



POLICY AND RESOURCES SCRUTINY COMMITTEE – 28TH MAY 2019

SUBJECT: WORKFORCE PLANNING EXERCISE

**REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE
SERVICES**

1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to provide Policy and Resources Scrutiny Members with an update of the workforce planning exercise that commenced in the Summer 2018.

2. SUMMARY

- 2.1 Members will be aware that the report to Council on 22 February 2018, confirmed the need to make estimated savings of £38m over the five year period 2017/18 to 2021/22. This is in addition to the £82m savings made since 2008.
- 2.2 In order to try to support the achievement of these savings, all non-school employees were written to by the Interim Chief Executive on 31 July 2018, outlining the financial situation and seeking to understand the next steps in their career, if they wished to share them, to assist the Council with its future workforce planning.

3. RECOMMENDATIONS

- 3.1 Members are asked to note the contents of the report.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 The recommendation ensures that the Committee Members are updated in relation to the workforce planning exercise that commenced in the Summer 2018.

5. THE REPORT

- 5.1 Members will be aware that since 2008, the Council has made savings of £82m and the report to Council on 22 February 2018, confirmed the need to make further estimated savings of £38m over the next five years.
- 5.2 Despite these challenges, the Council has responded well to them, and in order to continue to operate well in this environment the Cabinet is setting out a clear vision for the future of the Council. In order to deliver this vision, we need to ensure that we have a workforce that is sustainable over the long term and is equipped with the necessary skills to meet the needs of our residents as well as the changing demands of services.

- 5.3 The Council will always try to achieve any reductions required in staffing numbers via natural wastage, not filling vacancies and redeployment. However, the numbers required to achieve the Medium Term Financial Plan (MTFP) savings will not be achieved via this approach. The Council always wishes to avoid a situation of compulsory redundancy, whenever possible.
- 5.4 To support the developing workforce plan and the requirements of the MTFP, a letter went to all non-school employees on 31st July 2018, to ascertain whether they wished to share the next steps in their career with us.
- 5.5 All employees were given the opportunity to submit a voluntary expression of interest for the following options, should they so wish:
- a) Reduction of hours (this could consist of a move to part time working or job-share)
 - b) Flexible retirement
 - c) Voluntary severance
 - d) Early retirement by mutual consent.
- 5.6 The letter stressed to employees that they did not have to submit an expression of interest; that any expression of interest submitted would not be binding; and that there was no guarantee that any expression of interest submitted would be approved.
- 5.7 Employees were asked to submit their expression of interest by no later than 31st August 2018.
- 5.8 514 expressions of interest were received in response to the letter from the Interim Chief Executive and 8 employees withdrew their expression of interest very quickly after submitting them.
- 5.9 Each expression of interest was considered in detail by the relevant Senior Management Team, Corporate Management Team, Human Resources (HR), Finance and the Cabinet Member for Corporate Services, to determine whether a business case could be developed which was viable from a financial, operational and organisational perspective
- 5.10 The table below provides the numbers of supported business cases per service area.

Directorate	No of business cases supported
Communities	26
Education & Corporate Services	14
Social Services	7
Total	47

- 5.11 After being advised that their requests could be supported, a further 2 employees withdrew their expressions of interest, both of which were from Social Services.

5.12 The table below details the workforce flexibility policy that underpinned the support of each business case.

Workforce Flexibility Policy	No of business cases supported
Early retirement	8
Flexible retirement	1
Voluntary Severance	35
Reduction of hours	1
Total	45

5.13 The table below provides the end dates of employment for the 43 employees affected i.e. those who were supported via business cases for early retirement and voluntary severance.

End date of employment	No of business cases supported
31 st December 2018	7
31 st January 2019	3
28 th February 2019	8
31 st March 2019	24
31 st May 2019	1
Total	43

5.14 All business cases recommending access to early pension have been considered by the Council's Pensions and Compensation Committee.

5.15 The workforce planning exercise will be ongoing work and subject to continuous review in order to support the Council's MTFP challenges.

5.16 The Trade Unions were fully consulted about this workforce planning exercise and have been regularly kept up to date with progress. They will continue to be kept up to date as appropriate.

Conclusion

5.17 A robust business case process is in place to scrutinise requests for employees to leave the Authority with payment via one of the workforce flexibility policies, which includes Elected Member involvement via the Cabinet Member for Corporate Services and also the Pensions and Compensation Committee where necessary.

6. ASSUMPTIONS

6.1 There are no assumptions made within this report.

7. LINKS TO RELEVANT COUNCIL POLICIES

7.1 The employment relationship is fundamental to the People Management Strategy and all HR policies.

7.2 Corporate Plan 2018-2023.

The workforce planning exercise contributes towards the Corporate Well-being Objectives, as detailed below:

Objective 2 - Enabling employment.

8. WELL-BEING OF FUTURE GENERATIONS

8.1 Having considered the five ways of working, the workforce planning exercise contributes to the following Well-being Goals:

- A healthier Wales
- A more equal Wales

9. EQUALITIES IMPLICATIONS

9.1 With an ageing workforce and changes to retirement age and pension contributions, together with increased financial pressures on the Council's budget, this report ensures that as fair an approach as possible has been taken in order to balance so many different issues and avoid compulsory redundancies.

10. FINANCIAL IMPLICATIONS

10.1 The table below details the total cost and total annual savings per service area of the 45 supported business cases.

Directorate	Total One-off Cost (£)	Total Annual Savings (£)
Communities	394,546	610,949
Education & Corporate Services	357,201	493,394
Social Services	134,495	154,365
Total	886,242	1,258,708

10.2 The one-off cost of £886,242 results in year-on-year savings of £1,258,708, meaning that the outlay effectively pays back within 8.4 months.

10.3 Members should note that £43,000 of the annual savings relate to the Housing Revenue Account (HRA), with the balance of £1,215,708 being attributable to the General Fund.

11. PERSONNEL IMPLICATIONS

11.1 The personnel implications are included within the report.

12. CONSULTATIONS

12.1 All consultation responses have been reflected in this report.

13. STATUTORY POWER

13.1 Local Government Act 1972
Local Government Pension Scheme Regulations 2013, as amended.
Employment Rights Act 1996

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