

The Highland Council

Agenda Item	19
Report No	ECI/25/25

Committee: Economy and Infrastructure

Date: 29 May 2025

Report Title: Service Workforce Plan Annual Progress Report

Report By: Assistant Chief Executive - Place

1 Purpose/Executive Summary

- 1.1 On 2 May 2024, Members noted the annual update of the Infrastructure, Environment and Economy Workforce Plan for 2022-2025. This report provides a further updated action plan summarising progress to date and actions for 2025/26.
- 1.2 Cluster workforce plans were completed in March 2025 and the Place Workforce Plan includes information for Housing and Communities; Facilities and Fleet Management; Operations and Maintenance; Planning and Economic Development and Property and Assets. In addition, information from the service workforce plans was incorporated in a [Corporate Workforce Strategy and Action plan](#) which was presented at Corporate Resource Committee on 20 March 2025.

2 Recommendations

- 2.1 Members are asked to **note** the Infrastructure, Environment and Economy (IE&E) workforce planning progress report and updated action plan.

3 Implications

- 3.1 **Resource** - A failure to manage workforce planning and change puts at risk the Council's capacity to make the most effective use of resources. The impact of failure of statutory service delivery will have a reputational impact, as well as financial implications from any relevant regulatory body. Limited budget will impact on what level of service is delivered, if it is not mandated, especially on the number of staff; training of the staff; plant and equipment available for staff to do their job effectively.
- 3.2 **Legal** - Care is required that large scale and complex workforce change be managed in line with current employment legislation and Highland Council policy. The delivery of core and statutory functions will be impacted if the Service is inadequately resourced, and staff do not have the necessary skills to deliver core functions.

3.3 **Risk** - Having a sustainable workforce is included as a risk in the Corporate Risk Register. There are also staffing resource challenges associated with budget constraints. This report mitigates the risk of an insufficient current and future workforce.

3.4 **Health and Safety (risks arising from changes to plant, equipment, process, or people)** - Staff wellbeing is a priority in the People Strategy and the Service action plans, and this is reflected in the Corporate Workforce Plan.

3.5 **Gaelic** – There are no Gaelic implications as a result of 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 Introduction

5.1 On 2 May 2024, the Environment and Infrastructure Committee noted the annual update of the service workforce plan for 2022-2025.

5.2 Workforce planning is the process that organisations use to ensure they have the right people with the right skills in the right place at the right time. Our workforce plan supports the Operational Delivery Plan, helping us transform our community, work with partners, and meet our budget and improvement goals.

5.3 There have been several changes in the Services since the last workforce plan was presented, including the Council’s organisational restructure aligning seven services to three Clusters. The IE&E Service is now split across four sections within the Place Cluster; however, this report provides an update on the previously titled IE&E Service. New workforce plans will be developed based on the new structure in 2025/26.

6 Workforce Planning Updates

6.1 Recruitment & Selection

6.1.1 Recruitment continues to be a significant problem in some rural areas and specialist skilled roles including Planning staff, Building Standards Surveyors, Engineers and HGV Drivers. Repercussions from Brexit, lower salaries when compared to the private sector, increased outward migration and an aging Highland population all contribute to the difficulties experienced in recruiting suitable candidates. This is further exacerbated by the age profile of our workforce and predicted high numbers of retirement in the very near future.

- 6.1.2 The service turnover rate for 2024/25 was 19.3% which is higher than the overall organisational rate of 13.9%. Analysis of exit interviews and questionnaires showed that limited development opportunities and terms and conditions (specifically salary level) were the most common reasons for employees leaving the service. However, temporary contracts linked to temporary funding and a high number of retirements are also reasons for the high turnover rate.
- 6.1.3 Significant focus was given to supporting, developing and increasing the number of foundation, modern and graduate apprenticeship opportunities within the service. In addition, hard to fill posts were identified with strategies put in place to fill essential vacancies. Examples of this included internal staff development and promotion, new apprenticeship frameworks, creative vacancy advertisement and the development of career pathways.
- 6.1.4 However, it is evident that further and ongoing emphasis must be placed on this to future proof the service as 27.5% of service FTE are younger than 40, 50.5% are over 50 years old and 18.5% are older than 61. The ageing workforce has increased by 4.5% since the IEE workforce plan was written in 2022/23 and it is expected that the majority of the 127 staff 61 years and older will retire within the next 5 years.
- 6.1.5 Furthermore, there are only 19 apprentices within the service, and this makes up 3% of the service workforce.
- 6.1.6 The [Talent Strategy](#) recognises the Highland Council's need to plan, manage and improve people approaches, and supports the achievement of the [People Strategy](#) and implementation of the Council's [Delivery Plan](#). To create a robust organisation, we must embrace diversity and foster an inclusive workplace that encourages ambition and supports change. The Talent Strategy will provide the foundation to build the 'ambitious, sustainable and connected' culture, placing people at the very heart of the organisation.
- 6.2 Performance Management
- 6.2.1 Consideration should be given to performance management being a critical component to workforce planning. It not only allows managers and staff to communicate expectations and outcomes, but it also provides information to management allowing them to make informed decisions regarding service delivery. Performance management can also help managers recognise areas for improvement and increase staff engagement and retention. It is essential that managers feel equipped to manage performance effectively and the service will aim towards 100% compliance with relevant managerial and HR training.

6.3 People Development

- 6.3.1 People Development was previously a challenge within the service due to the limited availability of internal resources. However, much improvement has been achieved corporately and within the service due to increased resource within the People Development Team including a recently appointed Career Coach, management development training at various levels and a variety of online training on Traineasy. Online access was increased for some front-line and manual workers enabling them to use hotdesking facilities to access online training, payslips and other digital council resources.
- 6.3.2 Due to the variety of roles undertaken within the service, consideration is being given to how training can be delivered internally and shared between teams and an example of this is manual handling and working at height where many teams outsource this training to external providers. Sharing training and minimising the cost of external training will enable teams to share knowledge and skills and reduce the overall cost to the service.
- 6.3.3 Commitments were also given to explore additional training and development for our Apprentices to encourage cross-team working and exposure to multi-functional and corporate projects. By investing in the development of graduates, the service will not only enhance their workforce but also build a strong foundation for future success within the organisation and Highlands.
- 6.3.4 As part of the Talent Strategy that was approved by Corporate Resources Committee on 20 March 2025, the organisation intends to work towards Investors in People (IIP) Accreditation. IIP is an internationally recognised accreditation for people management and employee wellbeing, and it aims to increase productivity across organisations by creating a stronger, healthier and happier society. The focus of IIP accreditation is to invest in people, wellbeing and apprentices which aligns with our workforce planning ambitions.

6.4 Structures

- 6.4.1 Due to the recent organisational restructure, the service is undergoing significant change and managers are working closely with their staff, HR and Trade Unions to review structures and ensure they are sufficient to enable successful service delivery and staff development. The service values the positive partnering relationship it has with Trade Unions, and they continue to be consulted regarding proposed changes.

7 Action Plan

- 7.1 The updated workforce action plan developed by the IE&E Management Team, supported by the HR Business Partner, is included as **Appendix 1**.
- 7.2 It is important to note that it is not possible to provide end dates for some actions because workforce planning is an ongoing process.

8 Priorities

8.1 The workforce planning priorities identified for the IE&E Service over the next 12 months are:-

- Recruitment and retention;
- Staff wellbeing;
- Succession planning;
- Learning and development including improving links and career pathways with higher education;
- Continued implementation of sustainable staffing structures; and
- New workforce plans to reflect the new Council structure

Designation: Assistant Chief Executive – Place

Date: 28 April 2025

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Background Papers: IE&E Workforce Planning Committee Report

Appendices: Appendix 1 – Workforce Action Plan 2022-2025.

Appendix 1

Workforce Challenge/Priority	Desired Outcomes	Actions required	Lead	Target Date	Achieved by May 2025
<p>Management and monitoring of structure and workforce</p>	<p>Affordable and sustainable future workforce and Service</p> <p>Minimise 'knowledge drain' resulting from increasing retirements</p> <p>Support aging workforce to remain in employment</p>	<p>Align structure to budget</p> <p>Continue to review establishment and staffing structures, determining if any adjustments are required to meet current and future needs and practices</p> <p>Identify any potential single points of failure</p> <p>Utilisation of effective succession planning strategy</p> <p>Promotion and broader use Apprenticeship/Trainee Programmes</p> <p>Proactively engage with schools in Highland to promote IEE professions as career options</p> <p>Develop and support mentoring opportunities</p> <p>Consider and implement measures for an aging workforce</p>	SMT, HRBP	Ongoing	<p>Service structures are continually reviewed to ensure affordable and appropriate posts are in place to enable successful service delivery, career progression and succession planning</p> <p>A corporate succession planning toolkit was developed and implemented within the Service. This is an ongoing requirement as teams and structures evolve.</p> <p>Vacancies reviewed to determine impact on service objectives and delivery</p> <p>Mentoring and coaching operating within some teams, which promotes staff development and knowledge sharing</p> <p>Modern and Graduate Apprenticeship Programmes are well established within the Service, resulting in successful Apprentices, some of whom are award winning - this supports succession planning and aids staff retention, as well as investing in economic regeneration and retaining employees in local communities within the Highlands</p> <p>Building Standards, Planning, and Engineering career pathways are successfully established, with further development required to identify additional career pathways to promote all IEE professions as career opportunities to school leavers and all prospective applicants</p> <p>Links with Highland schools, recruitment fairs, Universities and training providers are established. This should be built on with the support of Learning & Development colleagues and Services identifying targeted professions/gaps from the succession planning toolkit.</p> <p>Summer Students secured employment within HC and the local area on an annual basis amongst various IEE teams.</p> <p>Teams utilising the in-house training provision</p> <p>SMT to review flexible retirement data and align this with career pathways and succession planning</p>
<p>Staff Recruitment and Retention</p> <p>Difficult to recruit vacancies, salaries comparisons with private sector, outward migration and ageing Highland population are contributing factors to recruiting and retaining suitably skilled and experienced staff</p> <p>IEE Turnover Rate 2024 = 19.3%</p> <p>HC Turnover Rate 2024 = 13.9%</p>	<p>Having right people with the right skills in the right place at the right time now and in the future</p>	<p>Review current recruitment process and continue robust assessment of all vacancies</p> <p>Develop career pathways</p> <p>Refresh Job and Person Specifications</p> <p>Utilise Apprenticeship Programme</p> <p>Explore Intern Programme with UHI</p> <p>Promote IEE careers with school leavers</p> <p>Analyse reasons for staff leaving through Exit Interview process and resolve where possible</p>	SMT, HRBP, Talent Manager	Ongoing	<p>Apprenticeship Programme successfully established within the Service, enabling vacancies to be filled and for the Service to grow their own talent and achieve succession planning.</p> <p>Recruitment campaigns including use of social media and specialist publications has been successful with the Service securing suitably qualified and experienced staff.</p> <p>Further consideration is required to encourage internal staff development and promotion, which would assist with the recruitment challenges and high turnover rate as identified within the exit questionnaire responses.</p> <p>Job and person specifications are being reviewed in addition to career pathways and training plans being created and established for roles and professions.</p> <p>Analysis of exit interview and questionnaires has highlighted salary levels and career progression were the most common reasons for employees leaving.</p>

<p>Management and monitoring of Agency Spend</p> <p>2022: ca £276k spend 25% reduction from 2021</p>	<p>Reduction of agency spend, to achieve most cost effective workforce spend and support stable workforce</p>	<p>Continue monthly monitoring of agency spend and manage appropriately</p> <p>Continue to reduce agency spend and achieve stable and cost effective staffing structure and workforce</p>	<p>SMT, HRBP</p>	<p>Ongoing</p>	<p>Proactive and robust monitoring and management of Service agency spend continues, with a further 37% annual reduction in agency spend achieved in 2024 (which is in addition to the 25% reduction achieved in 2022 and 48% in 2023).</p>
<p>2023: Staff Wellbeing & Performance</p>	<p>Ensure that all staff have an up-to-date Employee Review and Development Plan, which includes both staff wellbeing and performance</p> <p>A workforce that is supported accordingly, whilst performing efficiently and effectively</p>	<p>Promote/highlight successes - good news stories highlighted at Committee and Viva Engage - identify other platforms</p> <p>Establish platform/forum for staff interaction, networking and sharing of good practice</p> <p>Identify business e-processes to be reviewed and developed (eliminate double handling)</p> <p>Review and plan integration of info/data - single point of access - opportunity to align data</p> <p>Improve front line communication with public and explore self-serve option for customers</p>	<p>SMT and Managers</p>	<p>Ongoing</p>	<p>Good news stories regularly highlighted at Committee, SMT and EMT - additional platform established with IE&E and Place Cluster Viva Engage Community Page</p> <p>Initial Service specific systems and processes identified for improvement/automation - Digital Business Partner appointed</p> <p>New financial system replacing Integra commencing April 2024, with training provided for staff</p> <p>HR and Payroll project is ongoing to review and improve systems and processes. Managers are involved in the working groups.</p> <p>An organisational staff wellbeing survey was undertaken and the findings were communicated to staff in January 2024. The results highlighted that 63% of IEE respondents felt they could speak to their manager about their mental health and 79% said they feel they can do their job well.</p> <p>However, 18% of respondents felt they could influence change and 19% said the Council was good at explaining and consulting on change.</p> <p>A report was submitted to Corporate Resources Committee in March 2024 and the results of the survey were communicated to staff.</p>

<p>Attendance Management</p> <p>2022: Not an issue currently within the Service, with absence rates well below the Highland Council average</p> <p>2023: Absence rates have reduced since 2022 and remain below the Highland Council average</p> <p>2024: Absence rates remain below the Highland Council average with 8.61 days absence per employee per year. HC annual average is 12.45 days.</p> <p>Viral and Gastro related illnesses are the top two reasons for short-term absences</p> <p>Stress/Debility and Musculoskeletal problems are the top two reasons for long-term absences</p>	<p>Robust and supportive approach to attendance management</p> <p>Provide training in attendance management - ensuring all managers have completed the compulsory mentally health workplace course</p> <p>Utilise the Attendance Support Officers and Occupational Health provision accordingly</p> <p>Promote the Council's Employee Assistance Programme and support/sign-posting available via Mental Health First Aiders</p>	<p>Continue proactive, robust and supportive approach to attendance management throughout the Service.</p> <p>Continuation of attendance management training to be undertaken by managers</p> <p>Continued utilisation of Attendance Support Officer, Occupational Health and Employee Assistance/Mental Health First Aider provisions</p> <p>SMT to ensure respective managers have undertaken ERD with their staff, to identify/support any wellbeing issues</p>	<p>Managers</p>	<p>Ongoing</p>	<p>Attendance management continues to be managed and supported in a robust and supportive manner, with managers seeking HR attendance management guidance as and when required.</p> <p>Absence data is provided and assessed on a quarterly basis by the SMT.</p> <p>IEE absence rates continue at a rate lower than the Highland Council average.</p> <p>Face-to-face training was developed in the last 12 months to assist managers with attendance and performance management to compliment the online training provision.</p> <p>With Stress/Debility being highlighted as one of the top reasons for long-term absence within the Service, Senior managers have promoted to their respective managers the Council's Employee Assistance Programme and support available via Mental Health First Aiders, to aid supporting staff.</p> <p>With Musculoskeletal being highlighted as one of the top reasons for long-term absence within the Service, Managers to ensure Display Screen Equipment assessments are undertaken regularly and reviewed as/when required.</p> <p>Managers also promote regular breaks, appropriate moving/handling techniques, the right to disconnect, shorter meetings, working hours, etc. to staff. Occupational Health and Physiotherapy provision also highlighted to managers for them to take forward when required/appropriate.</p>
<p>Staff Development</p> <p>The pandemic had a negative impact on the development of staff, with courses and training being significantly reduced</p> <p>Suitably trained staff is essential for Health & Safety, and also aids staff wellbeing, development and staff attraction/retention/promotion, whilst ensuring staff are well equipped and feel confident to undertake duties</p>	<p>Ensure that all staff have an up-to-date Employee Review and Development Plan</p> <p>Draft and deliver Service Learning & Development Action Plan</p>	<p>Managers undertake ERDs with staff</p> <p>Identify training requirements, draft Service L&D plan and deliver training</p> <p>Promote and monitor compliance of mandatory training courses</p> <p>Pilot in-service mentoring/coaching approach - utilise People Development platform</p> <p>Tailor and deliver customer services training to support clients with mental health challenges, which also links with the direction of the My Council project</p>	<p>SMT, HRBP, People Development Team</p>	<p>Ongoing</p>	<p>The Service is in the process of completing the annual ERD process for all staff.</p> <p>The service is working with People Development to create a condensed ERD tool for managers to use with front-facing staff to enable key conversations to take place with a high number of staff about wellbeing, health and safety and development.</p> <p>Training gaps to be identified and a Service Learning and Development Action Plan is to be drafted with the support of the People Development Team - preliminary discussions have taken place</p> <p>Mandatory training completion/compliance is provided and monitored on a quarterly basis by SMT</p> <p>Management Connections training programme established and run by People Development for Service managers</p> <p>Corporate Mentoring Programme established with both Mentors and Mentees being identified and coached/supported as required</p> <p>The Council has invested in Investors in People (IIP) and this will be rolled out in 2025/26.</p> <p>People Development researching options for advanced customer services training.</p>

<p>Ways of Working</p> <p>Smart ways of working for service delivery and staff</p> <p>Suitable depot and office work environments</p>	<p>Identify smart ways of working to meet Service and staff requirements</p> <p>Teams to complete and regularly review Team Agreements</p> <p>Identify and implement any required adjustments/improvements to work environments</p>	<p>Managers to undertake ERDs with all their staff to identify/support ways of working</p> <p>Managers to review Team Agreements regularly</p> <p>Assess and identify any adjustments required at depots and offices</p>	<p>SMT and Managers</p>	<p>Ongoing</p>	<p>The Service is in the process of completing the annual ERD process for all staff.</p> <p>Team Agreements developed for each team to ensure appropriate working arrangements in place. Teams Agreements are reviewed regularly to ensure they are fit for purpose.</p> <p>A review of the approach to smart working is ongoing to ensure managers and staff have a clear understanding of the corporate position. This will also help the Service contribute to the corporate asset management review.</p>
<p>Engagement Survey</p>	<p>Discuss outcomes with SMT and identify and take forward actions required</p>	<p>Build on strengths and address areas requiring development, which will enhance staff wellbeing and improvement</p> <p>Key areas for improvement identified:</p> <ul style="list-style-type: none"> - Staff being able to challenge how things are done in the Council - Survey results being acted on by management - Senior leader visibility 	<p>SMT and Managers</p>	<p>Ongoing</p>	<p>Corporate and Service specific survey outcomes were shared and discussed at several employee engagement sessions held in different locations in the Highlands.</p> <p>A corporate action plan was prepared for the Corporate Resources Committee in 2024.</p> <p>Regular staff engagement roadshows are delivered to enhance visibility of senior management and communication throughout the organisation.</p> <p>SMT regularly consider the outcomes of the survey to inform their decision making i.e. improving staff communication, change management and engagement.</p>