

PERTH AND KINROSS COUNCIL

18 May 2016

BUILDING AMBITION – A WORKFORCE FOR THE 21ST CENTURY

**Depute Chief Executive, HCC (Corporate & Community Development Services)
and Chief Operating Officer**

PURPOSE OF REPORT

Our collective story is one of success - delivering high quality services, modernising and transforming services and with an enviable track record of astute financial management. These achievements are testimony to our ongoing focus on the connection between leadership, employee engagement and positive organisational culture.

People remain at the heart of everything we do, and the Council remains committed to ensuring that our people are fully supported to meet the challenges and opportunities emerging through public service reform.

This report sets out our plans to build on our positive people practices, as well as detailing key achievements since the last annual workforce report in December 2014.

1. BACKGROUND

- 1.1 Perth & Kinross Council continues to be recognised as sector leading in many areas. We have a successful track record of delivery high quality services, modernising and transforming services as we focus on prevention, performance, place and people. Our positive people practices have generated great feedback from our employees and have been recognised as the hallmarks of being an employer of choice.
- 1.2 Our achievements come at a time which is recognised as one of the most challenging periods in the history of public services across the UK. And the pace and extent of modernisation and transformation is set to continue.
- 1.3 As a Council, we have been preparing for these challenges for a long time. Most recently, we reviewed our senior management arrangements in our *Building Ambition – a Blueprint for a 21st Century Council* (Report No 15/258) to strengthen our collective focus. This is further supported by our approach to Transformation, the details of which are set out in the *Building Ambition: The Council's Transformation Strategy 2015-2020 and Organisational Development Framework* (Report No 15/292).
- 1.4 We have a talented and skilled workforce who demonstrate their passion and commitment to public service on a daily basis. This asset, combined with our well established approach to investing in our people, provides a solid foundation upon which to transform the way the Council does business. What

sets us apart as a Council is our ongoing commitment to maintaining a collective focus on the connection between leadership, employee engagement and organisational culture, as a means of supporting a shift in the way we work.

2. LEARN, INNOVATE, GROW – A SHARED FOCUS

- 2.1 As we continue the Council's Transformation journey, everyone needs to be pulling in the same direction, if we are to negotiate the many challenges emerging for public services. The right mind set is key, because 'how' we do things, is as important as what we do.
- 2.2 Through the creation of the Centre for Innovation in October 2013, the *Learn, Innovate, Grow* brand is well established within the Council. Building on this positive association, we launched our Organisational Development Framework (Appendix 1) in July 2015, within the context of the *Building Ambition – Transformation Strategy 2015-2020: Report No 15/292*.
- 2.3 The Framework offers a shared point of reference, setting out a collective ethos for thinking, working and future growth. It fundamentally recognises that it is people who deliver change, and that together, we are greater than the sum of our parts.
- 2.4 Everything we do can be articulated around the principles of *Learn Innovate Grow* as enablers for transformation, and equally, as part of everyday business for everyone in the organisation. At a Corporate level, a wide range of initiatives and opportunities are underway to reinforce and promote the *Learn Innovate Grow* ethos.
- 2.5 Our next steps are to further embed the use of *Learn Innovate Grow* by promoting it as a methodology to support future thinking related to Transformation Reviews and change processes in general. This reflects the core element of the *Learn Innovate Grow* Framework which seeks to examine how our stories and purpose (across the Council and with our partner organisations) are evolving, what needs to change, and how this will impact on ways of working. This process enables discussion around *what* new ways of working will mean for our people, our communities and our leadership, and *how* we support the various stages of the change journey. A key element of this process is ensuring that our governance arrangements (in the broadest possible sense), infrastructure and systems, etc. also evolve to accommodate new contexts and ways of working.

3. LOOKING AHEAD – HOW IS OUR STORY EVOLVING?

Public Sector Reform

- 3.1 The challenges facing our public services are already well documented – population pressures within Perth and Kinross coupled with rising demand for council services, reductions in public services funding, devolution of powers from Westminster to Scotland, far-reaching public service reform (such as

Health and Social Care Integration), supported by several significant pieces of new legislation (such as the Children & Young People Act, the Education (Scotland) Act, Community Justice (Scotland) Act, Community Empowerment Act) which have massive influence on how services are delivered and by whom.

- 3.2 All of this comes at a time when we see greater demands for personalisation of council services and localisation. On the other hand, we see opportunities for efficiencies and collaborative gain through working on a regional basis with neighbouring councils and other public service partners. The 7 Cities Alliance will also help redefine public service delivery in Scotland, with the Tay Cities Deal of particular significance for Perth and Kinross.
- 3.3 The Council operates in an increasingly complex environment. The Council role has been evolving as a direct provider of services, a commissioner of services, a partner in collaborative working as well as fulfilling a leadership role within a community planning context. The table below describes the complexity of our service delivery models (not an exhaustive list) at the moment, and these too will evolve over time.

Culture Perth and Kinross	Tayside Contracts	Perth and Kinross Integrated Joint Board	Home Care Providers
Live Active Leisure	Roads Maintenance Partnership	Cities Alliance	Tay Cities Deal
Horsecross	Street Lighting Partnership	Early Years Partner Providers	Criminal Justice

Workforce Planning

- 3.4 Our workforce analysis and planning have demonstrated there are many factors, including how public services are delivered, which influence the composition and size of our workforce. Appendix 2 summarises the key changes in our Workforce Profile between 2009 and 2015. These were enabled by our Workforce Management Arrangements which are set out in Appendix 3.
- 3.5 As in most parts of the public sector, our workforce has reduced over the last six years. We have achieved a 7.4% reduction in headcount over the period 2009 to 2014. Given the commitment to maintain teacher numbers in line with school rolls, the reduction in headcount across the rest of the Council workforce is more significant at 9.7%. This is a significant reduction during a period of increasing pressure on council services, additional external funding to expand provision in certain areas, such as early years, and planned growth in our apprenticeship and graduate traineeship programmes. The combined effect of all of these factors is reduced capacity within the organisation.

- 3.6 In 2009, the Council set out its workforce management strategy to address the financial challenges and other pressures which were forecast at that time. These workforce management measures have been refreshed regularly to meet changing circumstances, including more severe financial pressures than anticipated. They have been effective in facilitating service redesign, transformation and controlling workforce costs. Indeed, our workforce management measures contributed approximately £9 million of savings in 2011/12, £5.4 million in 2012/13 and £6.2 million in 2013/14 and £7 million in 2014/15.
- 3.7 Workforce planning is an ongoing and iterative process because our workforce requirements will continue to evolve. It is also inherently linked to the Council's Transformation Programme and our medium term financial planning arrangements.
- 3.8 The impact of the growth in online services, demands for improved accessibility of services so they are available at a time and place of choice, collaboration with other organisations and different service delivery models all influence the skills and abilities, numbers, patterns of work and ways of working of workers required in all public services. And these changes are expected to be more pronounced as we work differently with communities and partners in future.
- 3.9 Therefore, our planning for the workforce of the future is designed to reinforce our place as a learning and agile Council with a workforce which is ready, able and willing to deliver the ambition of the Council as it transforms, through to 2020 and beyond.
- 3.10 Underpinning our workforce planning is our employer brand which articulates a compelling employee value proposition – "*Enhancing every life we touch*". The employer branding project focuses on how we engage with and retain existing employees, and also how we attract new employees. We have already launched a new Induction Journey which includes a quarterly 'Welcome to PKC' event. Key activities which are planned include reviewing and improving the recruitment experience, understanding why people join and leave the organisation, and ensuring policies and procedures send the right cultural messages for existing employees and support new ways of thinking and working.
- 3.11 Young people are our future leaders. Four years ago, we started to address the age imbalance within our workforce by increasing the range and number of opportunities for young people to train and work with the Council. These efforts have been rewarded with us offering 250 modern apprenticeships by March 2016, one year ahead of target; and seeing a 65% increase in young people within our workforce between 2012 and 2016. Quality is important too - in 2015/16, 91% of young people leaving the MA programme had a positive outcome of qualification, employment or to further education. We will continue to nurture talent within our young people so they can have career paths to be part of our future workforce.

- 3.12 As one of the largest employers within Perth and Kinross, the Council is in a unique position of having a significant impact on the local economy by providing rewarding and well paid jobs, training and entry level jobs for young people through our successful Modern Apprenticeship and Graduate traineeship programmes, and work experience placements for those who may find it difficult to secure employment. Our excellent track record of supporting young people through employment and training was recognised through the Gold Award from Investors in Young People.

Fair Work

- 3.13 As an Accredited Living Wage Employer, we recognise the importance of supporting fair work practices and helping to eliminate in-work poverty which benefits individuals and families in our community. This reach extends beyond our own employees to those working for contractors through public procurement.
- 3.14 Our story as an employer is one that is based on fairness and respect in all that we do. We have a track record of positive trade union relationships which have been built up through mutual trust and a willingness to work together. Supporting the Fair Work Framework (which emanates from the Fair Work Convention established by the Scottish Government) is therefore a natural progression of our work in this area. Fair work can deliver clear benefits for our employees alongside higher productivity, performance and innovation for the Council as an employer. In turn, these benefits influence economic prosperity and social wellbeing in Scotland. The Fair Work Framework is the subject of a separate report to the Council.

4. PREPARING OUR PEOPLE FOR AN EMERGING FUTURE

- 4.1 Our continued potential to meet the challenges and opportunities of the evolving public service landscape is entirely reliant on the talent and efforts of our people, who demonstrate their ingenuity and dedication on a daily basis.
- 4.2 Our focus on people during this time of sustained change remains steadfast. We are continually expanding our offer to ensure that our approach to engaging with, and supporting people is wide-ranging, builds capacity, and encourages every person in the organisation to contribute to the Council's transformation journey.

A Learning Organisation

- 4.3 Our ability to support individual and collective learning, has a direct impact on our ability to grow and develop our people, and our organisation. We recognise that learning is fundamental to innovation and growth, and organised sharing of knowledge, skills and expertise continues as a priority.

- 4.4 The growth of our learning culture is evident in the increasing numbers accessing and contributing to our dynamic range of learning opportunities (including Learning Lunches, Digital Learning and Transformation support). Since the beginning of 2016 alone, 53 learning sessions have been delivered on 20 different topics, with over 1500 employees participating.
- 4.5 The impact on our continuing focus of prioritising learning and development is evident in our Employee Survey: 2015 (Appendix 4), which indicates that almost 70% of respondents feel that their development is encouraged and supported.
- 4.6 We have been creative in our approach to expanding the learning and development offer. Significantly, over 90% of opportunities are facilitated by our own (and Community Planning Partner) colleagues, sharing their professional skills and expertise (average rating of 4.6 /5 indicates a high quality experience). The experience also supports the forming of professional networks and connections, and this is increasingly important, given our plans for collaborative working, at regional and local levels.
- 4.7 Moving forward, we will galvanise our understanding of how people's skill sets need to evolve, in relation to new ways of working, such as within Local Community Planning Partnerships (LCPPs), to ensure that our approach to learning and development provides people with specific opportunities to adapt to changing circumstances. We will employ *Learn Innovate Grow* methodology for this purpose and also the renewed Employee Review and Development (ERD) process, which has been piloted in all Services since the start of the year.
- 4.8 We are investing time and resources to prepare people for change, giving opportunities to be involved and influence change as well as supporting people through it. This is good business practice and is valued by employees. We already offer an increasing number of ways for employees to use their skills and talents differently – as a volunteer, mentor or coach; supervising a Modern Apprentice or Graduate Trainee; taking part in job shadowing, or sharing knowledge or professional expertise.
- 4.9 Preparing to make positive career choices is a recent development which will provide workshops and coaching for staff who are facing organisational change or who wish a change in direction. Our commitment is to protect people rather than jobs – so we will help people evaluate their strengths, consider their options, learn new skills, take on new roles with us, or choose to exit the organisation and explore new opportunities through retirement, retraining or other employment.

Innovate

- 4.10 Our approach to transformation is underpinned by our *Learn Innovate Grow* ethos, which simply supports the idea that everyone needs to learn new things, in order to develop new solutions to the big challenges we are facing

as an organisation. As such we promote and encourage innovative practice as part of everyone's everyday business.

- 4.11 The Illuminate 2015 conference, attended by around 300 delegates from across the Council and Community Planning Partner organisations encouraged thinking and dialogue about what innovation means within the areas of work we influence together, and these conversations will continue as we progress with our Transformation Programme.
- 4.12 Clear evidence of innovative practice can be seen in the scope and scale of applications put forward within the annual Securing the Future Awards programme. Now heading towards its 9th year in existence, the awards process remains a fundamental part of our drive to recognise the enthusiasm, expertise and creativity of our employees, who, working with colleagues both within the Council and across the Community Planning Partnership make a real difference to the citizens and communities of Perth & Kinross.
- 4.13 Our annual Angel's Share challenge actively encourages entrepreneurial spirit, and the potential for everyone to contribute to new ways of thinking and working. In December 2015, 19 applications demonstrated employees seizing an opportunity to take forward a piece of work which they believed would make a big difference for their client group. Successful applications received a share of £17k to take forward their plans, which ranged from keeping people well and supported in their communities, to investing in a sensory facility for children with autism.

Grow

- 4.14 The Grow principle is the outcome of *Learn and Innovate* – by applying learning and making improvements / innovations to our areas of work we will create a benefit for our citizens and communities, as well as supporting our workforce to face the future with confidence.
- 4.15 Our annual Employee Survey presents a consistent opportunity to understand the employee experience, check our progress and most importantly, take action to address areas of challenge, as well as learning from areas of good practice. In 2015, 64% of people took the time to make their views known, and trends (over a 7 year period) indicate that at a time of unprecedented and sustained financial challenge and transformation, our approach remains positive and supportive.
- 4.16 A key strength of our organisational culture is our ongoing commitment to celebrating success and achievement, both at an everyday level, and also via our growing portfolio of prestigious events, such as the Modern Apprentice Graduation, Service Recognition Awards, and David White Award. These events – which are highly valued by those attending - create an opportunity to reinforce key cultural messages around the importance of innovative practice and the impact of positive outcomes. They also serve to

reinforce the emotional connection people have with the Council, and further secure the commitment and contribution of our employees

- 4.17 Equally we aim to maintain a focus on employee health, wellbeing and resilience during this sustained period of change. The Council's sustained efforts in promoting positive people practices for wellbeing have been recognised by being awarded Healthy Working Lives – Bronze Award, Carer Positive Kitemark and becoming an Accredited Living Wage employer. A highly successful pilot Resilience Programme has been scaled up and rolled out to other service areas because of the benefits to wellbeing, resilience and preventing ill health. Supporting employee resilience builds organisational resilience too. Staff across the Council organise and take part in a wide range of health promotion activities – emphasising the importance of diet, exercise, physical and mental wellbeing. We now have a fully integrated occupational health service which includes an early intervention mental health service, counselling and physiotherapy to support managers and employees alike.
- 4.18 Sickness absence levels have continued to fall in Perth & Kinross Council, a trend which is not experienced by all parts of the public service. In 2014/15, our employees had an average of 8.5 days per FTE for sickness which is a 5% improvement on the previous year. And this compares positively to the Scottish Council average of 9.64 days. Taking a longer term view, there has been an 11% decrease in sickness absence levels since 2009/10 which is attributable to the collective efforts of our employees to take a positive and proactive approach to health and attendance which supports staff to be healthy and remain at work, as well as supporting staff who are absent to return to work at the earliest practicable date, with appropriate workplace adjustments.
- 4.19 In all of the above, we recognise the social and emotional nature of work – the community of Perth & Kinross Council. We will continue to reinforce through our *Learn Innovate Grow* ethos, a strong sense of belonging, and collective confidence in our ability to transform the organisation, along with the knowledge that together, we are greater than the sum of our parts.

5. LEADERSHIP

- 5.1 Leadership roles continue to evolve in response to the increasingly complex landscape. We know our leadership has been successful because of our achievements in terms of benchmarking on the performance of our services, customer feedback, inspections and audits as well as feedback from our employees, formally through the Employee Engagement survey and informally through other networks.
- 5.2 Our transformation journey recognises the need for a more radical approach to change. We recognise that we need to keep the focus on innovation and creativity in our daily work, and develop a more entrepreneurial and commercial mind set. Whilst there may be a strong evidence base for the challenges our citizens and communities are facing, evidence for the solutions

may not yet exist. We need to develop the confidence to take a leap of faith in pursuit of new ways of working, where it is appropriate. And this is all about leadership and our approach to risk - we will continue to develop our thinking about what an authorising environment means for us, in terms of mind-set, culture and governance, in order to release capacity and also creativity within our workforce.

- 5.3 As much as anything, the *Learn Innovate Grow* principles are about how people are managed and encouraged. A key leadership focus going forward is our collective ability to spot and nurture talent at every level in the organisation, and those with the potential to become our future leaders. A sustainable approach to workforce development is critical to our progress, and we will encourage individuals to learn and seek opportunities for growth, to take on new roles and positions as the nature of our work evolves, and to work across professional and organisational boundaries as we move towards increasingly collaborative ways of working. Developing a more systematic approach to succession planning will also help us retain talent to meet future workforce requirements, as well as attracting new employees with the right attitude and ability who would wish to join an employer who values learning and invests in talent.
- 5.4 A key strength in our leadership is the value and importance placed on the role our staff play in our success and our ability to modernise and transform. Investment in learning, wellbeing and resilience to allow our people to flourish and maximise their contribution to the Council's success comes at a time when many others would see this as a saving option. Our belief in our staff has been rewarded and is evident in the outcomes we have achieved. And there is a self-belief within our workforce that they can accomplish so much more.
- 5.5 Given the scale and pace of change, it is also important that leaders within the Council have space and time to think and learn together. We will continue with our core mechanisms to support dialogue and sharing of information (such as Chief Executive's Business Breakfasts, Senior Manager Briefing Sessions and Joint Executive Officer Team / Corporate Management Group sessions), as well as evolving our approach to Leadership Development. Looking forward, an Executive Leadership Development Programme is currently in development and in autumn 2016, we will join a collaborative arrangement with Angus and Dundee City Councils to co-deliver a shared Leadership Development Programme for Senior Managers.

6. EVOLVING OUR ORGANISATION

- 6.1 It's not enough for us just to tell our employees what is important – we have to make sure that the organisational system makes it possible. Therefore the *Learn Innovate Grow* Framework brings attention to our infrastructure - governance arrangements and cultural conditions (or organisational 'rules') etc. This element aims to keep a shared focus on what *can* be done, and invites all those involved in creating / implementing governance, policies and procedures, etc. (within any part of the Council), to ensure that what is in

place keeps pace with the changes people are experiencing, enables people to do what adds the most value.

- 6.2 Key to helping our organisation evolve are a number of inter-related and enabling projects have been designed to support a learning and agile Council.
- 6.3 Our **organisation design principles** will guide the redesign of organisational arrangements and facilitate the cultural shifts we require. Organisational design considers the “shape” of an organisation, the relationships between people, work, formal structures and informal practices and behaviours with the vision, purpose and direction of an organisation.
- 6.4 The **Job Families** project will simplify the job structure and lead to more flexible role profiles which will provide benefits for employees and employer. It will enhance job security for staff meaning they can be deployed within the role to meet service demands. It also creates more visible career paths so that staff know what is required for roles they may aspire to take on in future.
- 6.5 Closely related to job families is **Job Design** which focusses on creating roles which allow effective skills use, autonomy, opportunities to problem solve and to make a difference. Effective job design is recognised an important tool in motivating employees to give their best at work.
- 6.6 We have been supporting staff to embrace new technology and adopt new work styles as office accommodation is rationalised and as services become truly mobile. These efforts will continue as the Council transforms its services and makes greater use of technological developments and digitalisation. **Agile working** will mean changes to how we manage and support staff with a focus on performance and outcomes – it is, in itself, transformational.
- 6.7 Our internal jobs market is used to redeploy staff during times of workforce change. We want to create a more positive and dynamic approach to employees changing roles within the Council by establishing **Recruit Within**. The Recruit Within concept is an alternative recruitment solution which will facilitate the efficient movement of staff and maximise workforce flexibility. It will encourage learning and preparing staff for new roles and responsibilities which will reduce the requirement for external recruitment. There will be benefits to the employer through building talent pools for future roles, retention of knowledge and skill, reduced cost and shorter time to fill periods for vacancies. For employees, there are increased opportunities for learning and progression – to jobs at the same level or to promoted posts - and enhanced job security. In a practical way, this approach will also enable us to tap into the energy and broader skill set and experience within our workforce to support transformation with opportunities for staff to become involved on a short or longer term basis.

7. CONCLUSION AND RECOMMENDATIONS

- 7.1 The evolving story of Perth & Kinross Council is one characterised by successful leadership, sector leading in many areas, a high performing and

engaged workforce who continually go the extra mile to make a positive difference to the people we serve. We are an ambitious Council – with ambition for the people who live in Perth and Kinross and for how the Council will modernise and transform to deliver the best possible public services in future.

7.2 The Council is in a unique position because our leadership role within Perth and Kinross coupled with our ability to have a positive influence on the lives of those who work for us, their households, families and friends, and those who do business with us. Our values and ethos in how we respect and treat our employees permeates beyond our workforce and helps support the achievement of the outcomes set out in our corporate plan. Our people priorities therefore support delivery of our core business.

7.3 Our achievements to date demonstrate resolve and resilience, ambition and success. These are undoubtedly challenging times and we are confident that we will continue to offer a clear vision and support the people who work for us to be all they can be and inspire action to support positive outcomes for everyone in Perth and Kinross.

7.4 It is recommended that the Council:

- Acknowledges the continued emphasis on supporting our people as the essential element of our ability to transform as an organisation;
- Notes the progress and achievements since December 2014; and
- Endorses the further development of the *Learn Innovate Grow* ethos, as a means of helping the organisation modernise and transform.

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1. IMPLICATIONS, ASSESSMENTS, CONSULTATION AND COMMUNICATION

Strategic Implications	Yes / None
Community Plan / Single Outcome Agreement	Yes
Corporate Plan	Yes
Resource Implications	
Financial	None
Workforce	Yes
Asset Management (land, property, IST)	None
Assessments	
Equality Impact Assessment	Yes
Strategic Environmental Assessment	None
Sustainability (community, economic, environmental)	None
Legal and Governance	None
Risk	Yes
Consultation	
Internal	Yes
External	Yes
Communication	
Communications Plan	Yes

2. Strategic Implications

Community Plan / Single Outcome Agreement

2.1 The report supports the overall delivery of the Perth and Kinross Community Plan / Single Outcome Agreement in terms of the contribution made by our workforce to the following priorities:

- (i) Giving every child the best start in life
- (ii) Developing educated, responsible and informed citizens
- (iii) Promoting a prosperous, inclusive and sustainable economy
- (iv) Supporting people to lead independent, healthy and active lives
- (v) Creating a safe and sustainable place for future generations

Corporate Plan

2.2 The report relates to the overall achievement of the Council's Corporate Plan Priorities through the collective and individual efforts from our workforce:

- (i) Giving every child the best start in life;
- (ii) Developing educated, responsible and informed citizens;
- (iii) Promoting a prosperous, inclusive and sustainable economy;
- (iv) Supporting people to lead independent, healthy and active lives; and
- (v) Creating a safe and sustainable place for future generations.

3. Resource Implications

Financial

3.1 There are no financial implications arising directly from this report.

Workforce

3.2 This report sets out our people priorities for a learning and agile council.

Asset Management (land, property, IT)

3.3 There are no land, IT or property implications arising from this report.

4. Assessments

Equality Impact Assessment

4.1 Under the Equality Act 2010, the Council is required to eliminate discrimination, advance equality of opportunity, and foster good relations between equality groups. Our people priorities enable the council to fulfil its obligations in this regard. Equality Impact Assessments will be carried out for specific initiatives and policies, as required.

Strategic Environmental Assessment

4.2 The Environmental Assessment (Scotland) Act 2005 places a duty on the Council to identify and assess the environmental consequences of its proposals. No further action is required as it does not qualify as a PPS as defined by the Act and is therefore exempt.

Legal and Governance

4.3 There are no legal issues arising directly from this report. The Executive Officer Team operates an annual programme of workforce governance to maintain strategic oversight of all workforce matters.

Risk

4.4 The people priorities and practices set out within this report are designed to ensure the council is resourced with a skilled, motivated and engaged workforce to enable it to modernise, transform and deliver its strategic objectives.

5. Consultation

Internal

5.1 Depute Chief Executives and Directors have been consulted on the preparation of this report. Trade unions are consulted and involved in shaping

our employment framework and initiatives which affect our workforce. This takes place via well-established for a such as the Employees Joint Consultative Committee, Joint Negotiating Committee for teachers as well as through other meetings and workshops which are arranged for specific purposes.

External

- 5.2 There is regular and ongoing dialogue with other Councils, partner employers and professional bodies on workforce matters in order to share and develop good practice, exploit collaborative opportunities, seek efficiencies and influence the national agenda.

6. Communication

- 6.1 We celebrate our workforce achievements and successes with staff via a variety of written media, such as Inside News Bulletins, Inside News Magazines, Service Newsletters and face to face opportunities, such as corporate events, Delayed Office Opening events and team meetings. As a major employer in the area, we also celebrate workforce achievements with the wider Perth and Kinross community via the press and social media, as well as through our influence and contact with other employers.

7. BACKGROUND PAPERS

Building Ambition - A Blueprint for a 21st Century Council, Strategic Policy & Resources Committee – 17 June 2015 (Private paper)

Building Ambition: The Council's Transformation Strategy 2015-2020 and Organisational Development Framework (Report No 15/292) – Council – 1 July 2015

8. APPENDICES

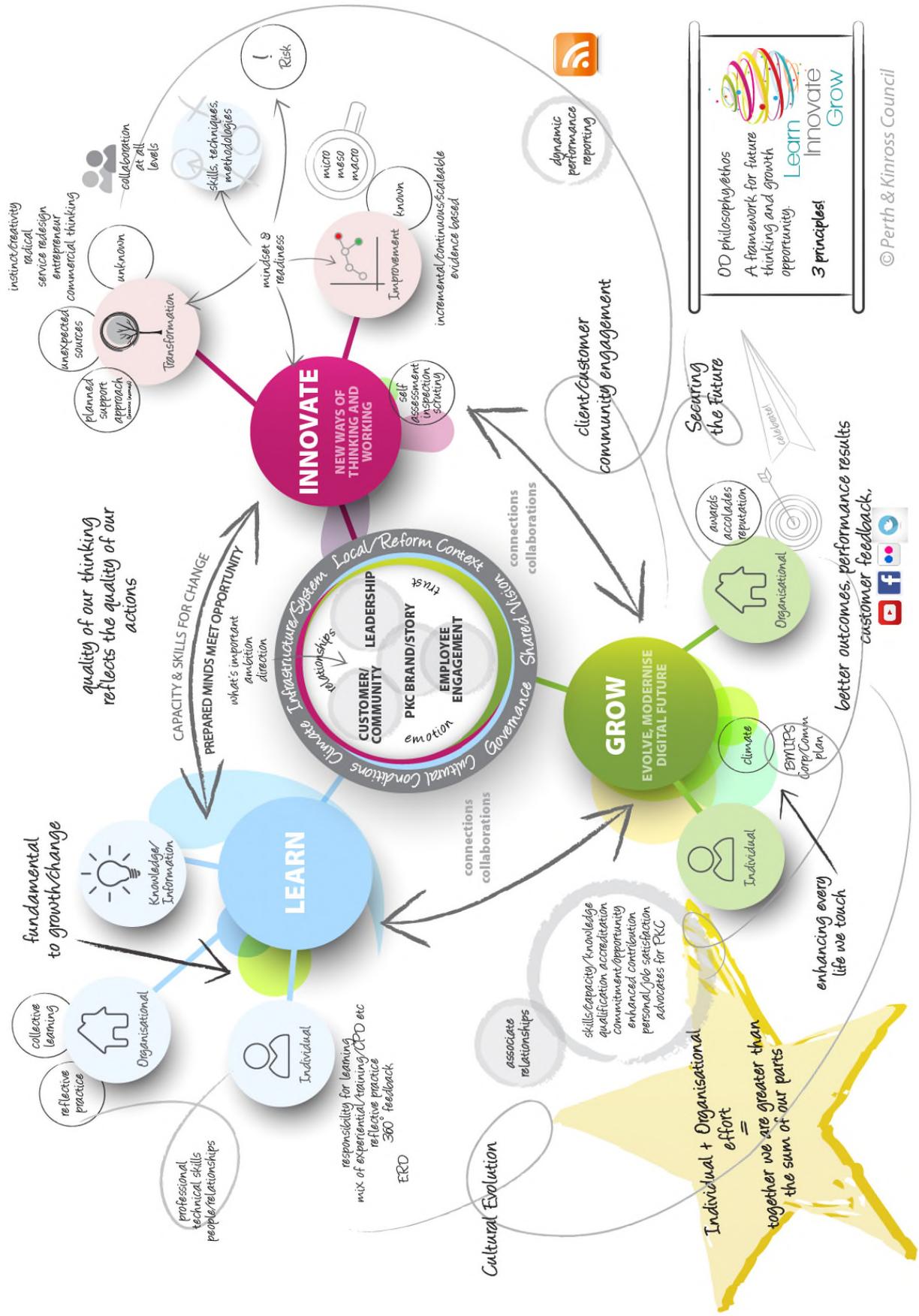
Appendix 1: Organisational Development Framework (*Learn, Innovate, Grow*)

Appendix 2: Workforce Profile: Key Facts

Appendix 3: Workforce Management Arrangements

Appendix 4: Employee Survey Results 2015

Appendix 1: Organisational Development Framework (Learn, Innovate, Grow)



Appendix 2: Workforce Profile – Key Facts

	2009		2016		Change
Headcount	6,281		5,819		-7.4%
Full Time Equivalent (FTE)	5,248		4,932		-6%
Status	Perm 92%	FT 8%	Perm 90%	FT 10%	Fixed Term + 2%
Hours	Full Time 61%	Part Time 39%	Full Time 61%	Part Time 39%	No change
Gender	Male 28%	Female 72%	Male 28%	Female 72%	No change
Average Age	44		45		+1 year
16-24 Year Old	170 <i>2.7% of workforce</i>		282 <i>4.8% of workforce</i>		+112
65+year Olds	60		103		+43
Turnover (Permanent staff)	6.4%		7.5% <i>(Jan-Dec 15)</i>		+1.1%
Paybill	N/A		£182million <i>(2014/15)</i>		

The Finance & Resources Group of the Executive Officer Team follows an annual governance programme of workforce matters. This provides oversight of workforce trends and cost control which allows scrutiny of strategic workforce planning and management for the Council. This helps inform workforce strategies relating to reshaping the workforce in terms of cost and numbers, skills, employment policies and practices, terms and conditions.

Summary of Key Findings

The Council's total employee costs for 2014/15 were £182 million (including salary on costs). This represents approximately 59% of the Council's net revenue expenditure.

A total of 5,819 employees were employed by the Council as at 29 February 2016, corresponding to 4,932 full time equivalent posts (FTE).

There has been a 7.4% reduction in headcount between 2009 and 2016. This equates to a 6% reduction in FTE. The transfer of 136 Council staff to Culture Perth and Kinross, Live Active Leisure and Horsecross are not reflected in these figures as the transfer took place on 1 April 2016.

The proportion of Council staff who are fixed term has increased by 2% which reflects a growing number of modern apprentices and professional trainees, fixed term roles for maternity leave cover and an increase in the use of fixed term roles to support time limited projects or facilitate reviews. The proportion of longer term (i.e. of more than two years) temporary contracts within our workforce has reduced, thereby providing benefits to employees through security of tenure, and for the Council as employer through flexibility and workforce planning.

There is no change in the proportion of full time positions within the Council. There have been significant changes in work patterns for staff through flexible working, including 7 day working patterns, 9 day fortnights, etc. which are classed as full time positions.

There is no change in the proportion of male and female employees which is similar to the overall public sector and Scottish Councils.

The Council continues to have an ageing workforce profile which has implications for workforce planning and development, and health and wellbeing for employees in terms of their own health, and also their own caring responsibilities. 39% of our employees are aged 50 and over. This compares with 40% who were aged 50 or over in 2009. The average age of a Council employee is 45, rising from 44 in 2009.

The proportion of our workforce aged over 50 is expected to continue to grow over the next 5 years as there are currently 16.9% of our workforce within the age 45-49 year age group.

The number of employees aged over 65 who are continuing in employment has increased by 72% since 2009. However, this group represents only 1.8% of the total workforce.

Turnover, which is defined as the number of permanent staff leavers expressed as a percentage of the permanent workforce, increased from 6.4% in 2009/10 to 7.5% in 2015. Turnover is lower among teachers where it is 6.5%

The number of younger employees (aged 16-24) in our workforce has increased significantly – a 65% increase in headcount from 2009. All staff groups have seen an increase in the number of young people employed. However, the most significant factor has been the growth of our modern apprenticeship and graduate trainee programmes and the resulting growth in the number of young people securing sustained employment with the Council.

Appendix 3: Workforce Management Arrangements

Category 1

- Vacancy Management
- Short term Resourcing Requirements
- Promoting Voluntary Retirement (Voluntary Severance Schemes), Flexible Retirement, Flexible Working
- Maximising Capacity – reducing sickness absence, improving performance

Category 2

- Managing the workforce implications of service redesign, rationalisation, cessation and transformation

Category 3

- Avoiding compulsory redundancy as far as possible
- Protecting people through investment in skills, retraining, redeployment and supporting people through change

Appendix 4: Employee Survey Results 2015

EMPLOYEE ENGAGEMENT SURVEY – September 2015 FULL COUNCIL RESULTS SUMMARY

The survey was made available to 5175 employees across Perth & Kinross Council; 3289 employees responded giving a response rate of 63.56% (61.74% in 2014)

Overall results for 2015 are summarised in the table below, and set out alongside results for previous years (dating back to 2008).

Question	Aggregated Responses	2008 %	2009 %	2010 %	2011 %	2012 %	2013 %	2014 %	2015 %	Change
1. I am clear what is expected of me at work.	Agree	86.5	89.8	88.7	88.3	87.4	89.1	89.0	89.6	Up 0.6
	Neither agree nor disagree	7.1	5.9	6.9	7.2	7.9	7.1	7.3	6.5	
	Disagree	4.7	3.6	4.2	4.4	4.6	3.8	3.8	3.9	
2. I am treated fairly at work.	Agree	80	82.7	80.7	83.1	81.9	82.6	84.9	83.6	Down 1.3
	Neither agree nor disagree	12.5	10.9	11.9	10.5	11.3	11.6	10.2	10.9	
	Disagree	5.7	5.3	6.3	6.4	6.7	5.8	4.9	5.5	
3. There is a good fit between the job I do and my skills and abilities.	Agree	81.3	84.3	83.3	84.0	83.6	85.1	85.7	86.1	Up 0.4
	Neither agree nor disagree	10.3	9.6	10.4	9.7	10.5	8.8	9.1	8.9	
	Disagree	6.5	4.8	6.3	6.3	5.9	6.0	5.1	5.0	
4. I have the right tools, equipment and information to do my work effectively.	Agree	70	73.3	75.2	71.8	71.4	71.5	72.1	71.5	Down 0.6
	Neither agree nor disagree	15.7	15.1	14.3	17.1	16.2	15.3	15.0	15.0	
	Disagree	11.9	10.5	10.5	11.1	12.5	13.2	12.9	13.5	
5. My role provides me with a daily opportunity to use my strengths.	Agree	72.6	77.8	77.4	79.8	77.5	78.6	79.9	80.1	Up 0.2
	Neither agree nor disagree	16.1	14.1	14.7	12.9	14.7	13.5	13.7	13.0	
	Disagree	8.3	6.4	7.9	7.3	7.7	7.8	6.5	6.9	

Appendix 4: Employee Survey Results 2015

EMPLOYEE ENGAGEMENT SURVEY – September 2015

Question	Aggregated Responses	2008 %	2009 %	2010 %	2011 %	2012 %	2013 %	2014 %	2015 %	Change
6. I receive regular recognition and praise on my performance at work.	Agree	48.9	54	55.2	55.5	53.6	56.5	60.5	61.0	Up 0.5
	Neither agree nor disagree	25.5	26.1	24	25.8	24.9	24.4	23.8	23.0	
	Disagree	23.2	18.8	20.9	18.6	21.4	19.0	15.6	16.1	
7. At work my development is encouraged and supported.	Agree	60.7	64.5	63.2	65.1	63.6	65.9	68.7	69.5	Up 0.8
	Neither agree nor disagree	23.2	23.2	22.3	22.5	22.7	21.8	20.4	19.7	
	Disagree	13.9	11.3	14.5	12.3	13.7	12.3	11.0	10.8	
8. I am treated as an individual.	Agree	74.5	77.3	77.5	77.9	76.5	77.2	79.7	79.6	Down 0.1
	Neither agree nor disagree	15.9	14.7	14.1	15.0	15.8	15.9	14.2	14.4	
	Disagree	7.4	6.5	8.3	7.1	7.7	7.0	6.0	6.0	
9. At work my views and opinions seem to count.	Agree	59.1	63.8	63.1	63.6	62.5	64.6	67.5	67.7	Up 0.2
	Neither agree nor disagree	25	22.5	22.7	22.9	23.1	22.1	21.1	20.1	
	Disagree	13.5	12.6	14.2	13.5	14.4	13.3	11.4	12.2	
10. My team has a good team spirit.	Agree	69.4	71.6	67.5	69.5	66.6	67.6	73.1	71.5	Down 1.6
	Neither agree nor disagree	14.6	15.5	16.9	16.9	17.5	17.3	16.2	15.7	
	Disagree	13.8	11.6	15.7	13.5	15.9	15.1	10.7	12.8	
11. The people I work with are committed to doing their best.	Agree	80.7	83.9	83.9	86.0	84.1	85.0	88.0	87.4	Down 0.6
	Neither agree nor disagree	12.3	11.2	11.3	10.2	12.0	11.3	8.7	9.2	
	Disagree	4.5	3.6	4.9	3.8	4.0	3.7	3.2	3.3	

Appendix 4: Employee Survey Results 2015

EMPLOYEE ENGAGEMENT SURVEY – September 2015

Question	Aggregated Responses	2008 %	2009 %	2010 %	2011 %	2012 %	2013 %	2014 %	2015 %	Change
12. I know how my job contributes to the Council's objectives.	Agree	76	77.8	79.8	79.9	80.2	81.0	81.6	83.0	Up 1.4
	Neither agree nor disagree	17.2	16.7	15.6	15.9	15.6	15.4	14.5	13.6	
	Disagree	4.5	4	4.6	4.1	4.2	3.6	3.8	3.5	
13. I am given the freedom to solve problems.	Agree	72	74.3	76.7	78.0	76.7	78.7	80.3	80.1	Down 0.2
	Neither agree nor disagree	17.8	17.6	16.7	16.0	15.8	15.1	14.8	14.8	
	Disagree	8	6.8	6.5	6.0	7.5	6.3	4.8	5.1	
14. My team are passionate about delivering excellent customer service.	Agree	77.3	80	81.6	82.4	81.0	82.8	84.3	84.6	Up 0.3
	Neither agree nor disagree	15.8	14.5	13.7	14.2	14.9	13.7	13.1	12.5	
	Disagree	4.8	3.9	4.9	3.4	4.2	3.4	2.6	2.9	
15. Any problems that could stop me giving the best customer service are dealt with.	Agree	53.6	61.6	62.3	62.8	61.7	64.6	66.0	65.3	Down 0.7
	Neither agree nor disagree	29.2	25.8	25.5	25.8	25.3	23.7	23.3	22.7	
	Disagree	15.2	11	12.2	11.3	13.0	11.8	10.7	12.0	
16. I have sufficient opportunities to raise issues with my manager about change at work.	Agree		75.4	75.2	75.6	73.2	76.6	78.4	79.0	Up 0.6
	Neither agree nor disagree		15	14.6	14.8	16.1	13.7	13.7	13.1	
	Disagree		8.5	10.2	9.6	10.7	9.8	7.8	7.9	
17. I am able to cope with my workload.	Agree		63.5	61.5	72.7	71.7	72.6	74.1	72.3	Down 1.8
	Neither agree nor disagree		19.4	20.8	16.8	17.6	17.3	15.7	16.2	
	Disagree		16.2	17.6	10.4	10.6	10.1	10.2	11.5	

Percentages may not add up to 100% as some people may not have answered the question or due to rounding of figures

Appendix 4: Workforce Management Arrangements

**EMPLOYEE ENGAGEMENT SURVEY – September
2015 RESPONSE RATES BY SERVICE**

	2008 Pilot Surveys	September 2009 Survey	September 2010 Survey	September 2011 Survey	September 2012 Survey	September 2013 Survey	September 2014 Survey	September 2015 Survey
Service	Response Rate	Response Rate	Response Rate	Response Rate	Response Rate	Response Rate	Response Rate	Response Rate
CEX	71.40%	69.00%	76.70%	59.82%	58.19%	70.43%	74.34%	68.58%
ECS	37.90%	43.20%	41.10%	49.75%	40.07%	47.04%	57.43%	59.23%
HCC	54.50%	59.10%	61.70%	52.39%	65.84%	66.38%	57.69%	59.88%
TES	69.10%	73.50%	76.40%	75.76%	77.45%	84.78%	80.34%	83.89%
PKC Total	47.70%	51.60%	53.10%	54.59%	52.54%	58.07%	61.74%	63.56%