



REPORT TO: POLICY AND RESOURCES COMMITTEE ON 29 OCTOBER 2019

SUBJECT: 2019 WORKFORCE STRATEGY AND PLAN

BY: DEPUTE CHIEF EXECUTIVE (EDUCATION, COMMUNITIES AND ORGANISATIONAL DEVELOPMENT)

1. REASON FOR REPORT

- 1.1 To provide the Committee with an update on the progress made against the actions set out in the 2018 Workforce Plan and to propose an updated Workforce and Organisational Development Strategy and Plan for 2019 - 2022.
- 1.2 This report is submitted to Committee in terms of Section III (B) 27(c) of the Council's Scheme of Administration relating to the recruitment, training and development, health, safety and welfare policies and practices of the Council.

2. RECOMMENDATIONS

2.1 It is recommended that the Committee:-

- (i) considers and notes the progress made against the actions in the 2018 Workforce Plan; and**
- (ii) approves the Workforce and Organisational Development Strategy as set out in Appendix A and Plan for 2019 as set out in Appendix B.**

3. BACKGROUND

- 3.1 Following the introduction of systematic workforce profiling in 2006 and the first workforce plan in 2008 the Council reviews a range of workforce planning data on an annual basis. The workforce strategy reflects the wider priorities of the council and the plan sets out the work being done to achieve and support those priorities.
- 3.2 Workforce planning is designed to help the Council plan to ensure it can meet the current and future demands of services. Recognising that people are the key to delivering and improving council services, the workforce planning

process helps ensure that the workforce is deployed, managed and developed effectively.

3.3 Following the annual workforce planning process, the focus of the workforce and organisational development strategy will be:

- Transformation and Change
- Employee Engagement
- Leadership Development and Capacity
- Recruitment and Skills Development

4. PROGRESS ON 2018 WORKFORCE PLAN

4.1 Performance is measured using specific and measurable outcomes where possible and progress has been made on most of the actions to some degree throughout the year. It is, however, important to note that the extended period of instability with regard to senior management arrangements within the Council has continued to have an impact on progress, as has the significant operational work involved in managing and implementing the workforce implications of the workforce change required to achieve the required budget savings for 2019/20. A report to this Committee on 27 November 2018 advised on the scale of the impact to the extent that a reduced workforce plan was agreed (paragraph 10 of the minute refers).

4.2 The workforce plan for 2019 was reviewed recognising the continuing and future constraints and amended accordingly to represent the scale of work that it is considered feasible with the aforementioned other pressures on the HR Service and taking into account the reduced resource within the HR Service due to budget savings.

4.3 Workforce Transformation and Change

- (i) Budget proposals for 2019/20 have been implemented and a planned reduction in headcount achieved through Transform
- (ii) There continues to be ongoing progress with advice and support provided as required for the integration of Health and Social Care.
- (iii) Support for progress on the Moray Integrated Joint Board Organisational Development Plan was put on hold as per the HR Pressures Report to Policy and Resources on 27 November 2018. (paragraph 10 of the minute refers)

4.4 Employee Engagement and Culture

- (i) A review of engagement activities undertaken as a result of the HR Pressures report resulted in an amended plan for 2018/19. This work has progressed well with all current elements and activities embedded as good practice.
- (ii) The Culture Working Group has continued to oversee the delivery of the agreed action plan. This has seen continued support for Direct Services with a view to ensuring sustainability within the service. Development work has included a culture toolkit, a recruitment

brochure and a workload management toolkit which is currently being piloted.

- (iii) Moray Management Methods training has been implemented successfully with positive feedback.

4.5 Developing Leadership Capacity

- (i) A blended approach of development activity at nil or very low cost with input from the Improvement Service and access to the North East Learning Collaborative has been developed and is in the early stages of implementation.
- (ii) Provision of management and supervisory training has continued to be available and developed to increase skills and support the workplace culture, supplemented by training available through the Flexible Workforce Development Fund.
- (iii) A strategy for the development of Elected Members has been developed in draft form and is currently being finalised.

4.6 Workforce / Employee Development

- (i) Annual training needs were identified with managers and funding allocated. Ongoing scrutiny of training requirements continues to ensure probity over spend on external training with oversight providing useful opportunities to identify potential economies of scale.
- (ii) The number of completed ERDPs has decreased with service managers reporting that budget savings work has impacted on their capacity to undertake appraisals. This has weakened the impact of the development work previously undertaken with some services. The development and support work is one of the elements put on hold.
- (iii) The Senior Manager Performance Framework is one of the elements put on hold and will be carried forward.
- (iv) Organisational development work with services has continued in a reduced capacity with support on the work to investigate the increase in violence and aggression incidents in schools being taken forward (subject of separate report to this Committee), but central support for the learning partnership organisation work has been put on hold.

4.7 Health and Wellbeing

- (i) The national figures for 2018-19 have yet to be released, however Moray's 2017-18 position for absence performance in relation to other Scottish Councils had shown a decrease in the national rank order from 15 to 20 out of 32 for teachers and no move at 17 out of 32 for the rest of the local government workforce. The ranking can be slightly misleading as if every council's figures improve, the individual rankings could potentially stay the same, although notwithstanding this, they can be used as a broad indication of Moray's overall position within Scotland. Case management continues to be carefully monitored within HR to ensure a cost/benefit balance of effective management of absence within the context of reducing management and HR time to address effectively. There remains scope for improving our attendance levels and this work will be carried forward with consideration of where best to target HR support.

- (ii) The small corporate Health and Safety Team have continued to undertake their planned work despite a direct impact from budget savings work affecting the scale of progress. All main higher risk profile departments have operational Health and Safety Committees with worker representation. While worker representation is present, the capacity for undertaking joint inspections remains low. Systems of joint inspection within neighbouring authorities are being explored and the issue is being considered by the Central Health and Safety Committee. An e-learning training module is being developed and a risk based audit approach being consolidated in the plan for 2019/20. A number of safety related articles and support material has been promoted and published over the year as part of an agreed calendar of communications. Professional input was provided to the challenging behaviour survey looking at violence and aggression incidents in schools and this will be continued. While briefings for new contractors were provided with regard to contractor control, further work is ongoing to improve monitoring in this area.

4.8 Workforce and Succession Planning

- (i) A corporate approach to apprenticeships was agreed as a staged approach but this work has been impacted by budgetary pressures and was the subject of a separate report to this Committee on 03 September 2019 where it was agreed to continue with our current approach and to put any further developmental activity on hold (paragraph 15 of the minute refers).
- (ii) Support to services on specific challenges has been provided as required.

4.9 Recruitment and Retention

- (i) This work has been on hold following the HR Pressures Report and will be carried forward.

4.10 Reward and Recognition

- (i) Monitoring of the long term impact of the Living Wage on the pay structure continues however the national agreement on pay awards for the local government workforce contains a commitment of consolidation of the Living Wage with defined timescales. This raises the priority of this work and background research is planned to assess the scope and scale of the issues surrounding consolidation. Separate reports will be brought back to this Committee as this work progresses.
- (ii) An Equal Pay Audit was completed and is available to view on the Council's external website.

4.11 Other Actions

- (i) While there has been some progress with the employment policy review work, completion has been delayed due to the pressures from the budget savings work, reduced resources within HR and trade union availability.

5 PLANNING FOR 2019 WORKFORCE STRATEGY AND PLAN

- 5.1 The strategy has been reviewed in the light of the continuing difficult financial environment and potential impact on council services and it is proposed that the four main themes should be carried forward again. External and internal factors such as the continuing financial pressures and budgetary constraints, Scottish Government policy, the management restructure and the importance of the modernisation, improvement and transformation agenda as the Council works towards a more sustainable future place an increased focus on the organisational development activity that will be required to support this, particularly with refocused engagement and culture activity. Where resourcing pressures had previously meant that a number of elements had been on hold for some time, these remain in the plan for 2019 on the premise that the work is still required, but is undertaken based on a prioritised basis.
- 5.2 As with previous workforce plans, many areas of the workforce plan, which implements the strategy, roll on from year to year as developments and major pieces of work continue in similar areas (e.g. employee engagement, leadership, transformation and change). Therefore, the proposals for the 2019 plan show continuation and progress to the next stage of development.
- 5.3 It is anticipated that there will be a continued impact from the budget on the workforce during 2018/19 along with a strong focus on modernisation, improvement and transformation. Management of the contraction and re-shaping of the Council workforce will therefore continue to be a significant theme for 2019 as services adapt for the future and increased organisational development work will be required to support the workforce adapt to new ways of working.
- 5.4 Responding to Scottish Government policy direction will also be a feature and in particular the initiatives that relate specifically to the workforce including the Fair Work Practices Framework as set out by the Fair Work Convention in their role as an independent advisory body to Scottish Government Ministers. The aim is to drive forward fair work in Scotland so that fair work is a hall mark of Scotland's workplaces and economy. Moray Council are committed to and agree with the principles set out in the Fair Work Framework of effective voice, respect, security, opportunity and fulfilment for each and every employee. These align with the corporate values and the Council will aspire to work towards these in managing and developing the workforce where reasonably practicable and achievable.
- 5.5 In line with the approach taken in previous years and taking account of the available resources, developmental and policy work will continue to be kept to a minimal level with policy review and development prioritised based on either a legislative or organisational requirement. Taking this approach on a longer term basis does carry a measure of risk and this will be kept under review.
- 5.6 Based on the above, the proposed 2019 Workforce Strategy is attached at **Appendix A** and the draft workforce plan 2019 at **Appendix B**. The workforce strategy sets out the high level corporate issues and priorities to be addressed

and the workforce plan provides more detail on the actions that will be taken to address these. The workforce plan is incorporated into the service plan for HR.

6. SUMMARY OF IMPLICATIONS

(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))

The contents of this report are in accordance with the priorities set out in the Corporate Plan 2019-22 and set out how we will make best use of our workforce and resources to support the Council to change to meet future challenges.

(b) Policy and Legal

None

(c) Financial Implications

None.

(d) Risk Implications

The workforce strategy and plan are based on assessment of the issues and risks anticipated in relation to the council's workforce and identify actions to address these. The actions in the workforce plan have been prioritised and if necessary activity will be reduced or ceased on those actions ranked lowest. Given the focus on workforce change through budget related changes, modernisation, improvement and transformation it will be challenging for the HR service to deliver on all of the work identified and so there is a risk of slippage that could have an impact on services. Monitoring reports are submitted to the Personnel Forum and any issues and proposed remediation will be identified for consideration.

(e) Staffing Implications

There are no staffing implications arising from this report. However, it will be stretching for the HR service to deliver the actions in the workforce plan and this will be monitored carefully.

As the Council prepares its financial plans and undertakes longer term planning, it is likely that specific workforce issues will emerge. Work will be undertaken as proposals are developed to identify the specific workforce issues and these will be managed through the well established change management and Transform processes. Account will also be taken of the whole council strategic management of these workforce issues as they emerge by involving the HR team in the planning of the required changes.

(f) Property

There are no property implications arising from this report.

(g) Equalities/Socio Economic Impact

Equality impact assessments are undertaken on each policy and the workforce implications of budget savings and change proposals.

(h) Consultations

The Personnel Forum receives regular reports on the progress of the workforce plan and has been consulted on the preparation of the draft proposed. The trade unions also receive updates and were consulted on items that they would wish to include in the future plan. CMT/SMT have also been provided with background information and draft documents for consultation and direction and their views are incorporated into the proposals. This report has also been circulated to Tracey Sutherland, Committee Services Officer and their comments are included within the body of the report.

7. CONCLUSIONS

7.1 While the workload remains challenging, there has been some positive progress on the 2018 workforce plan. For 2019, it is anticipated that there will continue to be progress across the main elements of the workforce plan; additionally significant work will arise as a result of the budgetary challenges which will require support in achieving a reduction in headcount and development of our leadership capacity will also be driven forward . There are limited resources allocated to policy work and we need to ensure that this keeps pace with external developments.

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Background Papers:	Annual Workforce Report (statistics) on members' portal (To be made available once statistics validated following technical issues in establishing appropriate comparative data from the new HR-Payroll system)
Ref:	2018 workforce plan progress and conclusions on members' portal p/mgt/reports/p&r/workforce planning Appendix A: 2019 Workforce Strategy (Draft) Appendix B: 2019 Workforce Plan (Draft)