

# Springing Forward Workforce Management – Pembrokeshire County Council

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# Summary report

## Summary

### What we reviewed and why

- 1 We reviewed the Council's arrangements for managing its workforce. We looked at how the Council strategically plans for its workforce, how it monitors the use of its workforce and how it reviews and evaluates the effectiveness of its arrangements.
- 2 We delivered this review as the world moves forward, using the experiences from the global COVID-19 pandemic, to look at how councils are strengthening their ability to transform, adapt and maintain the delivery of services, including those delivered in partnership with key stakeholders and communities.
- 3 We have undertaken this project at all councils as part of our 2021 audit plans to help discharge the Auditor General's duties under section 17 of the Public Audit (Wales) Act 2004 (the 2004 Act) and section 15 of the Well-being of Future Generations (Wales) Act 2015.
- 4 When we began our audit work under the Well-being of Future Generations (Wales) Act 2015 (the Act) we recognised that it would take time for public bodies to embed the sustainable development principle, but we did also set out our expectation that over the medium term we would expect public bodies to be able to demonstrate how the Act is shaping what they do. It is approaching seven years since the Act was passed and we are now into the second reporting period for the Act. Therefore, we would expect public bodies to be able to demonstrate that the Act is integral to their thinking and genuinely shaping what they do.
- 5 Under the Act, councils must carry out sustainable development in accordance with the sustainable development principle. To do something in accordance with the sustainable development principle means that the Council must act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. To act in that manner, the Council must take account of the five ways of working: long-term, integration, involvement, collaboration, and prevention. Statutory guidance on the Act sets out seven core organisational activities that it is essential that the sustainable development principle is applied to. Workforce is one of those core organisational activities.
- 6 This review had three main aims:
  - to gain assurance that councils are putting in place arrangements to transform, adapt and maintain the delivery of services;
  - to explain the actions that councils are taking both individually and collectively to strengthen their arrangements; and
  - to inspire councils and other organisations to further strengthen their arrangements through capturing and sharing notable practice examples and learning and making appropriate recommendations.

- 7 We undertook the review during the period January 2022 to April 2022.
- 8 There are approximately 4,630 full-time equivalent members of staff in the Council's workforce.

## What we found

- 9 Our review sought to answer the question: Is the Council's strategic approach to its workforce effectively helping the Council to strengthen its ability to transform, adapt and maintain the delivery of its services in the short and longer term?
- 10 Overall, we found that: recognising the need to develop a clear vision and plan for its workforce the Council needs to put the sustainable development principle at the heart of its consideration as well as strengthen strategic HR capacity and performance monitoring.
- 11 We reached this conclusion because:
  - the Council recognises that it does not have a clear vision or plan for its workforce and it wants to address this but limited capacity at a strategic level in its Human Resource Service is hindering progress;
  - the Council is strengthening its arrangements for engaging with its staff but needs to ensure it is actively applying the sustainable development principle in its approach to managing its workforce; and
  - the Council recognises that its corporate arrangements for monitoring performance in relation to its workforce need improving.

## Recommendations

### Exhibit 1: recommendations

The table below sets out the recommendations that we have identified following this review.

Recommendations	
<b>Workforce management</b>	
R1	The Council should use the sustainable development principle <sup>1</sup> to improve the way it plans, delivers and monitors the management of its workforce, for example, by integrating its workforce planning with other key strategies, reflecting longer-term service demand, and considering how it can maximise collaboration with other organisations.
R2	The Council needs to ensure that it has sufficient resources to develop and deliver its vision and plan for its workforce.
<b>Performance management</b>	
R3	The Council needs to strengthen the performance management of its workforce by: <ul style="list-style-type: none"><li>• developing a set of performance and outcome measures that reflect the Council's ambitions for its workforce, and monitor these measures at a corporate level, including reporting to overview and scrutiny committee(s); and</li><li>• benchmarking performance on workforce management with other organisations.</li></ul>

<sup>1</sup> The sustainable development principle is set out in the Well-Being of Future Generations (Wales) Act 2015.

# Detailed report

Recognising the need to develop a clear vision and plan for its workforce the Council needs to put the sustainable development principle at the heart of its consideration as well as strengthen strategic HR capacity and performance monitoring

**The Council recognises that it does not have a clear vision or plan for its workforce and it wants to address this but limited capacity at a strategic level in its Human Resource Service is hindering progress**

- 12 The Council does not currently have a clear vision for its workforce moving forward. Although it has previously defined some aspects of its vision in its Human Resources (People) Strategy 2019-21 and through its Transformation Programme. The Transformation Programme has a cultural transformation theme which has amongst its aims to support staff to become more innovative, customer-focussed, commercially minded, and entrepreneurial.
- 13 Strategic capacity in the Council's Human Resource Service (HR Service) is currently limited and this is hindering the Council's ability to plan for its workforce over the short and longer-term. The deputy head of HR is currently acting up in the position of Head of HR but is also still covering the functions of the deputy role. The Council is working to strengthen the corporate centre of the organisation and has invested in new senior posts, including appointing an Assistant Chief Executive.
- 14 As part of learning from the pandemic so far, the Council undertook an organisational learning review in 2021, this review recognised that the Council has not had sufficient data to fully understand the 'as is' position for its services. The Council recognises that this is an area that it needs to strengthen going forward. The Council has identified the areas where there are difficulties recruiting and is taking action to try to address these. The HR Service has recruited to a new role of Resource and Talent Manager. Part of this Resource and Talent Manager's role is to help the organisation with recruitment in areas where there are shortages (including property services, building surveyors, planners, and social workers). The Council also has a two-year programme in its budget to help to fill these vacancies. However, it identifies potential budget constraints that may limit its ability to maintain current staffing levels in the future.

- 15 At the time of our work, there was no consensus on what the timeline for the Council's workforce planning horizon was. The Council does not have a thorough understanding of the longer-term factors that may impact the workforce and the challenges and opportunities that may result. The Council has not undertaken any scenario planning corporately in relation to its workforce, and there is an opportunity to do this as part of its work on planning for its workforce moving forward.
- 16 The Council's Internal Audit report into the Council's workforce development strategy (December 2019) gave a limited assurance rating<sup>2</sup>. The report recommended that, 'The workforce development element of the Human Resources (People) Strategy should be developed further setting out the Authority's next strategic steps for workforce development, clearly setting out what the Authority's workforce currently looks like, what it will look like in the future, and laying out the processes to implement this change over the longer term.' The Internal Audit report graded this work as critical<sup>3</sup>.
- 17 The Social Services' department does have a workforce plan. The department has been doing a lot of work to try to address recruitment and retention issues, including sponsoring a social worker graduate training programme to 'grow their own' and build capacity in the sector locally. The department has been proactive in trying a number of initiatives and is leading work regionally to help to address recruitment issues in the social care sector.
- 18 The Council does have a five year 'invest to save' Strategic Workforce Planning Project (SWITCH) which it started in 2019-20. This project aims to provide the organisation with an effective mechanism to support managers to better use employee resources, by offering redeployment opportunities, managing internal talent, and working in partnership with the Council's Learning and Development team in upskilling the workforce to make better use of the workforce. The Council was unable to roll out its SWITCH programme as it had originally envisaged due to the pandemic, but the HR Service felt that the rapid deployment of staff achieved during the pandemic showed the potential for the programme.
- 19 During the pandemic, staff worked differently, with large numbers working from home or being redeployed to other roles. The Council is currently planning for the return to the office and has started to train managers for managing in the hybrid working world.

<sup>2</sup> The Council's definition of a limited assurance rating is that, 'There are weaknesses in the adequacy and/or effectiveness of the governance, internal control, risk management and financial management arrangements, which, in aggregate, have a significant impact on the ability of the service to achieve its objectives and could have a significant effect on the achievement of the Council's Well-Being Objectives.'

<sup>3</sup> This recommendation grading means that the action required is 'high risk that requires prompt strategic or operational action.'



- 20 The Council's Human Resources (People) Strategy 2019-21, had already committed to more flexibility for staff, including smarter working options and prioritising digital advances. This helped with the new ways of working required from its workforce when the pandemic started in 2020.
- 21 Prior to the beginning of the pandemic, the Council already had a 'Home Working Policy' (which applied to a small number of staff only). Those working under this policy are based at home 100% of the time and the Council pays for their broadband. The Council also already had a 'Smarter Working Policy'. The motivation behind the Smarter Working Policy was to allow staff to work more flexibly ie from home or other locations, to enable the Council to free up office accommodation so that it could rationalise its asset base to support budget savings required as part of the Medium Term Financial Plan. Both the 'Home Working Policy' and the 'Smarter Working Policy' are still in place and the Council is looking at what its new working arrangements will be going forward.
- 22 The Council has engaged with its staff over future ways of working. It undertook a staff survey in September 2021 and is using the results to help inform the changes it intends to make to its 'Smarter Working Policy'. The Council has not yet set out a corporate position on future ways of working. Currently managers are being empowered to determine what hybrid working means for their service areas. The Council has a 'Future of Work' group which is looking at issues arising from new working arrangements.

### **The Council is strengthening its arrangements for engaging with its staff but needs to ensure it is actively applying the sustainable development principle in its approach to managing its workforce**

- 23 The Council is strengthening its arrangements for engaging with its staff. The Council has committed to undertaking a full staff survey in 2022. This survey will be delivered by an external organisation. The survey will give metrics so the Council can record and track staff views. The intention is that the survey will be run every three years, supplemented by follow-up surveys in targeted areas to enable the Council to track the issues and views of staff over time.
- 24 The Council has some positive examples of working with its partners on workforce matters including in Social Services, where they are working regionally on recruitment and retention initiatives, and in Education through Partneriaeth<sup>4</sup>, but examples from other service areas are limited.

<sup>4</sup> Partneriaeth is the South West Wales Education Partnership which is working to deliver school improvement in the region. Three councils are in the partnership: Swansea, Carmarthenshire, and Pembrokeshire.

- 25 The Council has introduced a new integrated impact assessment process (September 2021) which is helping to strengthen its arrangements in this area but the Council recognises through its own assurance work that greater consistency in the use of this tool is required to ensure the Council meets its duties under the relevant legislation. The Council is taking action to strengthen its approach to diversity and inclusion in its workforce, including gaining the 'Disability Confident Leader'<sup>5</sup> employer status.
- 26 The Council's HR Medium Term Service Plan 2021-25 states that the HR Service is stretched. Because of this it identifies a number of actions that it has not been able to deliver as planned, including the Workforce Development Plan and the review of the HR Strategy. The HR Service wants to work more closely with departments in a fuller business partner role (providing high level advice, guidance, and insight to Departmental Management Teams) but this way of working is not yet fully embedded. The Council also recognises that the pandemic has changed the work landscape and that this will necessitate a review of many of their HR policies over time.
- 27 The Council should take a more integrated approach by considering how the management of its workforce can help to deliver across its well-being objectives, for example, its carbon strategy, its future asset management plans, or the provision of services that may be delivered in different ways in the future.

## **The Council recognises that its corporate arrangements for monitoring performance in relation to its workforce need improving**

- 28 The Council recognises that its corporate arrangements for monitoring performance in relation to its workforce need strengthening. Currently, only a limited number of performance measures on HR matters are being reported corporately to Corporate Management Team and Cabinet. The performance indicators are limited to: staff sickness rates, number of full-time equivalent staff in education, and vacancy rates in adult and child social work care posts.
- 29 The Council's Human Resources (People) Strategy 2019-21 identifies areas for improvement including: developing the key performance indicators used to assess HR matters, improvements in self-evaluation arrangements and better workforce analytics.
- 30 The Council is involved in national and regional groups looking at workforce matters and reports finding these groups useful as a reference point and for discussing emerging issues. However, currently it only benchmarks sickness absence data with other organisations.

<sup>5</sup> 'Disability Confident Leader' is level 3 of the Disability Confident scheme run by the Department for Work and Pensions.

- 31 To help support improvement, the Council commissioned an external review of its HR Service (May 2021) and intends to use the findings of this review to help to make improvements to its workforce planning and management.
- 32 Audit Wales also undertook a review of the Council's HR Service in 2019<sup>6</sup>. The Council produced an action plan in relation to the proposals for improvement we issued. Progress in implementing the action plan has been naturally affected by the demands of responding to the pandemic.

<sup>6</sup> Auditor General for Wales, [Review of the Human Resources Service – Pembrokeshire County Council](#), March 2020.



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