Monitoring of workforce planning and performance measures varies across services**

**89.** Service performance reports capture ERDs but whilst they record if performance is on target, they do not indicate the target being measured (the metric) or what the actual performance was. It is therefore unclear how the council is meeting ERD targets. ERDs have been a recent area of focus for the

council and are being utilised by the People Development service to progress service learning and development plans. The council has revised ERDs to enhance career development discussions and focus on skills progression.

**90.** As of July 2024, only two services out of six have reported on progress against their service workforce plans:

- Economy and Infrastructure
- Housing and Property Services

**91.** There is scope for improved monitoring and consistency across service workforce plan monitoring. Whilst some service workforce action plans contain detailed actions with associated timescales others are less detailed and do not have timescales or action owners identified. None of the service workforce plans include specific workforce performance indicators linked to the action plans.

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## Recommendation 9

The council should ensure that quarterly service reporting on corporate workforce KPIs are consistent and include actual performance levels. Service workforce plans should identify targets and performance measures against action plans.

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**92.** There is also scope for a broader range of measures to monitor the impact of workforce planning initiatives. For example, performance monitoring could be extended to include impact measurement of specific workforce initiatives, such as staff retained in the council following the modern apprenticeship programme ([paragraphs 71-73](#)) and employability programmes.

**93.** Similarly, there is a need to tie progress in workforce planning with wider transformation of the council, including how workforce can address the council and partners mission to improve life outcomes in the Highlands. More robust performance measures are needed to capture the wider impact of the council's workforce planning activity in line with the council's ambitions of developing the workforce of the wider Highland area.

## The council has not assessed progress against the People Strategy

**94.** The council has actioned areas from the People Strategy 2022-27. For example the strategy identified that data and evidence on people planning should be improved, which led to improvement actions such as the staff survey and development of a new HR/payroll system. However, the council has not carried out an assessment of wider progress against the strategies ambitions which would inform ongoing workforce planning. Similarly, the council has not carried out a comprehensive assessment against the actions identified in the first iteration of its 2022-27 Talent Strategy.

**95.** The council also committed to producing action plans for each of the eight themes in its People Strategy 2022-27 but these were not produced. It is therefore unclear what the council intended to achieve against each of the eight priority areas and what progress has been made against these priorities.

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### **Recommendation 10**

The council should produce action plans for the thematic areas in any future iterations of the People Strategy and carry out a comprehensive assessment of progress against the strategy.

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# Appendix 1: Improvement Action plan

Issue	Recommendation	Agreed management action / timing
<p><b>1. People Strategy to be updated</b></p> <p>The Strategy is linked to the previous Corporate Workforce Planning Strategy 2017-22 and needs to be updated to reflect the new council structure and wider strategic plans (<a href="#">paragraphs 15-18</a>).</p>	<p>The council needs to update its People Strategy to align with the new Corporate Workforce Planning Strategy and Action Plan reflecting the new structure of the council. It should be aligned to the Financial Strategy and take cognisance of the latest Medium Term Financial Plan.</p>	<p><b>Action:</b> This will be undertaken and the People Strategy will be reviewed to ensure that it aligns with the Medium Term Financial Plan 2024/25 to 2026/27 29 February 2024. This will then be submitted to the Corporate Resources Committee for approval on 5 December 2024. Note that this was already due to be undertaken as part of the new Delivery Plan.</p> <p><b>Responsible officer:</b> Head of People</p> <p><b>Timing:</b> 5 December 2024</p>
<p><b>2. Alignment of strategic workforce planning documents</b></p> <p>To date, the council has produced a large number of plans and supporting documents which reflect its ambitions around developing a future workforce however these are not aligned or easily accessed in one place (<a href="#">paragraph 20</a>).</p>	<p>As a priority, the council should review all the existing workforce strategies and supporting documents and ensure they are aligned. They should be communicated to staff and easily accessible.</p>	<p><b>Action:</b> The workforce strategies will be reviewed to ensure that these align with the relevant supporting documents. These will then be published and communicated to staff.</p> <p><b>Responsible officer:</b> Head of People</p> <p><b>Timing:</b> 31 March 2025</p>
<p><b>3. Service Workforce Plans to be updated</b></p> <p>Service workforce plans do not link to the Council's Corporate Plan and would</p>	<p>Service workforce plans should be reviewed and updated to ensure that they reflect the current council structure, are linked to the council's Corporate Plan and</p>	<p><b>Action:</b> Service workforce plans will be updated and reviewed to ensure that these provide clear links to the Performance Plan (previously the Corporate Plan) and other</p>

Issue	Recommendation	Agreed management action / timing
benefit from more explicit narrative on how they are contributing to the wider Highland Council outcomes ( <a href="#">paragraphs 21-23</a> ).	include explicit narrative on how they are contributing to the wider Highland Council outcomes.	relevant strategic documents including the Council Programme, Highland Outcome Improvement Plan and the new Delivery Plan.  <b>Responsible officer:</b> Chief Officers  <b>Timing:</b> 31 March 2025
<p><b>4. Publication of council workforce data</b></p> <p>The council does not currently publish council-wide workforce data that can be readily accessed nor does it publish key metrics on its workforce such as staff turnover and agency, temporary or casual staff (<a href="#">paragraphs 24-26</a>).</p>	The council should ensure that it collects and reports on council-wide workforce data including data on the overall workforce profile data on turnover, vacancy rates, casual and temporary staff. These should be monitored and reported on regularly to assess workforce trends and risks.	<p><b>Action:</b> The Council does collect this data (staff turnover, casual/ supply staff data) and will continue to do. This will now be monitored with the cost of agency staff being reported via the new financial system. Regular reports including workforce data will be provided to the relevant strategic Committee.</p> <p><b>Responsible officer:</b> Head of People  <b>Timing:</b> 31 March 2025</p>
<p><b>5. Further development of Digital and ICT Strategies</b></p> <p>Both the Digital Strategy 2022-2027 and the ICT Strategy 2022-27 need further development to clarify specific measures of success (<a href="#">paragraphs 39-41</a>).</p>	<p>The Digital Strategy should identify outcomes to be achieved in advance of the implementation plans being developed by 2027.</p> <p>The remaining targets in the ICT Strategy should be developed to ensure there are measures for all the outcomes identified.</p>	<p><b>Action:</b> Specific project milestones and measures will be defined covering the next 2 years. Progress will be reported within the Data &amp; Digital Solutions project within the new Delivery Plan.</p> <p><b>Responsible officer:</b> Head of ICT &amp; Digital Transformation  <b>Timing:</b> 30 November 2024</p>
<p><b>6. Digital savings to be quantified</b></p> <p>Digital is pertinent to a range of savings that are identified as part of the council's Delivery Plan 2024-27 however workforce related savings cannot be directly quantified, as digital is spread</p>	There should be more robust identification and quantification of digital savings and how these relate to workforce plans and savings.	<p><b>Action:</b> A series of costed business cases for digital projects will be produced. These business cases will show the potential savings and investment required for specific projects. These form part of the Data &amp; Digital</p>

Issue	Recommendation	Agreed management action / timing
<p>across various projects (<a href="#">paragraphs 42-43</a>).</p>		<p>Solutions project referred to in <a href="#">recommendation 5</a> above.</p> <p><b>Responsible officer:</b> Head of ICT &amp; Digital Transformation</p> <p><b>Timing:</b> 30 November 2024</p>
<p><b>7. Digital champions network</b></p> <p>The council is progressing work to create a digital champions network but the action has yet to be fully embedded. The council should work to fully implement this action, given that it was first identified in 2022 and has yet to be completed (<a href="#">paragraphs 48-49</a>).</p>	<p>The council should prioritise the implementation of a digital champions network to support the development of a digitally skilled workforce.</p>	<p><b>Action:</b> A revised model to support staff with digital skills will be implemented. This will be a combination of peer-to-peer support, creation of learning packages and a single resource hub.</p> <p><b>Responsible officer:</b> Head of ICT &amp; Digital Transformation</p> <p><b>Timing:</b> 31 May 2025</p>
<p><b>8. Formalise flexible working arrangements policy</b></p> <p>In October 2023, the council developed a draft flexible working arrangements policy which sets out guidelines for staff on both hybrid and flexible working. It has yet to be agreed, formalised and circulated to all staff (<a href="#">paragraphs 51-54</a>).</p>	<p>The council need to formalise and agree its flexible working arrangements policy to ensure staff are clear on expectations and requirements.</p>	<p><b>Action:</b> Data will be collated to establish a baseline for staff working hybrid and flexible arrangements.</p> <p>A review will be undertaken of these arrangements (as set out in the hybrid working project) to ensure that these are aligned to the new Delivery Plan portfolio on re-configuring our asset base.</p> <p>The policy will then be formalised, agreed and then approved by the Corporate Resources Committee.</p> <p><b>Responsible officer:</b> Head of People</p> <p><b>Timing:</b> 31 May 2025</p>
<p><b>9. Measuring impact: Monitoring and reporting on progress on workforce planning performance measures</b></p>	<p>The council should ensure that quarterly service reporting on corporate workforce KPIs are consistent</p>	<p><b>Action:</b> Following on from the service workforce plans being agreed (per <a href="#">recommendation 3</a> above) including identification of relevant corporate KPIs,</p>

Issue	Recommendation	Agreed management action / timing
<p>There is scope for improved monitoring and consistency across service workforce plans including detailed actions, timescales and action owners. None of the service workforce plans include specific workforce performance indicators linked to the action plans (<a href="#">paragraphs 89-91</a>).</p>	<p>and include actual performance levels.</p> <p>Service workforce plans should identify targets and performance measures against action plans.</p>	<p>regular reports will be provided to the appropriate strategic committees.</p> <p>This will also include reporting on service specific measures identified from their action plans.</p> <p>The Programme's corporate measures and actions will also continue to be reported as part of the Performance Plan.</p> <p><b>Responsible officer:</b> Head of People</p> <p><b>Timing:</b> 30 September 2025</p>
<p><b>10. Measuring impact: Reporting progress against the People Strategy</b></p> <p>The council has not carried out an assessment of wider progress against the strategies ambitions to inform ongoing workforce planning.</p> <p>Similarly, the council has not carried out a comprehensive assessment against the actions identified in the first iteration of its Talent Strategy.</p> <p>Action plans for each of the eight themes in the People Strategy remain outstanding (<a href="#">paragraphs 94-95</a>).</p>	<p>The council should produce action plans for the thematic areas in any future iterations of the People Strategy and carry out a comprehensive assessment of progress against their strategies.</p>	<p><b>Action:</b> The revised People Strategy will include thematic action plans. Progress will be assessed and reported accordingly to the Corporate Resources Committee in December 2025.</p> <p><b>Responsible officer:</b> Head of People</p> <p><b>Timing:</b> 31 December 2025</p>

# Workforce innovation: how councils are responding to workforce challenges

Best value thematic work in Highland Council 2023/24

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