

**East Lothian Council**

**Workforce Plan**

**2018 -2022**

**SUMMARY**

**DRAFT for consultation**

**April 2018**

**1. Introduction**

The East Lothian Council Plan 2017-2022 continues the journey towards realising the East Lothian vision by building on the ambition and achievements of the previous Council Plan, taking account of the challenges and new opportunities faced by the Council.

The Council Plan states that over the next five years, the Council will increasingly become:

* an enabling and empowering authority
* a more entrepreneurial authority
* a ‘digital’ authority, fully embracing and exploiting opportunities to use technology to deliver services.

The Council is already a well performing council but we are ambitious to move from good to excellent. Striving to achieve the Council vision, meet the challenges of reducing budgets and growing demand and our continued transformation in the way the Council delivers services and interacts with its communities will have a major impact on the Council’s workforce.

In recognition of this, the Council Plan states that:

“The Council will continue to focus on its staff who must be capable, flexible, responsive, and focussed on productivity. Therefore the Council will adopt a Workforce Plan, incorporating a Workforce Development Plan that will ensure that it has the right people with the right knowledge, skills and behaviours deployed appropriately to deliver this Council Plan. In order to achieve the developments and improvements sought the Council will continue to work in partnership with the trade unions representing Council staff.”

This Workforce Plan aims to support the Council to achieve the vision and ambitions set out in the 2017-2022 Council Plan

**Workforce Vision and Values**

The workforce vision that drives this workforce plan continues as below.

*East Lothian Council will be an employer of choice and our staff will:*

* *have the skills, knowledge, experience and motivation to deliver the highest quality services*
* *be flexible and adaptable around our changing organisational needs*
* *be resilient to change and instigate, as well as adapt to, changes in service delivery*
* *be satisfied and engaged and feel safe at work*
* *work in partnership across all services and with the Council’s partners and communities to effectively deliver essential services and outcomes*
* *feel valued and recognised for the contribution they make to achieving the Council’s vision and objectives*
* *be supported, empowered and trusted*
* *take personal responsibility and ownership to be effective in their jobs.*

In addition, the Council has a well established set of staff values and behaviours. These are known as **the East Lothian Way**:

* **Focus on service** – putting the customer first; providing excellent customer service and, contributing to improvements in service.
* **Initiate solutions** – striving for excellence; taking personal responsibility and ownership to be effective in our jobs.
* **Deliver outstanding results** – taking responsibility; seeing tasks through to successful completion.
* **Explore the bigger picture** – understanding how our daily activities help to achieve the Council’s vision and priorities; working together for a better East Lothian
* **Share knowledge** – demonstrating regular and effective team working; being open and honest.

The Plan is structured around four questions and four sections:

Section 2 – Where are we now? East Lothian Council’s workforce profile

Section 3 – What is driving the change? Analysis of future needs

Section 4 – Where do we want to get to? Analysis of the gaps

Section 5 – What do we need to do to get there? The Plan

The analysis of current and future needs and the self-evaluation were used to identify the gaps that need to be addressed in the strategy that forms the basis of the workforce plan. These have been brought together under three themes:

* Sustain a skilled, flexible, high performing and motivated workforce
* Support and initiate transformational change
* Build and sustain leadership and management capacity.

**2. Where are we now? East Lothian Council’s workforce profile**

A detailed analysis of the Council’s workforce has been undertaken using information extracted from the HR & Payroll system, CHRIS 21.

The Workforce Profile provides information on:

* The wage bill
* Headcount
* Workforce by gender
* Workforce by grades
* Workforce by age
* Sickness absence
* Overtime and agency workers
* Staff turnover.

**3. What is driving the change? Analysis of future**

 **Needs**

The Council faces unprecedented financial challenges and increasing demand for more and better services from an ever growing population and communities that quite rightly expect the highest quality of services. As demand for quality services rises and resources are restricted we need to provide best value for money – better services at lower cost; doing more with less.

The Council Plan sets out in some detail the context within which the Council will be operating over the next five years, including:

* Significant growth in East Lothian’s population
* Financial constraints and pressures
* The impact of the recession and the decision to leave the EU
* Public sector reform and the Scottish Government’s programme for Government.
* Our programme of change and the opportunities technology offers
* Our partnership arrangements with communities and other public sector organisations.

The following is a summary of the analysis of the future needs based on the key drivers of change that impact on the Council’s workforce requirements.

**Population Growth and Growing Demand for Services**

East Lothian’s population is projected to grow by about 1% a year over the next 20 years – from just over 100,000 to over 125,000 by 2037. Significant growth is projected across all age groups, but particularly among children and older people. The 0-16 year age group is projected to grow by almost a third; the over 75 year age group by almost 100%; and, over 85s by around 150%.

The Council is planning for the impact this growth in population will have on Council services, primarily but not exclusively:

* education
* services for children and families
* services for older people and vulnerable adults
* infrastructure, such as schools, roads and community facilities to support the new settlements and housing required for the growing population
* services such as waste collection and street cleaning
* business development and employment services.

The education service will face the biggest impact from the growing population.

To accommodate the rising number of pupils, the Council’s capital programme includes the provision of a new Secondary School; two new Primary Schools; and, the expansion of all Secondary Schools and many Primary Schools.

The increase in East Lothian’s child population will also increase demand for services provided by the Council’s Children’s Services with the possibility of higher numbers of vulnerable children and families requiring engagement and support.

East Lothian’s growing older population will also create pressure for additional services for older people. An increasing amount of support will be required for people with complex needs such as dementia.

The Council has adopted a draft Local Development Plan which meets the requirement to ensure land supply for 10,050 houses and associated infrastructure over the next 10 years.

In addition to requiring additional schools and services for older people, East Lothian’s growing population and the new houses and estates that are being built across the county will result in increasing demand for property based council services – more bins will need to be collected, more roads and pavements will need to be maintained and swept, more people will use leisure centres, libraries and other community facilities. Either more staff will be required to provide these services or the way services are provided will need to change in order to ‘do more with less’.

**The Council’s Financial Prospects**

Staffing costs account for over 65% of the Council’s revenue budget. Any significant cut in the Council’s budget cannot be met without changes in the level of spending on staffing. The pressure to reduce staffing costs to meet any budget gaps over the next few years will come at the same time as pressure to increase staffing in services such as education and care services.

The Council’s three year budget for 2018/19 – 2020/21, includes significant savings in staffing costs totalling £2.75m over three years – £1.15m from ‘efficient workforce management’, £600,000 from a senior management review; and savings of over £1m from specific service reviews.

Whilst these projected savings will reduce staff headcount, the increase in staffing required to meet the growth in education and care services will mean that the Council’s overall staff headcount will probably increase.

The change options the Council needs to consider will have an impact on the size, shape and deployment of its workforce. This Workforce Plan sets out how the Council will meet the challenges that these changes will present and assist in the management of staff numbers in line with the Council’s three-year budget. It does not include specific proposals to alter the current structure of the Council’s services. However, service reviews which will be carried out as a result of budget decisions or the requirement to review services, may result in some alterations to the Council management and service structure.

**Early Learning and Childcare**

By 2020 the Council is planning to provide 1140 hours of free early learning and childcare for all 3 and 4 year olds and eligible 2 year olds. This almost doubling early learning and childcare services can only be provided through a significant increase in infrastructure and staffing and measures such as providing early learning and childcare in local authority nurseries over 50 weeks rather than the current 38 weeks.

The Council has submitted a proposal to the Scottish Government for how it intends to deliver this commitment, including a detailed analysis of workforce implications in relation to staff contracts, leadership and management, and, additional staffing requirements (possibly between 150 – 200 additional staff) to meet the vastly expanded provision of early learning and childcare.

**Health & Social Care integration**

Health & Social Care Partnerships are required by the guidance on the Public Bodies (Scotland) Act 2014 to develop their own Workforce Plan that takes into account the national Health and Social Care workforce Plan. The East Lothian Health & Social Care Partnership has established a steering group to develop a Workforce Plan incorporating Workforce Planning, Learning and Development and Organisational Development (due to be published in spring 2018). The Partnership’s workforce planning requirements will need to be aligned with the Council’s Workforce Plan.

**National Living Wage**

The introduction of the National Living Wage has been of great financial benefit to employees on the initial grades (Grade 1, 2 and the first two levels of Grade 3). The largest impact has been on part-time female employees who represent over 80% of this cohort of council employees.

Being a Living Wage employer supports the Council’s commitment to being an ethical employer. However, whilst the Living Wage goes a long way to addressing in-work poverty, it should be recognised that this policy adds to the Council’s wage bill and impacts on pay differentials. These issues have been factored into the Council’s financial strategy and budgets.

**Young Workforce**

The Council has identified that the age profile of its workforce is a challenge. In 2014/15, only 4.8% of the workforce was aged 16-25. Various initiatives such as the development of trainee posts, graduate internships and Modern Apprenticeships have contributed to increasing the younger age cohort to 5.6% of the workforce. The Council’s commitment and developing work to engage with, encourage and support its young workforce was recognised by the award of a Gold standard Investors in Young People in November 2017.

**Pensions**

While there is no longer a defined retiral age, the anticipated increase in employees staying in work beyond the age at which they receive their state pension has not materialised. Where this has tended to happen is in the lower paid jobs in the Council, predominantly at Grade 6 and below. It is vital that Service areas are sufficiently prepared for the loss of experienced staff, through the use of succession planning, documenting processes and adopting / adapting technology to ‘pass on’ the knowledge of experienced employees.

**Pay Equality**

East Lothian Council has a good record on pay equality. The Council addressed the historical issue of equal pay through its single status scheme in 2008 and has no live equal pay claims. Since 2012/13 over 50% of the Council’s highest 5% paid employees have been women and the Council also has a relatively good record in regards to the gender pay gap. However, further attention needs to be given to ‘breaking down’ traditional gender stereotypes in different sections of the workforce,

**BREXIT**

The UK’s withdrawal from the EU is due to come into effect in March 2019. The withdrawal will not, of itself, repeal UK employment laws or immigration rules wholesale. There is great uncertainty and views differ as to which, if any, employment legislation will be dismantled following the UK’s departure from the EU. Further analysis will need to be carried out of the Council’s current workforce to determine the potential impact of post Brexit changes.

**Transformation**

As the squeeze on public sector resources intensifies, the Council recognises that a focus on efficiency alone is no longer sufficient or sustainable. Given the scale of the financial and demographic challenges ahead, more radical and sustainable solutions are required, focussed on transformational change. From a workforce planning perspective this means ensuring staff are more productive through streamlining of processes and eradicating unnecessary bureaucracy.

The transformation in the way the Council operates and delivers its services will have an impact on the Council workforce. Change is a stressful process for organisations and for individuals who are affected by it. The Council will need to support managers and staff through the process – empowering staff to promote and embrace change, developing managers’ capacity and ability to manage change and supporting staff in adapting to and being resilient to change.

**A Digital Authority**

The 2017-2022 Council Plan commits the Council to becoming a Digital Authority. The Council has adopted a Digital Strategy which sets out how it will meet this commitment – making services accessible to customers/ service users wherever they choose, whilst realising operational and cost efficiencies through improved and streamlined business processes. The Council will ensure that its workforce can support the roll out of new technology to provide digital services; for example, ensuring that all council staff have basic digital skills and have access to digital technology.

**Staff Engagement**

The Council runs an annual staff engagement survey which has consistently achieved a response rate of over 50%. In both 2016 and 2017, 58% of council staff completed the survey. The overall engagement rate (Strongly Agree and Agree responses across all questions) fell from a high of 81.5% in 2015 to 76.6% in 2016 but rose again to 78.4% in 2017. Several questions have consistently received very positive responses and point to a high level of positive engagement from Council staff. However the survey also highlighted areas that need further action and improvement, which are being addressed through an action plan.

**Good Foundations**

Many of the drivers of change outlined above have been impacting East Lothian Council for many years and have already had an impact on the Council’s workforce. Initiatives have included:

* Successful implementation of Single Status to ensure the Council meets it duties under Equal Pay legislation was put in place in 2008
* Efficient Workforce Management to manage staffing costs; including a Voluntary Early Release Scheme in 2013; and review of senior management resulting in reduction of senior managers of 30%
* Introduction of flexible/ agile working.

The Council has an extensive and comprehensive suite of HR policies and a set of terms and conditions which are reviewed and revised as required following consultation with trade unions and staff. It has placed an emphasis on the wellbeing of its staff for which it has received awards and recognition including:

Healthy Working Lives Gold Award; Two Ticks; and Investor in People (IiP) Silver and Investor in Young People (IiYP) Gold awards.

**4. Where do we want to get to? Analysis of the**

**gaps**

The analysis of the drivers of change that are impacting on the Council and its workforce has raised a series of questions, challenges and issues that need to be addressed over the next five years if the Council is to achieve this workforce vision.

* ***Do we have the right size of workforce to meet the public’s need and do we have the right staff in the right places?***
* ***How can we meet the financial challenges and the demand for new services and fulfil the need to ‘do things differently – doing more with less’?***
* ***How do we meet the challenges we are facing in staff retention and recruitment?***
* ***How do we meet the challenges of an ageing workforce with a high proportion of staff likely to retire within the next five years?***
* ***How do we ensure we have a workforce with more balanced age and gender profiles?***
* ***How do we recognise the contribution of our staff?***
* ***How do we support managers and staff to support, embrace and be instigators of change?***
* ***How does the Council workforce support the development of the Digital Authority?***

**5. How are we going to get there? The Plan**

The analysis of future needs has identified a range of actions that are required in order to achieve the Workforce Vision under three themes:

* Sustain a skilled, flexible, high performing and motivated workforce
* Support and initiate transformational change
* Build and sustain leadership and management capacity

**Sustain a skilled, flexible, high performing and motivated workforce**

* 1. Develop relevant service specific workforce plans, aligned to the Council’s Workforce Plan, that will ensure the Council has a cohesive and coherent approach to planning organisational capacity and skills that support the delivery of council and service objectives
	2. Ensure that the Health & Social Care Partnership Workforce Plan is aligned with the Council’s Workforce Plan and supports the development of new models of integrated working
	3. Implement the workforce plan required to deliver the expansion of Early Learning and Childcare
	4. Monitor the impact of Brexit on the Council workforce and the pool of people to recruit to posts that have attracted workers from the rest of the EU
	5. Further promote the values and behaviours we expect of all staff through the *East Lothian Way* and ensure they are embedded within job outlines and the PRD process
	6. Review the PRD process and managing performance policy (and its application) to ensure they are relevant and fit for purpose for all staff, providing all staff with the support, capacity and capability required to deliver the highest quality of services
	7. Review recruitment and selection methods and procedures to ensure we are able to attract and recruit suitable candidates with the required values (*the East Lothian Way*), skills and competencies to gain a wider appreciation of the values, skills and competencies of candidates
	8. Continue to develop measures aimed to improve diversity in all areas of the Council’s workforce and sustain the Two Tick status
	9. Build on the success of achieving IiYP Gold award by continuing to support and encourage our young workforce; attracting, recruiting and retaining young people through creating employment and training opportunities through appropriate training schemes and Modern Apprenticeships
	10. Carry out a staff audit to gain a better understanding of staff skills, training and development needs and the potential impact of Brexit
	11. Review the Council’s terms and conditions to ensure they are fit for purpose and are aligned to the achievement of the Council Plan and the Workforce Vision
	12. Review job roles and, where possible, look to widen roles to allow for greater flexibility within grades and across service areas, with an emphasis on outcome objectives rather than tasks, and to support career progression opportunities
	13. Develop an active approach to succession planning, including the flexible retirement policy (e.g. where possible, allowing retiring staff to work alongside their replacement for a time to pass on knowledge and experience)
	14. Implement measures to focus on increasing attendance and support the reduction of employee absence levels across all services
	15. Keep the Council’s Health and Safety Policy and Management Arrangements under review and continue to embed best practice in health and safety across the Council to support the mental and physical wellbeing of staff and contribute to increasing attendance
	16. Review non-financial benefits and how the Council supports the mental and physical wellbeing of its staff through its healthy working lives programme and the Employee Assistance Programme (ensuring the Council sustains Healthy Working Lives Gold status) and promotes networking, social, charitable and volunteering activity
	17. Review the rewards and recognition policy and non-financial benefits offered to staff to ensure the Council recognises and promotes the success, achievement and commitment of its staff
	18. Maintain the focus on employee engagement (for example, through the One Council Workshop programme) and continue the development of staff communications across the Council through a variety of mediums that will reach all employees

* 1. Adopt an ‘East Lothian Staff Deal’ which sets out the Council’s commitments to support staff and the values and behaviours staff are expected to follow

**Support and initiate transformational change**

2.1 Develop and roll out a blended programme of training and activity based learning to ensure staff have the skills, abilities and resilience required to meet future service delivery needs and contribute to the Council change programme based on being an enabling, empowering, more entrepreneurial, and digital authority

* 1. Ensure all staff have access to the Council’s e-learning and self-directed learning opportunities
	2. Reshape the workforce profile across the Council and in services to align with alternative service models in the light of current and future demographic, financial and other pressures
	3. Design training and development interventions that support the up-skilling/ re-skilling/ re-deployment of staff (for example, to take account of the requirement for additional early learning and childcare staff)
	4. Develop a digital skills programme to ensure that all relevant employees/ roles have the skills to support the development of digital services
	5. Develop and promote a programme of learning and change management (including mentoring, coaching and action learning) to support the delivery of transformational change and innovation and development of resilience within the workforce to embrace and initiate change
	6. Review the Council’s HR policies and procedures to support the Council’s transformation agenda and support effective people management practice at a time of change and ensure effective management of issues of grievance, underperformance and capability (e.g. supporting more effective use of time and resources in dealing with managing issues with better / earlier outcomes)
	7. Continue to develop and implement an effective staff communications plan, including encouraging and supporting the sharing of ideas and best practice, which will reach all staff, to ensure staff feel engaged with, understand and contribute to the change agenda
	8. The Council will require a clear framework for employee engagement and a communication plan, aligned to the Transformation Programme, which helps to articulate both the implications for employees and employee representatives and the clear need for their involvement and contribution.

**Build and sustain leadership and management capacity**

* 1. Continue to develop a rigorous programme of leadership and management development that ensures our managers have the competencies to lead, motivate and encourage staff and are supported to ensure they are able to manage, motivate and empower staff to increase their effectiveness
	2. Put in place a managers’ induction and training programme for all staff newly appointed to management posts
	3. Extend leadership and management development, including an introduction to management programme, to a wider pool of staff to support the development of management and supervisory responsibilities, and career progression
	4. Develop a model of ‘succession planning’ that enables the Council to manage the loss of skills, experience and knowledge as well as motivate staff to remain council employees.
	5. Develop a programme of mentoring, coaching and conversational management techniques (‘people management’ skills) for managers, to improve personal and organisational effectiveness in delivering operational and strategic objectives
	6. Ensure all managers and staff supervisors receive appropriate training and are supported to deliver effective PRDs, including using PRDs to address performance issues and identify training and development needs
	7. Ensure that all managers and staff involved in recruitment and selection receive appropriate equalities, recruitment and selection training
	8. Develop interventions to support managers and staff supervisors in communicating and engaging with staff to support effective team management, team building and team relationships
	9. Develop interventions to support managers in their growing role in working in partnership with external agencies and in joint working
	10. Support managers to engage Organisational Development / Learning and Development staff to design and develop training programmes to ensure staff have the skills and competencies required for each role