

<b>DECISION-MAKER:</b>	<b>CABINET</b>		
	<b>COUNCIL</b>		
<b>SUBJECT:</b>	<b>SOUTHAMPTON CITY COUNCIL WORKFORCE STRATEGY 2016</b>		
<b>DATE OF DECISION:</b>	<b>20 SEPTEMBER 2016</b>		
	<b>21 SEPTEMBER 2016</b>		
<b>REPORT OF:</b>	<b>LEADER OF THE COUNCIL</b>		
<b><u>CONTACT DETAILS</u></b>			
<b>AUTHOR:</b>	<b>Name:</b>	<b>Janet King</b>	<b>Tel: 023 8083 2378</b>
	<b>E-mail:</b>	<b>Janet.king@southampton.gov.uk</b>	
<b>DIRECTOR</b>	<b>Name:</b>	<b>Suki Sitaram</b>	<b>Tel: 023 8083 2060</b>
	<b>E-mail:</b>	<b>Suki.sitaram@southampton.gov.uk</b>	
<b>STATEMENT OF CONFIDENTIALITY</b>			
<b>None</b>			
<b>BRIEF SUMMARY</b>			
<p>To approve the proposed Workforce Strategy and Action Plan to deliver the Council's vision:</p> <p><i>To be an employer of choice, for the Council to be recognised as a 'Great Place to Work' where employees have pride in their work, the Council and the city.</i></p> <p>This will be delivered through:</p> <ul style="list-style-type: none"> <li>• A skilled, agile, flexible and engaged workforce of high performing, professional teams guided in their work by our core behaviours and delivering the right services effectively and efficiently for a sustainable Council</li> <li>• The Council recognising, developing and rewarding talent, proactively promoting learning and growth across all areas.</li> </ul>			
<b>RECOMMENDATIONS:</b>			
<b>CABINET</b>			
	(i)	To recommend to Council to approve the proposed Workforce Strategy and draft Action Plan (attached at Appendix 1).	
	(ii)	To recommend Council delegate authority to the Chief Strategy Officer, following consultation with the Leader, Chief Executive, Chief Operating Officer and the HR Strategy Managers to finalise the Strategy and Action Plans and take necessary action for implementation. This will include the Children and Adult Social Care Workforce Development Plan, following consultation with the relevant Cabinet Members and Service Directors.	
<b>COUNCIL</b>			
	(i)	To approve the proposed Workforce Strategy and draft Action Plan (attached at Appendix 1).	
	(ii)	To delegate authority to the Chief Strategy Officer, following consultation with the Leader, Chief Executive, Chief Operating	

	Officer and the HR Strategy Managers to finalise the Strategy and Action Plans and take necessary action for implementation. This will include the Children and Adult Social Care Workforce Development Plan, following consultation with the relevant Cabinet Members and Service Directors.
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### **REASONS FOR REPORT RECOMMENDATIONS**


1.	Staff are the Council's greatest and most valuable resource to deliver successful transformation and be a sustainable organisation. It is through people that we realise our ambitions as a Council and a city. We need have a clear, strategic approach so that we can understand and respond to internal and external context as it changes and <u>before</u> it changes. It will help us to make the right decisions and prioritise actions and resources going forward. It will also enable the Council to maximise its people resources when developing and delivering its approach to outcomes based budgeting and planning.
2.	The Council does not have a Workforce Strategy covering the whole organisation. This Strategy provides an overview of what is required for the Council to develop its current and future workforce reflecting the agreed operating model and the transformation programme. It will enable us to have a workforce with the right skills, competencies and behaviours to deliver services and manage the businesses of the future and take the necessary actions.

### **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

3.	The option of waiting till the current changes in the organisation are implemented was considered and rejected. This is because the Council needs to agree a strategic framework within which it can move forward to develop the right workforce for the new operating model. The option to not produce a Workforce Strategy is not recommended due to the need for a clear framework for our staff and other stakeholders.
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### **DETAIL (Including consultation carried out)**

4.	<p>The Council is one of the largest employers in the city and is a key player in the city's growth and prosperity. We are recognised for our work on skills and employment and want to build on this to become a really good employer. The aim is for the Workforce Strategy to be outward facing so that the Council can be a good role model as an employer. Going forward our ambition is to work with our partners to develop a workforce strategy for the city because:</p> <ul style="list-style-type: none"> <li>• We face the same sorts of skills shortages and recruitment difficulties and in some cases, the competencies we are having to let go are the ones private sector employers in the city need</li> <li>• Organisational and functional boundaries and responsibilities are changing with more integration, shared services and different service delivery models</li> <li>• People are increasingly weaving their careers paths across public, voluntary and private sectors.</li> </ul> <p>We all want to create the conditions for encouraging, developing and employing local people with the right skills and competencies.</p>
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5.	<p>This Workforce Strategy will cover the period 2016 - 2021 to deliver the priorities set in the Council Strategy and to align with the other key strategies – the Customer Strategy and that Medium Term Financial Strategy (MTFS). This Strategy will enable the Council to respond to short and medium term issues relating to organisational development and human resources in a rapidly changing world, national legislation and local demands. This Strategy and the integral workstreams aim to close the gap between our aspirations and our capacity to deliver by having clear priorities, policies and strong leadership throughout the organisation. The Strategy takes account of challenges in relation to overall Council budget and will be used to guide resource allocation decisions, drive positive change and deliver a return on investment.</p>
6.	<p>The Workforce Strategy will be a Level 1 strategy in the Council's Strategy and Policy Framework, and sets out the high level vision, priorities and key outcomes for developing the Council's workforce. It will enable the Council to develop and nurture a motivated and effective workforce and will be a key contributor to supporting staff to achieve the Council's priorities, as set out in the revised Council Strategy (elsewhere on this agenda):</p> <ul style="list-style-type: none"> <li>• Children and young people get a good start in life</li> <li>• Strong and sustainable economic growth</li> <li>• People in Southampton live safe, healthy, independent lives</li> <li>• Southampton is an attractive, modern city where people are proud to live and work.</li> </ul>
7.	<p>The main outcomes delivered by the Workforce Strategy will be:</p> <ul style="list-style-type: none"> <li>• A robust foundation which enables decision making, planning and delivery to based on evidence - we will know understand and project workforce needs, issues and demands and plan accordingly</li> <li>• Southampton City Council will be an employer of choice</li> <li>• Southampton City Council perceived as a great place to work.</li> </ul> <p>The Workforce Strategy is part of the triumvirate of strategies that enable us to develop the right kind of organisation to deliver the outcomes for our residents detailed in the Council Strategy:</p> <div style="text-align: center;">  </div>
8.	<p>The most significant changes that affect the Council's approach to developing and maintaining an effective and motivated workforce include:</p> <ul style="list-style-type: none"> <li>• Different service delivery models</li> <li>• Different ways of working</li> <li>• Use of new technology</li> </ul>

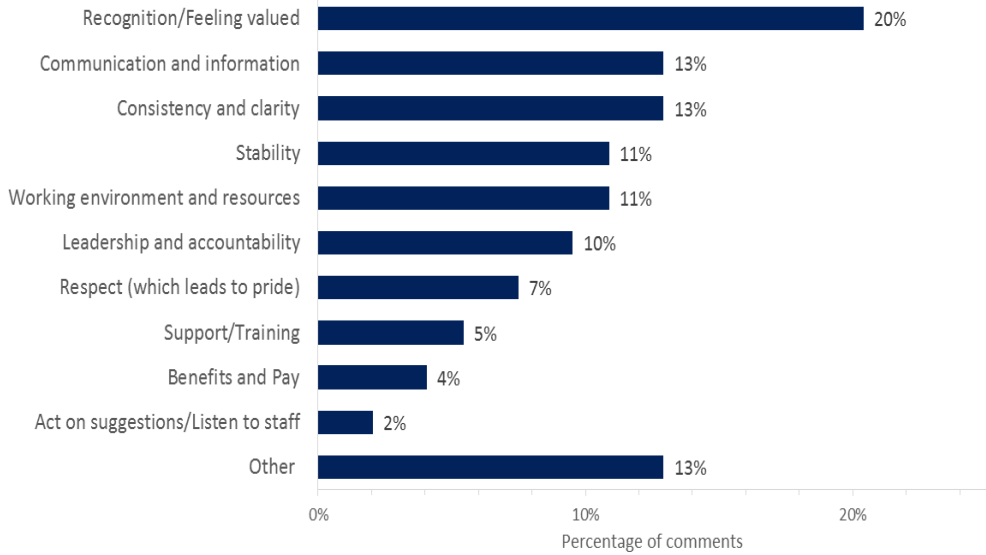
- Flexible use of resources and multi skilling
- Integration with others

Challenges for managers include delivering the right outcomes within ever reducing resources, managing workloads with decreased resources, managing customer expectations and responding to changing customer behaviours, managing shared services across different organisational cultures, becoming more commercial, recruiting the right skills, experiences and competencies, demographic changes and their impact on service delivery, unprecedented levels of service change.

9. Consultation to date includes a focused staff survey and preliminary discussion with trade union colleagues. The Action Plan will be fully informed through a series of staff workshops as the individual themes are developed and implemented. Overall 356 members of staff took part in the quick survey which asked staff to rank in order of importance a range of actions within each theme. There was also scope to make comments and suggestions about how the workforce strategy could improve working at Southampton City Council. Staff were also asked to make a suggestion for the single thing that would most improve working at Southampton City Council and these suggestions have been categorised in the chart below. The main suggestions could be broken into the following themes:

- Support staff and skill them
- Communication and engagement
- Concern over losing staff
- Listening to comments and acting on them

**The one change to make staff feel proud to work for SCC:**



10. The suggestions and feedback from staff are reflected in the actions detailed in the draft Workforce Strategy, in the order of importance given by staff members. Quotes from staff will also be included in the final strategy to help illustrate their feedback.

11. A robust foundation  
 Building on the work achieved under the Pay and Allowance standards we will

	<p>develop timely and accurate Management Information which will inform HR approaches and policies (such as recruitment and retention) with clear business compliance requirements (such as post approval and post numbering to create employee records and inform our workforce data). The feedback from staff who responded to the short survey shows that the top priorities for this outcome were:</p> <ul style="list-style-type: none"> <li>• Make sure HR policies and processes are fit for purpose and easily available, so that managers and staff are clear about what is expected of them</li> <li>• Improve the quality of HR data and information so that managers have a better understanding of the organisation and are better able to respond to changes.</li> </ul>
12.	<p><u>Employer of choice</u></p> <p>The Council currently offers a comparatively good benefits package, supported by family friendly policies and a huge variety of work and career options. However this does not always help us with recruiting and retaining the best and to become an employer of choice, we have to be able to recruit and retain the best. The feedback from staff who responded to the short survey shows that the top priorities for this outcome were:</p> <ul style="list-style-type: none"> <li>• Make sure we have a pay structure that reflects job roles and is in line with market trends</li> <li>• Provide greater clarity on job roles to deliver what is needed for the Council.</li> <li>• Ensure that the mix of internal communications channels are fit for purpose and meet the needs of staff.</li> </ul>
13.	<p><u>Becoming a 'Great Place to Work'</u></p> <p>Research shows that the UK's best workplaces easily outperform the average organisation. The 'Great Place to work' research on best workplaces shows that the top 5 differences between the best workplaces and the average workplaces by their Trust Index score are:</p> <ul style="list-style-type: none"> <li>• People look forward to coming to work here</li> <li>• This is a fun place to work</li> <li>• Management deliver on their promises</li> <li>• Management's actions match their words</li> <li>• Trust in leadership</li> </ul> <p>The feedback from staff who responded to the short survey shows that the top priorities for this outcome were:</p> <ul style="list-style-type: none"> <li>• Build a development programme and manager's toolkit to ensure the right skills and behaviours are developing</li> <li>• Create an induction programme for use across the organisation</li> <li>• Make sure all staff are supported through changes.</li> </ul>
14.	<p>Therefore our priorities are:</p> <ul style="list-style-type: none"> <li>• Clarity and awareness for all about our vision and priorities</li> <li>• A robust foundation upon which we can build strong HR practice across the whole organisation</li> <li>• Streamlined policies and processes that lend themselves to being</li> </ul>

	<p>accessed through self-service and digital</p> <ul style="list-style-type: none"> <li>• Developing the cultures and behaviours identified in the new operating model and ensure robust performance management</li> <li>• Engaging and developing our staff, showing appreciation and having the right pay and reward policies</li> <li>• A diverse, creative, innovative workforce with a range of skills, experience and backgrounds.</li> </ul>																																																																	
15.	<p>The Workforce Strategy provides the framework for reviewing existing policies and plans and the following emerging policies and plans:</p> <ul style="list-style-type: none"> <li>• Workforce Plan – our structures and employment practices; recruitment and retention, talent management and succession planning; the developing workforce (apprentices; career pathways; new ways of working)</li> <li>• Employee Engagement – Engagement, Recognition and Reward</li> <li>• Annual Pay Policy</li> <li>• Performance Contracts and Appraisal (behaviours and competencies)</li> <li>• Learning and Development – including Leadership and Management Development; Learning Pathways (Career Management, Development and Accreditation).</li> </ul>																																																																	
<b>WHERE ARE WE TODAY?</b>																																																																		
16.	<p>Current Workforce Profile: (snapshot in August 2016)</p> <table border="1"> <thead> <tr> <th></th> <th><b>Operations Hub (82%)</b></th> <th><b>Strategy Hub (10%)</b></th> <th><b>Transformation Hub (8%)</b></th> <th><b>Totals</b></th> </tr> </thead> <tbody> <tr> <td><b>Female</b> (61%)</td> <td>1,523</td> <td>196</td> <td>161</td> <td>1,880</td> </tr> <tr> <td><b>Male</b> (39%)</td> <td>1,025</td> <td>115</td> <td>54</td> <td>1,194</td> </tr> <tr> <td></td> <td>2,548</td> <td>311</td> <td>215</td> <td><b>3,074</b></td> </tr> <tr> <td><b>Ethnicity</b></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>White British (%)</td> <td>72</td> <td>75</td> <td>70</td> <td></td> </tr> <tr> <td>Other categories (%)</td> <td>28</td> <td>25</td> <td>30</td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td><b>Disabled</b> (%)</td> <td>2.3</td> <td>1.5</td> <td>6.5</td> <td></td> </tr> <tr> <td><b>Age</b></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td>Under 20</td> <td>7</td> <td>--</td> <td>--</td> <td>7</td> </tr> <tr> <td>20-29</td> <td>231</td> <td>32</td> <td>30</td> <td>293</td> </tr> <tr> <td>30-39</td> <td>523</td> <td>67</td> <td>37</td> <td>627</td> </tr> </tbody> </table>		<b>Operations Hub (82%)</b>	<b>Strategy Hub (10%)</b>	<b>Transformation Hub (8%)</b>	<b>Totals</b>	<b>Female</b> (61%)	1,523	196	161	1,880	<b>Male</b> (39%)	1,025	115	54	1,194		2,548	311	215	<b>3,074</b>	<b>Ethnicity</b>					White British (%)	72	75	70		Other categories (%)	28	25	30							<b>Disabled</b> (%)	2.3	1.5	6.5		<b>Age</b>					Under 20	7	--	--	7	20-29	231	32	30	293	30-39	523	67	37	627
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	Over 60	278	27	26	331
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17.	Performance frameworks are being implemented from the Council's Management Team downwards, reviews and streamlining of some policies have been done and there is good practice in developing staff in some areas. Phase 1 of the new operating model has been implemented and consultation on proposals for Phase 2 covering 145 managers has just been completed.				
18.	<p>Following approval of the operating model in February 2015, the Council has moved away from a Directorate based structure (People and Place supported by Corporate Services) to a leaner model. This includes more modern and effective people management and requires the development of high performing, agile employees and integrated teams. The new organisational structure comprises:</p> <ul style="list-style-type: none"> <li>• Strategic Hub</li> <li>• Operating Hub</li> <li>• Transformation Hub which includes Digital and Business Operations</li> </ul>				
19.	<p><u>Employer of choice</u></p> <p>The Council is committed to equalities and has taken comprehensive action to ensure its pay and allowances policies do not discriminate. It implements the Living Wage for all its directly employed staff in line with the recommendations of the Living Wage Foundation. We also offer a range of family friendly policies including:</p> <ul style="list-style-type: none"> <li>• Flexible Working (Flexi time, Term Time and Part Time contracts, compressed hours)</li> <li>• Maternity, Paternity and Adoption Leave</li> <li>• Childcare Vouchers</li> </ul>				
20.	<p>However, recruitment in many areas has been problematic and this could be due to the financial challenges faced by local government and the cost of living in the city compared to other cities. We recognise that many people, especially local residents, may not see us as an employer of choice and it is vital that we change this perception to attract the best in roles across all service areas.</p>				
21.	<p><u>A 'Great Place to Work'</u></p> <p>The Staff Survey measures staff satisfaction against five criteria as shown below:</p>				

	2015	2014	Ave. top 10	Ave. bottom 10
I am proud to say I work for Southampton City Council	43	40	87	46
I would recommend Southampton City Council as an employer	34	33	81	42
I am prepared to go above and beyond what is expected to help Southampton City Council succeed	71	90	92	62
I am unlikely to look for another job outside of Southampton City Council in the next 12 months	40	36	81	48
Overall, I am satisfied working for Southampton City Council	44	44	79	48
Total EEI	47/100	49/100	84/100	49/100

22. The proposed Workforce Strategy and draft Action Plan is attached at Appendix 1. Delegated authority is being sought for the development and approval of the draft Children and Adult Social Care Workforce Development Plan.

23. Following approval of the Workforce Strategy the HR Strategy Managers and the Service Leads within Children and Families and Adult Social Care will finalise measures of success for each priority, which will be informed by service managers and employees. Work will also be undertaken with Service Directors to ensure that the wider Workforce Strategy and associated plans align with related work across the city, in particular the key synergies between city based employment and skills, the opportunities local government can offer in the changing climate and the need to drive business and core behaviours and digital aptitude to meet the changing service needs of the customer.

24. The Workforce Strategy is based on research on best practice, feedback from the Staff Survey, discussions at Pulse meetings, input from the unions and management meetings.

## RESOURCE IMPLICATIONS

### Capital/Revenue

25. There are no immediate revenue implications to this Strategy. Any additional revenue spend required will be identified and additional activity identified as part of the action plan will be considered for feasibility within normal yearly budgeting activity.

### Property/Other

26. None.

## LEGAL IMPLICATIONS

### Statutory power to undertake proposals in the report:

27. S 101 Local Government Act 1972 and S1 Localism Act 2011

### Other Legal Implications:



28.	None.
<b>POLICY FRAMEWORK IMPLICATIONS</b>	
29.	There are no direct implications on the Policy Framework as set out in article 4.01 of the Articles of Constitution.

<b>KEY DECISION?</b>	<b>no</b>
<b>WARDS/COMMUNITIES AFFECTED:</b>	<b>none</b>

SUPPORTING DOCUMENTATION

<b>Appendices</b>	
1.	<b>Draft Workforce Strategy and Action Plan</b>

**Documents In Members' Rooms**

1.	<b>None</b>
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**Equality Impact Assessment**

<b>Do the implications/subject of the report require an Equality and Safety Impact Assessment (ESIA) to be carried out.</b>	<b>No</b>
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**Privacy Impact Assessment**

<b>Do the implications/subject of the report require a Privacy Impact Assessment (PIA) to be carried out.</b>	<b>No</b>
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**Other Background Documents**

**Other Background documents available for inspection at:**

<b>Title of Background Paper(s)</b>	<b>Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)</b>
1.	
2.	