# 2024-34

## Workforce Strategy

Midlothian

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As a small council we have big ambitions and are the fastest growing Council in Scotland. We recognise our most valuable assets are our people. We are on a transformation journey and aim to be an employer of choice, providing employment opportunities for local people to deliver quality services for communities.

# 01 Introduction

**This Workforce Strategy supports Midlothian's vision to be a great, green place to grow. It will support the Council's medium-term financial strategy (2023-2028) and is line with both the Single Midlothian Plan and the Council's Service Plans.**

This document sets out an organisational workforce strategy and accompanying implementation plan. It is specifically focussed on the delivery of the Midlothian Transformation Blueprint which has five key themes designed to transform services to meet the growing demand within the financial resources available. One of the key themes is the creation of a 21st Century Workforce which includes workstreams which focus on both digital and human resources.

This Workforce Strategy is forward thinking, with a ten-year time horizon scan and a three-year short-term Action Plan.

Midlothian and the broader South East Scotland Region is a growing and changing economy. The work of the Council in serving its citizens is changing faster than it has before. This strategy identifies the impact of these changes on workforce demand.

In terms of workforce supply, this strategy provides an *"MOT report"* on the Council's workforce. It highlights a shortage of skilled professionals across the range of key professional groups who are essential to delivering Council services, and a need to work with partner organisations to address these skills shortages.

This strategy analyses the gap between demand and supply and identifies a programme of action to close the gap with clear strategic goals and success criteria.

In addition, Midlothian Health and Social Care Partnership (H&SCP) have already developed a Strategic Workforce Plan (SWP), using the 5 Pillars of the Workforce Journey. This Workforce Strategy follows the same format to benefit from a common structure.

## The strategic aims of the Council's plan are to:

- Deliver an evidence and outcome-based workforce planning framework that is an integral part of the Council's approach to strategic planning.
- Ensure the Council becomes the employer of choice for the population of Midlothian, by deploying best practice in attracting the best staff.
- Enable the Council to become a *"Learning Organisation"*, providing staff with business-focussed training and development to equip them with the skills and knowledge required to deliver their best.
- Ensure *Fair Work* principles continue to be at the heart of management practice, ensuring staff are, and feel, valued and rewarded.
- Create a workforce and leadership culture focusing on the health and wellbeing of a demographically balanced workforce that reflects the community it serves.

## The strategy is presented in five parts:

- **The Strategic Context and Purpose –** a summary of the purpose of this Workforce Strategy and how it fits within the broader context of the challenges set out in the Midlothian Transformation Blueprint.
- **Workforce Demand –** an examination of the demands on the Midlothian Council workforce to deliver this plan.
- **Workforce Supply –** an analysis of workforce availability, including quantitative information about the current staffing profile, and the issues affecting the quality of staff experience, wellbeing and actions to support the retention of current staff.
- **A Gap Analysis** between this workforce demand and workforce supply.
- **An Action Plan** for closing the gap, using the 5 Pillars of the Workforce Journey.

# 02

# The Strategic Context

**This chapter sets out the purpose of this Workforce Strategy. It examines the role of strategic workforce planning within organisations and specifically how this plan fits within the context of the challenges set out in the Council's Transformation Blueprint.**

**The Midlothian Council Transformation Blueprint** was launched in May 2023. Together with the revised Medium Term Financial Strategy, the Blueprint sets out an ambitious plan to transform the way the Council operates. Many of the challenges faced by the council are common to local authorities and public sector bodies throughout Scotland. However, Midlothian also faces its own unique challenges as the fastest growing local authority in Scotland, with population growth expected between now and 2028 of 13.8%, compared to the Scottish average of 1.8%. This growth is particularly acute in the 0-15 and over 75 groups bringing significant additional pressure on council services.

The Making Performance Matter sprint is part of the Developing a 21st Century Workforce theme within the Blueprint. The Blueprint defines the success criteria for the Making Performance Matter sprint as: ***"A supported workforce within a framework of high expectations and well-developed development opportunities so that we 'grow our own talent'".***

Critical to success is the requirement for workforce planning to be a continual process that is owned by the whole business and enabled by Human Resources (HR).

**Researching the approach of other Councils, it was established that the key drivers of Local Government Workforce Challenges are:**

- **Budgetary Pressures –** Ring-fenced budgets and continued pressure to make savings directly impact on workforce capacity.
- **Ageing Profile –** Most local authorities have an ageing workforce profile in key service areas.
- **Skills Funding –** There are not enough workforce and skills funding sources and supports available to enable capacity building.
- **Next Generation Workforce –** There is an urgent need to attract a new generation of younger employees to local government.
- **Recruitment Challenges –** Pay competitiveness and workforce availability in rural areas are now significant challenges.
- **Skills Shortages –** There is a shortage of skilled and qualified professionals across a range of statutory disciplines.

**Evidence gathered for this strategy included information from other Local Authorities about their approach to strategic workforce planning. The survey concentrated on obtaining information from councils of a similar size to Midlothian. The main messages gathered from this evidence were:**

- Approaches vary widely with some councils treating their SWP as a standalone strategy document, whilst others have a structured approach building up from workforce planning at a service level.
- Longer-term workforce planning exercises and scenario modelling were not used.
- Buy-in from senior management and structured links to Council strategy were seen as key to success.
- The resources dedicated and available to support the implementation of plans varied considerably but some (smaller) councils had dedicated resources.
- Fair work principles were embedded in most approaches.
- Nearly all approaches referenced new technology and digital transformation but the links between digital strategies and SWPs were unclear.
- Usually poor links with H&SCP SWPs.
- Common features of Action Plans within SWPs were a focus on recruitment and retention, *"growing your own"* / apprenticeship programmes, new approaches to performance management and leadership development and succession planning.

The exercise identified that collaboration and plans to collaborate between Councils was limited. This was despite councils facing similar problems.

Midlothian has the following existing shared services with neighbouring councils:

- Internal Audit with East Lothian (who lead).
- Public Protection with East Lothian (lead jointly).
- Non-Domestic Rates with Edinburgh Council (who lead).
- Contact Centre for out of hours with East Lothian (who lead).
- Mobile library with East Lothian (Midlothian leads).

**The Improvement Service has launched six Local Government Transformation Projects that it will seek to develop and implement changes over the next 12 to 18 months, each with a Chief Executive sponsor and Project Director drawn from Scottish Local Authorities:**

- Collaboration within the local government sector on procurement.
- Analysis of local government's statutory and discretionary services.
- The full implementation of Crerar for Local Government.
- Development of a Digital To-Be State for Scottish Local Government.
- Identification of new digital shared services that could be delivered nationally or regionally.
- Examples of active communities/ participatory design.

Midlothian is also involved in a group of similarly sized councils from the central belt, looking at medium term options for shared services.

Fair Work First is the Scottish Government's policy for driving high quality and fair work, and workforce diversity across the labour market in Scotland. It applies fair work criteria to grants, other funding and public contracts being awarded by and across the public sector, where it is relevant to do so.

**Midlothian Council is committed to embedding Fair Work First across the organisation. A statement to Council on 27 August 2024 committed this Workforce Strategy to include:**

- Investment in development for employees at all levels of the organisation, including specific development programmes for managers and leaders.
- Further investment in apprenticeships, building on the success of the Foundation and Modern Apprenticeship programmes lead by Communities, Lifelong Learning and Employability, particularly with increased adoption of Graduate Apprenticeship opportunities that tackle sectors where recruitment is more challenging.
- Long-term staff engagement programme to ensure that every employee's voice is heard.
- Launch of a new Equalities Programme linked to recruitment, gender pay gap, race pay gap and ensuring that the workforce is more diverse and representative of the communities that we serve.
- Review of overtime, casual workers, agency and fixed term contracts to ensure services have clear, sustainable workforce plans linked to service delivery.
- Review of HR policies to ensure that all policies have Fair Work principles embedded and that they are cognisant of the needs of the organisation.

# 03

# Workforce Demand

**This chapter examines the workforce demand issues arising from the strategic context discussed in chapter 2.**

## Evidence from stakeholder interviews

As part of the stakeholder interviews, interviewees were asked about their views on the external factors impacting on workforce demand. Answers were collected under the PESTLE analysis headings of:

- **Political**
- **Economic**
- **Sociological**
- **Technological**
- **Legal**
- **Environmental**

The results have been merged into a composite PESTLE analysis looking at the main factors impacting on workforce demand. This is set out in figure 1 below.

Interviewees welcomed the opportunity to think more strategically and almost universally agreed more should be being done to plan for the future. Faced with the current perfect storm of reducing budgets and increased pressure on services, many interviewees found it difficult to think strategically beyond the immediate need to deal with the latest round of service cuts. This was described by one interviewee as: *"an endless cycle of death by a thousand cuts"*.

## FIGURE 1: Summary PESTLE analysis from stakeholder interviews

| P | E | S | T | L | E |
|---|---|---|---|---|---|
| **Political** | **Economic** | **Social** | **Technological** | **Legal** | **Environmental** |
| • Continuing short-term uncertainty over consistency of policy messages with different political control at Council, National and UK levels – have to plan with this uncertainty. E.g. impact of National Care Service and taxation differences between England and Scotland.<br>• But in medium term potential for more consistency between Labour and SNP approaches, e.g. a focus on Fair Work agenda and reduced ability to contract out work.<br>• Conflict between drive to local decision making on one hand and economies of scale benefits from regional or national collaboration e.g. shared services. | • Financial sustainability of Councils in Scotland as a whole. Cuts have already been made and yet more are needed. This means staff are being asked to do more, particularly in managerial roles and sometimes might leave to do jobs where they can just keep and concentrate on their core job for more money.<br>• Variability of capital funding from UK and national governments makes planning difficult.<br>• Impact of annual cycle of pay negotiations to keep up with COL pressures – better to have a longer term pay deal rather than one-year deals to enable better planning.<br>• Big strategic decisions not being taken because in *"grip and control"* mode.<br>• Regional investment needed to reap longer term benefits.<br>• Pressure to contract-out services on cost grounds. | • Population growth. Midlothian unique in Scotland – growth in older and younger age groups will mean pressures on services, including education (infrastructure and teachers), social services for children and older people (care at home and in care balance), additional housing etc, but also opportunities to employ new (potentially higher skilled) staff.<br>• Impact of behavioural problems in children on Education and Children's Social Services.<br>• Shadow of Edinburgh as a growing city – higher paid jobs in public and private sector.<br>• Midlothian trying to forge a distinct identity – transitioning from legacy issues of ill health and poverty of an ex-mining area to modern digitally-led green economy. Importance of community wealth-building as an enabler.<br>• Managing expectations of citizens from Council services – quality and provision.<br>• Continued increase in caring responsibilities in population, meaning increased need for support with caring and need for carer roles. | • Midlothian is a key part of making Edinburgh a digital capital – implication for Education in particular.<br>• Demand for tech skills increasing – higher skilled younger workforce potentially attracted to move to the area.<br>• Technology skills deficit in existing (older) population.<br>• New technologies can be introduced across council services which will boost productivity but require investment (see Economic) and careful negotiation with employees and trade unions – in most areas new technology seen as better services and supporting existing staff to do their jobs better rather than replacing them. | • Burden of volume of legislation – meaning less attention on service delivery (particularly in Education and Social Care)<br>• Potential challenges to definition of statutory services as Council seeks to rationalise service provision.<br>• In the longer-term, Local Government reorganisation could occur effecting the organisation of service provision and delivery. | • Net zero targets present challenging change agenda for the way the Council operates.<br>• Uncertainty of impact of climate change on Council services, e.g. flooding on communities and roads.<br>• Increased use of electric vehicles.<br>• Likely reduction in commuting with people looking for local jobs and hybrid working (where role and job design permits).<br>• Better building standards will have impact on housing, Council's own property, and availability of affordable housing.<br>• Better public transport needed, in particular to link East and West Midlothian.<br>• Impact of green economy on demand for new skills – higher skilled younger workforce potentially attracted to move to the area. |

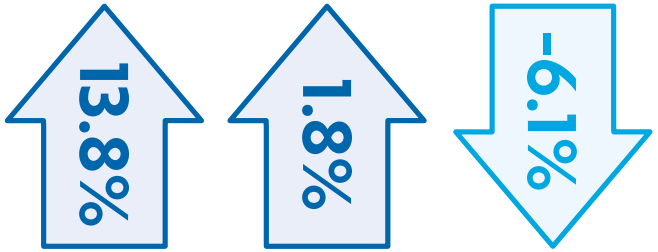
Due to a previous budget decision, there is currently no strategic learning and development function within the Council and elsewhere individual departments and teams are left to consider future roles and skills needs in isolation. The exception to this is in the areas of:

- Digital skills where an established programme of training is being rolled out.
- Management skills where the formation of the Management Forum was a response to a need for different management skills going forward.
- Leadership skills where a programme of work with the Mudd Partnership has just started with a focus on skills for the future.

The Council's Midlothian profile and Scotland's Census Midlothian Council Area profile provide demographic information about the Council area. This data illustrated in figure 2 shows Midlothian as having the highest projected population growth, largely due to its extensive house building programme. This increase will not be uniform across all age groups and the anomalous population growth will place an increase demand on services particularly in Education and Older People.

**FIGURE 2: Population growth in Midlothian v Scotland**

Percentage change in projected population 2018-28




**Midlothian** **Scotland** **Na h-Eileanan Siar**

## Summary

### The main workforce demand themes are:

- **Workforce demand (in terms of both skills and numbers) is difficult to predict at service or profession level and as a small council Midlothian is not alone in finding it difficult to measure.**
- **Changing demographics and social attitudes are placing pressure on a range of council services but particularly in Education and Social Care, resulting in pronounced recruitment challenges.**
- **The need for productivity improvements to address the tension between rising public expectations of better services within the context of reduced funding.**
- **Digital skills and related emerging technology need to be distributed throughout council services.**
- **The need to respond to the *"green economy"* with new and different jobs.**
- **An increased focus on service delivery and strategic decision making.**
- **The need for a more demographically balanced workforce that reflects the community it serves.**
- **Creating a workplace culture that highlights Midlothian Council as a great place to work and live.**
- **A continued need to imbed Fair Work principles in the Midlothian workplace culture.**
- **A need to develop or recruit leaders and managers who can work effectively within this new working environment.**

# 04

# Workforce Supply

**This section examines workforce supply issues, looking at both the current workforce, including issues affecting the quality of staff experience and actions to support the retention of current staff, and the availability of new staff with the skills needed by the Council.**

## Evidence from stakeholder interviews

As part of the stakeholder interviews, interviewees were asked about their views on the factors impacting the existing council workforce. Answers were collected as a strengths, weaknesses, opportunities and threats (SWOT) analysis (pages 13-14).

## Staff survey results 2024

The survey was sent to 5,465 staff (this included casual workers). A total of 1,345 returns were received, a response rate of 25%. This response rate was disappointing, despite taking measures to improve the return such as non-digital returns, incentives and time extensions. Consequently, the results should be treated with some level of caution as one source of evidence.

The reasons for the poor return rate are, of course, unclear but may include survey fatigue, poor communications about the survey's purpose and concerns about confidentiality.

Staff were asked a wide range of questions based around the Fair Work Framework of:

- **Respect**
- **Security**
- **Opportunity**
- **Fulfilment**
- **Effective Voice**

Most of the survey questions were taken from the Working Lives Scotland (WLS) survey. This enabled the results of this survey to be benchmarked against the WLS survey.

## FIGURE 3: SWOT analysis – internal factors

### Strengths

- Wider roles and remits offer opportunities to affect change.
- Good balance of permanent and contract staff in some areas.
- Good coverage of professional skills but some gaps in key professional groups especially in terms of succession planning.
- Apprenticeship and grow your own training routes already established for some professional groups.
- Overall good relations with Trade Unions.
- Overall job evaluation seen as offering an equitable pay system.
- Employ many Midlothian citizens who are invested in their communities and care about the services provided to their communities.
- Committed workforce who are loyal and proud of the local area.
- Unique senior leadership with a great gender balance.
- Small sized Council means can be more agile and solution focused.
- An overall positive culture, described as *"warm"*, and *"caring and supportive"*.
- Good at dealing with crises.

### Weaknesses

- Over reliance on contract workers in e.g. care and development.
- High turnover of staff on temporary contacts – not in line with Fair Work.
- Proximity to Edinburgh means talented staff often use Midlothian as a springboard to bigger roles often in adjoining Councils.
- Pay structure can be inflexible in response to such issues.
- Increasingly difficult to hire to key professional groups – lack of candidates because of fewer professionals being trained and/or non-competitive pay.
- Lack of succession plans particularly for some key professional groups.
- Over reliance on key individuals with organisational knowledge.
- Gender imbalance in many professional groups (NB: like other LAs).
- Individuals not taking responsibility for their own development (particularly more experienced staff).
- Age profile in many areas of older staff and younger trainees, insufficient staff to mentor and develop new staff.
- High staff absence in some areas, mental health issues cited as increasing.
- Cuts to HR budgets that support staff (e.g. L&D, welfare and internal comms), and statutory services understandably protected.
- Existing buildings often not good working environment and sometimes not fully fit for purpose e.g. Children's Services.
- Poor internal communications – resulting in silo working.
- Lack of business continuity readiness, putting together multidisciplinary teams.
- Lack of time to plan – reactive and firefighting.
- Staff want more flexible working as response to cost of living and societal changes.
- Lack of some basic skills e.g. report writing – resulting in additional burden on some key staff.
- Staff feeling undervalued – management response to extra pressures.
- Different cultures in different parts of organisation – not all positive.

## FIGURE 3: SWOT analysis – external factors

### Opportunities

- Stress the unique opportunities of working in Midlothian – making a difference in YOUR community and making change happen.
- Seek to recruit new younger professional people moving to Midlothian.
- Pilot *"development promotion schemes"* allowing individuals to take the role at next level on a development basis with fall back provision.
- Build on apprenticeship programmes already established.
- Build clear career pathways and appropriate grade structures for all key professional groups, including progression without people management.
- Improve support to carers to attract and retain them within workforce, particularly targeted at making a career in care.
- Improve *"grow our own"* potential in key professional groups.
- Measures to support individuals to own their own learning.
- Technology to improve job design and job quality e.g. introduction of Proportionate Care, remote teaching – effective consultation needed. Improve leadership at CMT level, and supervisory and middle management promote on leadership rather than technical skills or experience.
- Promote Fair Work principles - stress *"soft"* benefits of working for an LA, particularly Midlothian.
- Develop and provide *"soft"* benefits that staff need e.g. childcare and help with housing – see how Council could facilitate this.
- Potential for Education, Care and *"rest of Council"* to learn good practice from each other.
- Work more closely with NHS colleagues, e.g. build on frailty model.
- Develop management forum by building on strong management culture in some areas.
- Develop people management skills at supervisory level.
- Build on culture change of existing gender balanced leadership. Improve diversity – make Council more welcoming for BME and disabled staff.
- Harness energy and enthusiasm of staff to change the culture.
- Build homogeneous culture that takes the best from different areas.

### Threats

- Staff living locally can work in Edinburgh for higher salaries.
- Continued competition from retail sector for lower paid flexible work.
- Insufficient numbers of professional staff being trained in several key professional groups.
- Trained professional staff changing career for better paid less stressful roles e.g. in social care and teaching.
- Ageing workforce in many areas, concern that expertise will be lost.
- Impact on service delivery of moves towards more flexible working, particularly in professional groups with a gender imbalance.
- Increasing expectations from public around service delivery.
- Societal trends placing additional burdens on service delivery and staff welfare e.g. behavioural problems in schools, impact of cost of living etc.
- Current unsustainability of funding v service expectation model, cycle of service reconfiguration, cuts to balance books, & resulting change fatigue.
- Continued problems of managing H&SCP, including uncertainty over impact of implementation of National Care Service.
- Too slow to embrace new technology.
- Change programmes may be seen by Unions as job cutting exercise and result in deterioration in collective employee relations.

Overall, the results in Midlothian were broadly similar to this national survey. In terms of *"security"* and *"opportunity"* there were no significant differences in the results. Elsewhere there were three areas of interest where the results differed:

## Respect:

- Relating to some questions about how workers feel at work, the responses from Midlothian workers were that they were more likely to feel exhausted and under excessive pressure at work compared to the WLS survey. Similarly, in some questions about work-life balance the responses from Midlothian workers were that work impacted on their personal time.

## Fulfilment:

- In some questions about workload the responses from Midlothian workers were that they saw it as too high, and they were less able to complete their work within the allocated hours compared to the WLS survey. Similarly, in a question about adequacy of resources the response from Midlothian workers was that they felt they did not have the right equipment compared to the WLS overall responses.
- However, in some questions relating to job autonomy and nearly all questions relating to meaningfulness of work, the Midlothian responses were better than the WLS survey.

## Effective voice:

- In questions relating to the availability of employee voice channels and managerial openness, the Midlothian responses were better than the Working Lives Scotland survey.

A further qualitative analysis of the results was also undertaken and this analysis highlighted additional areas of concern. The most consistently raised of these were:

- Workload
- Leadership and management
- Pay and benefits
- Facilities
- IT and systems
- Communication
- Making Performance Management system
- Career progression and training and development
- Feeling valued

The analysis also looked at positive themes and the two standout areas were:

- Leadership and management
- Job satisfaction

## Diversity and equality

Overall, the Council's workforce is 74% female and 26% male. This gender difference is very similar to the figures across local government. This overall difference masks even bigger gender differences among certain groups of employees. For example, roles in building and neighbourhood services are predominantly filled by men and roles as care workers and primary school teachers are predominantly filled by women.

Women are well represented at senior management level with unusually more women than men. However, there is still a Gender Pay Gap of 2.7% in favour of men, although this is lower than the UK local government average of 4.2%.

Only 2.4% of staff report a disability. This figure is based on voluntary self-reporting and the true figure may be greater. It compares to a figure of 4.5% in Scottish Local Authorities as a whole, and an overall 25.9% of the Scottish population.

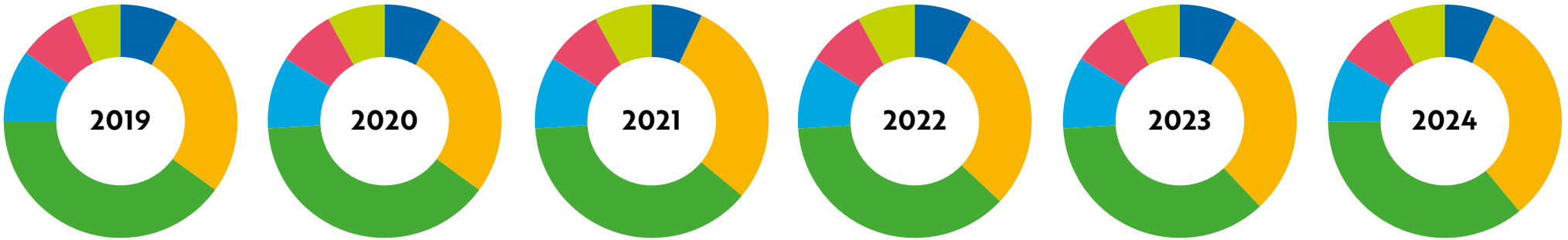
Similarly, only 2.35% of staff reported a Black and Minority Ethnic (BME) origin. This figure is also based on voluntary self-reporting and the true figure may be greater. It compares to a figure of 2.5% in Scottish local authorities as a whole, and an overall 4.7% of the Scottish population.

This profile provides the opportunity to target recruitment at disabled and BME candidates. The Council should also capitalise on its gender balanced leadership both internally by promoting culture change and externally as a recruitment tool.

The table at figure 4 shows the age profile of the Council's workforce over the last six years. While the workforce profile is skewed towards older workers, this profile has not changed over this period. The average age of a worker in the Scottish public sector is 45 years old (and 40 in the private sector). The figure for Midlothian is 44.5 years old. This suggests that overall, the age of the Council workforce is static and measures to recruit younger workers may be taking effect. While the Council compares better than some other councils in this respect, this ageing workforce still provides a threat to workforce supply.

**FIGURE 4: Age profile of the workforce by year %**

16-24 25-39 40-55 56-59 60-64 65+



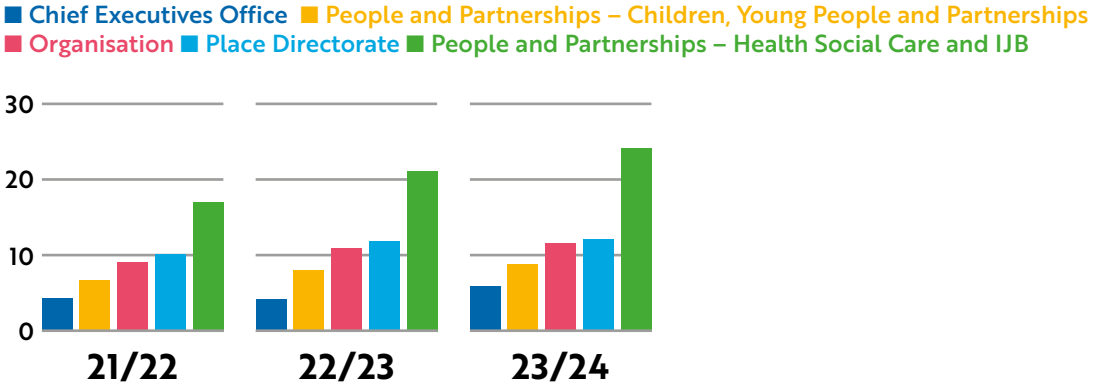
## Health of the workforce

Across the Council in 2023/24, the average number of sick days lost was 11.7 days. A breakdown of sick days by Directorate over the last three years is shown in figure 5.

The figure of 24.25 days in the Health and Social Care Directorate is a particular concern. There is a lack of up-to-date and reliable benchmark data. Overall the Council compares reasonably well to a reported absence rate of 10.6 days across the UK public sector in 2022/23 and 6.8 days for Scottish teachers in 2022/23.

A breakdown of reasons for absence is shown in figure 6.

## FIGURE 5: Average sick days lost by directorate %




## FIGURE 6: FTEs lost per absence reasons in %

### 21/22

1. 30.75% Psychological
2. 19.29% Musculoskeletal & joint disorders
3. 11.70% Stomach/bowel/blood/metabolic disorders
4. 7.20% Colds and Flu
5. 6.80% Hospital/treatment
6. 4.41% Respiratory
7. 3.81% Neurological & endocrine
8. 3.34% Ear/nose/throat/mouth & eye
9. 2.85% Skin
10. 2.62% Cardiovascular
11. 2.50% Cancer
12. 2.47% Gynaecological/urological
13. 1.97% COVID 19
14. 0.31% Infectious diseases

### 22/23

1. 28.07% Psychological
2. 15.86% Musculoskeletal & joint disorders
3. 11.81% Stomach/bowel/blood/metabolic disorders
4. 9.53% Colds and Flu
5. 8.60% COVID 19
6. 7.37% Hospital/treatment
7. 4.63% Respiratory
8. 4.26% Neurological & endocrine
9. 3.63% Ear/nose/throat/mouth & eye
10. 2.92% Gynaecological/urological
11. 1.11% Cardiovascular
12. 0.97% Cancer
13. 0.76% Skin
14. 0.48% Infectious diseases

### 23/24

1. 30.88% Psychological
2. 14.90% Musculoskeletal & joint disorders
3. 13.11% Stomach/bowel/blood/metabolic disorders
4. 9.25% Colds and Flu
5. 8.37% Hospital/treatment
6. 4.34% Respiratory
7. 4.16% Neurological & endocrine
8. 3.87% Ear/nose/throat/mouth & eye
9. 3.75% COVID 19
10. 2.31% Cardiovascular
11. 2.19% Cancer
12. 2.16% Gynaecological/urological
13. 0.52% Skin
14. 0.15% Infectious diseases
15. 0.03% Assault at work

## Recruitment

At interview, stakeholders reported difficulty recruiting to a range of roles. The reasons cited were a shortage of workers with the appropriate skills available locally and competition from other sectors and other local authorities.
The roles affected were diverse and covered relatively low paid roles such as care workers, where there was significant competition from better paid retail roles, through to relatively higher paid roles such as head teachers where there was a lack of applicants. Nearly all professional roles were reported as difficult to fill (see Appendix 1 for a list of professional roles).

Managers also reported frustrations with the time to hire process. Whilst some of these delays were because of candidate shortages, anecdotal evidence suggested potential new hires had been lost because of recruitment processing delays. Overall, there is a lack of reliable data collected to successfully measure the recruitment process.

## Retention

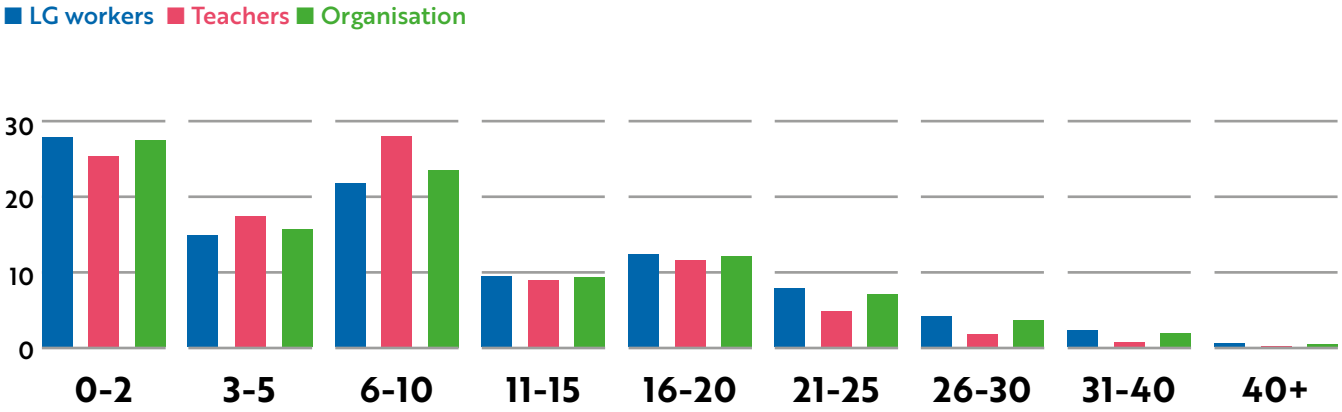
Employee turnover is 9.2% which compares favourably with benchmark data. This rate has stayed low over recent years (see figure 7).

Similarly, length of service data shown in figure 8 compares favourably to the benchmark data from the UK public sector:

- c. 16% of employees have a tenure of less than 1 year.
- c. 20% of employees leave within 2 years.
- 2 to 5 years is the most common length of service, employees, with about 30% of employees staying within this range.
- Typically, 20% of employees have a tenure of 5-10 years.
- c. 14% of employees have been with their employer for 10 years or more.

**FIGURE 7: Staff turnover rate %**

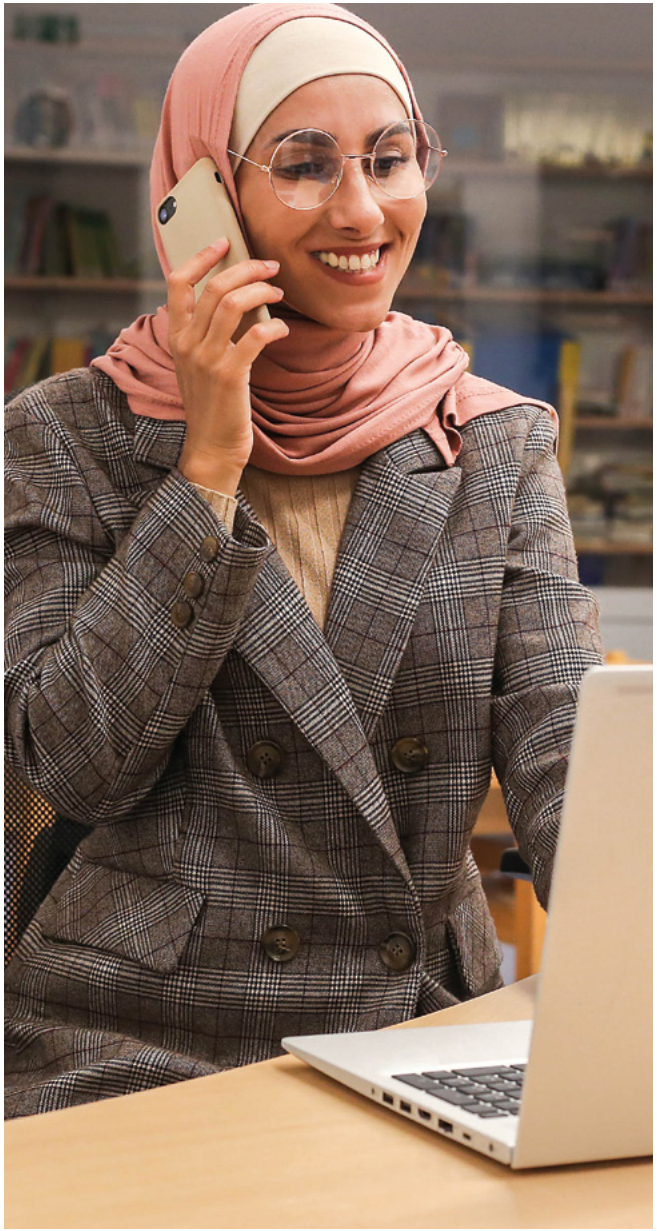
**FIGURE 8: Length of service by pay group and for organisation in %**



There are opportunities here to provide better people management (e.g. improvements to line management practice, onboarding and career progression pathways) to encourage new staff to stay. However, the Council needs to recognise that as a relatively small council there will always be staff moving on to seek development opportunities in other organisations.

## Midlothian's population

Midlothian has relatively low unemployment. For those seeking employment, dedicated support is required to overcome barriers. There is also a high need to support those in employment to secure higher paid employment through access to qualifications etc, especially women who earn less per hour than men and women in other parts of Scotland and the UK. Detailed information is available in the Midlothian Profile 2023/24.



## Summary

### Based on this best information available, the main workforce supply themes are:

- **A shortage of skilled professionals across the range of key professional groups who are essential to delivering Council services (these key professional groups are listed at Appendix 1). This problem is a particular issue in social care.**
- **A need to work with partner organisations to address these skills shortages.**
- **A need to stabilise and improve the organisation's age profile by recruiting and training more younger people.**
- **An opportunity to make the Council an attractive place to work in comparison to other local employers.**
- **An opportunity to capitalise on the population growth in Midlothian to recruit locally.**
- **An opportunity to develop a more diverse workforce and capitalise on new talent.**
- **An opportunity to build on the loyalty and pride staff have for working for their local council.**
- **A need to continue to address the causes of employee absence.**
- **The concerns some staff have about workload.**
- **A need to create a future pipeline of managers and leaders.**

# 05

# Skills Gap Analysis

**This section summarises the skills gap between workforce demand and supply. It identifies a range of long-term strategic priorities and a three-year action plan which is set out in detail in section 6.**

## The approach to gap analysis

The overall approach to the gap analysis was informed by different tools and techniques used in other organisations, including the 7Bs of Workforce Planning. The 5 Pillars of the Workforce Journey was adopted as the framework for the summary analysis (figure 9).

As part of the stakeholder interviews, interviewees were asked about measures to close the gap between future demand and supply. These views have been used to inform the gap analysis set out below.

Evidence was also gathered from other Councils, summary reports such as Transforming Talent in Local Government and Scotland's Local Government Workforce Report 2024, as well as best practice set out in a wider range of HR articles and reviews.

## Summary analysis

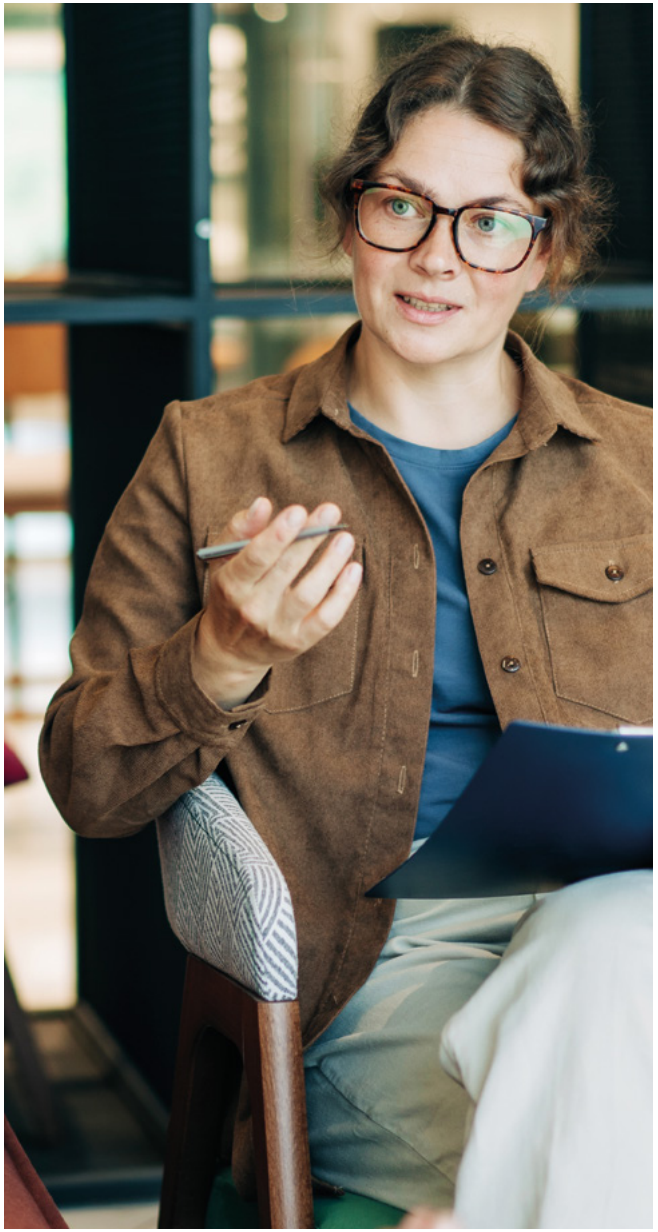
### The analysis below follows the 5 Pillars of the Workforce Journey.

A strategic aim and three measures of success are identified against each pillar. The analysis also refers to the Action Plan set out in section 6 which implements the initial stages of the plan.

This plan should be formally reviewed in quarter 3 of 2026/27 using the success criteria identified, and re-examine the strategic context, workforce demand and supply. At this point a further three-year implementation plan should then be produced.

**FIGURE 9:** The 5 Pillars of the Workforce Journey

| | |
|---|---|
| **Plan** | Evidence and outcome-focussed workforce planning framework |
| **Attract** | To become an employer of choice |
| **Train** | Become a learning organisation |
| **Employ** | Fair work principles continue to be at the heart of what we do |
| **Nurture** | A culture focussing on the health and wellbeing of the workforce and the community we serve |



# Plan

There is currently no co-ordinated standard approach to workplace planning across the Council. The immediate focus should be to put workforce plans in place and integrate these with financial and service plans.

From teachers and social workers to environmental health officers and electricians, the Council relies on a range of professional staff to deliver its services. The demographic profile of many of these groups is skewed towards older workers. Developing targeted workforce plans for these professional groups is essential to providing service continuity. A list of the key professional groups identified is at Appendix 1.

Once these plans are established the Council will be better placed to respond with more agility to changing workforce demands in terms of both skills and numbers, responding to the emerging green economy and the rapid advances in digital technology via redeployment and reskilling programmes. This could include measures such as offering roles for administrative staff in frontline services.

## Plan

### Strategic Aim

**In the longer term this plan will deliver an evidence and outcome-based workforce planning framework that is an integral part of the Council's approach to strategic planning.**

### Success Criteria

- **A named Council officer is responsible for ensuring that Strategic Workforce Planning is part of the Council's Single Midlothian Plan.**
- **All parts of the Council have functioning workforce and succession plans in place.**
- **The Council's approach to workforce planning passes any future external audit.**

# Attract

Post Covid, the Council has found it challenging to attract quality candidates to key professional groups. The fundamental reasons for this are a lack of candidates with the appropriate skills and competition from other employers. Recruitment is treated as a transactional activity often on a vacancy-by-vacancy basis. There is a forecasted population growth with new people with new skills moving into Midlothian. More can be done to capitalise on this change and develop an Employer Brand Proposition (EBP) for the Council focused on the benefits of working for a Local Authority. This should be supported by targeted recruitment campaigns for key professional groups and for the right leaders and managers who can work effectively within this new working environment.

While the Council can act itself to ensure it is the employer of choice locally, it also needs to work collaboratively on a regional and national level to address gaps in key professional groups, particularly in high priority roles such as social work and education. This is about both securing sufficient training posts on university and college courses and providing funding for competitive pay that will enable competition with the private sector.

## Attract

### Strategic Aim

**In the longer term this plan will ensure the Council becomes the employer of choice for the population of Midlothian, by deploying best practice in attracting the best staff.**

### Success Criteria

- **Biannual employee survey to include a question relating to Midlothian being an employer of choice, e.g. *"I recommend Midlothian Council as a great place to work"*. Target an increase in the positive response to this question.**
- **Measure and target a reduction in "average time to fill vacant positions".**
- **Measure and target an increase in "average length of employment of new hires to the organisation".**

# Train

There is a lack of strategic focus on training and development provision across the Council with training activity managed locally with decisions on spending often being taken at a service manager level (the exception is in Social Care and Education). For several key professional groups, the lack of external candidates has precipitated action to set up *"grow your own"* programmes.

Pressure on councils' budgets will continue at least in the short-term and productivity improvements will be needed if services are to be maintained. A key driver will be the adoption of new skills. The current programme addressing the digital skills gap (and in particular maximising the potential of MS software) needs to be built on. In the longer-term, a similar approach will be needed to address the skills required to adapt to the green economy.

The Council needs to work collaboratively on a regional and national level with further and higher education providers, as well as regulators such as the SSSC, to develop a comprehensive *"grow your own"* programme that includes all key professional groups across the Council.

The staff survey results showed an appetite for career development and fostering a learning culture should be a priority. Initially, the Council needs to ensure consistency of access to training across the organisation. The first steps should be to create a network of staff involved in training and development activity.

There is a need to develop managers who can work effectively within this new working environment. Developing common approaches to management should be prioritised. The current Making Performance Matter (MPM) process is not effectively addressing individual development needs (or performance issues) and it should be disbanded and replaced by a development conversation approach learning from the culture of supervision conversations in the H&SCP.

## Train

### Strategic Aim

**In the longer term this plan will enable the Council to become a *"Learning Organisation"*, providing staff with business focussed training and development to equip them with the skills and knowledge required to deliver their best.**

### Success Criteria

- **Biannual employee survey to include a question relating to staff feeling competent in their role, e.g. "*I have the skills to do my job*". Target an increase in the positive response to this question.**
- **Measure and target an increase in "the proportion of employees having a learning plan in place".**
- **Measure and target an increase in "the average hours spent on learning and development activity per employee".**

# Employ

Pressure on Councils budgets will continue at least in the short-term and productivity improvements will be needed if services are to be maintained. Effective and supportive line management will be key. Management development initiatives were discussed above and these should be introduced together with a consistent application of line management behaviours founded in Midlothian values, and measures to improve induction and on-boarding.

Managers and trade unions stressed the importance of the Fair Work agenda in retaining staff and ensuring that they felt valued and rewarded. Trade unions understandably want better pay for their members but recognised the difficulties of the current financial climate. There are some pressure points where Council pay appears to be out of step with external market rates, and there are other roles where other local councils paying higher salaries for similar work. A robust and equitable pay and grading system is an essential part of Fair Work, but a limited review of the system should look at the application of market supplements and the potential for regional pay equalisation. This would require collaborative working with the region's other councils. The Council should review all fixed-term contracts and consider offering full-time contracts except where there is a valid reason e.g. maternity cover.

There are societal pressures for more flexible working while, in some areas service demands are placing existing arrangements under pressure. A review of the flexible working offering should be carried-out, including the embedding of recent changes to hybrid working arrangements. The aim will be to strike the right balance, while maximising flexible benefits as a retention tool.

Work should continue with other councils to implement additional programmes of shared services. A specific action should include an exploration of the scope for a Lothian-wide Services company. All shared service initiatives should include working closely and constructively with staff and trade union colleagues to ensure that Fair Work principles are adhered to.

## Employ

### Strategic Aim

**In the longer term this plan will ensure Fair Work principles continue to be at the heart of management practice, ensuring staff are, and feel, valued and rewarded.**

### Success Criteria

- **Biannual employee survey to include benchmark questions from the Working Lives Matter survey of Fair Work in Scotland. Target an overall increase in the positive response to these questions v responses from overall survey responses.**
- **Biannual employee survey to include a question relating to staff feeling rewarded and valued in their role, e.g. *"I am rewarded fairly for my work"*. Target an increase in the positive response to this question.**
- **Measure and target a decrease in employee turnover.**

# Nurture

Large parts of the existing workforce are under pressure to deliver more with less. The result is a workforce who are tired and suffering from change fatigue. The vision of the Transformation Blueprint needs to be consistently reinforced to staff. A staff engagement plan to ensure employee voice is heard and responded to is needed as a priority. This should include regular supportive line manager conversations (see above), regular staff surveys, and improved internal comms channels. There should be a continued focus on a staff wellness and the provision of a "fit for purpose" working environment.

Supporting these approaches there needs to be a programme focused on the feelings of pride aimed at creating a distinct identity for Midlothian Council as a place to work and live. This should include service areas and professional groups creating a more demographically balanced workforce that reflects the communities they serve. This work should involve all staff in defining the behaviours that underpin the Council's values and making them live.

Effective leadership will be key to supporting this behavioural change and a programme of leadership development is needed to ensure existing and future leaders can work effectively within this new working environment.

## Nurture

### Strategic Aim

**In the longer term this plan will create a workforce and leadership culture focusing on the health and wellbeing of a demographically balanced workforce that reflects the community it serves.**

### Success Criteria

- **Biannual employee survey to include a question relating to staff feeling rewarded and valued in their role, e.g. *"My immediate manager cares about me as a person".* Target an increase in the positive response to this question.**
- **Measure and target a decrease in employee absence.**
- **Measure and target a reduction of the average age of employees from 44.5 to 42.5 years old.**

# 06 Action Plan

## Plan

- Train and roll-out workforce planning process with the development of financial and service plans. Financial planning assumptions should reflect the prioritisation actions within the local workforce plans (i.e. to support training, new recruitment, retention etc.), so that investment is made in areas that will make the greatest impact, leading to long-term workforce sustainability.
- Train and roll-out succession planning / talent process, including knowledge management.
- Pilot Key Professional Groups approach – each with Professional Manager responsible for workforce development and annual reporting requirements for their group.
- Professional Managers to also form a network.
- Regular HR Management Information Reports to all Service Managers about their staff, covering e.g. absence, turnover, FTE etc. Including trends and targets.

## Attract

- Develop a unique Employer Brand Proposition – making the Council an employer of choice – stress *"supporting your community"* element, benefits (including pension) and flexibility.
- Targeting recruitment campaigns at key professional groups – recruiting both seasoned professionals and those new to profession (include career maps). Continuing and co-ordinating existing work involving CLLE.
- Update recruitment process more generally – seek to improve cycle time and quality of recruits – (possibly run as a DMAIC project).
- *"Flying finish"* campaign to encourage older workers to stay in the Council, potentially in different roles.
- School leavers / Year 5 to work in care for 6 weeks summer placements.
- Improve Supply Banks for Teachers and Social Workers – look at creating a Regional Bank with other local councils.
- Pilot *"development promotion schemes"* allowing individuals to take the role at next level on a development basis with fall back provision.

## Train

- Grow Your Own Work with education providers to develop a programme of entry level apprenticeships (or degree programmes) across a range of key professional groups. Steps – 1. Identify appropriate groups, 2. Identify appropriate education partner at right level.
- Work with local schools to promote careers in these Grow Your Own routes.
- Replace MPM with development conversations approach which link to workforce / succession plans. Build on culture of supervision in H&SCP. Include how performance improvement and absence management policies interact with new approach.
- Develop a management development programme (building on work in Place with APSE, Leadership work in Education's Professional Learning Academy (PLA) and in the H&SCP) build on start made with Management Forum.
- Programme to support staff returning to the workforce with caring responsibilities to train to obtain job related qualifications – links to Equally Safe at Work accreditation.
- Consistency of access to training funds and time off for study across the Council.
- Explore creating an in-house Green Economy Skills programme (similar to Digital Skills Programme).

## Employ

- Review all fixed-term contracts and consider offering full-time contracts except where there is a valid reason e.g. maternity cover.
- Limited review of the pay and grading system should look at the application of market supplements, overtime rates, the potential for regional pay equalisation and *"one stop shop"* roles.
- Update induction / on-boarding process.
- Explore creating a Lothian-wide services company (like Tayside Contracts).
- Review of the flexible working offering should be carried-out, including the embedding of recent changes to hybrid working arrangements. (The aim will be to strike the right balance and maximise flexible benefits as a retention tool).
- Establish a Midlothian way to manage that is applied consistently across the Council – based on defining the behaviours that underpin the Council's values and making them live.

## Nurture

- Complete roll-out Health and Wellbeing programme – programmes targeted at reasons for absence in particular areas e.g. cleaning, teaching and social work.
- Programme focusing on positives of working for Midlothian – build on feelings of pride and loyalty - based on defining the behaviours that underpin the Council's values and making them live.
- Leadership training programme to support behavioural change (possibly with other councils).
- *"You ask – we did"* Staff Engagement Plan to ensure employee voice is heard and responded to, including regular supportive line manager conversations, biannual staff surveys, improved internal comms channels etc.
- Equality programme – encouraging diversity and inclusion (services should reflect community – tend to be very gender biased e.g. female in social care, male in waste) include Sponsoring BME teachers (GTC scheme).

# Appendix 1: Key Professional Groups

## Health and Social Care

1. Social Workers – Adult Services
2. Social Workers – Children's Services
3. Community Care Workers - Adult Services
4. Community Care Workers – Children's Services
5. Occupational Therapists
6. Mental Health Officers

## Education

1. STEM Secondary School Teachers
2. Other Secondary School Teachers
3. Primary School Teachers
4. Senior Teaching Leaders (Head Teachers, Deputy Head Teachers and Quality Improvement Managers)
5. Learning Assistants and Additional Support Needs
6. Educational Psychologists
7. Early Years Officers
8. Youth Workers

## Rest of the Council

1. Planners
2. Environmental Health Officers
3. Building Standards Officers
4. Mechanics (including EV Mechanics)
5. Legal Professionals / Solicitors
6. Procurement
7. Clerks of Works
8. Construction Project Managers
9. Drivers
10. Accountants
11. Generic Project Managers
12. Housing Officers
13. HR Professionals
14. Painter / Decorators
15. Plumbers
16. Joiners
17. Electricians
18. IT Support
19. IT Development

# Your notes

Midlothian

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