The Highland Council

Resources Committee

27 May 2015

Corporate Development Service Workforce Plan 2015- 2019

Report by Depute Chief Executive/Director of Corporate Development

Summary
This report sets out the Corporate Development Service Workforce Plan for 2015 – 2019, for Members consideration and approval.

1.   Background

1.1   Workforce planning is the process that organisations use to make sure they have the right people with the right skills in the right place at the right time. To manage their workforces effectively, organisations need to have up to date information on:

- The number of people that they employ to carry out different tasks
- What skills the workforce has and where there are gap
- What skills and staff will be needed to delivery future services and priorities

1.2   Effective workforce planning will support Corporate Development Service to:

- Deliver improved services
- Review how many employees are needed
- Manage employee budgets effectively
- Manage the required reduction in employees in order to meet budget targets
- Ensure sufficient and appropriate training is provided
- Cope with variations in supply of and demand for various skills

1.3   At Finance, Housing and Resources Committee on 26 February 14 it was agreed that a consistent approach to workforce planning should be implemented across all Council Services and presented in a consistent format. It was agreed that these plans should forecast expected staff numbers, skills needs and cost on a basis consistent with the Council's budget planning process and timetables. They should monitor the age of our workforce and prepare for peaks in departures from employees leaving due to retirement.

1.4   The Corporate Development Workforce Plan has been prepared using the Highland Council six point model. The plan covers the period 2015 – 2019 and will be reviewed on an annual basis.

2.   Analysis

2.1   The Corporate Development Service has a total of 232 full time equivalent employees. The majority of staff in the Corporate Development Service are part of the Business Support job family or Professional & Specialist job family.

2.2   The ratio of managers to employees is 1:12. The average number of reports per manager is 5.5, with a minimum of 1 and a maximum of 37 reports.

2.3   The absence data shows a positive trend in absence levels to 2013/14. In 2010-2011, an average of 7.8 days per employee was lost to sickness. In 2013-2014, the average days lost to sickness went down to 5.9. Due to the relative size of the Corporate Development workforce a small number of incidents of sickness absence can have a significant effect on the indictor. This has been the case in 2014/15. These incidents have and are being managed and a reduction in days lost in 2015/16 is expected.

2.4   The Corporate Development Service offers professional support to the other Services in the Highland Council. Key skills within the Service are Legal profession, HR profession, ICT profession and Project Management.

2.5   In relation to Employee Engagement the 2012 Employee Survey showed that 72% of the respondents were satisfied with aspects of their employment, 15% was dis-satisfied and 13% were neither satisfied or dissatisfied.

2.6   65 FTE members of staff in the Corporate Development Service are younger than 41. A total of 90 FTE employees are older than 51, with 23 FTE employees older than 61.Although there is no longer a compulsory retirement date, it is to be expected that between now and 2019 - the period covered by this workforce action plan – the majority of the 23 FTE members of staff currently 61 or older, will retire.

2.7   Please refer to Appendix 1 were further details on the points covered above are displayed.

3.   Context and Drivers

3.1   The environmental analysis (PESTLE) showed that the Service is operating in a changing environment and the Council has a diverse geography and population with a need to manage service delivery across large rural areas and more urban communities. Key priorities for the Council remain removing inequalities and managing the demands of an aging population.

3.2   Technology provides an opportunity to meet customer demands while also improving service delivery and reducing costs.

3.3 Customer requirements are changing with members of the public expecting more on-line services, but not exclusively and face-to-face services will continue to be required. The continued demand for services– both from external and internal customers – will create pressures in a time where budgets and staffing levels are decreasing.

3.4 Changes in service strategy (Business Imperatives) will focus on the reduction of budgets and resources and how this will impact on the service. To enable this, the Service will need a full understanding of the total costs of service delivery and be able to explore new models of delivery with some services continuing to be delivered in-house and others being delivered by external suppliers and partners through shared service and other arrangements.

3.5 The service is encouraging a more pro-active approach towards our customers – internal and external. The introduction of HR Business Partners is an example and will be implemented by other parts of the service including ICT. Creating a single point of contact assists with building relationships and improving service delivery.

3.6 Drivers for change regarding staff include the age profile of our current staff, span of control, organisational structure, training needs, having the right people in the right place and encourage cross service working relationships. There are posts within the service which have proven difficult to recruit e.g. ICT Project Managers and Health and Safety specialists and fixed term posts are particularly difficult to fill.

4. Workforce Strategies

4.1 Attraction & Selection

Through reviewing the service structure and reallocating work or members of staff, it is intended to minimise the need for fixed term posts and to create permanent posts instead. The Service is also looking to find a balance between less (management) layers but still being able to offer career progression.

4.2 Learning and Development

The service is aiming to develop their members of staff to become more broadly skilled in order to reduce the risks attached to having single points of expertise. Learning and development of current staff will also link in with 4.4: Succession Planning. Due to the aging workforce it is expected that a significant group of staff will leave the organisation over the next few years and this creates a loss of knowledge and skills.

4.3 Employee Engagement

Following the 2012 Employee Survey, several actions were taken, including the implementation of the Employee Forum and the Service Newsletter and the development of the Extended Management Team, and the outcome of the

2015 Employee Survey is awaited to establish if these actions have had a positive effect on the Employee Engagement.

4.4   Succession Planning

The service appreciates that succession planning is a priority, based on the age profile of our workforce and the need to retain professional and specialist skills and knowledge. The first step is to identify the single points of expertise and to ensure that knowledge and experience will be shared. The service will also review the possibility of developing current members of staff to prepare them to compete for future vacancies.

4.5   Staffing Budget Realisation

The agreed saving targets for the service will have a significant impact on the staffing budgets. In the previous and current financial years, the staffing budget savings were met due to vacancy management. As described above at 4.4, the fact that we have an aging workforce is a risk but it can also be perceived as an opportunity to realise future staffing budget savings through natural turnover. Based on current budget saving figures, the Corporate Development Service will have to reduce with 20 FTE in the next four years in order to meet the budget targets. Planned reductions in the workforce FTE are set out in Appendix 2.

5.   Workforce Actions

5.1   Please refer to Appendix 3 for a detailed Workforce Action Plan. In summary, to ensure that the Service will have the appropriate workforce in the future taking in consideration the staffing budget cuts, the following actions are proposed:

-   Developing an approach to ensure succession planning and development of staff
-   Implementing a skills matrix for the service
-   Reviewing the current structure to increase spans of control, reduce layers within teams and to reduce the need for temporary posts
-   Developing projects and initiatives to assist in identifying efficiencies and improving the quality of services.
-   Developing a flexible workforce and service structure.

5.2   A Learning and Development Action Plan is also detailed at Appendix 4 and will support the development of skills needed to implement the workforce development actions and ensure that the service can develop a more flexible and resilient workforce.

6.   Implications

6.1   Resource implications
There are no specific resources implications arising from the recommendations of this report.

6.2   Other Implications
        There are no legal, carbon clever, Gaelic or rural implications arising from the
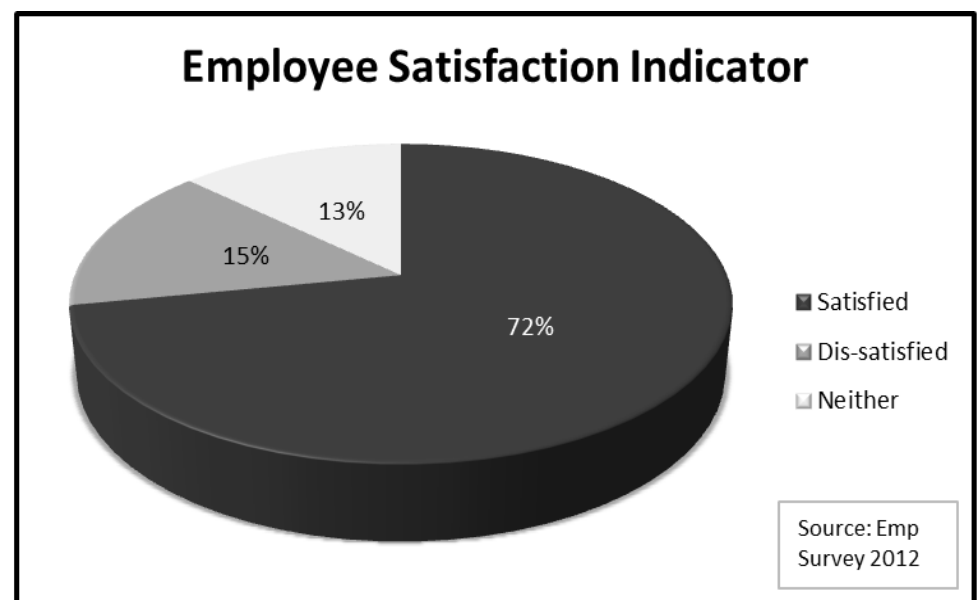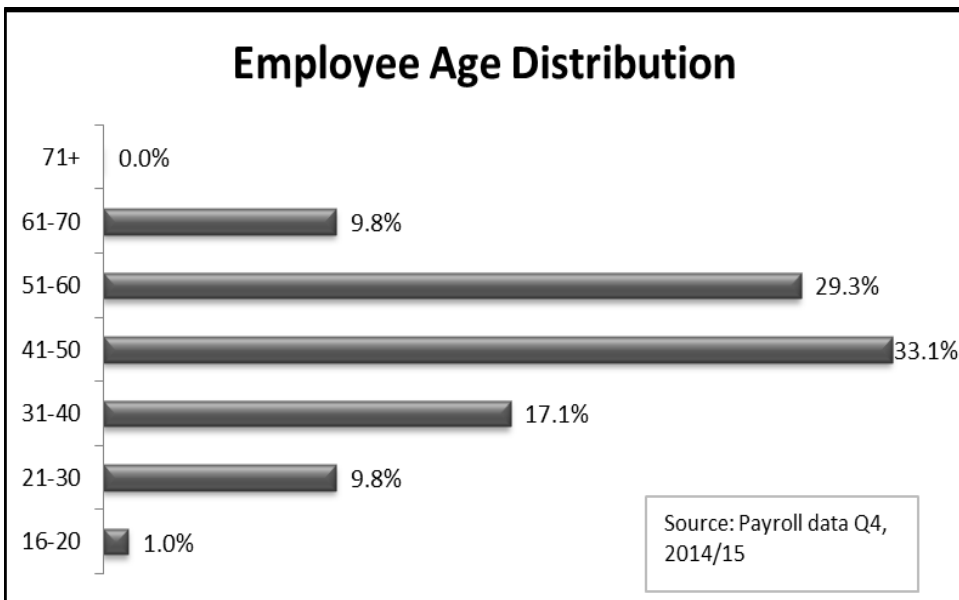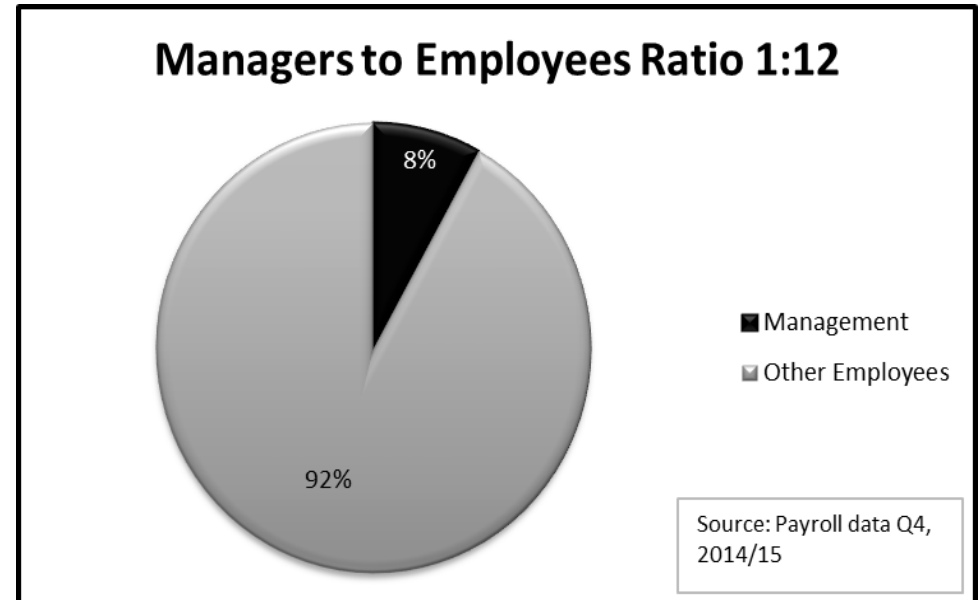   recommendations of this report.
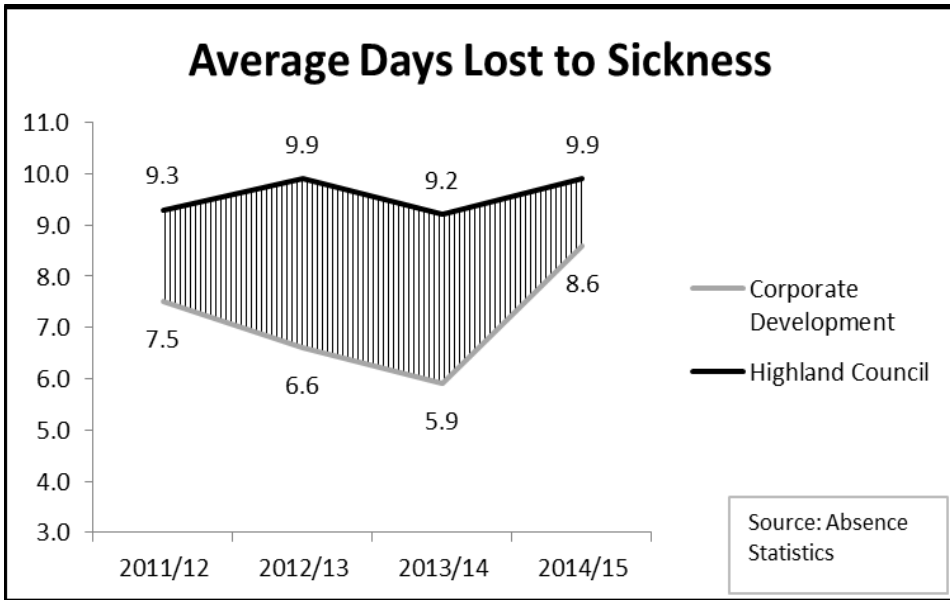
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7.   Recommendations:

Members are asked to consider and agree the Corporate Development
Service Workforce Plan 2015 – 2019.

Designation: Depute Chief Executive /   Date: 15 May 2015
             Director of Corporate Development

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Average Days Lost to Sickness

Corporate Development
Highland Council

Source: Absence Statistics

Managers to Employees Ratio 1:12

- Management
- Other Employees

Source: Payroll data Q4, 2014/15

Employee Age Distribution

Age	%
71+	0.0%
61-70	9.8%
51-60	29.3%
41-50	33.1%
31-40	17.1%
21-30	9.8%
16-20	1.0%

Source: Payroll data Q4, 2014/15

Employee Satisfaction Indicator

- Satisfied
- Dis-satisfied
- Neither

72%
15%
13%

Source: Emp Survey 2012

Workforce Sizing

Corporate Development

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Workforce FTE

	2014/15	2015/16	2016/17	2017/18	2018/19
Planned Workforce (FTE)	231.4	226.4	221.4	216.4	211.4
Planned Change (FTE)		-5	-5	-5	-5

Source: Service Staffing Budget 2014/15

Corporate Development Workforce Action Plan   Appendix 3

Workforce Action Plan				
Issue/Need	**Actions**	**Outcomes**	**Lead**	**Target Date**
Develop skills, knowledge and succession planning	• Produce skills matrix to outline Sections and teams skills, expertise and areas of interest. • Develop a Service Learning and Development plan. • Develop an approach to ensure succession planning	Identify risks and support development opportunities, succession planning and knowledge management. Reduced single points of expertise.	Director/ SMT	Review Progress – April 2016
Broader Spans of Control, number of grade/layers and	Review current structure to increase spans of control and reduce layers within teams.	Reduced costs, constant approach across Services, more flexibility, greater clarity in roles and responsibilities, improved communication and faster decision making.	Director/ SMT	Review Progress – April 2016
Recruitment and Retention	Review structures in order to reduce the number of fixed term posts.	Increased ability to attract and retain key staff.	Director/ SMT	Review Progress – April 2016
Develop new ways of working that maximise productivity and efficiency and encourage innovation	Develop projects and initiatives to assist in identifying efficiencies and improve the quality of services	Staff work in cross functional teams within CDV and other Services to achieve transformational efficiencies and savings	Director/ SMT	Review Progress – April 2016
Future budget savings	Develop a flexible workforce and Service structure	Smaller more flexible workforce	Director/ SMT	Review Progress – April 2016

Corporate Development Learning and Development plan

Job Family e.g. Technical, Personal care, Business support, Community, Professional or Management	Subject Area e.g. Health & Safety, Legislation & Policy, Business Change, Management Development., Values – staff engagement, Personal & Professional development	Is this a Statutory or mandatory requirement ? Y/N	Training Requirement e.g. performance management , financial management, manual handling	Target Date e.g. April 2015	Participants / Staff Group & numbers e.g. managers x10, drivers x5, all x100	Cost implication or actual cost (if known) High (large number of participants/ large impact on budget, Medium impact or Low (small numbers / already budgeted for) or actual cost e.g. 2 days x 500 = £1000
Management	Management development	N	- Leadership development programme. - Management modules		50	Low
Management	Values/behaviours	N	Leadership development workshops		50	Low
Management	Business change	N	- Change management - Project management		25	Low/medium
Management	Health and Safety	Y	Management of Health and Safety		50	Medium
Professional	Professional skill gaps	N	Employment law		1	High
Professional	Professional updating and development	N	As appropriate: HR, ICT and Legal		150	Medium
Customer Services	Service delivery	N	Customer Service skills and development		100	Medium