

**TITLE OF REPORT:**           **Progress on Implementation of the Council's Workforce Plan.**

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

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### **Summary**

To update the Committee on progress made in relation to implementation of the Council's Workforce Plan.

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### **Background**

1. The purpose of the Council's Workforce Strategy and Plan is to ensure the Council has a workforce that can support delivery of 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 five 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 five 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 2018 and follows the themes set out in the workforce strategy and plan.

### **SKILLS AND BEHAVIOURS**

#### **Gateshead Leadership Development Programme (GLDP)**

5. The Council seeks to maintain and develop strong, diverse and competent leaders who can deliver its corporate and public service ambitions. Therefore, a key priority is to invest in the development of our employees as leaders of the organisation, so they are equipped to deliver services to support the Thrive Agenda.
6. The content of a new leadership development programme is currently being drafted; once finalised, it will be rolled out to the leadership team, service managers and all other managers within the Council. Ultimately, if resources allow, the ambition is to provide leadership development to those employees who are not yet in management positions but are 'ready' to step up i.e. developing leadership

potential. Providing development at an early stage should enable stronger performing managers who are confident to take the next step, which is particularly important where an employee may be very strong and competent in their professional area, but who may not have had an opportunity to develop their overall management and leadership skills.

7. The aim of the programme is to develop a visionary and enabling leadership culture that will drive change to meet the challenges of the future. The content of the programme has been developed taking into account views from across the Council with specific emphasis on:
  - building leadership and management capacity throughout the Council;
  - developing a consistent and coherent approach to a leadership culture within the Council, moving away from 'command and control' to 'empowerment and responsibility';
  - equipping leaders with the competencies and confidence to take ownership and responsibility relevant to their own role, and across the wider Council, making appropriate autonomous informed decisions and undertake appropriate actions.
8. An external provider, Eliesha Training, has been commissioned to work closely with the Council to design and deliver the programme. Eliesha will provide an external focus on the requirements of the 'workforce of the future' as well as some assurance that the content of the programme captures national best practice whilst also focusing on delivering the Council's priorities. The programme is scheduled to be rolled out to leadership team from April 2020, with the service manager programme scheduled to commence in July 2020.

### **Coaching Culture**

9. The modern employer is expected to support and engage its staff in the work they do, to help unlock their potential and maximise the overall performance of the organisation. One driver for this is to adopt a coaching style in the conversations we have with each other and in the way we work. To ensure that such an approach is embedded within the Council, a coaching culture will be promoted across all employees, which will ensure that people at all levels are given the opportunity to speak up, be listened to, be heard, be open to constructive challenge, and be committed to both their personal development and the development of their organisation. Work is ongoing to develop this approach which will be a consistent strand throughout the GLDP.

### **Learning and Development Framework**

10. 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 has been in place for some time and the Workforce Development Team is currently evaluating its content, with a view to streaming the available modules and move to a greater emphasis on e-learning as a flexible, cost effective way of providing training. Engagement with other employers with a view to sharing resources is taking place, including the potential to 'passport' some core skills/learning across the care integrated system if possible.

## **Mentoring and Coaching**

11. One of the initiatives identified in the Council's Workforce Plan which will build leadership capacity is to provide opportunities for employees to access mentoring to support their development. Mentoring is a development technique based on the use of one-to-one discussions to enhance an individual's work skills, behaviour, performance and/or knowledge and involves a more experienced employee using their greater knowledge, experience and understanding of the work or the workplace to support the development of a more junior or less experienced employee. The Council's Leadership Team has undertaken mentoring training and it is anticipated that as mentoring training is rolled out further, mentoring opportunities will be available at all levels within the organisation.
12. Mentoring and coaching will be a component part of the Gateshead Leadership Development Programme (see above).

## **Apprenticeships**

13. Apprenticeships are government funded work-based training programmes for people aged 16 to 65, combining on and off-the-job training. Recruiting apprentices and using apprenticeship programmes for current employees helps organisations to grow their own talent by developing a motivated, skilled and qualified workforce
14. The HR/Workforce Development team is leading on the Council's apprenticeship programme, with the development of an apprenticeship strategy and delivery plan which aims to:
  - Embed a positive apprenticeship culture
  - Maximise workforce capability by identifying and promoting a range of suitable apprenticeship opportunities for new apprentices and existing employees;
  - Provide advice and support to managers on apprenticeships;
  - Negotiate apprenticeship training programmes on behalf of the council;
  - Support and reflect the council's wider responsibilities e.g. as a corporate parent and achieving targets for care leavers entering apprenticeships.
  - Engage with training providers and other local authorities to maximise apprenticeship provision within the region
15. The HR/Workforce Development team is also working in partnership with the Local Government Association (LGA) as part of their Apprenticeship Accelerator Programme. The main aim of this programme is for the LGA to support the Council with the implementation of a workforce planning-led approach to apprenticeships and the development of career pathways. A focus is on using apprenticeships in those services facing recruitment and retention difficulties, or where there are succession planning issues which could be addressed using apprenticeships. It also provides some external assurance and a wider national perspective to the Council's approach.
16. The Council (including schools) currently has 124 employees undertaking an apprenticeship. These are across a wide range of services from social worker to paralegal. A detailed report regarding apprenticeships was presented to this committee in October 2019.

## **RECRUITMENT AND RETENTION**

17. The Council has adopted the TUC's [Great Jobs Agenda](#) which consists of six themes, each with a description of why it matters, along with what the TUs wants 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.
18. The recent report of the Centre for Local Economic Strategies (CLES) 'Community Wealth Building in Gateshead' also refers to '*fair employment and just labour markets*' and the opportunities for the Council to be an exemplar employer in terms of pay, recruitment from amongst local communities, and influencing other employers in good employment and HR practices.

## **PAY, RECOGNITION AND REWARD**

### **Employee Recognition**

19. Options for how the Council recognises the good work of its employees are being developed including a review of the current arrangements for long service awards to ensure these are valued and worthwhile. Feedback from the focus groups established to consider employee recognition identified that other than the long service awards scheme, there are no formal procedures or processes to recognise employees within the Council, and this sends a negative message to the workforce.
20. Feedback from employees focussed on the need for the culture in the Council to be one where employees are praised for the good things they are doing, rather than formal 'schemes'. Therefore, a visible recognition framework will be developed that can be consistently applied in a cost-effective way. This will be something simple, that can be built into normal management practice, which acknowledges work well done.
21. The framework will predominantly focus on the informal and informal recognition tools that managers should use i.e. a simple thank you or saying "well done" when it is merited in supervision sessions or 1:1 discussions, or good work being recognised in a more formal email or letter. Employees also value acknowledgment of individual or a team achievements at team meetings, group management team meetings, corporate management team meetings or directly with councillors, and the acknowledgment of personal and professional achievements in a positive and supportive way such as celebrating employees' significant birthdays, completion of qualifications or sporting challenges or charitable events.

### **Holiday Pay**

22. The Council has changed the way it calculates holiday pay following case law which confirmed that all types of regular voluntary overtime must be included in the calculation of statutory holiday pay.

## **Terms and Conditions**

23. The Council's fresh approach to strategic budget management for 2020 onwards includes a commitment to considering how terms and conditions of employment can be modernised to ensure that the Council recruits and retains a highly motivated and committed workforce of the future. Whilst recruitment and retention are important, cognisance must also be taken of the Council's commitment to social values, providing decent wages and good employment contracts, and to community wealth building. The Council must be able to provide value for money services but also be a good employer, especially since over 70% of its workforce also live in Gateshead.
24. When considering terms and conditions, a wider context of the Council as an employer and as an anchor organisation within the borough will be taken. As always, such considerations will be made in partnership with recognised trade unions.

## **Review of the flexi-time Scheme**

25. A review of the Council's flexi time scheme in 2018 widened the bandwidth of a working day; increased the maximum flexi credit balance; and, reduced the maximum flexi debit balance. These were positive changes for employees, providing them with more flexibility in terms of work-life balance.
26. The scheme is regularly reviewed, and to ensure the calculation of part time employees' flexi leave entitlement is fair and not open to challenge, further amendments have been made. These amendments provide for the calculation of flexi to be based on the number of occasions (days) someone is at work, rather than on the number of hours worked. This methodology is more robust in relation to employment regulation in respect of part-time workers and again provides part time employees with flexibility to support work-life balance.
27. In addition, the application of the flexi time provisions to employees who work a compressed working week was also reviewed. This enables employees with a standard working day of less than 8 hours 30 minutes, as part of a compressed hours arrangement, to accrue time to take as flexi leave. Such employees were previously excluded from taking flexi-leave.

## **Employee Benefits – Neyber Scheme**

28. Staff wellbeing is usually concerned with the physical and mental health of staff, however, financial wellbeing is an emerging strand to the wellbeing agenda. It recognises the significant adverse impact on staff productivity and mental wellbeing brought on through stress and anxieties relating to an individual's personal financial situation. That can relate to bad debt, mortgage arrears or simply the inability to meet financial day to day needs.
29. Work is on-going to introduce a staff financial wellbeing scheme through partnering with Neyber, a financial management service. The scheme will include:

- a financial wellbeing HUB – a free on-line service which will provide advice and guidance on understanding credit ratings, budget planning tools and personal finance stress tests, including debt management advice over loans and saving schemes;
  - webinars on finance related subjects - free to join for all employees;
  - a freephone telephone support line;
  - financial education and on-site support - face to face sessions for employees with Neyber financial educators to privately discuss finances and support available; and,
  - low cost loans from £500 to £25,000 – whilst the focus is on good financial management, Neyber can offer loans at nil cost to the Council with deductions taken directly from salary, with repayment of up to four years.
30. As an organisation, Neyber have good relationships with a number of credit unions and any agreement with Gateshead Council is dependent on Neyber establishing a relationship with NEFirst Credit Union and working in partnership with them.

### **Implementation of a car leasing salary sacrifice scheme**

31. The Committee will recall, as detailed in the previous update, that the Council was considering offering a car leasing salary sacrifice scheme which 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.
32. Further work has been undertaken on this proposal, however, further risks were identified which led CMT to conclude that since the risks outweighed the benefits, the scheme would not be taken forward. As an alternative, the employee benefits offer in relation to the purchase of cars now includes an option to take part in 'My Club Nissan' and 'Lookers Personal Contract Hire' (which both offer similar benefits to employees). Both of these schemes offer significant discounts on the purchase or leasing of new cars. Both have proved a success, with a very positive response to date.

### **Low Pay**

33. Following the national agreement to a new pay spine, the Council implemented a revised pay and grading structure in April 2019.
34. This resulted in the Council's lowest hourly rate being £9.18 from 1<sup>st</sup> April 2019 which continued to be well above the 2019 National Living Wage rate of £8.21, and also above the UK Living Wage rate of £9 per hour. This enabled the Council to refer to itself as an employer who matches pay rates with the UK Living Wage. Although the UK Living Wage rate increased in November 2019 to £9.30 per hour, the Council will have the opportunity to look further at what can be done to improve its lowest hourly rate once the 2020 pay negotiations have concluded.
35. The revised pay spine was considered very carefully to ensure a balance between employee reward and the challenges faced by the Council in the current financial climate.

36. Work is ongoing to identify suitable options to further improve low pay which will align with the Council's Thrive agenda, bearing in mind 73% of the Council's employees live in the Gateshead borough and around 50% of those employees are within grades A to D.
37. The Council's wider strategic priorities provide a link or a direct commitment to fair and decent pay e.g. the Thrive agenda; the Health and Wellbeing Strategy; the social value commitments; a commitment to reduce poverty, and the Great Jobs Agenda and these will be taken into account when considering pay and grading in 2020.

### **Additional Voluntary Contributions (AVCs) Salary Sacrifice Scheme**

38. An employee of the Council who is a member of the Local Government Pension Scheme (LGPS) can increase their pension benefits by paying additional voluntary contributions. AVCs build up a pot of money which is used to provide additional benefits to an employee's LGPS benefits.
39. To further enhance the Council's employee benefits package, a salary sacrifice arrangement for AVCs is being implemented from January 2020, which will result in employees, and the Council, making national insurance contributions savings.

### **Cycle to Work Scheme**

40. The Council's 'Cycle 2 Work' scheme was first introduced in September 2009 and has been a popular initiative. The scheme enables employees to purchase a bike and bike accessories, up to the value of £1000, to use for their commute to and from work. There are previously had four 'windows' each year when employees have the opportunity to join the scheme. Limiting the opportunity to purchase bikes only during the narrow window opening has been criticised as overly restrictive and unnecessary, and also limits the savings that can be achieved by the Council. Therefore, after working with the scheme provider, the scheme is now open continuously, without the 'window' restrictions.

## **WELLBEING AND ENGAGEMENT**

41. 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 various health and wellbeing campaigns.
42. The Council continues to maintain its 'continuing excellence' rating for the North East Better Health at Work Award and 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.
43. A refreshed brand of 'Zest'  has been adopted for employee health and wellbeing activity across the Council and a plan for 2020 health and wellbeing campaigns is presently being drafted.

## **PERFORMANCE AND CHANGE**

44. The workforce strategy and workforce plan link to, and support, the Council's strategic priorities by identifying what the workforce needs to look like and how it needs to operate to deliver good outcomes for the residents of Gateshead and make Gateshead a place where everyone thrives. They make sure that we have the right people, with the right skills, in the right place, at the right level and at the right cost.
45. In light of the Council's strategic approach 'Making Gateshead a Place Where Everyone Thrives', the workforce strategy and plan are currently under review to ensure they remain current and support this approach. The HR/Workforce Development Team has engaged with service directors to identify their key workforce issues which will inform the workforce strategy and plan. The main themes which have emerged from the discussions are:
- succession planning and how apprenticeships might support this;
  - recruitment and retention to key roles;
  - the ageing workforce, particularly in frontline services.
  - how the public sector reform work can support the identification of core skills of the workforce of the future.
46. A refreshed workforce strategy and plan will be drafted in 2020.

### **Recommendations**

47. The Committee is asked to consider the progress made in implementing actions from the workforce plan and its effectiveness in delivering the aims of the workforce strategy.

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