

CORPORATE AND COMMUNITIES OVERVIEW AND SCRUTINY PANEL 14 FEBRUARY 2022

RECRUITMENT AND RETENTION OF STAFF

Summary

1. The Corporate and Communities Overview and Scrutiny Panel has requested an overview of the Council's position on recruitment and retention of staff, to include an overview of the challenges the Council face, recruitment to specialised roles, vacancy management, and the use of consultants, which is part of the Panel's work programme.
2. The Cabinet Member with Responsibility for Corporate Services and Communication and the Assistant Director for Human Resources, Organisational Development and Engagement have been invited to attend the meeting.

Background

3. The [latest official labour market and migration statistics](#), along with other forward looking survey indicators (e.g. Chartered Institute of Personnel and Development), provide warning signals that rising recruitment and retention difficulties and a higher cost of living look set to combine to drive pay inflation higher in the new year.
4. The official data shows that vacancies have risen to another record high in most industries and now total well in excess of a million and various employer surveys suggest the surge in hiring activity looks set to continue alongside a low incidence of redundancies.
5. 2022 will be a challenging year for all employers as they seek to develop and retain their current workforce to mitigate skill and labour shortages.
6. In its '[local government workforce summary data – Nov 2021](#)' the Local Government Association (LGA) reported on recruitment and retention difficulties at a high level as follows:



7. Worcestershire County Council as an employer faces similar challenges to those felt by all employers nationally. The Council's new Workforce Strategy 2021 – 2024 (Appendix 1) recognises the need to be ambitious in its approach to rise to these challenges, with Recruitment and Retention as one of the 5 key pillars.

8. The Council's priority is to ensure it has the right people, with the right skills, in the right roles and that they are empowered and supported to exceed expectations.

9. The Council is actively aspiring through its Workforce Strategy to be an employer of choice through the following activities:

Recruiting the right people, in the right way:

- Finding creative ways to attract new employees who share the Council's values whilst focusing on inclusion, equality and diversity.
- Providing a great candidate experience through an improved recruitment process, including digital recruitment and onboarding.
- An inspiring induction for all new employees which is tailored to their role.
- Values and behaviours recognised alongside professional accreditations.

Retaining talented and high performing employees:

- Flexible total reward packages which recognise the skills, capabilities and achievements of employees and can be personalised to their needs.
- Employee benefits portal which is linked to performance and is flexible to adapt through employee life changes.
- Tailored total reward statements which support the growth and retention of talent.
- Clear and flexible generic job descriptions.
- Recognition and celebration of the achievements of the Council's amazing employees.

Development of a compelling employee value proposition:

- Identify how the Council family is unique and what it stands for.
- Showcase the key reasons why the Council's employees are proud and motivated to be part of the family; such as the Council's inspiring vision, distinctive culture and flexible working.

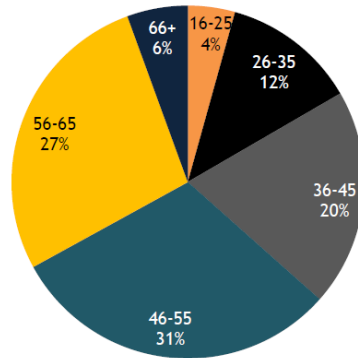
10. The Council's Human Resources Operations Partners are currently working with

relevant directorate leadership teams to create annual workforce plans which address workforce capacity and capability and future workforce demand. Within this process, Assistant Directors have identified their 'recruitment hotspots' so they are able to put in place 'tactical' interventions to recruit. These 'hotspots' are defined as having permanency less than 85% and where there have been failed recruitment campaigns. For each of these areas a brief overview is provided in Appendix 2.

11. An important factor to consider when looking at workforce planning is the age profile of the workforce. The following chart shows the age demographics for the Council at quarter 4 2020/2021:

AGE PROFILE

16-25	121
26-35	345
36-45	558
46-55	853
56-65	768
66+	156



12. Over 27% of the Council’s workforce are over 56 years of age. A key focus of workforce planning therefore must be succession planning, horizon scanning for potential future skills gaps and leadership development. This will enable a proactive rather than reactive approach to employees leaving the organisation. Critical to this is the Council’s current Apprenticeships Strategy which is a key programme linked to succession planning.

Recruitment and Retention - Tactical Interventions

13. As an employer, the Council is able to directly respond to acute recruitment or retention challenges which is critical to maintaining staffing levels to meet service demand. It is important to emphasise that a number of these can only be used where there is a business case to support its use. This would include evidence to show failed recruitment campaigns, market pay benchmarking or acute levels of vacancies (<85% permanency).

Direct Interventions:

Market Forces Supplement

14. It is essential that the Council is able to attract and retain high performing staff with the skills, knowledge and experience to meet the changing needs in service delivery. There are times when the grading for a post results in an inability to successfully recruit to or retain staff in particular posts. In such cases it may be appropriate to pay a market force supplement in addition to the salary to ensure that such a post is filled. Such a payment is lawful under the Equality Act 2010 where there is evidence to justify that market factors are the “material reason” for the post attracting a higher rate of pay than other posts graded similarly.

15. At quarter 4 2020/21 Worcestershire County Council paid a total cost of £219,891 per annum. This is equivalent to less than 0.003% of the Councils total salary bill.

Welcome and Retention Payments

16. Often a discretionary scheme in its application, introduced as a positive measure to attract and retain staff in areas where there are acute recruitment hotspots and often where there are national shortages, these payments often enable the Council to be competitive against market with evidence to support any payments. These payments tend to be reviewed on an annual basis.

17. One case study to show the success of this type of intervention is social workers in Children's Services. In November 2017 qualified social worker permanency was at 64% with a significant reliance on agency staffing. As a result of this the Council introduced a welcome and retention scheme which offered up to £3,000 to join the Council and £3,000 for staying. The combination of salary plus market force supplements and the welcome and retention payment placed total remuneration in an upper quartile position when compared to regional partners. In introducing the scheme, the agreed target was to achieve more than 85% permanency and to sustain that level which would significantly reduce the reliance on agency staffing.

18. To show how successful this scheme has been, as of December 2021:

- Overall Social Work permanent staffing is 263.7 FTE, **92% of positions are permanently filled**
- Social Work frontline practitioners permanent staffing is currently at 167.7 FTE; **88% of positions are permanently filled**
- Social Work Management posts permanent staffing is currently at 57.76 FTE, **99% of positions are permanently filled**

Indirect Interventions

Social Work Academy

19. The Social Work Academy (SWA) was launched in January 2018 as a direct result of Children's Services receiving an Inadequate Ofsted rating. The SWA purpose is to provide opportunities for social workers in training, qualified social workers & social work leaders to develop and maintain their skills, knowledge, and values throughout their careers in Worcestershire to support with career development and progression.

20. There are clear progression pathways for qualified and unqualified staff. The Social Work Academy is split into four faculties and is responsible for learning programmes including assessed and supported year in employment (ASYE), Social Worker and Management development, together with Student placements and Practice Education.

21. The SWA works in line with Social Work frameworks such as the Professional Capability Framework, Knowledge Skills Statements and Social Work England professional standards.

22. The SWA is a key enabler to the Council's recruitment & retention of excellent permanent social work staff to meet current and future demands for service provision

and nurtures excellence in social work and to support the development of students, Newly Qualified Social Workers and practice education.

23. The Council has a defined route for a Non-Qualified Social Workers (NQSWS) 'grow our own' recruitment process with Worcestershire Children First (WCF) and the People Directorate. The Council works with local Higher Education Institutions (HEI) and Universities within the West Midlands Teaching partnership to source high quality social work student placement. The Council offers excellent learning opportunities and the majority of these students become NQSWS's completing the ASYE.

24. In 2020 the SWA agreed a clear and robust process with WCF and the People Directorate to recruit final placement students to the ASYE programme and a clear process was agreed with Social Work Opportunities as part of the Workforce Strategy. To date 49 final placement students in WCF and 27 final placement students in the People Directorate were successful in gaining employment after they qualified. This number is likely to increase and there is a clear plan from when the SWA identify placement with local HEI and Universities and this is part of the workforce plan.

Apprenticeships

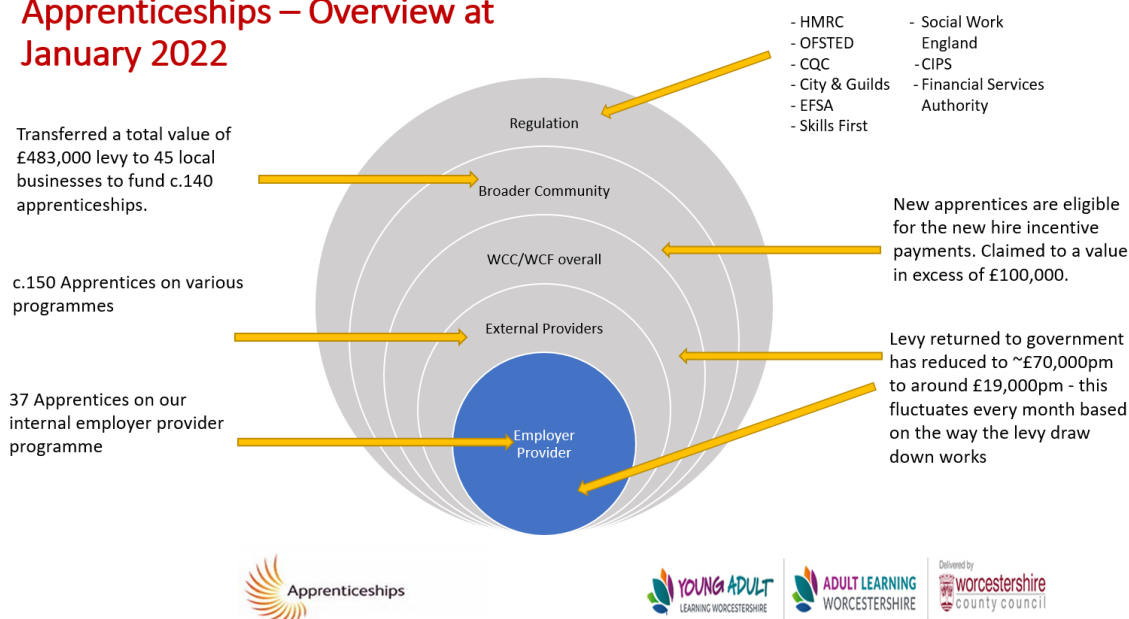
25. The Council approved a new apprenticeship strategy in 2020 which focussed on creating a highly trained, ambitious and flexible workforce in order to continue to attract and retain the talent to live and work in Worcestershire.

26. This strategic approach to attract, retain and develop the Council's workforce to meet our communities' needs, both now and in the future, is a vital aspect of the Council's future workforce strategy.

27 Apprenticeships can make a positive contribution by creating opportunities for people to develop, and by providing a framework for the workforce, of all ages, to undertake relevant qualifications, helping to raise skills, performance and aspirations.

28. Significant progress has been made in the use of apprenticeships in the Council since implementation of the strategy. The following provides an overview of the current status:

Apprenticeships – Overview at January 2022



29. The use of internal and external apprenticeships continues to be a critical recruitment and retention initiative and remains a focus of the Council’s workforce strategy.

Use of Agency and Consultants

30. In the year-to-date at quarter 3 Worcestershire County Council has spent £2,840,317 on agency staff and £6,887,880 on consultancy. Whilst spend appears significant, it is important to contextualise this.

31. The use of agency staffing/consultancy is not an uncommon practice in local authorities. This is due to the need to often recruit to short term specific projects or specialist roles. What is important is to ensure agency staffing is not long term with true agency length of service being less than 3 months; this can extend to 6 months, but it would normally be expected to see an agreed exit strategy at this stage.

Turnover

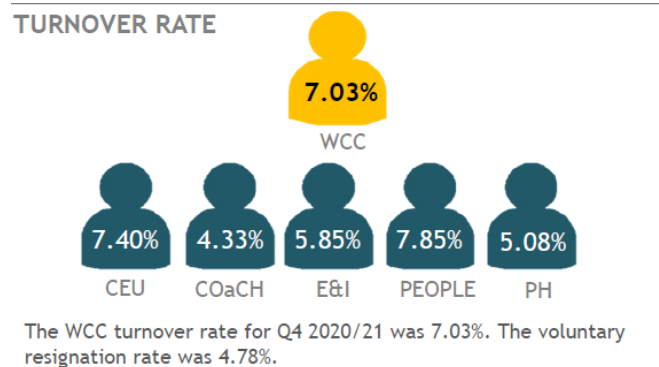
32. There’s no set point at which employee turnover starts to have a negative impact on an organisation’s performance. Much depends on the type of labour markets in which the Council competes. Where it’s relatively easy to find and train new employees quickly and at reasonably low cost, it’s possible to sustain high quality levels of service provision despite having a high turnover rate.

33. However, especially where skills are relatively scarce, where recruitment is costly or where it takes several weeks to fill a vacancy, turnover is likely to be problematic. The more valuable the employees in question - for instance where individuals have specialist skills or where they have developed strong relationships with customers - the more damaging the resignation, particularly when they move on to work for competitors.

34. The Council’s Human Resources, Organisational Development and Engagement Team regularly monitor employee turnover rates and it is understood how these affect

the organisation's performance and ability to achieve its strategic goals. In 2020 the Council invested in HR Operations Partners who work directly with directorates on workforce planning and specific recruitment and retention practices. The reasons behind turnover may highlight issues within the workforce such as dissatisfaction with career progression opportunities and so continued engagement with the workforce is key as supported by the Council's annual survey which explores areas specific to recruitment and retention.

35. The Council at Q.4 2020/21 had a Turnover Rate of 7.03%. The voluntary turnover rate was 4.78%.



36. Current in year figures at Q3. 2021/22 is 6.30% with a projected end of year position of approx. 8%. In the LGAs workforce report published November 2021, the average turnover for Local Authorities is 13.6%.

Workforce Engagement

37. The Strategic Leadership Team and Chief Officer Group must strive to address any issues and seek to make sure Council employees experience good work, reflected in overall job quality.

38. [CIPD define good work](#) as follows:

- is fairly rewarded and gives people the means to securely make a living
- allows for work–life balance
- gives opportunities to develop and ideally a sense of fulfilment
- provides a supportive environment with constructive relationships
- gives employees the voice and choice they need to shape their working lives
- is physically and mentally healthy.

39. Job quality can be affected by a range of factors, including employment legislation, labour market conditions, HR practices, the quality of people management and by workers themselves. The [CIPD Good Work Index](#) gives insights which will help the Council as an organisation to improve and protect job quality at every level.

40. Employee engagement goes beyond motivation and simple job satisfaction. It can be seen as a combination of commitment to the organisation and its values and a willingness to help colleagues.

41. As part of the Workforce Strategy, the Council is developing its approach to employee engagement.

42. A first step on that journey is the reintroduction of the Annual Staff Survey and a series of shorter pulse checks throughout each year.

43. The Annual Staff Survey 2022 launches in February 2022, with a return to pre COVID-19 questions, and it is critical to enable understanding of the recruitment and retention priorities of the Council's employees in the context of the national and regional recruitment challenges.

44. The Annual Staff Survey 2022 will specifically explore 3 areas in relation to recruitment and retention, testing what attracted an employee, what is important now and what is important in 2 years' time.

45. These are as follows and the full survey questions can be seen in Appendix 3:

- Thinking about what attracted you to join the Council, please RANK the (3) factors that were most important to you
- Thinking about why you stay working for the Council, please RANK the (3) factors that are most important to you
- Thinking ahead, 2 years from now, please RANK the (3) factors that will be most important to keeping you motivated to work for the Council

46. Against these questions, a number of options for selection are then available as follows:

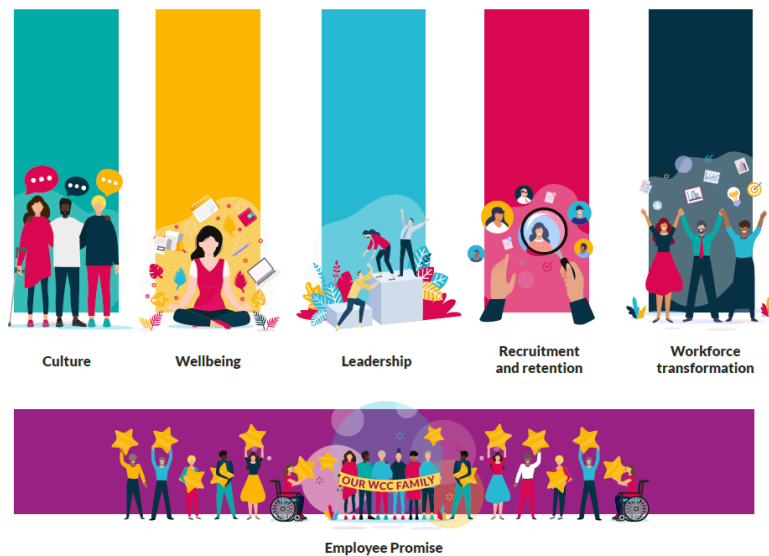
- Benefits (inc. holiday and other entitlements)
- Career pathway / opportunities for progression
- Challenging work
- Development and training opportunities
- Flexible working
- I feel that I can make a difference
- Job security
- Location
- Pension
- Salary
- Variety of work
- Other - please describe

Future Focus

47. Of upmost importance is to implement the Council's Workforce Strategy 2021-2024 in full. The three-year workforce strategy is the blueprint for HR, OD and Engagement and will be used to drive forward the aspiration of a Worcestershire County Council family.

48. Each service area is using the strategy to develop their annual workforce plans, supported by their HR Operations Partners. This will then be cascaded into team and individual's objectives as part of the performance review process, creating a golden thread throughout the organisation.

49. The Council's pillars of success, underpinned by the employee promise, reflect the organisational workforce goals. The Directorate believes focusing on these pillars of success will ensure the Council is an employer of choice, which enables building a high performing and flexible workforce, which is responsive to the needs of the people of Worcestershire both now and in the future.



50. The Council will enhance candidate attraction and retention of existing workforce, through the development of compelling Employee Value Proposition, underpinned by the Council's robust Total Reward Strategy.

51. The refreshed employee value proposition (EVP) will set out the Council's unique set of benefits that an employee receives in return for the skills, capabilities, and experience they bring to the organisation, improving the ability to attract and retain staff.

52. The Council is focusing on delivering its strategic ambition to create a climate of change to increase the embedding of equality, diversity and inclusion across the Council, as an employer, commissioner and service provider.

53. An Equality, Diversity and Inclusion Policy has been developed, and associated Governance, which will enable creation of a diverse and inclusive workforce which is representative of the communities served, ensure the services we commissioned or provided by the Council meet the needs of customers and identify and tackle all forms of discrimination and promote a culture of inclusion. The Council is currently recruiting to our Equality Diversity and Inclusion (EDI) Manager role, who will facilitate the delivery of the EDI Strategy.

Purpose of the Meeting

54. The Corporate and Communities Overview and Scrutiny Panel is asked to:

- Consider the information provided in the report
- Determine any comments the Panel would wish to make to the Cabinet Member with Responsibility for Corporate Services and Communication
- Agree whether any further Scrutiny is required at this stage.

Supporting Information

Appendix 1 – Workforce Strategy 2021-2024

Appendix 2 – Summary of known recruitment hotspots January 2022

Appendix 3 – Annual workforce survey 2022

Contact Points

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Background Papers

In the opinion of the proper officer (in this case the Assistant Director for Legal and Governance) the following are the background papers relating to the subject matter of this report:

- Agenda and Minutes of the Corporate and Communities Overview and Scrutiny Panel on 11 March 2021 [weblink to Minutes and Agenda](#)