



POLICY AND RESOURCES SCRUTINY REPORT – 1ST OCTOBER 2013

SUBJECT: WORKFORCE PLANNING TEMPLATE FOR CCBC

REPORT BY: HEAD OF HR AND ORGANISATION DEVELOPMENT

1. PURPOSE OF REPORT

- 1.1 To present Policy and Resources Scrutiny Committee with the proposed Workforce Planning Template for the Council and gain comments on the document before proceeding to Cabinet approval.

2. SUMMARY

- 2.1 As a result of an audit undertaken by PWC, a recommendation has been made for Caerphilly County Borough Council to implement a workforce planning process.
- 2.2 There are a number of positive benefits to undertaking effective workforce planning in an organisation including financial savings, minimising skills gaps, supporting service delivery and supporting capacity building.
- 2.3 A Workforce Planning Toolkit has been developed to support managers to workforce plan. This toolkit has a four step approach and has been developed on best practice and what is achievable within CCBC.
- 2.4 The toolkit provides managers with guidance and a model to undertake a workforce planning exercise and to succession plan within their service.
- 2.5 A number of pilots are starting to test out the toolkit and a consultation exercise has been undertaken with managers, HR and Trade Unions.
- 2.6 The template and process is organic and will develop over time to best fit the organisation.
- 2.7 The outcome is to be able to 'roll up' the local plans to create Directorate plans and an organisational plan.
- 2.8 It is the intention to offer HR support to service areas undertaking the process for the first time to walk the managers through the process and to monitor and evaluate the effectiveness of the template to improve it.
- 2.9 It is recommended that a workforce plan should be a 3-5 year process with regular reviews to test fitness for purpose.

3. LINKS TO STRATEGY

- 3.1 Links directly to the MTFP and the Council's People Strategy An effective workforce planning process will support the delivery of the Council's improvement objectives.

- 3.2 The Prosperous Caerphilly outcome of “Caerphilly Delivers, the Caerphilly Local Service Board Single Integrated Plan” includes commitments to improve local employment opportunities and provide support to enable local people to compete for all employment opportunities. A robust settlement strategy in terms of equal pay is a vital part of achieving these commitments.
- 3.3 The Equality Act 2010 (Statutory Duties) Wales Regulations 2011 (“the regulations”) require the Council to make and publish Equality Objectives. Equality Objective 2 of the Council’s Strategic Equality Plan is to address the Gender Pay Gap.

4. THE REPORT

- 4.1 In 2011 Price Waterhouse Coopers on the behalf of the Wales Audit Office undertook a HR thematic review across Welsh Local Authorities. This review examined a whole range of HR activities and processes under the heading of ‘Does the Council have effective arrangements in place to manage and utilise it’s workforce’.
- 4.2 The review highlighted four main areas for improvement one of those was workforce planning.
- 4.3 The comment made by PWC was as follows:

‘Strategic workforce planning and succession planning – implement an integrated approach to workforce planning aligned to service, financial and workforce targets. Workforce and succession planning is essential to ensure that the Council has the right skill sets in place for the future delivery of services and the basis for much of the planning of both strategic and operational HR intervention.’

- 4.4 In order to address this recommendation a workforce planning template and guidance documentation has been developed for service areas to use.

Benefits of Effective Workforce Planning

- 4.5 There are a number of key benefits for the organisation if workforce planning is undertaken effectively.
- It is a tool to identify and tackle labour shortages, oversupply of labour and costs
 - Helps ensure the timely delivery and the quality of services
 - Identifies cost savings by reducing vacancy levels and turnover
 - May reduce potential redundancies
 - Minimises skills gaps
 - Analyses the demography and trends
 - Creates opportunities to link training and development with future skills and devise strategies to meet needs
 - Helps to decide staffing levels
 - Manages employment expenditure by anticipating changes
 - Ensures sufficient and appropriate training and development is provided
 - Copes with peaks and troughs in the supply and demand of skills
 - Delivers improved services by linking business strategies to people plans
 - Encourages retention
 - Identifies accommodation needs
 - Supports capacity building
 - Can help in reducing sickness absence

The Toolkit

- 4.6 The template and toolkit developed provides manager with an introduction to Workforce Planning, identifies the benefits and demonstrates where it fits in relation to other processes and objectives of the Council.

- 4.7 The process itself follows a four-step approach including undertaking a workforce analysis, implementation and a monitoring and evaluation section. There are a number of models and examples of good practice in workforce planning and the model developed has been done so with reference to these whilst keeping in mind what is realistically achievable for the organisation to deliver.
- 4.8 The toolkit give managers guidance on factors to consider when undertaking the workforce planning exercise as well as asking a number of 'trigger' questions such as, '*What are the areas of concern in your current workforce profile e.g. retirements, leavers, succession planning?*' and '*Are there any factors to consider that will affect the service? E.g. collaboration, budget changes, legislation, IT, demography, labour market etc*'
- 4.9 The toolkit also considers succession planning challenges and asked managers to identify critical people and critical posts in their service and the key people risks to service delivery.
- 4.10 Information from iTrent will be provided to managers on their workforce profile. These templates can be found at the end of the document. The qualification section is a work in progress as the Learning and Development module is populated with data on an individual's qualification profile and job qualification requirements. When populated this will provide the opportunity to undertake a 'match and gap' exercise.

The Way Forward

- 4.11 A consultation exercise has been undertaken with, CMT and the SMTs in Corporate Services, Environment, Social Services and Education as well as the Council's recognised trade unions. Feedback has been that Heads of Service are comfortable with the principle of workforce planning and the content of the documentation.
- 4.12 Pilots are starting in Refuse and Cleansing, Mental Health and Drug and Alcohol teams in Social Services, Housing and the Youth Service to test out the template to establish effectiveness. Each of the pilot areas have been allocated HR support in undertaking the exercise.
- 4.13 The template and process is organic and will develop over time to best fit the organisation.
- 4.14 The outcome is to be able to 'roll up' the local plans to create Directorate plans and an organisational plan.
- 4.15 It is the intention to offer HR support to service areas undertaking the process for the first time to walk the managers through the process and to monitor and evaluate the effectiveness of the template to improve it.
- 4.16 It is recommended that a workforce plan should be a 3-5 year process with regular reviews to test fitness for purpose.

5. EQUALITIES IMPLICATIONS

- 5.1 The Workforce Planning template and process has been developed to support managers to effectively plan their workforce requirements including reviewing the demographic profile of their workforce to effectively plan for team members retirements and resignations. The process does not negatively impact on any of the equalities strands.

6. FINANCIAL IMPLICATIONS

- 6.1 Effective workforce planning can have a positive impact on budgets and financial forecasting as it is a tool for enabling managers to utilise workforce budgets as effectively as possible in their areas.

7. PERSONNEL IMPLICATIONS

- 7.1 The purpose of undertaking workforce planning is to support the organisation development principle of getting the right people in the right posts with the right skills at the right time at the right cost. The process may identify skills gaps or an oversupply of skills in a particular area as well as identifying which are the critical posts in the organisation.
- 7.2 Effective workforce planning will allow managers to take a strategic view on the needs of the organisation in terms of the workforce and prioritise challenges. By having the overview then potential risks can be reduced or removed and service delivery demands met.

8. CONSULTATIONS

Head of Workforce and Organisation Development
HR Service Manager Customer Services
HR Managers
Trade Unions
Corporate Services SMT
Education SMT
Environment SMT
Social Services SMT
Senior Policy Officer (Equalities and Welsh Language)
Corporate Management Team

9. RECOMMENDATIONS

- 9.1 To support the implementation of a workforce planning process for CCBC.
- 9.2 To support the pilot projects.
- 9.3 To review the outcomes of the pilot projects and the first workforce planning round.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To address the recommendation made by PWC on behalf of the WAO.
- 10.2 To benefit the organisation by the implementation of a workforce planning process as identified in the report.

11. STATUTORY POWER

- 11.1 Local Government Acts 1972 and 2000.
- 11.2 The Equality Act 2010 (Statutory Duties) (Wales) Regulations 2011

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Consultees: See Above

Appendices:
Appendix 1: Workforce Planning Template