

TITLE OF REPORT: Progress on Implementation of the Council's Workforce Plan; Update on the Refresh of the Council's Workforce Strategy

REPORT OF: Mike Barker, Strategic Director Corporate Services & Governance

Summary

To update the Committee on progress made in relation to implementation of the Council's Workforce Plan, and to advise the Committee on proposals to refresh the Council's Workforce Strategy.

Background

1. The Council's Workforce Strategy and Plan were agreed in 2015. The purpose of the current workforce strategy is to ensure we have a workforce that can support delivery of the sustained transformation necessary to achieve the services our residents want and need – services that provide value for money, are fit for purpose, flexible and customer focused. The strategy outlines how the Council aims to ensure it has the right people, with the right skills and behaviours, working in the right jobs, at the right time.
2. The workforce strategy is based on six themes: **skills and behaviours; recruitment and retention; pay; reward and recognition; wellbeing and engagement; and, performance and change.**
3. A workforce plan provides a detailed delivery plan for each of the six themes. The plan is a dynamic document which is continually developed to respond to the Council's current workforce requirements, and to prepare for future changes.
4. This report provides an update on the progress made since the last Overview and Scrutiny report presented in October 2017 and follows the themes set out in the workforce strategy and plan. Members will recall that the October 2017 report provided a comprehensive update; this report builds on that progress.

SKILLS AND BEHAVIOURS

Leadership Development for Leadership Team

5. Weekly Leadership Team meetings continue to take place, with a variety of subjects being discussed enabling the timely sharing of information, minimizing silo working, and sharing learning and development opportunities.

Developing Management Skills

6. A learning and development framework is available on the intranet as a one-stop shop for managers and employees to access information on courses and other resources and guidance to support their development. The framework is updated on an ongoing basis and includes new guidance on the appraisal and development (A&D) framework, the competency framework, the maximising employee potential (MEP) guidance, mentoring, and corporate induction.
7. A programme of in-house workshops continues to be provided to develop the skills of managers. Managers also have access to development opportunities through the Public Service Academy (PSA) short courses and master classes programme. Over the last year more than 8,000 learning opportunities have been accessed by our employees.
8. Through a small cross council working group a leadership/management development programme is currently being developed. The aim of the programme will be to build management and leadership capacity throughout the Council both for current and potential future managers and leaders. It is anticipated that the programme will be ready for implementation by April 2019.

Upskilling the Workforce

9. Whilst leadership and management skills are crucial to ensure sustainability for the Council, it is also important to ensure that all employees are supported in their learning and development. This ultimately contributes to the Council's 'Thrive' agenda when delivering services to the people of Gateshead. The Council is working closely with our trade union partners to promote and provide development opportunities to upskill the workforce. Current provision includes ICT, literacy and numeracy skills workshops, and 'Lunch to Learn' taster sessions on topics such as Diabetes Awareness, Palliative Care, Autism and Parkinson's Disease.
10. A 'Learning at Work' event is scheduled to take place on 4 October 2018. The event is aimed at promoting learning and development opportunities to upskill the workforce. The event will bring together guest speakers from our political and senior management structure, learning and development providers, and trade union partners. All employees are invited to visit the showcase event in the Council Chamber which will allow them to be introduced to various learning and development providers and promote awareness of the range of opportunities available. The objective is to encourage requests to access learning opportunities during management and A&D discussions.
11. The Council continues to develop e-learning modules to encourage learning in a convenient and efficient way. Learning is currently available in areas such as management, health and safety, equalities and diversity, ICT, and finance. Over 800 modules have been completed during 2017-18 year by Council employees.
12. A suite of briefing sessions has been delivered to managers to equip them with skills to deal with a range of HR issues. The briefings were mandatory on the basis that people management is a critical element of the majority of management roles. The sessions include recruitment and selection, dealing with capability and

competency issues, undertaking investigations, managing sickness absence, and bullying & harassment. The sessions were delivered over a period of 14 months and 90% of managers have attended the full suite. The briefings are currently being translated into e-learning modules and all newly appointed managers will be expected to complete the modules.

Mentoring and Coaching

13. With support from the Leadership Team, mentoring and coaching frameworks have been developed, the aim being to support capacity building for our managers and employees. Mentoring and coaching opportunities can be accessed through discussions in the A&D process, with mentoring and coaching being referenced in the Managing Employee Performance (MEP) guidance. The Council's Leadership Team has been trained as mentors, the intention being that mentor training and the availability of mentors will be rolled out to other levels of management to increase mentoring capacity within the organisation. Training for internal coaches is also being considered to build coaching skills and capacity.
14. It is proposed that mentoring and coaching will be a component part of the management/leadership development programme referred to in paragraph 8.

Apprenticeships

15. The Government's changes to the apprenticeship system took effect from April 2017. The changes included the introduction of a public sector apprenticeship target. The Council's target was to start 2.3% of the workforce (160 employees) on an apprenticeship on an annual basis. Despite efforts made, unfortunately the Council has not met that target. From April 2017 to March 2018 the Council had 95 apprentices. From April 2018, 49 new apprenticeships commenced, these are a mixture of current employees who are upskilling, and new recruits to the Council.
16. In an attempt to boost this number and increase the draw-down on the apprenticeship levy, briefings have taken place with Leadership Team and managers, and employees were invited to participate in personal consultations to find out more about apprenticeship opportunities. 14 staff attended for one to one discussions, with a further 9 having a telephone discussion. To date two of those people have enrolled to the management level 5 standard.
17. The Council, alongside many other employers, has faced a number of challenges when striving to increase the numbers of apprenticeships, including:
 - the lack of available standards and training providers, resulting in the continuation of traditional academic qualifications rather than apprenticeships;
 - the essential requirement for all apprentices to demonstrate English and Maths at GCSE level when some staff already have degrees and other professional qualifications;
 - the requirement to spend 20% of time 'off the job' in training, and the impact that has on service delivery;
 - insufficient providers completing the procurement process as they have failed to provide the required assurances in relation to health and safety and/or safeguarding matters;

- insufficient providers in the region to deliver the apprenticeship programmes the Council requires; and,
 - providers in the region cancelling, or deciding (sometimes at a very late stage), not to run apprenticeship training due to insufficient numbers of learners to form viable cohorts.
18. Services continue to be encouraged to consider what scope there may be to increase apprenticeships in order to fully maximise the Council's levy. Managers are being challenged to consider how apprenticeships can support succession planning and enable existing employees to develop skills and competencies at all levels. When posts become vacant, managers are asked to consider if the job is one suitable for an apprentice.
19. The inability to maximise the apprenticeship levy is a concern across the region so further considerations are being given to how the Council can work jointly with other Councils and with LearningSkills, with the support of the North East Regional Employers Organisation (NEREO), to provide alternative models of procuring apprenticeship training.

RECRUITMENT AND RETENTION

20. The Council's approach to recruitment and retention allowances is reviewed annually and reflected in the current [Pay Policy](#). In light of recruitment and retention difficulties, specifically in hard to fill posts and in Care, Wellbeing and Learning, proposals to consider the flexibility of the Council's Recruitment and Retention Allowances Payments policy will be presented to Cabinet in the near future.
21. The Council has agreed the adoption of the TUC's [Great Jobs Agenda](#) which consists of six themes, each with a description of why it matters, along with what the TUs want employers to do, and what it asks politicians to do. The themes include having voice at work; fair and decent pay; and, learning and progression.

PAY, RECOGNITION AND REWARD

Employee Recognition

22. Research has repeatedly pointed to a correlation between how people are managed, their attitudes and behaviour, and business performance¹. Engaged employees are happier, healthier and more fulfilled, and they are more motivated and deliver better business performance.
23. In the last 12 months, 77 employees have been recognised for their long service and were invited to the Mayor's Parlour where they were presented with a picture of Gateshead Quays. Three presentations take place each year to celebrate employees' 25 years continuous service at Gateshead Council.
24. Whilst such formal recognition is a credit to staff and to the Council, there are a number of drivers to an engaged workforce, one being a culture where employees are praised for the good things they are doing. The output of a series of focus groups which included employees at all levels in the Council has informed the

¹ <http://engageforsuccess.org/nailling-the-evidence>

formulation of proposals about how the Council's approach to recognition can be improved. This work is on-going; however, generally, the indication is that a simple 'thank you' or 'well done' is what is most valued by employees; formal ceremonies are not necessarily popular.

Terms and Conditions

Pay protection

25. The Council is committed to ensuring that any negative impact in respect of changes to the workforce is minimised and employees continue to receive some level of protection if such changes affect their pay. Balanced against this is a requirement to consider affordability and the financial pressures the Council face. In this regard, following a review of pay protection arrangements, agreement was reached with recognised trade unions to adopt a 4-year protection period which tapers over each year i.e. 100% protection in year one, 75% in year 2, 50% in year 3 and 25% in year 4.
26. This change ensures that there is some protection for employees and that there is not a 'cliff edge' approach to the cessation of pay protection. It also results in savings being made and supports services when they are looking to transform, generate income, and become more financially stable.
27. A tapered approach also provides motivation for both employees and managers to identify suitable development opportunities to minimise the need for pay protection.

Review of compensatory payments formula

28. The Council introduced compensatory payments in 1980 as the most effective way to facilitate smooth changes to working arrangements without needing to unilaterally vary employees' contracts. The majority of people who receive compensatory payments are low paid, part-time females in catering and cleaning services.
29. The compensatory payments formula has been reviewed to ensure it remains at an appropriate and fair level. The review resulted in an increase in the level of compensation payable to employees who suffered a reduction in their contractual hours; the compensation payable for withdrawals of allowances and enhancements remains unchanged.

Review of the flexi-time Scheme

30. A review of the Council's flexi-time scheme has been undertaken to ensure it remains fit for purpose and reflects best practice both for employee work-life balance and to meet the needs of the Council. The scheme has been updated to reflect elements of the scheme adopted by The Gateshead Housing Company, including a widening of the working day bandwidth to 7am to 7pm, an increase in the maximum flexi credit balance to 2 days, and a reduction in the maximum flexi debit balance to 1 day. The number of flexi days leave available in a settlement period has not changed, however this will remain subject to review.

Employee benefits marketplace

31. An 'employee benefits marketplace' event is held twice a year to enable those organisations which offer discounts to Council employees to showcase what is available. Discounts range from shopping vouchers, healthcare provision, and car purchase schemes. Providers include Costco, Nissan, Health Shield, and Icom (who is the Council's partner in the staff offers scheme).

Implementation of a car leasing salary sacrifice scheme

32. As part of the employee benefits package, the Council is considering offering a car leasing salary sacrifice scheme. This would allow employees to give up part of their salary in return for a non-cash benefit i.e. a car. Depending on the type of non-cash benefit provided, employees could make savings on tax and national insurance contributions.
33. Proposals will be presented to Cabinet and Council and it is hoped that a scheme can be implemented in the near future.
34. In addition, for those employees who do not wish to be part of a car leasing salary sacrifice scheme, consideration is being given to the adoption of a full service personal contract hire scheme i.e. non-salary sacrifice car leasing scheme. Employees would be able to take out a personal contract hire agreement (or lease) with a provider at a discounted rate.

Low Pay

35. The Council is committed to addressing the issue of low pay and moving towards the UK Real Living Wage rate whilst being mindful of the impact this may have on other areas such as schools, and the Council's ability to trade and maintain services in-house. Changes in pay structures have an impact on the salary differentials at the lower end of the pay range, therefore work is ongoing to identify how the new NJC pay spine can be implemented from 1 April 2019, whilst also giving further consideration as to whether the Council could become a Living Wage Foundation accredited living wage employer. The pay agreement for 2019 is 'bottom loaded', with pay increases of between 7.3% and 2.3% for lower grades compared to an increase of 2% for all pay points above point 28.
36. The Great Jobs Agenda as detailed in paragraph 20 also provides a commitment to fair and decent pay.

WELLBEING AND ENGAGEMENT

37. Throughout the year the Council's Health and Wellbeing Co-ordinator has worked jointly with the Public Health Team and the Communications Team to promote health and wellbeing campaigns such as the 'One You, Heart Age Test'. More than 25 health advocates across the Council also helped to promote campaigns by displaying posters and communicating key messages. The recent 'Active10' campaign encouraged 27 teams, involving almost 90 employees, to sign up to complete a brisk walking challenge over a 4-week period. Feedback was very positive with staff reporting feeling better and fitter after completing the challenge.

38. The Council continues to maintain its 'continuing excellence' rating for the North East Better Health at Work Award and will be assessed again in November/December this year. We are confident that the improvements made during this year will allow the Council to remain an employer who is 'continuing excellence' which is the highest rating available.
39. The training programme for health advocates has been updated in this reporting period and will be delivered to all health advocates in autumn/winter 2018.
40. An employee health needs assessment survey in November 2017 highlighted a number of health and wellbeing priorities for the Council's employees. To explore this further, 33 employees took part in a half day workshop which was facilitated using a new and innovative 'sprint' approach. This approach is used by organisations such as Northumbria Water and on this occasion involved a presentation from an exercise physiologist from Newcastle University; presentations from officers within the Council; several innovative brainstorming activities; with an illustrator/artist who captured ideas throughout the workshop (this is displayed in the public area near Bewicks in the Civic Centre). This technique (a sprint) is used to speed up the process of solving problems or making improvements using internal and external influences, brainstorming ideas using a variety of innovative engagement activities and coming up with solutions or a final list of ideas to explore further.
41. Positive feedback was received in relation to the workshop, with 90% of attendees agreeing they were useful in terms of their time, 95% saying that they were able to put forward their ideas in the workshop, and 95% saying that they would attend an employee workshop again. Following the workshops, three task and finish groups were set up to research, develop and implement health initiatives. The groups have been meeting since July 2018 and have developed action plans to take the ideas forward. A full report on progress is to be considered by senior management in the near future.
42. A refreshed 'brand' is being developed for health and wellbeing activity across the Council and a communications plan will be developed to implement new health initiatives. Employees will have an opportunity to get involved in choosing the brand name.
43. In terms of learning and development, a suite of training courses is available in relation to occupational health and safety. A comprehensive stress toolkit is also available on the intranet which provides valuable support for managers and employees. As part of the wellbeing programme three Mental Health Workshops have been facilitated, with 45 employees taking part.
44. To help improve the health, wellbeing and fitness of our employees and to support the Thrive agenda internally, Occupational Health in partnership with Go Gateshead have introduced a free 12 week Go Membership offer (unlimited Gym, Swim and Class) for employees who are referred to Go Gateshead following an assessment by Occupational Health. The general aim is to support the rehabilitation of employees who are currently absent from work due to sickness and enable them to return to work sooner or prevent future absences.

45. The employee forum continues to meet where a variety of topics present themselves. The Chief Executive also engages with the 'Ask Sheena' initiative, providing a direct route for any employee to ask a question of the Chief Executive, or raise ideas for improvement.
46. The employee survey took place during the summer with a return rate of 39.1% (1,607 responses from a total of 4,104 employees) which compares with a response rate of 40% in 2016. Responses are presently being analysed and each Service Director will be asked to consider how they will demonstrate action as an outcome of staff views. Demonstrating actions taken ('You Said, We Did') are critical to the success of employee surveys.

PERFORMANCE AND CHANGE

47. Corporate induction guidance for use by managers has been developed to support the introduction of all new employees, at all levels, to the Council. A corporate induction workshop has been re-introduced to compliment the induction guidance. This is delivered on a quarterly basis and includes input from the Chief Executive and a Councillor who provide the corporate context and information on the role of Councillors in the Borough. The first event took place on 9 July 2018 with 56 employees attending. Feedback on the event was very positive.
48. Sustained efforts have been made across the organisation to ensure that every employee has a formal Appraisal and Development (A&D) meeting. Whilst the A&D guidance introduces performance ratings linked to the agreed competency framework, ratings will not be required until 2019 when every employee will have had at least 12 months in which to evidence their competency and work outcomes, which should be aligned to the Council's Thrive agenda. Guidance for Maximising Employee Potential (MEP) is also now available to facilitate discussions between managers and employees as part every day management which culminates in the formal A&D process.
49. Working closely with trade union partners, the Council's redundancy and early retirement schemes have been reviewed and will be presented to Cabinet in the near future.

REVIEW OF WORKFORCE STRATEGY AND PLAN

50. Since the Council relies on its workforce to deliver services, a workforce strategy and workforce plan are critical to identifying what the workforce needs to look like and how it needs to operate to make Gateshead a place where everyone thrives.
51. The Council aims to have the right people, with the right skills, in the right place, at the right level and at the right cost. This is a challenge for managers in a constantly changing work climate where demands on services are increasing and resources are not.
52. In light of the Council's revised strategic approach 'Making Gateshead a Place Where Everyone Thrives', it is important to review the workforce strategy and workforce plan to ensure they deliver what the Council needs. Equally, it is important that the whole Council owns the workforce plan and managers

understand what it means for them, and the consequences for the Council if we fail to invest efforts into workforce planning and development.

53. A review of the current strategy and plan is currently on-going. Consultations with Service Directors are key, and they will be challenged to think about their on-going and future workforce needs. The scheduling of revisions to the strategy and plan will be aligned with the considerations Service Directors are giving to how they will deliver services in the future, linked to the requirement to make budget savings and consider more efficient ways of working. A revised strategy and plan should also take into account the LGA workforce strategy [*“Great people for growing places: a workforce strategy for the local government workforce”*](#) which is due to be published in November 2018. Revisions to the Council’s workforce strategy and plan will be presented to the Council for consideration in due course.

Recommendations

54. The Committee is asked to:
- (a) Consider the progress made in implementing actions from the workforce plan and its effectiveness in delivering the aims of the workforce strategy.
 - (b) Consider further updates on progress on an annual basis.