Workforce Strategy

MIDLOTHIAN COUNCIL

2017 – 2022

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Vision – 'A Great Place to Grow'

To achieve the Council's vision and priorities it is vital that our workforce is more diverse, flexible, skilled, engaged and motivated than ever before. We need to build on the strategies that we already have in place. Our emerging change plan aimed at addressing the financial challenges to 2021 / 22 will enable us to identify and address the actions necessary to respond to challenges ahead and secure financial sustainability. Together with this workforce strategy we will be in a much stronger position to deliver on our commitments to our communities.

Purpose

The purpose of this workforce strategy is to ensure Midlothian Council has a workforce that delivers positive outcomes for the people of Midlothian. It sets out our approach to reshaping, supporting and developing our workforce now and in the future and is underpinned by the Council's values and vision.

The Audit Scotland report "Local Government in Scotland: Performance and challenges 2017" reminds us that with reducing budgets and workforces, the Council will find delivering improvements increasingly difficult. It is critical, therefore, that we set long-term strategies and plans that target effort on priority areas.

Midlothian is the fastest growing council area in Scotland, we are a transforming area and we must lead this change with our partners and communities.

This strategy will ensure we have the right people at the right time and who have the right skills, knowledge and attitude to provide services confidently and competently. Specifically it will:

- Provide the foundation for the organisational culture we need to sustain;

- Give clarity to our people and future employees of our commitment to them and our expectations of them;

- Ensure our workforce plan is aligned with the policy direction, the Council plan and our Delivering Excellence programme

- Support leaders and managers to give clear direction to our employees and contribute to the success of the business of the Council

This paper is the first stage in outlining the organisation's workforce strategy to ensure the Council has the people and skills to manage change and deliver services. Service workforce plans will provide forecasts of future workforce and service specific actions to ensure these resources are in place.

This paper provides some background context regarding the workforce challenges, summarises the workforce themes and high level actions and provides a profile of the current workforce. The next stage will be to further develop these proposals in to detailed delivery actions.

Midlothian Council Workforce - Strategic Overview

Midlothian Council, along with all local authorities, has experienced and will continue to experience significant challenges. By adopting a transformation approach, we have become more efficient and at the same time we have delivered changes which result in improvements to the way we work, the services we deliver and the quality of life experienced by local people. These changes are evidenced in the delivery of new affordable homes, new schools, improved recycling rates, improved positive destinations for school leavers and the arrival of the Borders railway. In addition we have successfully delivered significant changes and improvements in services to protect children and vulnerable adults. All of this has been achieved despite resource constraints.

The next iteration of the transformation programme is a key element of the Financial Strategy to ensure that available resources are as far as possible targeted on the delivery of improved outcomes, particularly against the key priorities.

This will involve progressing the activities from the following key components for the next phase of transformation:

1. **Services with Communities** – there is a clear need to change the relationship we have with communities from a paternalistic one focused on service provision to one based on partnership and co-production.

2. **Entrepreneurial Council** – covering property development, income generation, assets, energy, commercial opportunities etc

3. **Digitally-led transformation/Customer Service** – we want to be at the forefront of digitally enabled change which may connect with the next phase or acceleration of customer services transformation.

4. **Shared Services –** as a result of the current climate of reduced public spend and growing pressures on public services for the foreseeable future, service sharing and collaborative working will be a key consideration for options available to sustain services

A strategic narrative for each of the key transformational components follows:

1. Services with Communities
The financial challenge ahead forces Midlothian Council to think differently about how we engage and work with our communities.

Midlothian Council needs our communities to help us deliver our ambition of Midlothian - Great Place to Grow. We need to engage communities in the financial challenge ahead and where we plan to withdraw or reduce service delivery, we need to ensure we include them in that discussion and ask what they can do to assist in their own Communities. Volunteering can be a powerful driver of personal, social, economic, cultural and environmental change, in Midlothian we have a strong track record of active volunteering

across the voluntary, public and private sectors. This involves large numbers of dedicated volunteers of all ages and a wide variety of volunteering activities such as countryside activities, community gardens, lunch clubs and cafés, health and wellbeing activities and sports clubs, galas and events, community hospital volunteers and broader befriending and mentoring activities.

As a Council we need to be honest and engage our community as we go ahead. We have a £1m savings target against the Services to Communities Board by 2021/22 and this is possible if we rethink our approach to working with communities. All of this fits with the legislative requirement to include communities in the decision making process through the Community Empowerment Act and it would benefit the Services to Communities Board to change its name to Services with Communities to show this change of direction going forward.

2. Entrepreneurial Council

A key focus going forward will be contributing to the overall Midlothian economy by developing, delivering and providing a range of high quality, value for money entrepreneurial (commercial) services in partnership with:
- Local Companies
- Other Public Bodies
- Residents and Householders
- Private developers

This transformational component will be taken forward with the following deliverables in mind:
- To generate surplus for reinvestment within services and/or to support other Council priority services.
- To maximise the use of the workforce, buildings, vehicles, equipment and digital assets in providing services.
- To develop the skills of the workforce to enhance their jobs and to allow access to new markets.
- To develop and explore partnerships initially within and in the future build on partnering arrangements beyond Midlothian.
- To optimise and spread fixed costs over a greater cost base.

In line with challenges previously identified the need to become more commercial is driven by a need to respond to:
- The unprecedented level of funding cuts facing the Council and Public Sector.
- The significant impact of funding cuts on non statutory services currently provided by the Council.
- The need to develop working partnerships with Midlothian companies and other organisations.
- The need to develop staff and managers and the requirement to retain a critical mass to ensure the continuity of essential services.

In order to build on the commercial activity and work undertaken to date by the Council it will be necessary to:

- Enable, develop and support a commercial culture with a focus on customer or client (not always Council).
- Concentrate and focus on core commercial activities and undertake a review of non commercial functions.
- Establish a team of key staff to assess identify and exploit opportunities using a range of skills and services.
- Enable the "sales force" to explore and develop new ideas and opportunity for business.
- Explore opportunities that incentivise staff to excel and exceed expectations.

All entrepreneurial and commercial endeavours should be underpinned by a robust governance framework and developed and supported with an appropriate business case and professional and technical advice. Whilst entrepreneurial activities will align with council aims and values, elected member support and buy in will be key to successful delivery.

3. Digitally-led transformation/Customer Service

As one of the fastest growing areas in Scotland, Midlothian has a projected population increase of 23.1 % by 2039 compared with 2014. Accordingly the Council cannot support more customers using the current resources, systems and processes.

Customer self-service can help deliver some key services without customers dealing directly with a member of staff and could truly transform the way we deliver services.

We can be a leader in the delivery of online services and there is still significant potential to transform the way we work. The Digital Strategy Group is already managing a portfolio of projects, which could help deliver additional online customer services:

- CRM (joint procurement with East Lothian Council)
- MyAccount authentication and single sign on
- Online housing applications
- SEEMIS (parent portal)
- Review of online payments provider
- Online school payments
- Leisure booking and leisure payments

It is recognised that additional components are required to have a complete customer online experience and these include:
- A Customer Portal (where a customer logs on through our website is recognised and can complete a customer journey which is truly a transactional end to end customer journey)
- SEEMIS (parent portal)
- Integration with back end systems (e.g. Council Tax, housing, etc.)

The creation of an agreed roadmap to secure future technical sustainability of our online customer presence will:

- Provide the tools and resources to transform Midlothian into a true 'Digital by Default' organisation
- Maximise efficiencies which can be made from implementing a mature, end to end solution for customers
- Require robust governance through the Customer Service Project Board of a project/programme of work which may span 3-4 years
- Not deliver In-house process efficiencies immediately and will require processes to change to realise savings in time

4. Shared Services

The shared service element for transformation will be informed by a number of key principles previously identified for Shared Services and Collaborative Working by CIPFA in 2010 as follows:

- Service sharing and collaborative working, where they are relevant, will normally be used in combination with other methods, such as system thinking and process redesign.
- Making shared services happen will demand leadership and drive from those at the top of the organisation, this means senior executives and elected members.
- Partners need to understand where they are – in cost and performance terms – before embarking on change, and benchmark with peer organisations. This will provide an early assessment of the scale of opportunity.
- There is no 'right' option for or pathway into service sharing. Some organisations will choose to collaborate in a range of different partnerships where different services feature in each case, others will instead decide to work in more broadly based relationships, sharing a wide range of services with just a fixed group of other bodies.
- Collaboration models and vehicles will vary from case to case. In some instances this may mean working with organisations from other sectors, including commercial bodies. Legal requirements, among other things, will determine which model/vehicle is best suited to carry any partnership forward.
- In sharing services, the underlying processes will usually need to be simplified and standardised before they are consolidated in a single shared service. In doing this, processes will be redesigned on an 'end-to-end' basis, with 'process owners' taking responsibility across the whole service in question.
- Parties to the collaboration may need to migrate to a common technology platform (for instance, a finance or HR system), to remove the complexity and inefficiency that multiple systems might cause.
- Not every process or service will be open to sharing. Much will depend on the strategic significance of the service in question and the need for it to be tailored to local requirements.
- Processes and services that are shared will tend to be either;
  - 'transactional' or 'rules-based' – involving standard, repetitive activities (such as processing invoices or accounting journals) that can be grouped together for processing efficiency; or

      o   'competency-based'. In the latter case the work in question is likely to be brought together as part of a centre of expertise, which may allow for a range of specialist skills to be combined as part of a single unit e.g. Technical Services

- While there is a range of risks and legal issues to be addressed in sharing services, given political will and the willingness to invest resources, these can be dealt with in a managed way. They should not be seen as insurmountable barriers to change

Investing in our Workforce

2016 saw a collective agreement secured to deliver the Investing in our Workforce project, this represented a £2.67 million investment to tackle in-work poverty and to make Midlothian Council an employer of choice. This delivered the opportunity for us to support service change and transformation, to focus on customer needs and to enable us to Deliver Excellence through creating the conditions for increased employee productivity and flexibility.

Our commitment included:

o   Increasing base salaries of our lowest paid workers, and so reducing in-work poverty;
o   Improving work-life balance through reducing reliance on non-contractual overtime;
o   Increasing annual leave entitlement and giving greater flexibility as to when leave can be taken;
o   Making earnings go further through the provision of a range of non-financial benefits;
o   Working with the Trade Unions to provide increased life-long learning opportunities.

In return for this investment, we expect to become more effective through increased flexibility and improved productivity and performance. We continue to work on creating the conditions for the increase in performance and productivity and the actions in this strategy support future cultural change.

As part of the Investing in our workforce project we have revised our suite of People Management policies, designed to promote increased flexibility and employee productivity. These policies provide our managers with the tools to help them manage their service in a more effective and consistent way. The principles of these policies were agreed through the Collective Bargaining negotiations with the Trade Unions.

The foundation for our People Management policies is the Code of Conduct which outlines the standards of behaviour we expect from our employees. In line with our vision of Midlothian – 'A Great Place to Grow', the Code of Conduct outlines the working environment we want to nurture in Midlothian.

Midlothian's vision of 'A Great Place to Grow' has been developed and agreed with our community partners. It represents our desire to support the communities of Midlothian to grow and prosper for the future. 'A Great Place to Grow' is about building success for the future. For employees in the context of workforce planning we hope this mean that Midlothian is a great place to work and grow a career.

In order to support the 'Great Place to Grow' vision we have outlined the behaviours expected from all employees. There are 3 key areas of focus:

- Community   how we work with our service users and partners

- Colleague   how we work with each other

- Culture   how we do things in the Council

These behaviours are core for us all as we make Midlothian 'A Great Place to Grow'.

The Midlothian Labour Market

Research carried out by the University of Glasgow Training and Employment Research Unit in 2016 provides us with data on the Midlothian labour market and makes forecasts regarding the future supply and demand of the workforce in the future.

The key findings of the Midlothian labour supply analysis are:

1. Midlothian has a growing population and it benefits from its proximity to Edinburgh and lower cost of housing. However, this hides the fact that many young people move away from Midlothian for study and/or employment, while Midlothian has a growing older population which will place greater pressure for services and demand on health and social care workers.

2. The number of economically active working age residents is comparable to other areas but, on average, Midlothian's residents are less highly qualified and work in lower skilled occupations,

3. There are also approximately 5,500 working age residents who are not working and it is important that there is the skills and employability provision available to also support their entry and progression into future labour market opportunities.

These findings underline the need to develop interventions to address our future workforce needs, particularly in the areas of projected future growth. There will be substantial employment growth in health, social care and early year care. This is due to the aging population and early years due to the Scottish Government policy to increase hours of funded childcare (1140 hours by 2020). The projected increase in jobs in Midlothian between 2014-2024 is 300. The report highlights that there are already difficulties in recruiting to care roles.

Ref - University of Glasgow Training and Employment Research Unit: Midlothian Workforce Planning Study, June 2016

The following workforce themes focus our attention on our workforce priorities to deliver positive outcomes for the people of Midlothian. It sets out our approach to supporting and developing our workforce now and in the future and is underpinned by the Council's values and vision.

Midlothian – a Great Place to Grow

Our People Deliver High Performing Services	We Build an Entrepreneurial Council for the Future	We Demonstrate Strong and Consistent Leadership	We Promote Equality, Diversity and Fairness
• Terms & Conditions • Performance • Recruitment & Retention	• Reshaping the workforce • Health & Social Care Integration • Early Years Expansion	• Building leadership capability • Digital leadership • Delivering Excellence	• Employee Relations • Equalities Monitoring • Managing an ageing workforce
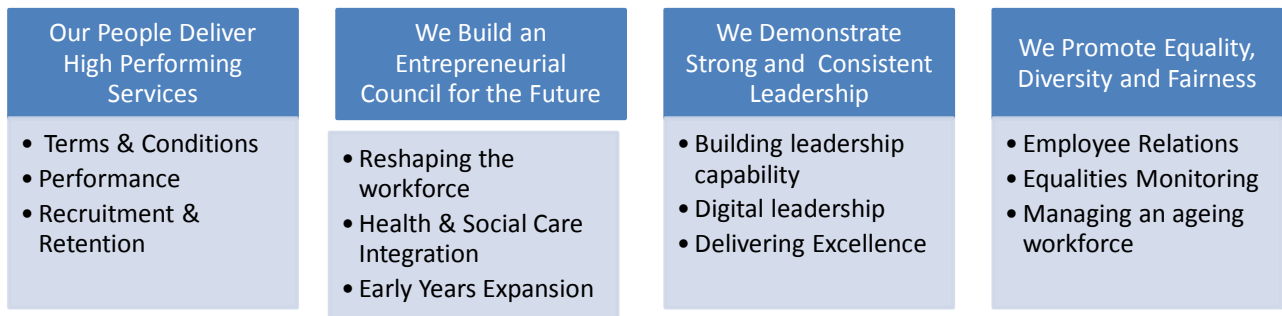
Our People Deliver High Performing Services

In order to be able to attract and retain high performing employees we will continue to provide a package of terms and conditions* that positions us as an "employer of choice". As 65% of our employees are resident in Midlothian, maintaining employment also serves to support the local economy.

As part of Investing in our Workforce we reviewed the following People Policies:

- **Maximising Attendance at Work focuses on the importance of employee wellbeing and an employee's personal responsibility for their attendance levels. It also details the process that will be followed when an employee's attendance falls below the standards expected.**
- **Disciplinary Procedure details the process to be followed when the high standards of behaviour and conduct expected of a Midlothian employee are not adhered to.**
- **Resolution Procedure aims to resolve workplace issues in a constructive and timely manner drawing on the principles of fairness, mutual respect, empathy, dignity and open discussion.**
- **Policy for Organisational change outlines the steps to be taken as the Council embraces change.**

In October 2017 Council agreed to adopt a policy of avoiding compulsory redundancies and to revise the policy for organisational change (Local Government wokrers) as a consequence of this. The new policy framework , A "Policy for Managing Change" is being developed with the aim of implementing this for 1 February **2018.**

We will continue to review our other People Policies to ensure that they are fit for purpose and provide managers with the tools to increase flexibility, productivity and drive service performance.

We will continue to consult with Trade unions partners locally and through the national arrangements which determine a range of terms and conditions of services across Scottish Local Authorities.

Local engagement with Trade Unions is via the Joint Consultative Group supported by the Corporate Joint Working Group (for Local Government workers) and the Midlothian Negotiating Committee for Teachers.

The following work strands will support this theme:

- Ongoing development of non-financial benefits scheme for Local Government workers

- Review of employee travel arrangements – via a policy on travel options which promotes sustainable travel models. Managers will ensure only necessary and economical journeys are taken
- Review of "Investing in our Workforce" project
- Promoting Healthy Working Lives, including attendance management

The Council's package of terms and conditions include:
- A career average pension scheme
- Competitive holiday provision
- A variety of flexible working opportunities including flexi-time, part-time, term-time and compressed hours
- Paid sickness absence
- Non financial benefits – including option to buy additional leave (not applicable to Teachers T&C)
- Access to the employee assistance programme
- Access to physiotherapy services
- Access to Occupational Health Service
- Access to Salary Sacrifice Scheme i.e. Childcare Vouchers

Workforce Theme: Employee Performance

We will reinforce a strong performance culture in our Council. This will be enhanced by ensuring that high performance is recognised and valued, particularly where people find new and better ways to improving services and individual outcomes. Appendix 11 of this report details the Local Government workers performance ratings for the year 2016-27 and indicates that, in almost all cases, manager's rate their employee's performance at a good, high or outstanding level. We need to make sure that these ratings are a true reflection of individual performance and that we see the results of this in increased employee productivity and increased efficiencies in service delivery.

For our teachers, the GTCS introduced, in August 2014, a new system of Professional Update for all professional groups working under the Scottish Negotiating Committee for Teachers (SNCT) conditions of service. Employees are subject to an annual review with a Professional Update every five years. However, PRD is an ongoing process and should not be seen just as an annual review. It is based on "support and trust" within an atmosphere of trust and collegiality. Self-evaluation of professional skills and abilities is at the heart of the PRD process with a strong emphasis on the GTCS Professional Standards. This leads through discussion with the appropriate line manager to the identification of personal and professional needs to be addressed through professional learning.

Supporting attendance at work will continue to be a priority for us in order to ensure service delivery levels and to minimise the impact of absenteeism on other employees. We will

continue to develop robust workable processes that ensure our employees are clear about what is expected of them and how their performance and effectiveness will be measured. Sickness absence levels for April 2016-17 are detailed in Appendix 10 of this report and allow comparison between services. This report also highlights areas were efforts to manage absence levels seem to be paying dividends, such as in Education.

The following work strands will support this theme:

- Review of the Performance Management Framework to ensure a more effective approach that is used by all managers to drive improved services and drive productivity improvements
- Continued focus on Maximising Attendance at Work through consistent application of the policy and actions to support employees to be present and productive at work. Corporate absence targets will be set by services each year.
- Continue our commitment to the health and wellbeing of employees through maintaining our Healthy Working Lives Gold award; provision of Occupational Health service, Employee Assistance Programme, Physiotherapy services and Mental Health First Aid.
- Effective use, and review, of the suite of People policies designed to provide flexible support for managers to drive high performance in their teams
- Recognise the importance of Employee Engagement on employee performance and support the "Engaging Managers" programme actions to improve employees experience at work. Engaged employees feel valued, have a passion for work and often go the extra mile to benefit the organisation, resulting in an additional 20% productivity through an increase in discretionary effort.
- Health & Safety will be pro-actively managed and supported, given a high priority and the recording of all concerns reported on the RIVO system.
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Workforce Theme: Recruitment and Retention of Employees

We must ensure that council services are as well resourced as possible by making the Midlothian employment package as attractive as possible and deploying the appropriate recruitment strategies.

On occasion, we may need to implement a recruitment freeze for some roles, to enable us to rebalance the workforce structure in times of transformation. Where a recruitment freeze is in place and there is a continuing need to recruit to specific posts, for example to ensure continued delivery of key services, recruitment will be determined by the Corporate Management Team. This is likely to take the following factors into consideration:
- Filling of essential posts
- Investing in our Workforce Commitments
- Reduced reliance on agency / contractors

- The need to fulfill our Positive Destinations commitments
- The effect on employee morale and engagement

We will achieve this is conjunction with our move to generic job outlines.

Our recruitment strategy should allow us to target activity to resourcing the areas of future growth of services, and potential workforce shortages, such as "Early Learning and Childcare" workers, "Care at Home" workers and Head Teachers/ Teachers.

Service-level workforce plans contain a detailed breakdown of vacancies advertised and filled, thereby we are able to identify specific "hard to fill" posts and devise specific strategies to ensure we can resources our services.

The following work strands will support this theme:
- Redesign of the recruitment process to be effective and cost efficient and allow us to secure the best candidates, including use of social media such as LinkedIn
- Service-level recruitment strategies to support growth areas and "hard-to-fill" positions
- Reduce reliance on casual staff / paying premium rates for overtime (as per Investing in our workforce) through additional recruitment
- Expand use of secondments and trainee posts to build talent and succession opportunities
- Follow the recommendations, to Corporate Management Team, by the "Growing our Talent" project group to introduce a flexible employability support framework which will provide opportunities for young people and adults with barriers to employment locally.
- Investigate creative and innovative approaches to bringing in talent
- Review leavers profile to identify any patterns or retention issues
- Further develop Job Families approach to enable the creation of a flexible, generic workforce

We Build an Entrepreneurial Council for the Future

Workforce Theme: Reshaping the Workforce

As outlined earlier in this strategy the shape of the workforce is changing and needs to continue to do so to reflect the changing requirements of services. Some areas will experience growth in workforce numbers, such as Early Learning and Childcare and Adult social care, whilst others will inevitably constrict.

We recognise that workforce costs are by far the largest element of the budget and we must ensure we are targeting our resources to the best effect.   Our approach to reshaping our workforce must be firmly grounded through our approach to workforce planning, at both a corporate and service level, thereby understanding our future workforce demands and supply.

The new policy for managing change will provide the framework by which organisational change is undertaken, it will include provisions in relation to redeployment and redundancy. Further details are set out below .

Appendices 6,7,8,9 detail the breakdown of leavers over the last year and highlight the relatively low level of natural turnover in our employees. This must be taken into account as we plan to reshape services and pro-active strategies may be required in certain areas.

Work strands that support this theme are:

- Secure additional savings to address the financial pressures in 2017/28 and contribute to reducing the budget gap 2018/19 through operating a Voluntary Severance Early Retirement scheme in the autumn of 2017 in accordance with the existing VSER policy framework.
- Reviewing the Organisational change policy to reflect an aim to avoid compulsory redundancies, thereby:
  - Allowing the Council to adapt and change its workforce to meet changing needs.

  - Providing a route to retain talent and skills and secure alternative employment for colleagues in a potential redundancy situation.

  - Avoiding increasing the redundancy and pension paid to employees who could otherwise be redeployed and at the same avoid recruitment costs for replacements.

  - Delivering on the Council's legal requirement to try to find suitable alternative employment within the organisation for employees in a potential redundancy situation.

  - Allow the Council to dismiss employees by reason of redundancy only if all other options have been explored and proved fruitless. This would ensure the Council can effectively avoid any over capacity in its workforce as required.

- Service redesign: the service review and continuous improvement agenda is supported by the Delivering Excellence Framework, which includes the need to consider a range of service delivery models. Service planning is also informed by the Single Midlothian Plan which ensures a focus on agreed priorities and desire outcomes.
- Development of effective use of this corporate workforce plan and service-specific Head of Service workforce plans (and resource forecasting) as an important tool to deliver change and strengthening the link to service and financial planning.
- Continuing to progress the job families approach to provide a flexible generic workforce pool that can be deployed to across the organisation as needs arise.

Workforce Theme: Health and Social Care Integration

There are three major continuing challenges in the delivery of health and social care services in Midlothian:

- Growing and Ageing Population: The population is growing rapidly-a 26% increase by 2039. The number of people over 75 years will double over the next 20 years. People with long term disabilities and complex health conditions are living much longer.
- Financial Pressures: Despite growing demand, social care and health are facing real cuts in budgets. The significance of this challenge was recognised by Scottish Government in 2016 providing additional ring-fenced social care funding to Local Authorities; in Midlothian this was £3.4m.
- Workforce Pressures: Despite changes to terms and conditions such as guaranteed hours and the Living Wage, recruitment and retention is a growing problem, particularly in the field of care at home. This is a high risk area with many people in need of social care support not receiving it during 2017-18.

A Health and Social Care workforce plan is being prepared for the Midlothian Integration Joint Board which captures specific actions with respect of the workforce, within the Council, NHS and the independent and voluntary social care partners. This will provide focus for recruitment and retention activities in all areas of health and care. Actions are identified at local / Pan-Lothian /Regional and National level.

The draft plan highlights the need for investment in the following:

1. Investment in effective Workforce Planning for the long term will have significant benefits, embedding this in the day to day practice of managers and leaders, actively working on succession planning
2. Sustained investment in learning and development, giving our employees the skills to support them to innovate and giving them permission to do so will enable trust and confidence in our workforce, giving employees the opportunities, tools and skills to think and act differently.

3. Developing new models of integrated working and new forms of contracting to support these.
   o Working together is essential to success – through co-location, through shared learning, sharing information, understanding roles and having honesty and trust in professionals at all levels in all sectors.
   o Scoping out an Alliance approach to Care at Home service provision to address challenges around recruitment and direct provision of care hours, including night time supports.
   o Putting into practice our desire to work closely with Communities, investing in an approach which really makes use of community assets
   o Working with inequalities and diversity in each unique community within Midlothian
   o Developing and implementing new roles already tested out, such as peer support in Substance Misuse, across other service areas.
   o Creating a greater integration between Statutory and Voluntary and Independent Sector agencies. We must break down the barriers that prevent good outcomes

Workforce Theme: Expansion of Learning and Childcare (ELC)

Scottish Government recognises the importance of access to early learning and childcare (ELC) is crucial to improving children's outcomes. In a drive to close attainment and inequality gaps the government has pledged to double the entitlement to free ELC to 1140 hours per year by 2020 for all three and four year olds and eligible two year olds.

Local Authorities will play a major role in much of the delivery of the increased ELC provision (46% of the ELC services in 2015) and the Council must ensure we are in a position to be able to meet the requirements of this increased demand. This will require creative and innovative approaches to managing the available resources, including workforce.

A working group has been formed to consider the workforce issues and will report specific actions. The workforce plan for Head of Education will also detail future projections and impact in workforce.

We Demonstrate Strong and Consistent Leadership

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Workforce Theme: Building Leadership Capacity

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Successfully meeting the challenges that the Council faces will require strong and consistent leadership at all levels to drive the transformational and organisational change within the council and across our partnerships, ensuring Midlothian is a "Great Place to Grow". Our leaders need to work to support and reinforce the culture we need across all of our services and our entire workforce to achieve our vision.

Clarity of direction, supporting and engaging with others whilst positively managing risk through change, will be vital to ensuring a positive working environment for our employees. Our leaders will take responsibility to ensure that our people continue to be customer focused, motivated, skilled, and confident as our services transform, including taking ownership of their own development, including performing to the Delivering Excellence – Talent Management leadership competencies standards.

The following work strands will support this theme:

- Building "one-council" leadership through quarterly Leadership Forum sessions, focusing on sharing the vision, driving change and improvement
- Continue and develop the Midlothian Leadership Pathway development programme at all levels of leadership
- Implement Engaging Managers programme to support employee engagement
- Use of 360 degree feedback, leadership competencies and development coaching as part of performance management
- Conducting a review of management structure
- Reinforcing our vision through driving our internal communications strategy to ensure employees are well informed on the organisation's priorities and progress and thereby positively impacting employee engagement.
- Develop and implement a succession planning framework to ensure we have a internal talent pipeline for the future

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Workforce Theme: Digital Leadership

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We want to be at the forefront of digitally enabled change which will connect with the next phase or accelerations of customer service transformation. This will require cultural change to transform Midlothian into a true "Digital by Default" organisation.

To achieve this vision it is important that all leaders and senior managers are aware of this transformation programme so that they can support and help initiate the required service changes to improve the customer experience and to drive savings and efficiencies.

Specific actions will be driven by the Digital Strategy Group and include:
- Actions to build digital skills capability throughout services
- Actions to facilitate a "mind-set" change from the traditional approaches to service delivery to a more technologically-enabled service provision

Workforce Theme: Delivering Excellence and Talent Management

We will develop our employees to ensure we have a source of talent for both current and future roles, with particular focus on opportunities to bring in young people, developing leadership talent and providing attractive career options in areas of potential workforce shortage. We will identify our leadership talent and strengthen succession planning pipelines. In order to drive our key transformation projects, we will identify key individuals who have the drive and potential to deliver change in the organisation.

Through developing a coaching culture across the organisation we will enhance the development opportunities of all, and reinforce the manager's role in individual development. We will encourage, and facilitate, a mentoring approach to increase leadership effectiveness.

Our talented employees will look for succession planning opportunities and we need their resources to drive forward business change and innovation. We will ask those employees who are in the career talent pipeline to work with our most senior managers to deliver on innovative and transformational projects. We will aim to have a group of potentially 6-8 talented managers (3/4 tier) who have already demonstrated they have the ability to innovate and perform to a high standard. They will be ambitions and committed to working alongside a group of peers focused on delivering a change programme for Midlothian Council with deliverables within a three year period.

The opportunity to innovate will be viewed as a succession planning opportunity, and as such the necessary development opportunities will be given to the group and a development budget will be agreed in advance. This development might include external individual and group coaching / mentoring. An individual development plan for each of the group members will be agreed at the start of the process and reviewed at the end. Members of the group will aspire to Head of Service positions.

The work streams that will develop will take the following into consideration:
- importance of planning well for a growing population and growing local economy,

- be focused on the outcomes and open minded about all possible ways of delivering them and all possible partners who can help do so,
- Recognise its resources and capacity are very important but that wider community, public and private resources also need mobilised behind outcomes.
- Be strategically opportunistic in mobilising resources and improving opportunities and outcomes for Midlothian's communities.
- Support and empower employees to develop new roles and new relationships with communities**.**

Applicants who are interested in this succession planning opportunity will have the opportunity to apply formally if they wish to take part.

We Promote Equality, Diversity and Fairness

As a member of the Convention of Scottish Local Authorities (COSLA) the Council is bound by national agreements of Terms and Conditions of Service. The Council recognises Trade Unions for collective bargaining purposes and has in place local Recognition and Procedural agreements.

We seek to work in partnership with the recognised Trade Unions, with a view to establishing a culture of trust and increasingly a working environment where the ideas, views, knowledge and expertise of the workforce are listened to considered and valued.

We have in place local negotiating and consultation arrangement where Elected Members meet with Council officers and representatives of the Trade Unions (including Unison, Unite, GMB, EIS, SSTA, NASUWT and Voice) at the Joint Consultative Group (JCG) meeting. We also have regular Corporate Joint Working (CJWG) meetings and discuss issues of interest and concern for the Local Government workers, with Midlothian Negotiating Committee (MNCT) covering those issues related to our teaching workforce not covered by national agreements. In addition to this we Trade Union officials meet with the Chief Executive to discuss topical issues. More formal consultations are undertaken through each Service. In addition, there are regular meetings with the HR/OD service to consult on service issues and deal with concerns.

In an effort to promote effective and positive employee relations the Council has in place a Recognition and Procedural Agreement (RPA) for the Local Government Trade Unions. This is currently being reviewed incorporating new aspects, including our organisational values and behaviours. We are working towards a new period of agreement from March 2018, which will be reviewed annually. Time and commitment has been invested by all parties to reach an interim agreement, and we are hoping that we can move forward positively and together without the intervention of any external mediation service such as ACAS. The Midlothian Negotiating Committee for Teachers has its own separate Local Recognition and Procedure Agreement with the EIS, SSTA, NASUWT and Voice which is negotiated on an annual basis.

It must be recognised that not all employees choose to be a Trade Union member and mechanisms have been established to allow employees to have a voice, this includes the 'Tell Ken' campaign and the Internal Communications Strategy to improve employee communication and the employee engagement actions such as the survey and subsequent action plans.

The following work strands will support this theme:

- By March 2018 have a two year RPA in place for Local Government Workers Trade Unions

- Work collaboratively with our existing union colleagues from Unison, Unite and the teaching unions and welcome our new colleagues from GMB

- Work together to achieve the best employee relations outcomes in cognisance of the demands on us all to work in a rapidly changing context

- Jointly deliver the desired outcomes within this workforce plan

- Deliver Lifelong agreement and associated actions and learning opportunities

Workforce Theme: Midlothian as an Equal Opportunities Employer

Our long term outcome is that 'Midlothian Council is a positive workplace for all employees'.

Equal Pay
Midlothian Council is committed to the principle of equal pay for all our employees and the pay structure and terms and conditions are equality checked to ensure our commitment is maintained. This is outlined in the Council's Equal Pay Statement:

"Midlothian Council believes in equal opportunities in employment and is committed to the fundamental principle that procedures to determine the pay and conditions of employment of all our employees do not discriminate unlawfully and aims to eliminate any sex bias or any form of discrimination. The Council recognises that in order to achieve equitable pay it should operate a pay system which is transparent and based on objective criteria."

The Council's Mainstreaming Progress report highlights several areas where the organisation could demonstrate commitment to mainstreaming equality in everything it does.

Gender Pay Gap
The gender pay gap between average hourly rate of pay for male and female – all Council employees as at 31st March 2017 was 2.96%.   The Midlothian Council Equality Outcomes Progress Report 2015 – 2017 details actions the actions required to close the gender pay gap further.

Living wage
Midlothian Council took early action to integrate the 'Scottish Living Wage' in its pay structure. This particularly benefited women who are more highly represented in lower paid and part time jobs.

The following work strands will support this theme:

- Effective implementation of our People Policies to ensure we are a workplace free of harassment, discrimination and victimisation

- Continue to work to eliminate any working practices which give rise to a pay gap between employees on the grounds of disability, gender or race.

- Provide a range of flexible employment practices in line with business need, as outlined under the "Employee Terms and Conditions" theme.

- Develop opportunities for young people and adults with barriers to employment as part of the recommendations of the "Growing our Talent" project group.

- Better understand the factors which underpins the equalities profile of the workforce and the opportunities presented therein

Workforce Theme: Managing an ageing workforce

The ageing workforce is a very important workforce issues to consider and potentially one of the biggest shifts we need to make. By 2030 the number of people in the UK aged 65 and over will have increased by 50%. (Chartered Institute of Personnel and Development 2016). Longer lives mean longer working lives. The workforce is in a rapid state of change and we must adapt our policies and strategies to accommodate this. We have a compelling business case for some employees to remain in work for longer. There is a huge untapped labour pool among older workers, with some feeling that they could benefit from staying at work for longer in terms of financial wellbeing and social interaction.

Organisational flexibility is paramount, there needs to be opportunities to work in different ways as you get older, with more flexibility and part time options including flexible retirement.

The Equality Act 2010 includes provisions that ban age discrimination against adults in the provision of services and public functions. It is now unlawful to discriminate on the basis of age unless the practice is covered by an exception to the ban.

There is no longer any statutory retirement age which, in effect, means that employees can work for as long as they chose. However, there may be some legal justification based on workforce needs and demands, which means we may be in a position to bring forward retirement for some employees. This is something we will explore going forward, as a balances workforce profile is important. We need to consider our 'Growing our Talent' approach making sure our employee base is comprised of employees at different ages and stages of the career cycle.

The following work strands will support this theme:

- Offer flexible employment options for an ageing workforce

- Through Lifelong Learning provide information sessions on "Planning your Retirement"

- Through Employee Assistance programme, provide help and support on decision making around retirement.

- Support an ageing workforce with healthy working life support, including Occupational Health, Physiotherapy, Employee assistance programme

- Consider the workforce profile and options for bringing forward retirement for some

- Balance our overall employee age profile making sure there are opportunities to 'Grow our Talent' and that we are an employee of choice for younger people

Workforce Theme: Volunteering

Two working groups were established in June 2017 to consider volunteering in Midlothian. The first deals with the wider policy context and, the second an implementation group which is developing practical processes for working with volunteers within the council, building on the existing   practices we already have in place . The group wants to ensure all volunteers within the council services receive support and are valued wherever they volunteer alongside Council employees.

The implementation group has adopted the definition from Volunteer Development Scotland - "Volunteering is freely undertaken and not for financial gain; it involves the commitment of time and energy for the benefit of society and the community". This means for the Council it does not include employability work placements, traineeships graduate placement schemes, vocational training programmes or compulsory unpaid work as part of community justice systems.

Levels of volunteering activity in Midlothian are generally higher than the Scottish average. Volunteering brings significant benefits for both the volunteer and the individuals that are supported. It is an important activity that serves to integrate people and communities through the shared experiences that it generates. With around 30% of Midlothian residents engaged in some form of volunteering, it is clear that many services and recreational activities would cease to function or be seriously curtailed without the commitment and input of local volunteers. We need to do more, however, to maximise the potential of volunteering to act as a positive force for change in Midlothian building on the existing powerful base.

A wide ranging survey on volunteering is being undertaken as part of a mapping exercise. The direction and work of the group will be based around the feedback and data collected as part of this exercise. Along with the feedback from the survey the groups see a

need to focus on key aspects of fair procedures across the whole Council to support volunteering, including; agreeing management arrangements, recording volunteer hours and payment of expenses.

The range of volunteers already working within the Council runs from Parents in classrooms in our Primary Schools to Ageing Well volunteers working with older people keeping active, from volunteer litter pickers organising local cleanup events, to people volunteering to maintain paths and access to countryside with our Ranger Service. There are volunteers in Council care homes and community centres and volunteers on community councils, volunteers in neighbourhood planning and volunteers managing community organisations that the Council partners with in community planning.

Recruitment of volunteers is very important and the methods we use to do this can make a significant difference to the number and quality of volunteers we attract. The current recruitment portal myjobscotland is not viewed as an ideal solution to recruitment. However volunteering opportunities could be advertised through Volunteer Midlothian with use of a poster or an online link to the appropriate contact within the Council

The wider policy groups work will focus on policy for corporate volunteering. This is where the Council might agree to every employee being given the opportunity to volunteer for one day a year. The details of this would have to be thought through, such as the scope and breadth of the volunteering.

The following work strands will support this theme:

- Senior management support for the wider policy group to make clear recommendations on a way forward before the end of December 2017

- All aspects of volunteering considered and agreed and a framework developed into a Midlothian volunteer good practice handbook

- Recruitment options considered and agree and widely publicised to secure the widest possible uptake of volunteering

- A second stage approach to consider corporate volunteering. Policy work to be undertaken by the wider policy group by January 2018 and recommendations reported to Senior management and elected members

Current Workforce Profile

This section provides an overview of the current Council workforce (as at 01 October 2017). By providing a picture of our current workforce we can identify areas of focus and actions for the future.

Individual service workforce plans will provide a forecast of future workforce requirements and actions to ensure we have the right people, at the right time and who have the right skills, knowledge and attitude to provide services confidently and competently.

More detailed analysis can be found in the Appendices in this strategy.

Contract type

The Council employs 4,697 employees made up of 3,851 permanent and 846 fixed-term employees.

Contract type	No of Employees
Permanent Full Time	2165
Permanent Part Time	1608
Permanent Job Share	40
Fixed Term Full Time	352
Fixed Term Part Time	490
Fixed term Job Share	3
Home-working	4
SWITCH	35
TOTAL	**4697**

SWITCH
Under our Policy for Organisational Change for Local Government Workers we currently operate a redeployment scheme, called SWITCH (Staff working in Transition and Change). The aim of the scheme is to allow us to retain talent and skills and secure alternative employment for colleagues in a potential redundancy situation.
These employees have a permanent employment contract but are currently working on SWITCH placement within the organisation.

Fixed Term Workers

There are a high number of employees on fixed-term contracts. This is potentially an advantage as it indicates a higher level of flexibility within the employee population. When reducing overall employee numbers fixed term employees with under two years service have no entitlement to a permanent position or redundancy payment.

Service	Total Number	Groupings of >20
Adult Social Care	107	Care Support Worker (26)
Children's Services	17	
Commercial Services	69	Assistant Gardener (28)
Communities & Economy	12	
Customer & Housing Services	23	
Education	271	Learning Assistant ASN (42) Principal Teacher (29) Teacher (32) Trainee Teacher (27)
Finance & ISS	18	
Property & FM	329	Catering Assistant (131) Sports Coaches (83)
TOTAL	**846**	

Gender
The council employs 1,217 males and 3,480 females.

Service
The average length of service of an employee is just over 9 years. See Appendix 2.

Age
 The average age of an employee in the council's is 44. Please see Appendix 3.

Grades
Appendix 4 outlines the grade profile of the employees across the council.

Sickness Absence
The average sickness absence for all employees is 8.34 days for the year 1 April 2016 to 31 March 2017. See Appendix 10.

Casual Workers

During the Financial Year 2016-17 400 employees were paid on a casual contract basis, in roles such as Supply Teachers (66), Learning Assistants (21), Adult Education Tutors (39) and Duty Officers / Leisure Assistants (154) .

Agency Worker Spend
The annual council wage bill (for 2016-2017) was £124.5m. Our additional council-wide spend on agency workers in the same period was £3.8m (an additional 3%). See Appendix 12 outlines the agency spend for this financial year, April - September 2017. Total spend to date this year is £0.865m.

Recruitment

Local Government Workers 2016-17

Vacancies	Vacant Positions	Number of Applicants	Number Recruited
External – Fixed Term	170	1931	138
External – Permanent	330	4449	278
Total External	**500**	**6380**	**416**
Internal – Fixed Term	61	111	38
Internal - Permanent	177	386	126
Total Internal	**238**	**497**	**164**
GRAND TOTAL	**738**	**6877**	**580**

Teaching Grades - 2016-17

Vacancies	Vacant Positions	Number of Applicants	Number Recruited
External – Fixed Term	86	361	30
External – Permanent	201	1110	164
Total External	**287**	**1471**	**194**
Internal – Fixed Term	2	2	0
Internal - Permanent	19	31	17
Total Internal	**21**	**33**	**17**
GRAND TOTAL	**308**	**1504**	**211**

A more detailed breakdown of vacancies is available in service-level reports.

Leavers

Between April 2016 and March 2017, there were 402 leavers. Since April 2017, a further 257 employees have left the council
Further details of leavers can be found in the Appendices:
- Appendix 6– monthly breakdown of leavers
- Appendix 7 – length of service of leavers
- Appendix 8 – monthly turnover trends
- Appendix 9 – reasons for leaving

October 2017

	FEMALE					Female Total	MALE				Male Total	Grand Total
	Part time	Full time	Job Share	SWITCH	Home working		Part time	Full time	Job Share	SWITCH		
Fixed Term	432	209	3	1		**645**	58	143			**201**	**846**
Permanent	1430	1335	39	27	4	**2835**	178	830	1	7	**1016**	**3851**
Grand Total	**1862**	**1544**	**42**	**28**	**4**	**3480**	**236**	**973**	**1**	**7**	**1217**	**4697**

Employee Groups

	Female		Male	
	Fixed Term	**Permanent**	**Fixed Term**	**Permanent**
Local Government Workers	542	2033	165	799
Chief Officials		2		2
Teachers	119	782	38	215
Grand Total	**661**	**2817**	**203**	**1016**

	0-2	3-5	6-10	11-15	16-20	21-25	26-30	31-40	Over 40
Property and Facilities Management	275	93	176	179	136	69	27	18	4
Finance and Integrated Service Support	55	30	74	46	42	29	12	10	1
Education	666	254	373	356	235	61	33	31	3
Customer and Housing Services	44	22	37	31	23	13	15	5	
Communities & Economy	22	3	19	21	9	10	3	2	
Commercial Services	117	39	83	90	31	24	10	22	4
Children's Services	57	24	23	26	10	5	1	2	
Adults and Social Care	174	64	110	99	51	30	16	5	1

Data accurate at 1st October 2017

	Under 20	20-24	25-29	30-34	35-39	40-44	45-49	50-54	55-59	60-64	65+
Property and Facilities Management	29	48	65	61	76	114	151	149	137	103	44
Finance and Integrated Service Support	4	19	8	29	26	33	59	62	48	10	1
Education	2	80	215	267	278	260	265	315	207	104	19
Customer and Housing Services	3	8	15	23	19	17	33	24	27	18	3
Communities & Economy		1	1	5	11	19	14	20	11	6	1
Commercial Services	14	23	22	20	23	27	43	76	82	47	43
Children's Services		7	21	17	18	15	24	18	17	11	
Adults and Social Care	3	15	37	49	51	43	85	104	87	61	15

Data accurate at 1st October 2017

Teaching Job Grades

Age Profile by Job Grade - Teachers
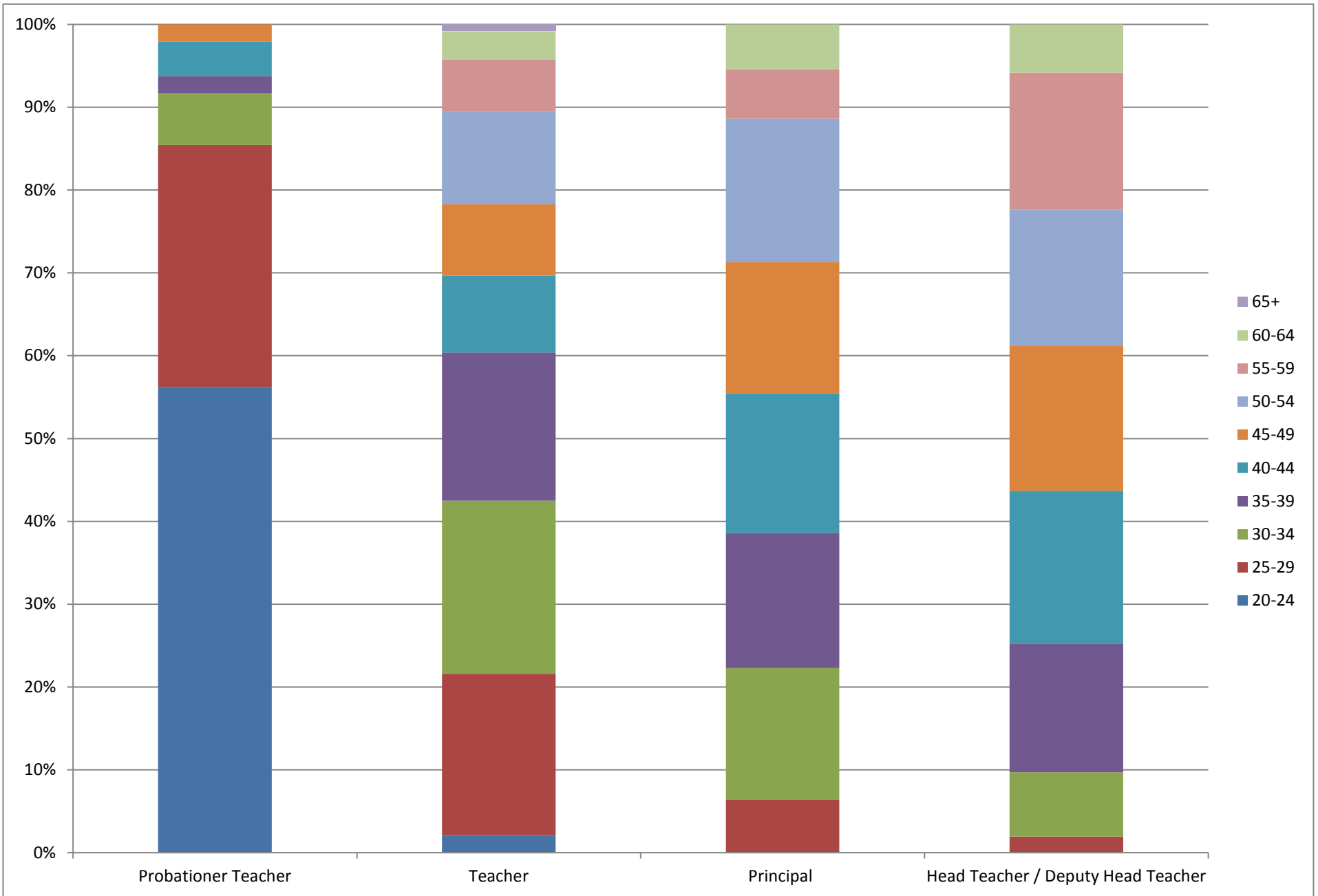
Legend:
- 65+
- 60-64
- 55-59
- 50-54
- 45-49
- 40-44
- 35-39
- 30-34
- 25-29
- 20-24

Categories: Probationer Teacher, Teacher, Principal, Head Teacher / Deputy Head Teacher

Legend:
- SWITCH
- Property & Facilities Management
- Finance & Integrated Service Support
- Education
- Customer & Housing Services
- Communities & Economy
- Commercial Services
- Children's Services
- Adult & Social Care

Values above bars:
- 2 years and under: 243
- 3 to 5 years: 61
- 6 to 10 years: 71
- 11 to 15 years: 44
- 16 to 20 years: 21
- 21 to 25 years: 23
- 26 to 30 years: 16
- 31 plus years: 18

38   Data accurate at 1st October 2017

Agreement, 1

VSER, 5

dismissal, 10

retirement, 32

end of contract, 35

resignation, 174

Data accurate at 1st October 2017

Sickness Absence Comparison per service - Average days lost - April 16-March 2017

Children's Services: 7.44
Communities & Economy: 6.79
Education - LG Workers: 7.31
Education - Teachers: 4.93
Education Communities & Economy: 5.00
Adults and Social Care: 11.63
Customer and Housing Services: 6.61
Commercial Services: 11.89
Finance and Integrated Service Support: 9.52
Property and Facilities Management: 10.93
Education, Communities & Economy: 6.00
Health & Social Care: 10.41
Resources: 10.90
Council Average: 8.34

Sickness Absence by Service - Percentage of Total Days Lost April 2016 to March 2017

- Children's Services — 3.19%
- Communities & Economy — 1.90%
- Education - LGW — 15.07%
- Education - Teachers — 16.32%
- Adults and Social Care — 16.97%
- Customer and Housing Services — 3.05%
- Commercial Services — 14.95%
- Finance and Integrated Service Support — 5.92%
- Property and Facilities Management — 19.38%
- SWITCH — 3.25%

Below Standard
0%

No Rating Applied
13%

Other
11%

Outstanding Performance
6%

High Performance
27%

Good Overall Performance
43%

Agency Spend April - Sept 2017

	Children's Services	Communities & Economy	Education	Adult Social Care	Customer & Housing Services	Commercial Services	Finance & ISS	Property & Facilities Management
September	26,756.92	0.00	0.00	103,800.33	12,313.82	2,534.93	24,943.74	130,275.25
August	63528.38	0.00	0.00	55,944.36	18,250.68	4,415.19	-3,310.02	132,349.10
July	9,002.68	0.00	0.00	56,665.69	6,691.22	5,292.76	10,376.28	136,040.61
June	39,567.24	0.00	0.00	81,638.80	10,971.77	1,366.24	9,476.14	172,196.45
May	86,606.42	0.00	0.00	47,185.52	13,726.52	7,358.02	18,734.67	95,504.01
April	0.00	0.00	0.00	27,542.55	7,685.92	6,798.49	6,117.30	8,067.20