

North Yorkshire County Council

Corporate and Partnerships Overview and Scrutiny Committee

13 October 2014

Workforce update

1 Purpose of Report

- 1.1 This report updates the Overview and Scrutiny Committee on the County Council's changing workforce, presents key workforce data and details the Workforce Plan which takes the County Council workforce up to 2020.

2 A Smaller Workforce:

The County Council's workforce continues to reduce year on year as below for non-schools workforce;

	Headcount	FTE
Q2 2012/13	8580	5810
Q2 2013/14	7671	5668

- 2.1 The reduction has to date focused in the main on managerial and back office posts but 2020 service proposals will inevitably have a bigger impact on frontline posts than restructures since 2010. To date the reduction in back office and managerial posts has been well over 20% with frontline reductions at around 3%.
- 2.2 Since late 2010 there have been over 180 restructures and some 850 posts removed. It should be noted that many of these posts were part time for few hours. This and good planning, vacancy management, staff reducing their hours and other workforce changes has meant that compulsory redundancies have been much lower at around 250 and the focus has continued to be on redeploying staff into alternative posts with 46% of staff facing redundancy being redeployed despite limited vacancies. This has limited spend on redundancy costs, with to date, £4.3m of £5m allocated budget spent since 2010.

3 Other Workforce Data

- 3.1 **Recruitment and Turnover;** Despite staff reductions recruitment continues particularly for front line posts. There are about 250 vacancies a month actively recruited to, with the majority in care, cleaning, catering and social work. At any one time a number of vacancies are held as a result of on-going or planned restructures. Turnover has continued to hold steady at around 11-11.5% over recent years with redundancies accounting for around 2.5% of turnover.
- 3.2 **Sickness Absence;** Absence levels remain low at 6.5 days lost for 2013/14 and continue at this level into 2014/15.
- 3.3 **Composition;** 80% of staff are female, 60% part time, many in multiple roles, 5% are 25 years old or younger, 3% BME and over 80% live in the county.

3.4 **Spend on pay**

The overall pay bill continues to reduce in line with the reducing workforce. In addition changes to working arrangements, terms and conditions and tight management of budgets has reduced spend in all pay areas including additional hours (slight reduction), allowances (£10k), night work (9% reduction ie £12k), on call/stand by payments (£5k) and weekend working (10% ie £23k). Spend on agency staff remains low with an outturn of £200k for 2013/14 and £89k for Q1 and Q2 year to date. This compares well with other similar sized authorities where spend averages £5-7m.

4 **Supporting our Workforce through Change**

The scale and nature of restructures and staff seeking redeployment has recently changed. More senior, specialist and managerial posts are affected making redeployment more difficult. As the directly employed workforce reduces, particularly in support functions, the availability of posts for redeployment significantly reduces. The focus from now on will be to support staff to “leave well” going on to alternative jobs and options often outside the Council and to support staff to manage that change positively.

Our approach is as follows:

4.1 **Supporting Resilience;** Thousands of staff have been affected by restructures and uncertainty since 2010, with many subject to multiple restructures, and the remaining jobs likely to be bigger with greater focus on performance and productivity. Staff are facing another 5 years of change and need support to maintain their personal resilience so they can continue to work effectively. Resources to support staff with personal resilience have been collated, developed and made easily accessible for staff to self-serve. An online resilience resource links to other specialist and external resources and aims to support staff help themselves for on-going employment inside or outside of NYCC. Resources cover:

- Mental Health and Stress
- Debt management, benefits and housing
- Training and personal development
- Employability skills
- Mutual, social enterprise and setting up own business
- The benefits of volunteering
- Considering fostering
- Preparing for retirement
- The future labour market

4.2 **Vacancy Management;** Natural wastage has been an effective route to achieve the necessary reductions in posts. A rigorous but targeted approach to managing vacancies across the Council remains in place which includes some holding of vacant posts, some posts being filled on a short term temporary basis, and priority given to redeployees with suitable skills and experience.

4.3 **Generic Support;** In addition all staff facing possible redundancy have:

- Access to the redeployment talent pool;
- Prior consideration for any vacancies they are suitable for;
- Staff group ‘Moving Forward’ change management sessions;

- Information Fairs to give staff the opportunity to talk with a range of experts from other organisations including Job Centre Plus, National Careers Service, NYCC Adult Learning and Skills Service, Money Advice Service, Pensions etc;
- Sessions to promote the resources available via the online Resilience Resource, including sessions specifically for managers supporting their staff through restructures;
- A dedicated telephone helpline to support staff seeking advice and information on redundancy and redeployment processes, and to signpost to the other range of resources.

4.4 Targeted Support

In addition, specialist services are provided for additional targeted support; for example, assistance with alternative employment in a particular sector including a review of private and voluntary sector employers, self-employment, consultancy and interim options. HR have changed the support offered to staff at risk of redundancy to include a specialist 'Career Development' session to offer outplacement support to senior and specialist staff covering the transition from public to private sector employment, career management and effective networking techniques. Most of this support is delivered in house, on a group or one to one basis, but if needed can be supplemented with specialist outplacement support on occasion.

4.5 **Partners;** Partnership working under Regional and Sub Regional protocols is pursued, although realistically redeployment opportunities are limited as other Councils face the same challenges. Working with health employers provides possible alternate employment, and a similar approach will be pursued with other private and voluntary employers, particularly in the care sector. Specifically we want to promote the supply of skilled and qualified care staff to both secure continuing employment for our staff and also good employees to private providers and hence county residents who use those providers.

4.6 NYCC is facing a further lengthy period of on-going uncertainty for staff. There is a danger of losing staff we need to retain, both in the short term and long term, because of this uncertainty and the inevitable anxiety has the potential to impact on performance and productivity. A series of practical measures are in place starting with an efficient system to help staff to help themselves, and to position themselves for on-going employment. Realistically it will not be possible to achieve the same redeployment rates going forward, and there may be an increase in redundancy costs. However, there is a need and wish to do our best for staff to help them "leave well", retain our reputation as a good employer and minimise disruptive outcomes such as internal conflict or employment tribunals.

4.7 Activity to date:

> Information Fairs have been well attended in Northallerton and Scarborough providing employees with resources and information about their potential future options. Over 120 employees attended and gave positive feedback on how beneficial they found it. Most were from CYPs and HAS Adult Social care with a smaller number from Highways and Transportation.

> Drop in advice surgeries for staff took place in September with more scheduled for November 2014 and January 2015.

> Three Supporting Staff 'Moving Forward' Sessions have been held in Northallerton, Selby and Skipton. Feedback was positive with 100% of attendees agreeing or strongly agreeing "I will be able to apply what I have learned in my situation" and "overall the course has been beneficial". Comments included: *"This has helped motivate me to move forward and I can give my best effort, to get a new job in the restructure – thank you"*.

> 2 Morrisby Profile sessions delivered via the National Careers Advice Service were held in September with staff attending. These sessions were booked during the July Information Fair and have again been well received.

5 2020 Workforce Strategy

- 5.1 As the County Council faces increasing demands to improve performance, extend its accountabilities and increase efficiency whilst striving for greater value for money and delivering significant savings, we will need to attract, develop, retain and motivate a high quality workforce which is more adaptable, agile and capable of moving and changing to meet the changing needs of our communities and citizens.
- 5.2 North Yorkshire's Community Plan sets out the joint vision of wanting *"North Yorkshire to be an even better place for everyone to live, work or visit"* and the new Workforce Strategy aims to promote and maintain these values by;
- supporting the delivery and commissioning of good quality services that are efficient, underpinned by high standards of leadership and partnership working,
 - equipping staff to take responsibility, maximise their contribution by being responsive to change and able to adapt or initiate new ways of working, and if needed strengthen or develop new skills such as commissioning, leadership, community engagement and influencing.
- 5.3 The County Council needs to ensure it has the right people with the right skills working in the right way within effective roles and structures and has developed the 2020 Workforce Strategy to do this.
- 5.4 **As an organisation this means;** we need to systematically identify and address critical skills gaps now and for the future; develop and deploy resources to ensure services are delivered to a high standard and are value for money; develop and use 'leading edge' IT systems to be as efficient and productive as possible, and become an organisation that is 'digital by default', further develop staffing policies and procedures to ensure effective working; engage with our staff to get their input and increase commitment.
- 5.5 **For all staff this means;** a need for greater awareness, engagement, accountability and involvement in their workplace and with their employer so they can understand and contribute effectively to the delivery of services and the savings programme; to share and transfer knowledge, skills and experience to colleagues and partners; to further develop their ability to be flexible, agile and open to change; ensure their ICT skills are developed sufficiently to make full use of the Council's systems and new technology.

5.6 **For senior managers this means;** a greater focus on performance management; the need to work across organisational and professional boundaries; the ability to maintain and demonstrate a culture of co-operation, honesty, fairness and equality of opportunity; the ability to be flexible, agile, open to change and demonstrate a capacity for innovation and commercial awareness.

5.7 The Strategy sets out the Council's priorities for its staff across 5 areas:

1. Transforming the Organisation
2. Managing and Developing Talent
3. Driving Performance
4. Engaging the Workforce
5. Working Together

These priorities are detailed at Appendix 1.

5.8 Progress against each priority over the next 5 years will be considered and monitored by Management Board sitting as the 2020 Programme Board as much of this strategy sits within the 2020 cross cutting theme on Organisation Development. In addition, the Members Workforce Development Group is considering one of the 5 priorities at each quarterly meeting through 2014/15 and 2015/16.

5.9 It is important the County Council has both a focus on the future workforce and support to the current one with the two merging as we engage with and develop some of our staff to be part of that future workforce and support those who cannot to 'leave well'.

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County Hall
2 October 2014

Background Documents – Nil

Appendix 1 – 2020 Workforce Strategy priorities

4.1 Transforming the Organisation

Where we want to be....

An organisation that is 'fit-for-purpose' in the changing environment. It will be smaller, with more emphasis on commissioning and less on the direct provision of services. We will have a more ambitious approach to shared services and joined up working across all sectors. We will be less bureaucratic and able to redeploy resources flexibly to ensure effective service delivery.

We will achieve this through...

Staff:	Who thrive in changing circumstances, are resilient, constantly seek and suggest improvements and respond positively to change. Who work well autonomously and as part of diverse teams. Who are flexible in their duties within broad more generic roles.
Managers:	Who are proactive and create opportunities for change, constantly strive for service improvement, and are skilled at leading staff at a time of constant change.
Senior Managers:	Who understand the many factors influencing change across the public sector and have the vision to drive the appropriate strategies to both deliver significant savings and make fundamental changes to the way we do things.

Our top priorities are...

- i. Delivering a remodelled organisation and modernised working practices through the 2020 North Yorkshire programme.
- ii. Developing a high performance and 'business minded' culture putting the customer at the centre.
- iii. Striving for the best possible outcomes for displaced staff either by retaining them through imaginative redeployment or by assisting their preparation for exiting the organisation.

We will also continue to...

- Work on the integration of services with partners e.g. Health.
- Revise our strategy on traded services e.g. with schools and offer it to other organisations.
- Ensure policies, systems, and working practices are efficient and support flexibility in the workforce.
- Maximise the use of new digital technologies.
- Enable staff to work autonomously and effectively when mobile working.

4.2 Managing & Developing Talent

Where we want to be...

With a workforce whose skills are aligned to the transformed organisation, which means they are change-focused, agile, comfortable working with different service models and interested in their own development.

We will achieve this through...

Staff:	Who take responsibility for their own development by identifying and making the most of available learning opportunities and have the behaviour and skills needed to respond to change e.g. agility, resilience and innovation.
Managers:	Who match resources to changing service priorities and recruit and retain staff with the right skills, behaviours and attitudes. Who develop staff to thrive in new environments and encourage them to take control of their own development.
Senior Managers:	Who can change services and remodel the workforce, whilst keeping their staff engaged and committed.

Our top priorities are...

- i. Managing talent effectively with a shift from recruiting and promoting staff based on functional and time served expertise to focusing on the right skills and attitude.
- ii. Delivering skills development programmes across the organisation (including to councillors) covering new areas such as community engagement, staff as ambassadors in communities, 'commercial' skills, digital technology and partnership working.
- iii. Delivering development through coaching, cross-directorate opportunities and by empowering managers and staff to find solutions independently.

We will also continue to...

- Roll out skills/attitude based approach to recruitment, promotion and development based on a revised Behaviour and Skills Framework, whilst reducing time and cost to hire.
- Carry out safe recruitment practices to protect children and vulnerable adults.
- Further streamline employment processes including reducing time and cost to hire and agency spend. Develop arrangements for long term supply in 'hard to fill' areas.
- Recruit and retain apprentice and graduate talent across the organisation, including those from disadvantaged and targeted groups.
- Promote and enable effective succession planning across the organisation.
- Build on the middle manager development programme.

4.3 Driving Performance

Where we want to be...

Staff performance standards are consistently very good and continuously improving, meaning that a high performance culture becomes embedded. All staff are clear on how they contribute to the performance of the Council and there is a universal focus on individual and team service delivery.

We will achieve this through...

Staff:	Who help define and drive their own performance, with peer appraisal operating within teams and individuals challenging and supporting their colleagues.
Managers:	Who make best use of the performance information available to them, are skilled in motivating staff to achieve and managing team and individual performance. Who make the service planning process relevant to staff, tackle underperformance early and inspire all to improve.
Senior Managers:	Who inspire the workforce to strive for high performance and work to remove any barriers. Who foster a culture of continuous improvement where feedback, coaching and learning reviews are commonplace.

Our top priorities are...

- i. Ensuring staff are motivated and empowered to drive team performance by contributing ideas and challenging operating practices.
- ii. Developing service performance plans which clearly link to service and organisational goals, enabling staff to know whether they are doing a good job.
- iii. Using the appraisal process as a tool to maximise individual performance and embed 2020 North Yorkshire programme and core principles.

We will also continue to...

- Ensure management development promotes the effective use of team performance data along with performance management techniques, policies and procedures.
- Use a range of approaches, including coaching, to drive improvements in performance.
- Help managers to access and act upon performance information such as budgets and financial reports, workforce information e.g. via Insight, other team performance data.

See The Performance Management Framework for guidance on the service performance plan:

http://intranet/directorate/hr/managing_staff_in_the_workplace/appraisal/Lists/Policies%20procedures%20and%20guidance/NYCC%20Performance%20Management%20Framework.doc

4.4 Engaging the Workforce

Where we want to be...

All staff to be motivated and engaged with the County Council and the changes it is going through. They are passionate about what they do, which manifests itself in being willing to 'go the extra mile' and to contribute effectively to service innovation, planning and management of change. Staff are listened to and valued for their contribution. Staff are advocates for the Council, its services and changes.

We will achieve this through...

Staff:	Who use opportunities to provide upward feedback to managers, using digital technology where appropriate, giving a new type of employee voice and operate in a working environment which fosters constructive peer challenge and the sharing of ideas.
Managers:	Who provide clear expectations of their team and individual staff and have effective feedback mechanisms in place. Who facilitate communication between senior managers and their own staff, promoting a high degree of trust, respect and transparency.
Senior Managers:	Who role model best practice by ensuring their actions are consistent with the organisational vision, values and behaviours.

Our top priorities are...

- i. Developing and implementing a Staff Engagement Framework and toolkit to build a culture of engagement and positive listening.
- ii. Moving from command and control to a less risk averse, problem solving approach, where managers and staff are empowered to find solutions independently and share their knowledge with colleagues.
- iii. Ensuring all senior leaders have consistent ways of engaging the workforce positively underpinned by agreed leadership values.

We will also continue to...

- Monitor and measure staff engagement levels regularly and use the feedback to refine the Framework.
- Share successes and promote opportunities to staff.
- Develop a digital approach to harnessing the employee voice to support innovation, sharing knowledge and influencing change.
- Help managers use appraisal (including 360 degree feedback), supervision and coaching to improve staff engagement.
- Ensure management development supports staff communication and engagement.

The Managers' Pocketbook sets out the key elements of what is expected of an NYCC manager:

http://intranet/directorate/intros/efficiencies_budget/managerspocketbook/RelatedDocuments/Managers%20standards%20A6%20pocket%20book%20amended%2013%2003%2013.pdf

4.5 Working Together

Where we want to be...

Much greater community involvement and provision to provide sustainable local support and services, and effective partnership working delivering progress towards health integration and other innovative delivery models.

We will achieve this through...

Staff:	Who own and promote the Council's key initiatives in their own community as well as at work. Who enjoy finding new ways of working with an extended range of co-workers from different organisations, voluntary groups and members of the public.
Managers:	Who work constructively with partners and facilitate the development of a new community infrastructure. Who ensure staff develop new skills e.g. networking, brokerage, entrepreneurialism, procurement, influencing and partnership working.
Senior Managers:	Who are innovative and take an entrepreneurial approach to developing new service models and finding new ways to work with a diverse range of partners and communities.

Our top priorities are...

- i. Ensuring that the 2020 North Yorkshire Programme facilitates the delivery of new and innovative arrangements to help communities become more self-sufficient.
- ii. Putting mechanisms in place to support staff to contribute to the development of stronger communities where they live, to get involved by volunteering, to advocate key NYCC initiatives in their local community, signpost citizens and role-model new practices.
- iii. Working with partner organisations, the voluntary sector and key individuals to improve our understanding of the local agenda and to find the best solutions for our population.

We will also continue to...

- Ensure that Council employees and Members are working closely together, following an agreed strategy to achieve shared objectives.
- Encourage staff to engage with the Healthy Communities agenda and develop skills in managing the health and wellbeing of themselves and the wider community.
- Enable the operation of locality based work, volunteering, community groups etc e.g. using our recruitment site for advertising for volunteers.
- Maximise the support available for local people, especially NEET (Not in Education, Employment or Training) young people, and looked after children and encourage staff to become foster carers/adopters.