

## ABERDEEN CITY COUNCIL

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<b>COMMITTEE</b>	Staff Governance
<b>DATE</b>	18 June 2019
<b>EXEMPT</b>	No
<b>CONFIDENTIAL</b>	No
<b>REPORT TITLE</b>	Workforce Plan
<b>REPORT NUMBER</b>	RES/19/296
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<b>CHIEF OFFICER</b>	Isla Newcombe
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<b>TERMS OF REFERENCE</b>	2.1

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### **1. PURPOSE OF REPORT**

- 1.1 On 18 March 2019, the Staff Governance Committee approved the Council's new Guiding Principles to form the basis of a culture which will support our Target Operating Model. As part of that report the Chief Officer (Organisational Development) committed to bringing back to Committee a Workforce Plan setting out how we will ensure our future workforce has the capacity and capability to support that culture. This report provides an overview of the Council's Workforce Plan, with the full Plan attached as an appendix.

### **2. RECOMMENDATIONS**

That the Committee:-

- 2.1 approve the Workforce Plan and the actions contained within it including the revisal of the Performance Review and Development Scheme (PR&D) including the incorporation of the Capability Framework to take effect in the current PR&D year 2019/20;
- 2.2 note that the introduction of the Capability Framework to PR&Ds will form a part of the assessment of overall performance of an individual within their role and help to identify strengths as well as capability gaps that need to be addressed;

- 2.3 note that the Chief Officer (Organisational Development) will work with Trade Union colleagues in updating current PR&D guidance;
- 2.4 instruct the Chief Officer (Organisational Development) to make those amendments necessary to PR&D and to remove the stipulation that to receive an increment under the Local Salary Progression Scheme you cannot be undergoing an absence management process;
- 2.5 note that the capability framework will be used to support internal recruitment and movement of staff;
- 2.6 instruct the Chief Officer (Organisational Development) to develop a new approach to the internal movement of staff which will aim to mitigate the future continued use of VSER payments and to report back on this approach in October 2019; and
- 2.7 approve the utilisation of the approved corporate training budget in line with the workforce development plan.

### 3. BACKGROUND

- 3.1 In August 2017 Council approved the 'Building a Council of the Future' report which set out our Target Operating Model (TOM) and the workforce we will require to deliver the TOM. This Workforce Plan builds on this and the Council Delivery Plan approved at Committee in March 2019 by setting out how we will develop and deliver that workforce during 2019/20 and 2020/21.
- 3.2 The Workforce Plan covers the following areas:
  - **Context** - How the Workforce Plan links to and supports our organisational capabilities and Guiding Principles
  - Our **workforce of the future**
  - Developing workforce **capacity**
    - How we will **attract and retain** our future workforce with a particular emphasis on developing our internal and our young workforce
  - Developing workforce **capability**
    - How we will identify the skills, knowledge and behaviours we need – our **capability framework**
    - How we will develop the required skills, knowledge and behaviours – our **workforce development plan**
    - How we will manage, measure and motivate performance against these – our revised **performance review and development (PR&D) scheme**.

### 3.3 Benefits

As well as the benefits to the organisation which are outlined in the Workforce Plan, the approach which it sets out has clear benefits for employees:

### 3.3.1 Developing workforce capability

- The **capability framework** provides clarity about the skills, knowledge and behaviours required by everyone. This provides a tool which will enable employees to take more ownership of their personal and career development. It will also help develop the transferable skills which will allow staff to work more flexibly across the organisation, building their experience and adding to any professional or technical knowledge and expertise, increasing job variety and satisfaction and improving marketability.
- The **Workforce Development Plan** provides employees with a range of options to meet any development gaps identified through the capability framework. These options are designed to suit different needs and learning styles and include a focus on self-directed, experiential learning. By creating a shared online platform learning will effectively be open to everyone, rather than designed for specific levels. Employees will be empowered to seek their own learning when they want and need it and to share their own knowledge and learning with others. In this way employees will become co-creators and sharers of organisational learning rather than passive recipients of what the organisation chooses to provide.
- The revised **PR&D scheme** seeks to move PR&D from what is sometimes perceived as an annual one-off meeting to a dynamic series of ongoing conversations. Based around the Guiding Principles, these conversations will support everyone to connect to our purpose and link these to individual objectives; give regular opportunities to discuss progress and to get recognition for good work; provide the chance to discuss support and development where that is needed; and highlight any issues which might be impacting on performance at an early stage. At the same time two-way feedback around how the line manager and the organisation are helping the employee thrive at work will be encouraged.

### 3.3.2 Developing workforce capacity

The actions proposed in this respect have the benefit of ensuring we are able to respond to existing and anticipated organisational challenges such as the changing size and shape of the organisation, changing demand and the needs of a diverse workforce. This should benefit employees by ensuring resources can quickly be moved to where they are needed, avoiding workload stress through under-staffing or staff not having the requisite skills. A recognition of the differing needs of a diverse workforce should also result in a better – and more tailored – understanding of what motivates individuals at work.

## 3.4 Development of the Workforce Plan and Consultation

The actions identified in the Workforce Plan have been developed based on local and national drivers and through internal engagement with staff and Trade Unions, the plan has also been developed with due regard to the Aberdeen City

Health & Social Care Partnership's own document, Empowered Workforce Planning 2019-2021 and a collaborative approach to workforce planning. More specifically:

- 3.4.1 The **Workforce Plan** sets out how we will **develop our capacity** to deliver. As an organisation, we face recruitment challenges for a number of key roles, including Care Support Workers and Teachers which, require us to look at creative and cost-effective approaches to retain staff within these roles and to attract new staff. A leaner workforce, dictated by the continuing financial challenges, requires upskilling and reskilling of our existing staff to focus on our areas of growth. At the same time, the developing the young workforce agenda supports our own internal demographics, with an ageing workforce and the need to attract and retain a younger workforce for the future.
- 3.4.2 The **Capability Framework** sets out the knowledge, skills and behaviours we will require. The behaviours are defined in the five Guiding Principles. The engagement process for the behaviours was described in the 18 March report to Staff Governance Committee. The skills and knowledge to increase individual capability were then shaped by the organisational capabilities, which flowed from the TOM, and refined following engagement with a wide range of staff and managers across all disciplines of the council including senior managers, subject matter experts, Trade Unions and focus groups including front line services. This engagement also included the role of the Capability Framework within **PR&D**.
- 3.4.3 The **Workforce Development Plan** sets out the development in place to support the Capability Framework. Engagement on this has been undertaken with approximately 120 leaders and managers and with subject matter experts in each of the identified areas to ensure that the development identified will deliver the capabilities required. In addition to the strategic plan, our training offer also includes development to support:
- Mandatory and statutory training;
  - Organisational and service redesign – reskilling and retraining to areas of need;
  - Professional CPD training;
  - Developing Individual Capability and Culture

### **Capability Framework and PR&D**

- 3.5 The consideration of overall individual performance is currently determined in part by the expectations set out in terms of objectives and the behavioural framework, as well as expectations set out in the job profile. This overall determination of performance is linked to an individual's eligibility for incremental progression, which is formalised at the end of year review. This is set out in employee contracts as follows: 'Incremental progression is subject to you demonstrating that you meet the minimum performance criteria in your job and are not being managed under the Local Salary Progression Scheme (LSPS).' In practice any impact on incremental progression is part of continuing performance management discussions and not the result of a single assessment.

- 3.6 Where until now these ongoing discussions would include assessment against objectives and the previous behavioural framework, in determining an individual's overall performance in the future, the elements of objectives and the refreshed behaviours will be considered as well as the knowledge and skills residing in the new capability framework.
- 3.7 Where any gaps are identified as part of the assessment against the capability framework, support should be in place to enable the individual to address these gaps. The benefit of the inclusion of the capability framework is in the ability to clearly articulate expectations and identify appropriate development areas.
- 3.8 The detail of the LSPS currently also contains minimum criteria under the Council's Maximising Attendance policy and that, in order to proceed towards eligibility for an increment, an employee must not have reached stage 2 of the Maximising Attendance policy. This policy has this year been replaced by the "Supporting Attendance and Wellbeing Policy", which has streamlined the way that long- and short-term absence are monitored and managed overall. In reviewing absence cases falling into stage 2 under the new procedure, it has become evident that employees can reach stage 2 for a variety of reasons, including those related to an underlying health condition. In line with our ongoing focus on mental health and wellbeing, it is proposed that reference to attendance be removed from the LSPS and therefore also from the PR&D.

## **Transition**

- 3.9 In order to successfully embed the capability framework described in the Workforce Plan there will be a transition period. By the end of 2019/20 all staff will be completing a PR&D which includes the elements of objectives, the capability framework and a development plan.
- 3.10 To achieve this the PR&D will be developed in a new online platform (CoreHR) during the months of July – October 2019 ideally with a launch to staff mid-way through the appraisal cycle.
- 3.11 At this mid-way point staff will be asked to update their objectives as agreed at the start of the year 2019/20; to self-assess against the knowledge, skills and behaviours in the capability framework and to consider development which will support them in the second part of the appraisal year and beyond and discuss this with their manager.
- 3.12 At the end of year review (end of 2019/20) both the individual and their line manager will rate performance against all elements of the PR&D, leading to an overall assessment of performance in role, with a view to creating individual development plans for the duration of 2020/21, drawing on the development available through the workforce development plan.

## **Next Steps**

- 3.13 The Workforce Plan, including the PR&D and the capability framework, is a living document which will evolve over time based on feedback and use by staff

and managers. Next steps following agreement of the plan will be to develop a revised approach to:

- Recruitment, incorporating the Guiding Principles and an approach to internal recruitment which focuses less on qualifications and experience and more on the skills, knowledge and behaviours in the capability framework and the attributes required for the role;
- Succession planning, using the digital platform, CoreHR, and the data arising from the PR&D discussions and use of the workforce development plan a succession planning approach will be developed to enable the required flexibility and career development for employees;
- Management Development, a key part of the development programme and in embedding the tools outlined in the plan is equipping managers with the skills and knowledge to support their staff. As part of this, any implications for manager specific knowledge, skills or behaviours not taken account of in the capability framework for all staff will be added as part of its evolution.

## **4. FINANCIAL IMPLICATIONS**

### **4.1 Corporate Training Budget**

The consolidation of local CPD/training budgets from across the Council was approved by the Council's budget meeting on 5 March 2019. This combined with the corporate training budget will allow this resource to be targeted in support of the workforce development plan.

### **4.2 Apprenticeship Levy**

The Apprenticeship Levy was introduced in April 2017 with the aim of funding and increasing the number of apprenticeships in the public and private sector

Until the development of the Apprenticeship Programme this year, the Council had very few apprenticeships in place, so opportunities to access the available funding under the scheme was limited. The updated Apprenticeship Programme, as outlined in the Workforce Development Plan, will ensure that this is improved, whilst developing the younger workforce and developing skills for the future workforce through recruiting apprentices and upskilling existing employees.

## **5. LEGAL IMPLICATIONS**

- 5.1 There are no direct legal implications arising from the recommendations of this report.

## 6. MANAGEMENT OF RISK

	<b>Risk</b>	<b>Low (L), Medium (M), High (H)</b>	<b>Mitigation</b>
<b>Financial</b>	None		
<b>Legal</b>	None		
<b>Employee</b>	The Workforce Plan is designed to ensure we have enough capacity and capability in our workforce to deliver the Target Operating Model and our LOIP outcomes over the period 2019-2021. Without the approach contained in the Plan there is a risk that we fall short of that capacity and fail to develop the necessary capabilities for the future. There is also a risk to the confidence and morale of employees if they cannot clearly see how they fit in with and can develop themselves in line with the requirements of the future.	M	The Workforce Plan contains a range of mitigations in this respect. In terms of capacity this includes looking to develop and attract younger people into the workforce through apprenticeships and internships; reskilling people into areas of growth and making best use of our internal talent. In terms of capability mitigation includes the development of a comprehensive framework which clarifies the skills, knowledge and behaviours required at all levels, a workforce development plan to support this framework and a review of our PR&D process to measure and motivate performance. Providing this level of clarity, support and personal accountability should impact positively on staff morale.
<b>Customer</b>	The Workforce Plan is focused on developing the capacity and capability which will support delivery of our outcomes for the citizens of Aberdeen. Without the planned approach proposed in the Plan there is a risk that these outcomes are	M	The mitigation in this area is as described above.

	not realised for our customers.		
<b>Environment</b>	None		
<b>Technology</b>	The Workforce Plan is intended to promote a culture which supports a digital and improvement mind-set. There is a risk that if not sufficiently well planned this intended impact is not realised.	M	Digital and improvement skills form a key part of the capability framework which sets out what we require in our workforce. The workforce plan contains a digital skills strand which will look not only at technical skills but also at the behaviour and culture which supports a digital and improvement mind-set.
<b>Reputational</b>	The Workforce Plan focuses on a flexible workforce, internal recruitment and development as well as on attracting younger people into the workforce through apprenticeship programmes. Without these internal opportunities we may have an inability to fill skill gaps in areas of growth thus impacting on our reputation as a council in terms of service delivery. Without these external opportunities the Council may continue to be seen as a traditional place to work which is not attractive to younger people.	M	A clear and planned approach to workforce development with a focus on internal recruitment, developing skill-sets and promoting fluidity and flexibility across the workforce should provide opportunities for existing staff and demonstrate we value our workforce by investing in their development. Apprenticeships and other opportunities should positively impact on our reputation as an employer and therefore on our ability to recruit and retain staff.

## 7. OUTCOMES

<b>Local Outcome Improvement Plan Themes</b>	
	<b>Impact of Report</b>
<b>Prosperous People</b>	The impact of this proposal is primarily intended to ensure we have the internal capacity and capability to deliver the Target Operating Model. This should, in turn, impact on our



	<p>ability to deliver on outcomes for our citizens and improve the services delivered to our customers.</p> <p>Our developing young people programme directly supports the delivery of stretch outcome <b>1. 10% increase in employment across priority and volume growth sectors by 2026 and 2. 90% of working people in Living Wage employment by 2026</b></p>
<b>Design Principles of Target Operating Model</b>	
	<b>Impact of Report</b>
<b>Workforce</b>	The proposal is intended to align the individual capabilities of our workforce with our organisational capabilities and with the culture of the organisation. As such it is anticipated that it will result in improved employee confidence, productivity, morale and well-being.

## 8. IMPACT ASSESSMENTS

<b>Assessment</b>	<b>Outcome</b>
<b>Equality &amp; Human Rights Impact Assessment</b>	Required
<b>Data Protection Impact Assessment</b>	Not required
<b>Duty of Due Regard / Fairer Scotland Duty</b>	Not applicable

## 9. APPENDICES

Appendix 1 - Workforce Plan  
Appendix 2 - Capability Framework

## 10. REPORT AUTHOR CONTACT DETAILS

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