

CABINET
30 NOVEMBER 2021

WORKFORCE MATTERS; STAFF RECOGNITION AND WELLBEING APPRECIATION

Cabinet Member: Cllr Nikki Woollatt, Working Environment and Support Services

Responsible Officer: Stephen Walford, Chief Executive

Reason for Report: To consider how best to address the current workforce issues and recognise the work done by all staff throughout the pandemic and to show the council's appreciation for their efforts.

RECOMMENDATION(S):

- 1. That Cabinet recommends to Council that the efforts of all council staff are publicly recognised.**
- 2. That Cabinet approves the measures set out within this report being taken to address current workforce issues.**

Relationship to Corporate Plan: Virtually all corporate plan objectives are reliant upon officers directly or indirectly working on behalf of the council to secure outcomes.

Financial Implications: It is estimated that the measures contained in this report will have direct costs of £106k in-year that can be managed within existing budgets and indirect costs next year of circa £60k. It is anticipated that much of these costs can be effectively offset against abortive costs elsewhere (see report text). In addition, the expansion of the apprenticeship scheme will increase costs in this area, but the organisation has flexibility to increase or decrease apprenticeship intake on a yearly basis as required. However, ultimately this is a matter of judgment on costs balanced against value. The council's record of recruiting quality apprentices into permanent roles suggests that this is an effective way to build a strong pipeline of talent; maximising development opportunities for (typically) local people and building skills and expertise that creates value for the council.

Legal Implications: None

Risk Assessment: It is considered that taking action as outlined in this report is helping to mitigate risk to the organisation – particularly staffing, recruitment and retention risks where a chronic regional shortage of available workforce is placing pressure on existing services to the point where services may need to be scaled back to accord with the ability to provide these in a safe way.

Equality Impact Assessment: All reward measures proposed will apply to all staff, and the proposal of a flat payment means that those at the lower end of the payscale benefit significantly more in proportional terms. The recent significant increase to the council's apprenticeship pay rate should help attract a broader range of applicants and this report outlines the intent to expand the apprenticeship schemes run by the council. We will proactively liaise with both education providers and local DWP contacts to encourage applications from those who might not have previously considered the council as an employer (or as a career option). This is part of our efforts to increase recruitment diversity and will strengthen our organisational links with the communities we serve.

Climate / Carbon Impact Assessment: Minimal – providing an extra day’s leave potentially reduces commuting impact slightly. However, in the context of the organisation’s corporate emissions the changes arising from this report are negligible.

1.0 Introduction

- 1.1 Cabinet and scrutiny committees receive a regular workforce update outlining matters such as sickness levels, turnover and vacancy rate. Over the last 18 months scrutiny has chosen to review this every 6 months due to the impact the pandemic is having on workforce.
- 1.2 These reports have told a story of exceptional resilience during the pandemic and repeated lockdowns and a significantly reduced sickness rate. However, it also describes an increasingly tired and drained workforce, with 90% of staff being unable to use their full annual leave allowance in 2020/21 (75% having to carry over more than the typical 3 days). Exceptional provision was made to ensure that this could be carried forward without staff ‘losing’ their leave, however the demand on officers is showing little sign of abating. In fact, with increasing employee turnover, one of the tightest labour markets in the country and overt competition for skills in many areas, the pressure is starting to impact on service delivery and provision. In many ways we are experiencing significantly greater challenges now than earlier in the pandemic cycle.
- 1.3 The issue of being and feeling valued is also of critical importance. The last staff survey prior to the pandemic showed individual employee job satisfaction and satisfaction with the employer were both at 3-year highs. The most recent staff survey, completed in October 2021, has shown a dramatic change. From satisfaction being very high at 90%, the level of positive engagement is now around 70% (people feeling ‘valued’ at 58%). And while this was to be expected, the scale of the change is significant.
- 1.4 Added to this is the very real sense of a change in perception over the last year; from the highs of being seen as ‘public service heroes’ who kept key services going through the lockdowns of the pandemic, to a far more ‘normal’ level of appreciation (customer complaints are back at pre-pandemic levels for example). While, perhaps, this was to be expected (and our swifter-than-anticipated economic recovery is certainly to be welcomed), it nevertheless manifests as a fall in esteem at a sectoral and institutional level and invariably is felt personally by many individuals for whom the adrenaline and adulation of the pandemic period has faded, but the demands and expectations have remained or increased.
- 1.5 Much of this is of course outside of the council’s direct control. Members will be aware of the national challenges on worker shortages and the similar drift from appreciation to criticism in other parts of the public sector; the valuing of our public services starts in the narrative from government and in wider public discourse. And yet, this change is now our challenge; as an organisation, as a council, as a provider of services to and for our communities.
- 1.6 The remainder of this report focuses on the practical steps being taken, or recommended, to help reassure and stabilise a pressured workforce in the short term while building resilience in the medium term.

2.0 Valuing the Workforce - Appreciation

- 2.1 It is vitally important that staff feel valued and appreciated. Feeling appreciated and valued goes to the heart of general wellbeing, satisfaction and morale of the workforce, and a strong statement of appreciation from elected members as community leaders is an important message to convey to all staff. Therefore it is recommended that cabinet recommend to council a suitable statement of appreciation recognising the extraordinary efforts and lengths that staff have gone to over the past 20 months.
- 2.2 While a public statement and recognition is both meaningful and valued, it is important to recognise that the build-up of pressure can lead to stress and damaging outcomes at an individual level and for the organisation as a whole. A number of councils across the country have made decisions to give an additional days' leave to staff as a way of saying thank you and it is recommended that staff are allocated an additional 'wellbeing' day to their leave allowances for the coming year to prioritise their own physical and mental health and wellbeing. This would be an indirect cost of around £60k.
- 3.0 **Valuing the Workforce - Retention**
- 3.1 Retention of the skilled workforce is the first tool in the toolbox to address vacancy and turnover issues. The level of employee turnover is increasing and there is currently a very competitive labour market in this part of the country. This is increasing the risk of service impact due to insufficient staff resources. While there is little that can be done to address the fact that national (local gov sector) pay award discussions remain outstanding, there is a need to take proactive measures to recognise and reward employees not just for their efforts throughout the pandemic but also for their loyalty throughout this challenging period. We cannot compete with the private sector on pay or inducements, and there is an expectation that some of these wider pressures may be time-limited linked to seasonality, but the balance of structural (employee) pay and agency costs within the organisation is shifting to the point where costs incurred on retention measures are likely to be better value than having to pay emergency contract rates across a range of service areas.
- 3.2 In recognition of the outstanding work done over the last 20 months it is recommended that all staff receive a one-off, non-pensionable, award of £250 per full-time equivalent (fte) in January's pay. This will be a flat rate amount which will mean that it is worth proportionately more to those at the lower end of the pay range, and it will be paid to all employees on the payroll at 1st January 2022 irrespective of any other factors.
- 3.3 The cost of this provision, based on the headcount of approximately 425 fte, will be circa £106k. To put this cost in context, our agency spend has recently exceeded this in a single month and our baseline staffing budget is underspending by considerably more than this proposed amount due to the inability to recruit and retain quality employees. Not only is it likely to be appreciated by employees as a valuable reward acknowledging their contribution, it is also likely to be better value for the organisation (and hence taxpayers) if we can lower turnover and vacancy rates even a small amount.
- 3.4 The above proposal builds on our significant investment in people development that continued throughout the pandemic. Not only did we maintain our emphasis

on training and development wherever possible, a number of staff managed to successfully complete courses or training, allowing them to continue their own professional development or, in the case of a number of our apprentices, secure permanent roles with the organisation. Our record of developing and promoting internal talent has served us well, and we will continue to champion the opportunities to learn and develop within the organisation.

4.0 Valuing the Workforce - Recruitment

4.1 As mentioned earlier in this report, we cannot compete with the introductory bonuses or other inducements offered by the private sector. This becomes all the more evident during times of economic stress when market forces dictate a price increase triggered by scarcity. However, local government has a greater appeal as an employer willing to invest in and develop people over the longer-term in a more secure (and often more local) setting.

4.2 One of the features of the pandemic has been the fact that while training programmes and our apprenticeship schemes continued, when these intakes reached the end of their cycle they have not been replaced. Managers have been asked to review and reinstate these schemes wherever possible, and to ensure that working arrangements are suitable to support new inductees and those who will benefit from greater support as part of their professional learning and development. In short, the organisation is committed to significantly expanding our apprenticeship schemes working with local FE providers to ensure that parallel educational provision is available; this will provide more local employment opportunities for local people, as well as helping to build a pipeline of talent for the organisation.

4.3 In addition, the headline rate of apprenticeship pay applied by the organisation has historically been at the statutory minimum level. This was proving an increasing hindrance to recruiting apprentices and a decision was made recently to significantly increase this from 1st December 2021 to ensure that the rate of pay better reflected local benchmarking as well as being more closely linked to the pay associated with the entry point of the NJC payscales.

4.4 A further step taken to address recruitment issues is a revised approach to fixed term appointments where the risk of not attracting people (or losing them before the end of the contract) is now a greater risk than the risk of on-boarding in a permanent capacity when the post may be linked to time-limited funding sources. The nature of a number of government funding pots means annual decisions are made on funding, translating into the creation of a variety of fixed-term roles across the organisation. Considerations will be made on a case by case basis to assess whether a permanent post would be more likely to attract quality candidates – effectively transferring the risk to the employer rather than the employee.

4.5 Finally, we will also be conducting a market review of salaries for key posts where recruitment challenges are most acute. This will be carried out with support from SW Councils and will ensure that the organisation has remained competitive when benchmarking with similar posts in other areas.

5.0 Summary

- 5.1 In summary, it is clear that both the executive and scrutiny branches of the council are interested in, and mindful of, workforce matters as they relate to service delivery as well as the satisfaction and wellbeing of staff. This report sets out the current challenges being faced and includes a range of measures that the organisation, through the Chief Executive as Head of Paid Service, has taken or is taking to address these.
- 5.2 This report also makes specific recommendations for members' consideration where these fall outside the financial threshold delegations to senior officers as per the council's scheme of delegation.

Contact for more Information: Stephen Walford, Chief Executive

Circulation of the Report: Cabinet Members, Leadership Team