

**Open Report on behalf of Debbie Barnes,  
Executive Director for Children's Services**

Report to:	<b>Overview Scrutiny and Management Board</b>
Date:	<b>26 October 2017</b>
Subject:	<b>Council Workforce Plan 2017 - 18 Progress Report</b>

**Summary:**

The purpose of this report is to provide an update on the progress being made relating to the projects within the Council Workforce Plan. This plan provides the corporate framework for the Director Area workforce planning and development strategies. The report therefore details progress made for corporate level projects and activities.

**Actions Required:**

The Overview and Scrutiny Management Board is asked to

1. seek assurance on the progress being made relating to the projects within the Council Workforce Plan.
2. receive HR performance and workforce information at a future meeting.

## **1. Background**

### **1.1. Council Workforce Plan Overview**

The Plan incorporates the Council's people management commitments to support the delivery of the Council Business Plan and is overseen by the LCC People Management Service, working in partnership with the Serco People Management Service, the Workforce Planning and Development leads in Director Areas, and Director Area Management Teams (DMTs).

As the corporate framework for the development of workforce planning and development strategies, the overall Council Workforce Plan outcome is to ensure we maximise the organisational capacity, performance and resilience to deliver the Council's objectives. This means:

- Working as one Council and, through the Council's partners, to deliver effective and efficient services

- Developing and supporting all Council employees to do their jobs well to deliver the Council's priorities for the benefit of our customers and communities
- Having the right skills, in the right place, at the right time, to the required capacity to deliver the Council's priorities at the agreed standards
- Developing and retaining professional skills through further development of 'grow your own' career pathways
- Maximising the resilience and flexibility of our people and resources to deliver our key priorities

The 2017–18 Workforce Plan includes the continuation of some of the projects from 2016–17. The projects are managed in 3 inter-related workstreams covering: Recruitment and retention for shortage areas; Workforce performance and reward; and Leadership development and managing change.

The ability to recruit and retain staff in high risk areas is a corporate risk and the impact of the controls - the Workforce Plan Projects - are also monitored through the Strategic Risk Register assurance process overseen by the Audit Committee.

Underpinning the Workforce Plan is the Council's commitment to developing and supporting employees (**see Appendix A**). This set of commitments was produced following council-wide consultation with employees, managers and elected members from Value for Money Scrutiny Committee before being signed off by the Corporate Management and the Executive in 2012. (The original document has recently been reviewed, and other than minor updates, has not been changed as the principles continue to reflect the Council's ongoing commitment to developing and supporting its employees.)

## **1.2. HR/Payroll Information System and Process Developments**

Although the changes to transactional processes are not set out in detail in this report, it is acknowledged that many of the People Management Service resources in Serco and the Council continue to be allocated to the improvements in HR processes and systems including Agresso.

The current upgrade to Agresso is to be undertaken by early 2018, after which further improvements to the system and underpinning processes are planned. These processes underpin the Workforce Plan and assist in modernising and improving how the Council manages its recruitment, pay and reward, performance management, resourcing and learning management processes.

In relation to the availability of management information from Agresso, good progress has been made in partnership with Serco over the last 12 months in enabling Managers to run a suite of HR Management information reports direct from Agresso, so they can monitor people related performance, for example, sickness absence and appraisal completion.

The full suite of corporate HR performance information, for the period since Agresso was implemented, is currently being validated by Director Area Management Teams, and as such, will not be published until after the end of quarter four in the 2017-18 financial year. Whilst data input for sickness absence is now very robust, there are still some areas of the Council where appraisal records are not up to date. This is partly due to late scheduling of appraisals where there have been restructures, e.g. in Children's Services and Environment and Economy, with staff moving to new roles and different line management. There have also been technical Agresso challenges for some Managers. Whilst staff continue to receive regular 121 meetings and regular supervision meetings in social care, the target of 100% appraisal completion is a high priority for the Corporate Management Board and Senior Managers. Additional support is being made available to Line Managers from Business Support 'agresso champions' to ensure accurate recording of data.

However, workforce information, which is input and validated in the system by the back office HR administrative function, is available and the analysis is currently being completed but will not be ready in time for the 26 October 2017 meeting, therefore summary information is as set out in 1.3 below.

### **1.3. Workforce Information**

Together with other organisational information, the workforce information informs the priorities for the Workforce Plan projects and the solutions required to address current and future workforce challenges, in particular to attract, recruit and retain skills in high risk areas.

The 2017-18 information shows that:

- The Council employed 4,480 employees at 31<sup>st</sup> August 2017. Of these, 39% are part-time; 61% full time; 95% are permanent; 5% on fixed term and temporary contracts. (This excludes agency staff.)
- The hard to recruit and retain areas are predominantly in those skill areas where there are national shortages including Social Workers, Occupational Therapists, Engineers and Planners, Legal and Commercial. Typically agency usage to cover vacancies is highest in the areas of social care. There are a range of recruitment and retention initiatives which are referred to in this report which aim to assist in filling vacancies quickly and effectively. The initial focus has been in Children's Services, with the learning from this area being developed for other areas of the Council.
- The age profile of the workforce continues to reflect the trends seen in the last few years, and in the public sector as a whole, with 79% of the workforce being in the 30-59 age range. It also reflects that 42% of senior managers are 55 years and over. Again through initiatives such as the all age apprenticeship scheme, the Council is focussing on both the attraction and retention of key skills as part of its workforce planning activities and succession planning approaches.

The workforce data including 2017-18 is to be completed by November 2017 and will inform the review of the Workforce Plan. This will include analysis in high risk areas of recruitment trends; employee turnover; age/length of service of leavers; reason for leaving; trends in usage of agency staff. This information will be presented to the Overview and Scrutiny Management Board at a future meeting.

**1.4. Workstream Summaries – Progress in 2017 – 18**

The Workstream Summaries below include progress on Workforce Plan projects and also include some business as usual activities to provide a comprehensive picture.

**1.4.1. Leadership – Enabling Leaders to Deliver Organisational/Workforce Change**

**Continuous improvement in how the Council manages change.** The following activities have either been delivered or are in development:

Ref	Projects & Activities delivered by People Management Service	Type
1.4.1.1	<p><b>Provision of People Management advice relating to organisational change</b> in a range of Service Areas. The most significant level of change this year has been:</p> <ul style="list-style-type: none"> <li>• TUPE transfer of the 0 – 19 service from the NHS to Children's Services on 1<sup>st</sup> October 2017</li> <li>• the restructure in Economy &amp; Environment implemented in March 2017</li> </ul>	<b>Strategic activity</b>
1.4.1.2	<p><b>Building on the Leadership Development Programmes</b> delivered over 2012 – 15, the revised leadership development programme is now being delivered internally and focuses on aspiring/new leaders/managers and middle managers as well as all leaders in areas with significant change occurring. <b>The new approach to leadership development</b> has been taken up by 80 managers from across all Director Areas.</p>	<b>Strategic activity</b>
1.4.1.3	<p><b>Continuation of delivery of the Manager's Essentials programme</b> of learning through e-learning on Lincs2Learn and face to face events.</p> <ul style="list-style-type: none"> <li>• <b>Managers Essentials</b> has undergone a refresh and a revised programme was launched April 2017 based on the Core Values and Behaviours and has been very positively received so far</li> <li>• The <b>Managers Induction</b> e-learning module is currently being revised and refreshed with the intention that an updated package goes live at the end of October 2017</li> </ul>	<b>Strategic activity</b>

Ref	Projects & Activities delivered by People Management Service	Type
1.4.1.4	<p><b>Supporting leaders and managers through action learning activities.</b> These have included starting two Communities of Practice; one focused on Commercialisation and a second focused on Digital Transformation. Action Learning Sets have also been facilitated in Environment and Economy.</p>	<b>Strategic activity</b>
1.4.1.5	<p>Supported the leadership development approach over 2016/17 with interventions such as:</p> <ul style="list-style-type: none"> <li>• <b>Bridging the Gap for Social Workers</b></li> <li>• <b>Marketing the Food in Schools Service workshop in Children’s Service</b></li> <li>• Supporting the <b>development of a competency framework and approach to development</b> in an area of the Commercial team</li> <li>• <b>Team building events</b> in an area of Adult Social Care</li> </ul>	<b>Strategic activity</b>
1.4.1.7	<p><b>Delivery of health &amp; well-being initiatives</b> - continuation of delivery of programme including:</p> <ul style="list-style-type: none"> <li>• training in Mental Health Awareness for Line Managers and provision of toolkit;</li> <li>• update of the Absence Management Policy and training of managers;</li> <li>• audits of sickness absence management across the Council;</li> <li>• maintenance of portal for employee health and wellbeing information;</li> <li>• Effective partnership with the Council's occupational health provider to support the proactive absence management approach undertaken by the Council's Managers</li> </ul>	<b>Strategic activity</b>
1.4.1.8	<p><b>Planning is underway for the 2017 employee engagement survey in November 2017.</b> The findings from this will inform priorities for future employment policy reviews and other strategies that help employees carry out their roles as effectively as possible.</p>	<b>Workforce Plan</b>

#### 1.4.2. Strategic Workforce Planning

*To recruit and retain the required skilled workforce in a timely manner to deliver the Council's priorities.* The following activities have either been delivered or are in development:

Ref	Projects & Activities delivered by People Management Service	Type
1.4.2.1	<p>The project to <b>implement the Apprenticeship Reforms, introduced in April 2017</b> continues and will be handed to business as usual operations in late 2018. Plans are in place to implement the Council's long term goal to increase the number of apprentices employed in substantive roles year on year in both schools and in the Director Areas of the Council with priority being given initially to apprenticeships in the hard to recruit and retain areas.</p> <p>The project supports the achievement of our statutory duty to provide education or training for 16- 18 olds, including care leavers.</p>	<b>Workforce Plan</b>
1.4.2.2	<p><b>Further developing our early careers offer through 'grow our own' approaches</b> in the hard to recruit and retain areas to provide framework for the apprenticeship programme. Marketing these opportunities will enhance our employment offer more generally to job applicants, including younger applicants.</p>	<b>Workforce Plan</b>
1.4.2.3	<p><b>Implementation of the pilot projects to recruit and retain qualified social workers in Children's Services.</b> The succession planning pilot is currently being evaluated to identify the learning for other services in the Council, where there are hard to recruit and retain challenges.</p>	<b>Workforce Plan</b>
1.4.2.4	<p>Serco working with the Council have <b>implemented improvements in the recruitment and resourcing service</b> which benefits Managers and Job Applicants, with more streamlined processes being implemented in June 2017. The changes are due to be evaluated in January 2018, 6 months after implementation.</p>	<b>Workforce Plan</b>
1.4.2.5	<p>The <b>review of the corporate contract for the provision of agency workers</b> has been undertaken during 2017, with the new arrangements with two contractors in place, one for specialist social care staff and one for back office services from September 2017.</p> <p>There are a range of benefits which the Council expects to see in the future, in the management of temporary staffing including a new system to manage off and on contract spend. With the changes made to tax legislation that applies to temporary agency staff, IR35, special care has been taken to ensure that these contracts help the Council fulfil its new obligations.</p>	<b>Workforce Plan</b>

### 1.4.3 Workforce Performance and Reward

**To develop and implement more flexible and performance focussed approach to pay and reward which supports the attraction, development and retention of talent.** The following activities have either been delivered or are in development:

Ref	Projects & Activities delivered by People Management Service	Type
1.4.3.1	<p>Following the Council's Collective Agreement, which amended some core terms and conditions from April 2015, the second phase of the implementation has been progressed during 2017. This included <b>piloting of the revised Performance Appraisal &amp; Development policy and process</b> in preparation for linking incremental pay progression directly to performance assessed from April 2018 onwards.</p> <p>The learning from the pilot has informed the revised policy and process. Formal consultation with the Green Book Trade Unions and all employees commenced on 12<sup>th</sup> September, and is due to close on 13<sup>th</sup> October 2017.</p>	<b>Workforce Plan</b>
1.4.3.2	<b>The Council's Core Values and Behaviours framework has been updated</b> to enable easier use, and forms a central element, in the new performance assessment process.	<b>Workforce Plan</b>
1.4.3.3	Improvements to council-wide employee benefits and improved access to information for the existing workforce and for potential employees/job applicants have been implemented during 2017. Planning for the implementation of <b>a modern, competitive and attractive staff benefits web based package</b> by March 2018.	<b>Workforce Plan</b>
1.4.3.4	<b>Improvements to the Council's Lincs2Learn platform and increasing usage of E-learning by employees</b> , enabling value for money learning for both corporate and service specific programmes. Over the last three financial years, there has been a 146% increase in course completions, with 21,539 completions in 2016-17.	<b>Strategic activity</b>
1.4.3.5	<b>Preparation for Government or national changes</b> through the Local Government Association including proposed new national pay spine to accommodate the new National Living Wage; IR35 changes; implementation of exit cap	<b>Strategic activity</b>

## 1.5. Governance Framework for Workforce Plan

The governance framework for the Workforce Plan comprises of the following key elements:

- **Corporate Management Board (CMB)** – to provide direction and strategic alignment with corporate requirements and priorities. The CMB Sponsor is the Executive Director for Children's Services and People Management. It is the responsibility of the Corporate Management Board to ensure the delivery of the Council Workforce Plan priorities and to review progress.

- **Service Manager – People** - accountable for the planning and delivery of the work streams under the Workforce Plan and for agreeing how best to align delivery and resources from Serco and the Council. This role ensures the Plan meets the Council corporate strategic people management and workforce planning requirements.
- **Organisation Development Steering Group** – a forum to enable engagement with Workforce leads in Director Areas; to collaborate on key priority areas for workforce development; to provide assurance on key corporate projects and activities.
- **Director Area Engagement** – through DMTs, to ensure two way communication and enable Managers in Director Areas to lead on implementing the changes through service levels actions. Addressing recruitment, resourcing and learning and development needs within services areas are the responsibility of DMTs for professional and technical (job specific) skills, supported by their workforce planning and development leads.

## 1. 6. Mapping Project Benefits

Work has taken place to assess key Workforce Plan projects and define what benefits these projects should deliver, when, and how success will be measured. Please see the Summary Map of Workforce Plan Outcomes and Benefits in **Appendix B**. This focusses on the following projects (not strategic or business as usual activity):

- Incremental pay progression
- Implementation of a modern benefits package
- Workforce planning
- Review of the recruitment service
- Implementation of a new apprenticeships strategy
- Implementation of a new agency worker contract

For the Early Careers/Grow your Own project and the evaluation of the Succession Planning pilot in Children's Services, work is being carried out to agree the detailed scope of these projects. The benefits of this work are still to be mapped and so these projects could not be included within the map, but will be added to future reports.

## 1.7. Benefits Realisation

The benefits are measured throughout the lifecycle of the Workforce Plan. It will be possible to measure some benefits through the year, whilst others require more long term monitoring and will not be fully realised until 2018/19. All Workforce Projects link directly or indirectly to the 4 strategic performance indicators:

- effective targeting of our resources to benefit communities;
- council commitment to be a good employer;
- sickness absence;
- employee turnover.

Realisation of the benefits once a project has been implemented are also evaluated through audits including Internal Audits of people management practices across all Director Areas.

There are 3 internal audits which have taken place or are planned during the 2017/18 financial year, to ensure that Council employment policies and procedures are embedded and working effectively including pay and pensions; appraisal process; management of sickness absence.

## **2. Conclusion**

Overall the projects within the Workforce Plan are being delivered on plan and evidence will be captured that supports the achievement of the planned benefits.

Through regular monitoring and review of the Workforce Plan, the Corporate Management Board have determined that a number of the existing projects will be required to continue into 2018-19, as set out in Appendix B, as well as ongoing priority being given by the People Management Service to the transformation of HR systems and processes through the further development of Agresso.

The detailed plan for 2018 -19 will be finalised, following consultation with Senior Managers between November 2017 and January 2018, together with the Organisation Development Steering Group.

## **3. Consultation**

### **a) Have Risks and Impact Analysis been carried out?**

Yes.

### **b) Risks and Impact Analysis**

The strategic risk of the ability to recruit & retain staff in high risk areas has been considered. The Council recognises that our staff are a valuable resource that requires investment by the council to help sustain their health & wellbeing. Low risk options are taken (averse) to minimise exposure. The current risk score is limited. The target risk score is improving. Monitoring of this risk is the responsibility of the Audit Committee.

The Strategic Risk Register can be viewed at

<http://lincolnshire.moderngov.co.uk/documents/g4709/Public%20reports%20pack%2030th-Jan-2017%2010.00%20Audit%20Committee.pdf?T=10>

#### 4. Appendices

These are listed below and attached at the back of the report	
Appendix A	Council Commitment to Developing and Supporting Employees
Appendix B	Summary Map of Workforce Plan Outcomes and Benefits

#### 5. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

Document title	Where the document can be viewed
Workforce Plan Priorities for 2016 and Beyond	This document can be viewed at <a href="http://george/section.asp?catId=11573">http://george/section.asp?catId=11573</a>

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