

Tomorrow's people Building a workforce for the future

2009/10

Introduction

The Council's purpose is to provide leadership to local communities and to improve the social, economic and environmental well being of the District. It does this by working in partnership with a range of public, private and voluntary organizations to deliver the Malvern Hills Community Strategy and contribute to the Local Area Agreement and the Worcestershire Community Strategy.

Our contribution to the Malvern Hills Community Strategy is delivered through the Council's vision, objectives and priorities but we realize that we need an organisation that is "fit for purpose" driven by the full commitment and dedication of a skilled, motivated, safe and healthy workforce.

This Workforce Development Plan complements our People and Pay strategy and HR management Plan to ensure that the Council plans effectively to meet its key organisational objective which is "to have effective and empowered members and employees" to ensure the organisation leads, manages, develops and releases the knowledge and full potential of its people at an individual, team and organisation-wide level to ensure that we meet our overall vision.

The Plan is prepared against a volatile economic background and a period of substantial change for local government in general, but in particular against a local background where a range of local projects may impact upon staff. These include

- Local Pay and Grading Review
- The Worcestershire Enhanced Two Tier (WETT) programme and shared services strategy
- The need to identify priority and non priority areas
- The so called "pensions time bomb"
- The Council's 5% efficiency targets and local government funding pressures
- The Council's efforts to meet "achieving" status under the Equalities Standard for Local Government and contribute towards the Pan Worcestershire TEDS project
- The introduction of a new competency framework

This plan aims to help the Council plan, organise and develop its workforce to support the achievement of our strategic priorities by identifying:

- Key workforce issues facing the council and their relative priority
- Key issues raised by the workforce
- Equalities and diversity
- Services at risk of staff shortages
- The skills and competences we need to deliver services in the short term and the medium term and any skill gaps
- And using key workforce information
- Health and well being initiatives and other support mechanisms for the workforce
- Learning and development opportunities
- Any changes that may be necessary to the Council's workforce related policies and procedures e.g. Recruitment and selection.
- Key organisational change issues.

This plan will be a dynamic document recognising the changing needs throughout 2009/10 and will be regularly reviewed by the Council's Establishment Review Group. It will also be used in conjunction with the Council's People Strategy 2009-11 to assist in identifying the size and shape of the Council's Human Resources service for its future and in particular by March 2010 when the existing Service Level Agreement with Worcestershire County Council for HR management services expires.

Michael Smith
Human Resources Manager
May 2009

National and Local statistics

Statistic	National	MHDC 31/03/08	MHDC 31/03/09
Employee numbers	2.2m	264	230
Functional area of employment			
▪ Corporate functions	9%	41.5%	35.8%
▪ Services direct to the public	14%	58.5%	64.2%
▪ Children and Adult services	20%	0	0
▪ Education	57%	0	0
Gender split (women/men)	70/30	51%/49%	57.5%/42.5%
Workforce registered as disabled (whole population we serve – 16%)		2.07%	1.51%
Workforce from BME (whole population we serve – 3.1%)		1.7%	1.0%
BME compared to economically active (8% all sectors)	7.7%	1.7%	1.51%
Percentage of employees aged over 50	34%	38.7%	38.9%
Full time/part time split	61%/39%	67%/33%	66.67%/33.33%
Percentage of agency workers	13.6%	4.9%	5.26%
Turnover (Private sector = 22.6%; Whole economy = 18.1%)		10.4%	10.86%
Sickness absence long term		1256.4 days	1133.10 days
Sickness absence short term		988.2 days	978.82 days
Sickness average total District Council	8.4%	11.29 days	10.87 days
Percentage expenditure on directly employed staff	50%	86%	Finance
Recruitment and retention annual spend (Average District Council)	£90k	Finance	Finance
Average cost of filling a vacancy	£4,333	Finance	Finance
Average spend per employee on training (total)	£249	Tina	£290
Level of off job training per employee (corporate training only)	1.6 days	2.5 days	1.7 days

Level of Equality Standard/Equality Framework		Level 2	Level 2
Percentage of top 5% earners that are women	33.3%	11.1%	16.6%
Percentage of top 5% earners that are from BME communities	1.42%	0%	0%
Percentage of top 5% earners with a disability	2.7%	0%	0%
Percentage of employees retiring early (excluding ill health retirements) as a percentage of total workforce	0.53%	0.46%	0.43%
Percentage of employees retiring on ill health grounds as a percentage of total workforce	0.18%	0.37%	0.86%
Percentage of authority buildings in which all public areas		84.6%	?
Spend on Agency staff		£360,970	Finance
Spend on market supplements per annum		0	0
Number of reported accidents		28	20
Staff costs per service area (and national/regional benchmarks)			
▪ Community and Economic development		£493k	Finance
▪ Legal and governance		£675k	Finance
▪ SMT		£769k	Finance
▪ Environmental and customer services		£2.64m	Finance
▪ Planning and housing		£1.138m	Finance
▪ Finance and resources		£1.37m	Finance
▪ Policy and Performance		£820k	Finance
Number of grievances		0	0
Disciplinaries		3	4
Capabilities		0	0
Long term sickness reviews		23	16

Quarterly Workforce Analysis 2008/09

Fig 1 Disciplinary' capability and grievances in the quarter compared to previous quarters

	2008/2009 Qtr 1	2008/2009 Qtr 2	2008/2009 Qtr 3	2008/2009 Qtr 4
Discipline	0	1	3	2
Capability	0	0	0	0
Grievance	0	0	0	0
L/T Sickness	8	7	8	6

Individual L/T sickness episodes may be counted in more than 1 quarter

Fig 2 Recruitment levels in the quarter compared to previous quarters

	2008/2009 Qtr 1	2008/2009 Qtr 2	2008/2009 Qtr 3	2008/2009 Qtr 4
New Vacancies	6	8	5	9
Completed Vacancies	0	3	2	3

Main reason for difference between new vacancies and those completed is linked to a number of posts having to be re-advertised on more than 1 occasion as not successfully filled first time.

Fig 3 Number of job evaluations in the quarter compared to previous quarters

	2008/2009 Qtr 1	2008/2009 Qtr 2	2008/2009 Qtr 3	2008/2009 Qtr 4
Carried Out	4	1	5	3
Completed	4	1	5	3

Fig 4 Level of Maternity/paternity leave in the quarter compared to previous quarters

	2008/2009 Qtr 1	2008/2009 Qtr 2	2008/2009 Qtr 3	2008/2009 Qtr 4
Maternity	3	4	2	1
Paternity	0	1	1	0

Fig 5 Average time to fill vacancies in the quarter compared to previous quarters

	2008/2009 Qtr 1	2008/2009 Qtr 2	2008/2009 Qtr 3	2008/2009 Qtr 4
Time to Fill	0 weeks	9.5 weeks	6.5 weeks	8.3 weeks

Fig 6 Establishment and vacancy levels compared to previous months

Actual	2008/2009 Qtr 1	2008/2009 Qtr 2	2008/2009 Qtr 3	2008/2009 Qtr 4
Headcount	240	229	230	230
FTE	198.56	190.44	192.06	189.38
Vacancies (FTE)	25	21	22.44	23.15

Fig 7 Turnover compared to previous months and sector average

	2008/2009 Qtr 1	2008/2009 Qtr 2	2008/2009 Qtr 3	2008/2009 Qtr 4
Turnover	12.08%	11.79%	11.73%	10.86%

Fig 8 Sickness absence compared to previous months

	2008/2009 Qtr 1	2008/2009 Qtr 2	2008/2009 Qtr 3	2008/2009 Qtr 4
Short Term Days	215.26	246.35	293.16	224.05
Long term Days	391	531.19	261.08	196.20
Average Days lost	11.93	11.62	11.55	10.87

Fig 9 Workforce profile in the quarter compared to previous quarters

	2008/2009 Qtr 1	2008/2009 Qtr 2	2008/2009 Qtr 3	2008/2009 Qtr 4
Disability	0.83%	0.87%	1.30%	1.51%
BME	2.69%	2.69%	1.73%	1.00%
Male/Female Split	40.8%/59.2%	42.4%/57.6%	48.6%/51.4%	42.5%/57.5%

Fig 10 Training cancellations in the quarter compared to benchmark

	2008/2009 Qtr 1	2008/2009 Qtr 2	2008/2009 Qtr 3	2008/2009 Qtr 4
% Cancellations to training days	3.3%	2.6%	8.8%	11.6%

Key issues arising from these local and national statistics

- We have an ageing workforce with an above average percentage of staff aged over 50
- We have a high percentage of staff employed in corporate services
- Our workforce is reducing
- We have a much lower than average percentage of agency workers
- We have a significantly higher than average percentage expenditure on directly employed staff
- We have a significantly different gender split than local government generally
- We have a low BME workforce and a workforce which does not reflect the ethnic diversity of the District
- We have a low disabled workforce and a workforce which does not reflect the disabled population in the District
- We have a problem with sickness absence which traditionally has been skewed by long term sickness absence.
- Our local spend on training per employee is significantly less than the national average
- We do not have a diverse workforce or one that reflects our local population
- The profile of the top 5% earners in the Council does not reflect the diverse community we serve.
- Number of reported accidents has dropped during 2008/09.
- Number of disciplinarian investigations in 2008/09 has reduced significantly.

Workforce Engagement and Feedback

We engage with staff in a number of ways including:

INFORM	Fortnightly editions of Team talk
121 meetings and PRD	Staff focus groups
Staff conferences	Meet the Leader sessions
Annual staff survey	

Key headlines from the 2008 employee survey shows that:

Relationships with line managers are generally good. Staff understand their roles, feel empowered and valued by line managers and trust them. They are encouraged to work in teams and feel that line management decisions are fair. There has been a significant reduction in the number of staff who feel bullied but there is little confidence that the results of the survey will be taken seriously. Managers also need to ensure that they thank staff for their efforts.

Feelings about senior managers are improving. More employees feel that relations are improving; more employees believe senior managers are consistent; more feel that senior managers are concerned with how they feel and concerns about bullying have dropped significantly. However there has been no consistent view about the extent to which senior managers will take the outcome of the survey seriously and trust in believing the information provided by senior managers is falling.

Involvement with councillors – More staff believe that councillors do not know what they do and more do not feel supported by councillors. More staff do not understand the role of councillors or the decision making process.

Learning and development opportunities – Over 90% of staff now have an annual PRD interview and the vast majority believe that the discussions are taken seriously and that their learning and development needs are identified although only half of the respondents believe their needs are being met. Two thirds of staff believe that the PRD interview is a formal opportunity for managers to recognise their achievements.

Working environment – More staff have confidence in the Council's Health and Safety services although there has been a slight reduction in the number who always report accidents or dangerous occurrences. Three quarters of staff believe that managers are concerned about their health and safety although a reducing number feel supported in achieving a healthy work life balance. Although there have been significant improvements in recent years only just over a third of our staff feel that employees are treated equally and fairly. Only a small number of staff do not believe that their workload is excessive and over half of the respondents

take work home or work late regularly. There was a significant drop in the number of employees satisfied with their physical work environment

Consultation and communication - Communications have improved significantly in recent years and there has been a corresponding reduction in the number of staff who do not agree that communications work well in the council

More employees feel well informed about performance and current policies and more staff feel involved in decisions. More employees understand what is happening in the council and how their work contributes.

On the other hand only two thirds of employees feel that they are invited to be involved in decisions in their service and less people feel encouraged to ask questions at team meetings. Managers need to consider response times to questions raised where performance has dropped

What do you think about the Council- The number of employees who think the Council is good to work for has dropped significantly, whereas the number who enjoy their job has remained static .Less of our staff believe that we listen to our customers but there are more staff who believe that morale has improved.

Over 80% of staff are motivated in their present job but 15% feel no loyalty to the Council and only half of our staff feel they are suitably rewarded for their duties.

Staff, skill and capacity gaps

Staff shortages

Nationally there are three sectors where local authorities have consistently reported shortages

- **Planning** – shortfall is causing a delay to processing planning applications, placing local house building targets at risk.
- **Social workers** – a shortfall is affecting the ability to lift vulnerable adults out of risk.
- **Environmental Health** – shortfall is affecting the ability to ensure that regulatory controls are maintained/enforced.

Locally

- **Finance** - lack of young qualified accountants across the Local Government Sector, average age of newly qualified is 39 years old means you either train your own or pay a lot more!
- **Planning** – there have been real problems in attracting qualified planning staff in recent years. Housing affordability in Malvern may be a contributory factor.
- **Environmental Health** – difficulties in recruiting is impacting on our ability to protect public health

We have a number of options to tackle these shortages. They include:

- Internal demand (e.g. BPR or job redesign)
- Internal supply (e.g. training, retraining, development schemes, graduate schemes)
- Mutual demand (e.g. shared posts, shared services)
- Mutual supply (e.g. joint schemes with other public service bodies, work with Jobcentre plus and LSC)
- Extra demand (e.g. outsourcing, improved use of agency staff)

- External supply (e.g. national programmes through sector skills agencies or government supported schemes)

Our priorities for action 2009/10

- **Continued participation in the Worcestershire Enhanced Two Tier (WETT) programme and the other shared service initiatives including Revenue & Benefits; ICT; Building Control and the HUB.**
- **Resilience, service improvements and cost efficiencies of Building Control Partnership.**
- **Develop the Council's corporate planning cycle to better embed workforce planning considerations as part of management planning.**

Skills gap

There is a perceived shortage of ICT skills in the organisation which has been exacerbated by the continued recruitment of staff who do not have the required skills.

There are real risks to service delivery through a combination of continuing difficulties in recruiting to certain professional groups which themselves have an aging profile i.e. Environmental Health; Planning.

The recent management development programme (2005/06) revealed that there were gaps in the softer management skills of existing managers e.g. engagement, motivation, empowerment and coaching using the OSCAR model.

The recent regional leadership development programme (2004-2009) revealed that the Council has a large pool of competent and talented 3rd/4th tier officers who had potential to address a number of key strategic and performance issues that were being under-utilised particularly on a regional basis.

As we move towards more flexible working arrangements there will be a need to focus on giving managers the skills to manage by outcomes rather than inputs.

There is a perception that the performance management skills of managers is patchy across the council

Our priorities for action 2009/10

- **To update all job descriptions and person specifications in light of LPGR, to ensure that postholders are undertaking the full range of roles and responsibilities appropriate for their new grade.**
- **To introduce a new competency framework to assist in identifying skill gaps through skill audits i.e. ICT; numeracy; literacy.**
- **To use the new competency framework to identify and develop the leaders of the future.**
- **To design the corporate training programme to meet skills gaps and behavioural requirements required.**
- **To continue participation in the Regional Improved Efficiency Programme (RIEP) and shared services agenda.**
- **To implement LPGR and a flexible working policy to assist in the retaining and recruiting of staff in key areas.**
- **To roll out a work experience programme to other service areas.**
- **To business process re-engineer recruitment and selection procedures to ensure that key skills are tested before offers are made and are improved in order to increase the number of applications received particularly from those sectors of the community that are currently under represented in the Council.**

Capacity gap

- Increased community expectations
- All professional services
- LPGR may exacerbate problems in recruiting planners and ICT staff in particular and big losers generally
- Current recession will probably alleviate some of this as Local Govt is seen as a safe bet for employment.

Our priorities for action 2009/10

- **To develop an appropriate succession planning process.**
- **To establish a BPR programme across all service areas.**
- **To develop a corporate training programme that supports innovation; a 'can do' approach and freedom to do great work within boundaries.**
- **The continued development of the WETT and shared service agenda.**
- **To develop HR policies; procedures and remuneration that supports a more flexible workforce equipped to deal with change.**

A modern diverse and reflective workforce

The Council is committed to creating a modern, diverse and reflective workforce. The equalities impact assessment of our People and Pay strategy, our local workforce statistics tell us that:

- We do not have a diverse workforce – the percentage of top 5% earners that are women; that are from BME communities and that have a disability is well below the national average. In addition the gender split is well below the national average as is the percentage of BME employees compared to the BME population in District
- We have not yet completed and implemented LPGR to evidence equality of pay and terms and conditions.
- We have not yet met all the workforce requirements to meet achieving status under the equalities standard for local government

Our priorities for action are 2009/10:

- **To complete LPGR and implement its findings.**
- **To complete BPR of recruitment and selection procedures to ensure that it actively encourages applications from under-represented groups particularly in the more senior and hard to fill positions.**
- **To implement a flexible working policy that assists in retaining and realising the full potential of staff from under-represented groups.**
- **To ensure that health and safety risk assessments are up-to-date across all service areas to enable modifications to equipment, accommodation or service delivery to be made.**
- **To continue to take an active and leading role in the Pan Worcestershire TEDS project.**
- **To complete Equality Impact Assessments across all Council services/change agendas and actions implemented.**
- **To meet achieving status of the equalities framework for local government**

Organisational change

1. Council priorities and non priorities

The council has determined that its priorities for improvement are:

- Economic prosperity
- Planning for the future
- Children and young people
- Managing waste for a better environment

..... and that it will transfer its resources over the period 2008 - 2011 from non priority areas (Community safety, local transport and support for the Arts). The impact of these non priorities was managed effectively in 2008 but the continuing transfer of resources may impact upon staff in priority and non priority areas.

2. Efficiencies

As part of the Council's Medium Term financial strategy it has set a 5% efficiency target. In practice this will be met by a combination of true efficiency savings, non priorities, reduced spend and income generation The Council's programme for 2009/10 and 2010/11 contains the following projects which may have an impact on the Councils workforce:

2009/10

- Increased performance of Commercial waste service
- Accountancy restructuring
- Reduction of staffing in Land charges team
- Disposal of Portland house
- Restructuring of Legal and electoral services
- Procurement savings
- Cleansing services review
- Review of allowances
- BPR in development control

2010/2011

Accountancy/payroll shared service
ICT shared service
Procurement shared service
Building control shared service

Our priorities for action are 2009/10:

- **To identify key workforce strategies, implications, risks and costs of realising these projects.**
- **To deliver against workforce actions/timelines as defined in the project plan.**
- **To review end to end processes to release capacity and identify skills gaps or job re-design.**
- **To support leaders and staff to manage and cope with change agenda.**

3. Shared services

In addition the shared services WETT programme is currently developing business cases for joint working in five key areas

- HR
- Internal audit
- Property services
- Street scene
- Regulatory services

Our priorities for action are 2009/10:

- **Continued active participation across this agenda in the development of detailed business cases.**
- **To ensure key workforce strategic, implications, risks and costs are identified and quantified in order to enable the Council to make more informed decisions on which to commit itself or not.**
- **To deliver key workforce actions to time as defined in relevant shared service action plans/timelines.**

4. Local Pay and Grading Review

During 2009/2010 the Council aims to complete its review of local pay and grading. Inevitably this will have a major impact upon staff and there will be both “winners” and “losers.” The way in which the Council handles those staff most affected will be critical to staff morale and motivation and therefore Council performance in future years

Organisational change of this scale and nature will have a profound impact upon staff, staff relations and Council performance.

Our priorities for action are 2009/10:

- **To conclude LPGR work and negotiations and implement final model.**
- **To deliver an effective communication strategy**
- **To review all job descriptions and person specifications as a consequence of any implementation.**
- **To undertake a 2009 employee survey to monitor staff morale.**
- **To re-iterate the importance of team meetings and regular 121's.**
- **To ensure corporate training programme supports managers and supervisors in knowing how to conduct 'difficult conversations' with staff.**

Reward and recognition

The economic recession has placed significant pressures on local government finance and this has in turn led to an unprecedented situation where the Employers have offered a “take it” or leave it” offer of 0.5% pay increase to staff. It remains to be seen how the Unions and staff will react to the offer but there remains the possibility of industrial action for which we need to be prepared.

The Local Pay and grading review should ensure that the council meets its equal pay responsibilities but there remains the need to consider the Councils pay and grading structure in the context of the local labour market. The TEDS project will deliver a Local Labour Market assessment and this will allow a much better informed assessment of our impact upon the local labour market.

We have a reward and recognition scheme in place but it does not operate effectively and currently is limited to letters of thanks from the Chief Executive. We need a more systematic and rewarding scheme in place

Heads of Service currently do not receive automatic annual increases within the scale and there is a limited Performance Related pay scheme which is still developing. We need to consider whether we continue with automatic increments for all staff or introduce a scheme similar to that operated for heads of service.

Our priorities for action are 2009/10:

- **To conclude LPGR work and negotiations and implement final model**
- **To finalise Heads of Service Performance Related Pay arrangements.**
- **To develop an improved reward and recognition scheme as part of a total reward package**
- **To develop a strategy that recognises non-pay rewards and encourages flexibilities in reward packages and working practises.**
- **To ensure the industrial relations climate remains constructive based on principles of co-operation and transparency.**
- **To develop pay and rewards strategies that both attract and retain leaders**
- **To review Council's HR and Payroll database requirements to ensure its ability to produce timely and accurate workforce statistics that support decision making.**

Health and Well Being

The Council's Health and Safety Officer and Health Improvement Officer work together to develop a Health and well being plan for Council employees. Achievements to date include:

- Management Training, focusing on prevention and early intervention
- Improved data analysis, both accuracy and timeliness
- Introduction of a web based site offering staff advice across the health and well being agenda.
- Targeted approach on long term sick case resolution
- Commissioned flu jabs for staff
- Monthly onsite Occupational Health clinics
- Health & Well Being Learning Day with a variety of taster and educational sessions held for staff.
- Osteoporosis clinic held

Planned Health and Well Being Initiatives 2009/10 (in-addition to many of the above)

- Update sickness policy clarifying roles, responsibilities and timescales.
- Development of a programme of activity targeting employees to take more accountability for their own health and well being.
- Link into national NHS campaigns on health promotion
- Training mgrs of managing stress + audit service action plans.
- Well Person clinics to be held for staff throughout the year
- Review existing Occupational Health provision and sign-up to a OH service level agreement.

Our priorities for action are 2009/10:

- **To embed competency framework into Council's PRD process.**
- **To formalize Occupational Health arrangements with performance measures agreed.**
- **To benchmark Council's sickness levels against regional and national indicators.**
- **To support and develop a culture of prevention rather than cure with employees encouraged to take increased personal responsibility.**
- **To update Council's sickness policy and procedures to ensure that it is 'fit for purpose' and is built on best practise.**
- **To develop a corporate approach to the Council's Health & Well Being agenda.**

Conclusion

We firmly believe that our staff are our greatest asset and that a fully engaged, motivated and happy workforce will ensure that we continue to meet our commitment to excellence. In order to ensure that we continue on this path we will:

- Develop a diverse workforce that reflects our local community
- Improve staff engagement within the Council
- Improve the health and well being of our staff
- Reduce the cost of recruitment and selection and the cost of filling vacancies
- Increase our training spend to the national average
- Proactively manage staff shortages and capacity gaps.
- Provide better support for organisational change
- Develop an improved reward and recognition scheme as part of a total reward package
- Develop a corporate health and well being plan
- Implement our emerging competency framework and use it to undertake a skills audit of staff
- Develop a better understanding of the Local Labour Market

