



CORPORATE AND REGENERATION SCRUTINY COMMITTEE – 23RD SEPTEMBER 2024

SUBJECT: WORKFORCE UPDATE

REPORT BY: CORPORATE DIRECTOR, EDUCATION AND CORPORATE SERVICES

--

1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to provide Members with an update of some of the major issues and challenges currently impacting on workforce.

2. SUMMARY

- 2.1 Members will recall from the 'Workforce Capacity and Associated Challenges' report considered by Council on 24th November 2022 and Cabinet on 19th October 2022, that the Council was facing some challenges, many of which were external, for example, the impact of the cost of living and global conflict.
- 2.2 Members will be aware that the report outlined recruitment and retention challenges across the whole organisation at that time, which was by no means just a difficulty specifically to this Council. To address this challenge, Cabinet agreed funding to develop and recruit a new internal Recruitment Team.
- 2.3 The report also provided information to Members in relation to sickness absence, which was also providing a challenge at that time.
- 2.4 This report provides an update to Members on these particular areas that impact on the workforce, including any challenges being faced, the work already being done and planned.

3. RECOMMENDATIONS

- 3.1 Members are asked to note the content of this report.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 It is important that Members have information relating to the workforce and are aware of any challenges and what the Council is trying to do to address them, in order to ensure that services continue to be provided to the residents of the County Borough.

5. THE REPORT

- 5.1 Council, at the meeting held on 27th February 2024, agreed the Final Budget Proposals for the 2024/25 financial year. The report also appended an indicative Medium-Term Financial Plan (MTFP) showing a potential savings requirement of £45.213m for the two-year period 2025/26 to 2026/27.
- 5.2 The scale of this financial challenge facing the Council cannot be underestimated. To ensure we are able to meet the needs of our communities, whilst operating with significantly reduced funding, a whole Council approach is being defined and developed through the Council's Mobilising Team Caerphilly (MTC) Transformation Programme.
- 5.3 There is no way that these savings can be found without a substantial reduction in the workforce. Where this reduction will be has yet to be determined, but the work being undertaken through the MTC Programme will focus this.
- 5.4 In addition to these budget challenges, the Council, like all other public sector organisations, continues to face many challenges which are impacting on the workforce and its overall capacity to meet the expectations placed upon it.
- 5.5 The loss of experienced staff to retirement; officers thinking differently about their work / home balance; staff moving on to better paid jobs in other organisations as a result of certain skills now attracting greater premiums, as well as the removal of traditional barriers such as long and challenging commutes still exist.

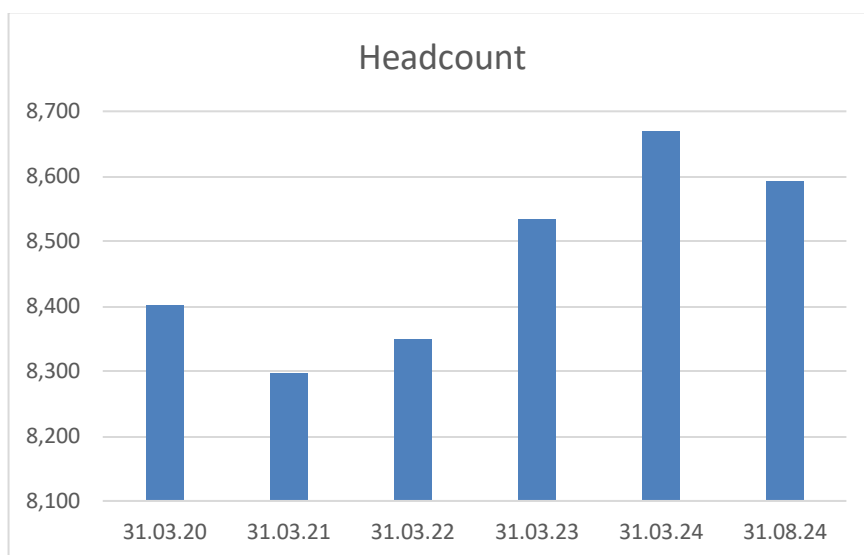
Recruitment

- 5.6 The Council is still facing recruitment and retention challenges in many service areas and unfortunately, the services affected still seem to be under increasing demand in accordance with the national picture. This is by no means a specific challenge to Caerphilly.
- 5.7 Appointments have been made to the internal Recruitment Team referred to in paragraph 2.2 to assist the Council to try to address the challenges in relation to recruitment and retention
- 5.8 Prior to providing details about the work this team has undertaken to date, some workforce information is provided below which hopefully Members will find helpful.

5.9 The headcount as at the close of each of the last five financial years is detailed below. For Members information, the headcount as at 31st August 2024 is also included.

Date	Headcount	FTE Headcount
31.03.20	8,402	6,141.56
31.03.21	8,296	6,124.17
31.03.22	8,348	6,245.04
31.03.23	8,535	6,409.36
31.03.24	8,670	6,542.91
31.08.24	8,594	6,543.66

5.10 The information detailed in 5.9 is also shown as a graph below for Members for ease of reference.

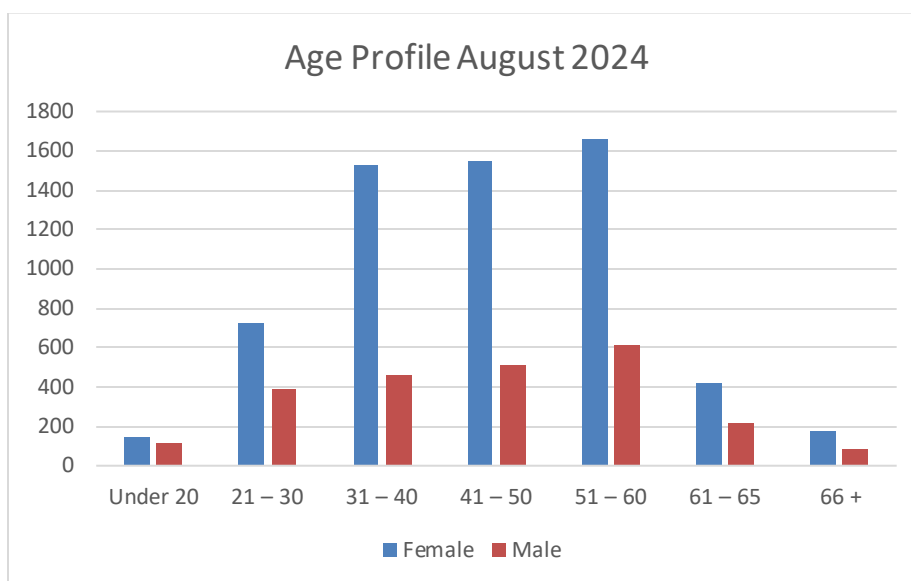


5.11 The table shows that there was a decline in staff in 2021 which mirrored the picture nationally attributed to the difficulties faced recruiting and retaining staff post the Covid Pandemic. It is important to note that these figures are supported with the use of agency workers in some services.

5.12 The workforce age profile of the organisation as at 31st August 2024 is as follows:

Age Group	Female	Male
Under 20	144	115
21 – 30	726	394
31 – 40	1,524	459
41 – 50	1,545	510
51 – 60	1,659	612
61 – 65	425	218
66 +	173	90
Total	6,196	2,398

5.13 The information above has also been provided in a graph below for Members.



5.14 The age profile numbers show that a large proportion of staff fall between the age range of 31 and 60 years old.

5.15 Members will be aware that despite the previous workforce report highlighting a difficulty in recruitment and retention, successful appointments were still being made. The report also recognised that there were clearly more difficulties in some areas, for example Care and Catering. The appointment of the recruitment team has now supported improved recruitment in these areas via targeted recruitment campaigns, more detail of which is provided in this report. The details of internal appointments and progression for the previous three financial years is set out below.

5.16 The details of successful appointments for the previous 3 financial years and for the period April – August 2024 are provided in the table below.

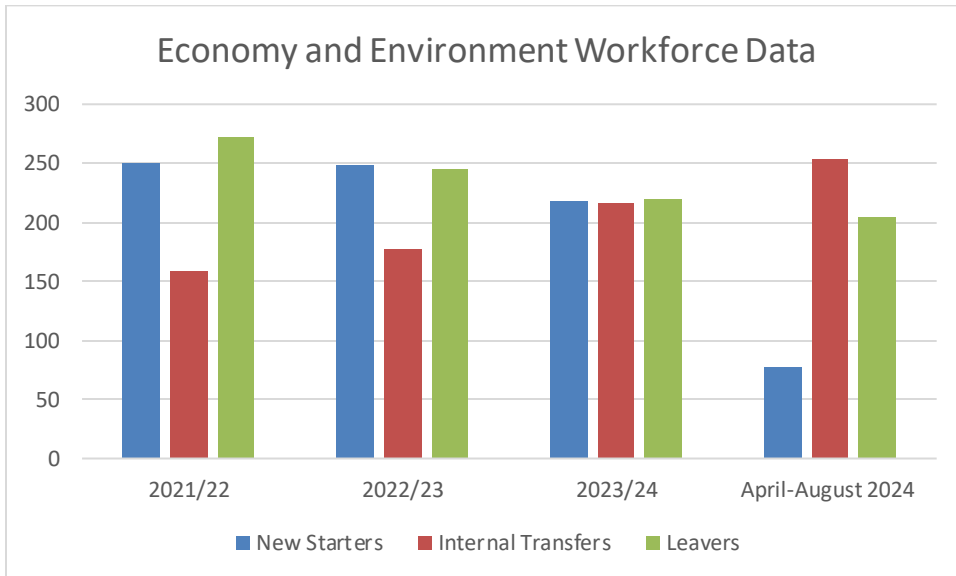
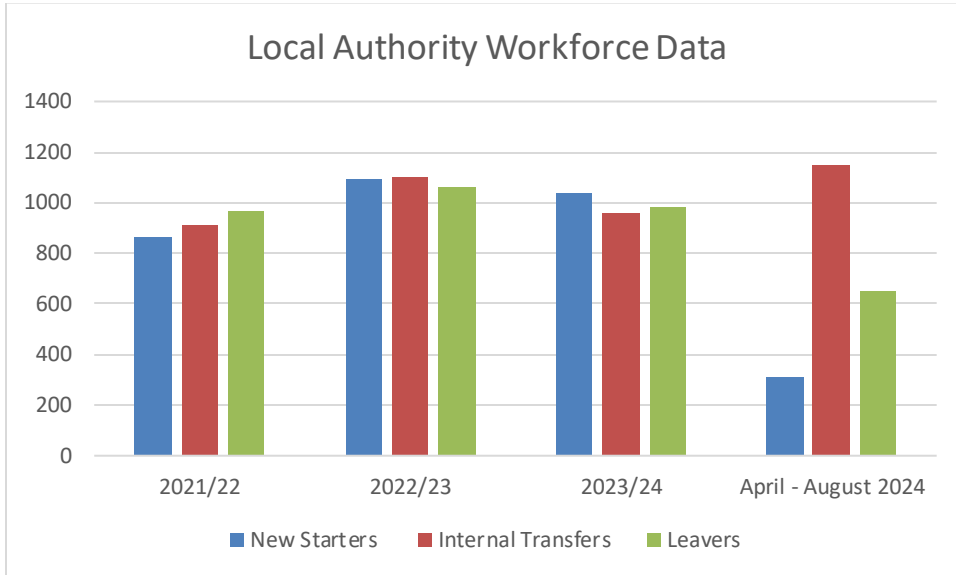
	2021 / 22	2022 / 23	2023 / 24	Apr – Aug 24
New starters	864	1,091	1,040	313
Internal transfers	915	1,103	960	1,151
Total appointments	1,779	2,194	2,000	1,464

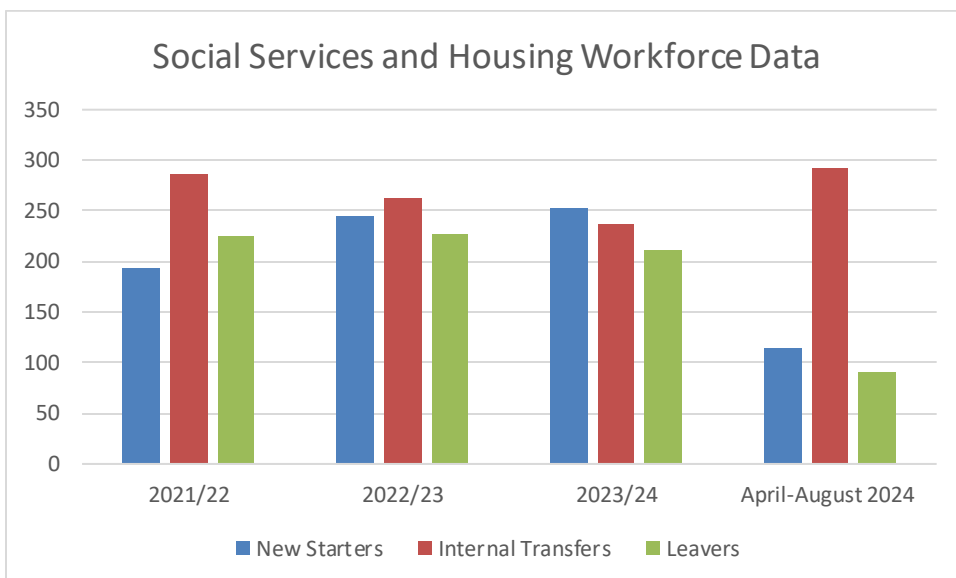
5.17 The new starters relate to new entrants to the Authority. The internal transfers subsequently create vacancies which may require further recruitment and selection processes. Naturally this places additional pressure on service areas for these periods.

5.18 To complete the picture, the details of the leavers from the Council for the previous three financial years and for April to August 2024 is detailed below:

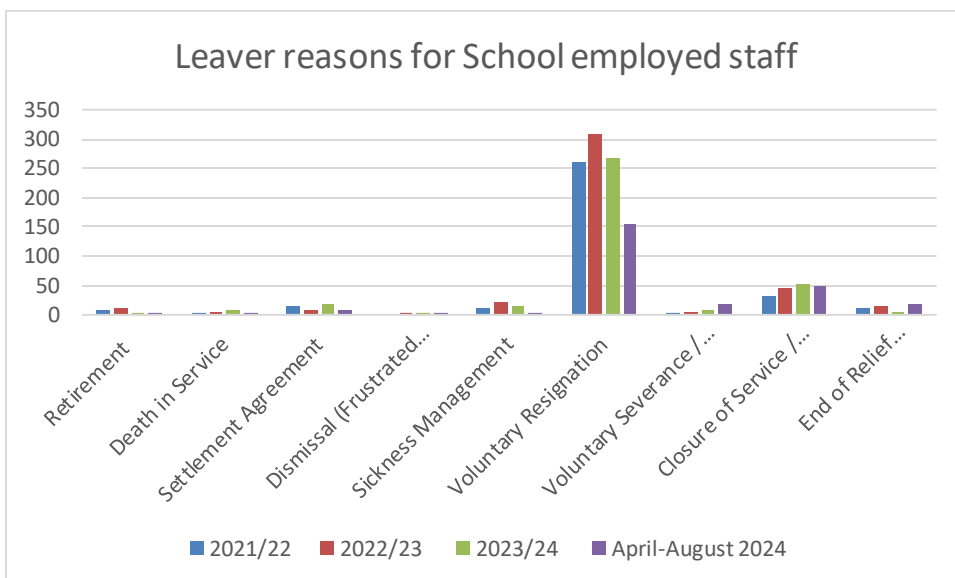
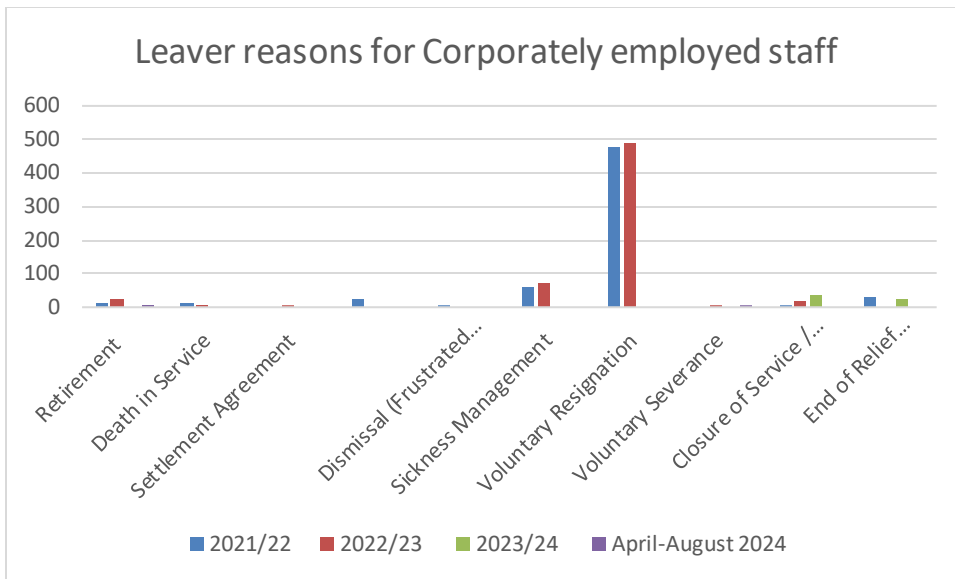
	2021 / 22	2022 / 23	2023 / 24	Apr – Aug 24
Leavers	971	1,065	983	646

5.19 The following graphs provide the recruitment and leavers information within 5.15 and 5.17 in graph format for the whole Authority and per Directorate.

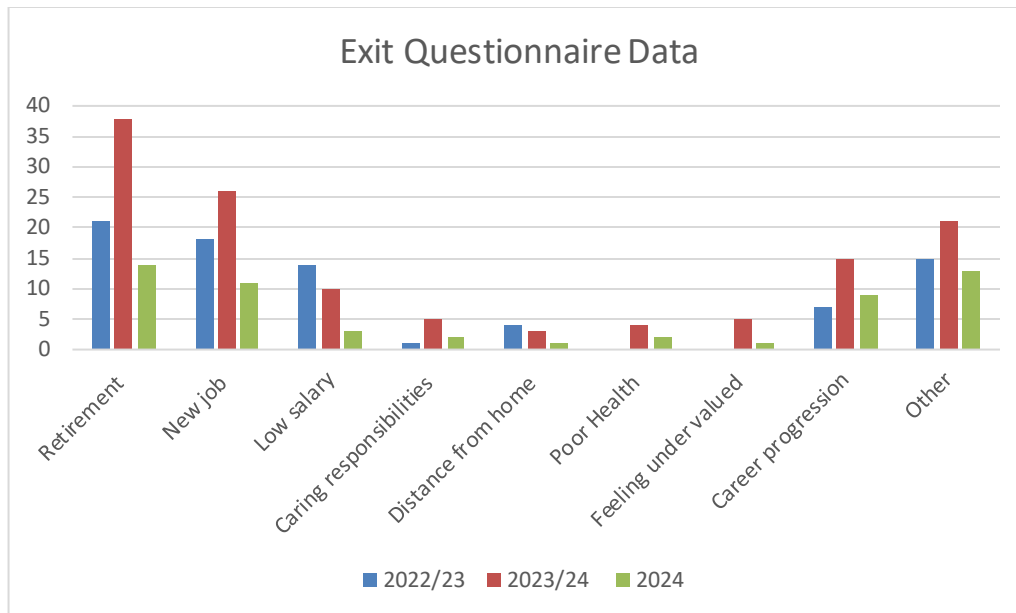




5.20 The graphs below provide the reasons for leaving for the period detailed in 5.17. The schools' data is reported separately.



- 5.21 Whilst all staff that leave the employment of the Council are asked to complete an exit questionnaire to support us as an employer to understand the reasons people leave, this is not, and cannot, be a mandatory requirement.
- 5.22 In August 2022, HR introduced a revised version of the exit survey in order to try to encourage more people to complete the questionnaire. The chart below provides this information for August 2022 – March 2023, 2023 / 24 and 1st April to 31st August 2024.



5.23 A total of 266 questionnaires have been returned since August 2022 and Members will note that the majority of staff who chose to complete the survey left due to retirement or for a new job.

5.24 Heads of Service have continued to work with HR to attempt to overcome some of the challenges within their services by utilising some of the opportunities available to the Council. These include:

- workforce planning
- the appointment of Apprentices
- considering run through grades
- review of contracts and hours
- introducing market supplements. These should however only be used as a temporary measure.

5.25 One of the main priorities of the Recruitment Team has been to focus on marketing and promoting the organisation to prospective candidates; making use of commercial recruitment tools to identify individuals that meet the Council's needs and engaging potential candidates about the benefits of coming to work for Caerphilly. The Team have also promoted more widely the opportunities that exist within the Council across Social Media and other professional channels, as well as hosting local recruitment events across the Borough and attending recruitment events run by others.

5.26 The targeted recruitment campaigns in areas such as Housing, Waste, Care and Catering have had a positive impact.

5.27 The Team has also developed and modernised the Council's Recruitment web pages, streamlined the application process and is currently running a pilot in Care that gives managers more autonomy over some parts of the process. It is important to note that this does not, however, allow managers the opportunity to not comply with the Council's Safer Recruitment Procedure.

- 5.28 The roll-out of the new recruitment process will be supported by a new on-boarding process and revised induction process, which seeks to automate the process more and provide Managers and candidates with a better recruitment experience.
- 5.29 To support the enhanced delivery of learning and development provision for our workforce, we are working collaboratively with other Local Authorities to develop a new learning management system (LMS) called 'Thingi'. This new system will provide a modern digital platform to effectively manage blended learning solutions for staff. Thingi will also enable event management and online training delivery and centralising all learning opportunities under one system will facilitate more effective learning and development opportunities for the workforce and provide better reporting opportunities.
- 5.30 The development of a new Corporate Induction is due to be launched to the whole authority in October 2024, utilising the My Caerphilly Intranet and the all Wales software platform, Thingi. The new process will offer a clear framework for the induction journey for new starters and will include digital access to a suite of 'Essential Learning', modules.
- 5.31 As part of the MTC change programme of work, a new vacancy management process was introduced in the Summer of 2024 in an effort to support the Council's savings target and transformation narrative. Members should be aware that many Heads of Service already have vacancy management targets in their budget for 2024 / 25. The new process, creates further scrutiny by ensuring that CMT review all requests to recruit. This process is supported by the Recruitment Team who will continue to monitor and review the process as we progress through the programme.
- 5.32 Members will understand that the focus on recruiting to all vacant posts has now therefore changed and Heads of Service have to give serious consideration to the criticality of replacing vacant posts before submitting them for CMT's consideration.
- 5.33 This new vacancy management process also applies to requests to engage agency workers. The use of agency workers supports service delivery for various reasons and is now under review as a workstream within the MTC change programme. The aim of the review is to reduce the agency spend corporately and, where possible, across schools also.

Sickness

- 5.34 The Council's Managing Sickness Absence Procedure provides a structured framework to allow Managers to effectively manage sickness absence. The Procedure has also been adopted by all Schools. The purpose of the Procedure is to:
- Maximise employee attendance at work.
 - Support employees in returning to work in a timely manner.

- Have a clear and agreed process for managing the sickness absence of all the Council's employees, which is applicable to all.

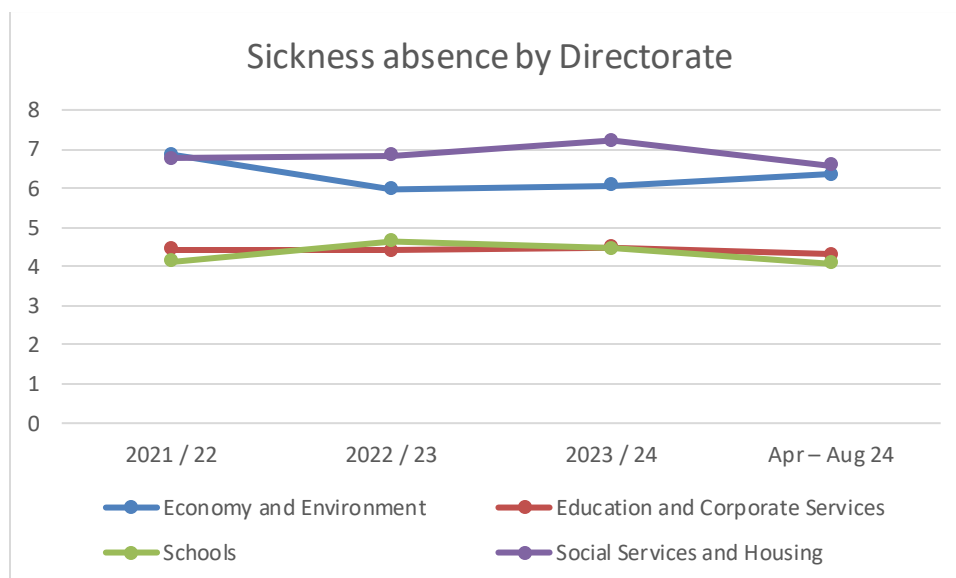
5.35 The following paragraphs provide an overview of levels of absence within the Council for the previous 3 financial years.

5.36 In 2021 / 22 the Council reported 14.12 days lost per full-time equivalent (FTE) Local Authority employee due to sickness absence, including schools. In 2022 / 23 this reduced to 13.96 and in 2023/24 reduced again to 13.62. Whilst this latest figure is a slight reduction on the previous 2 financial years (Circa 0.5 days), it is still too high.

5.37 The table below provides the total percentage absence per Directorate for three financial years. Schools are reported separately for ease of reference for Members.

Directorate	% Sickness Absence			
	2021 / 22	2022 / 23	2023 / 24	Apr – Aug 24
Economy and Environment	6.86	5.97	6.07	6.34
Education and Corporate Services	4.43	4.40	4.48	4.32
Schools	4.13	4.64	4.47	4.07
Social Services and Housing	6.76	6.83	7.22	6.57
Authority Total	5.43	5.36	5.42	5.23

5.38 This information is also provided in graph format below for Members.



5.39 The percentage absence details provided in 5.29 are broken down further to provide Members with the information relating to short term and long term absences.

Directorate	% Sickness Absence							
	2021/22		2022/23		2023/24		Apr-Aug 24	

	ST	LT	ST	LT	ST	LT	ST	LT
Economy & Environment	1.74	5.12	1.89	4.09	1.34	4.73	1.33	5.01
Education & Corporate Services	1.35	3.82	1.48	2.92	1.28	3.21	1.02	3.84
Schools	1.97	2.16	1.99	2.64	1.68	2.79	1.14	2.93
Social Services & Housing	1.72	5.03	1.98	4.85	1.73	5.49	1.59	4.97
Authority Total	1.76	3.67	1.88	3.48	1.56	3.86	1.26	3.97

5.40 Members will note that the long term absences are consistently the greater proportion of absences.

5.41 The table below provides the top 10 stated reasons for absence across the Council for the previous three financial years and for the period April – August 2024.

Top 10 Reasons of Absence for the Authority

Top 10 Ranking

	2021/22	2022/23	2023/24	Apr – Aug 24
Personal Stress; depression; anxiety; neurasthenia; mental health; fatigue	1	1	1	1
Covid	2	3	9	N/A
Other musculo-skeletal problems	3	2	2	2
Stomach; liver; kidney and digestion inc. gastroenteritis	4	4	3	4
Infections inc. colds & flu	5	5	4	5
Back and neck problems	6	8	7	6
Chest and respiratory inc. chest infections	7	7	6	9
Neurological including headaches & migraines	8	9	N/A	8
Injury	9	6	5	3
Work related stress	10	10	8	7
Genito-urinary inc. menstrual problems	N/A	N/A	10	N/A
Heart, blood pressure & Circulation	N/A	N/A	N/A	10

5.42 Work undertaken to date has not evidenced any specific patterns of absences across services or teams.

5.43 Within People Services, the HR team provides advice and guidance to Managers in relation to all aspects of people management. Listed below are some of the other areas of support that are currently in place:

- **A dedicated Managing Attendance Team** to support Managers to manage absence effectively and consistently across the Authority.
- **An Occupational Health Unit**, with Occupational Health Physician, Physiotherapist and Nurse expertise provided to support the management of sickness absence.
- **A confidential counselling service** offered via Vivup that can be accessed by all employees.
- **An Employee Wellbeing Strategy 2021 – 24** is now in place which supports us to work with our employees to promote and facilitate good health and wellbeing, and to provide excellent services to those who need our support.
- **A digital 'Health Wall'** has been established featuring some of the links to organisations that provide expert information and advice for a number of health related issues.
- **Directorate Performance Assessments** also include sickness information broken down by Directorate and classified as either short term or long term which are kept under review by Senior Management on a cyclical basis.

5.44 In acknowledging that sickness absence levels need to be reduced, there is now a sickness review under way through the MTC change programme. The Project is seeking to better understand the reasons for the Council's sickness absence levels and why Caerphilly's are not reducing at the same pace as neighbouring Councils.

5.45 The project will also determine whether there are any strategies that can be implemented to accelerate a reduction in sickness absence levels and alleviate pressures on the staffing that remain in work. As part of this project, the Council's Managing Sickness Absence Procedure will be reviewed.

6. ASSUMPTIONS

6.1 No assumptions have been made in this report.

7. SUMMARY OF INTEGRATED IMPACT ASSESSMENT

7.1 An Integrated Impact Assessment has not been completed as this report provides Members with an update on matters impacting on the workforce.

7.2 The Council has in place policies to support matters such as recruitment, sickness absence, pay and grading and terms and conditions, etc. which would have been assessed at the time of agreement and take Equalities related issues into account.

8. FINANCIAL IMPLICATIONS

8.1 Any associated costs relating to recruitment or sickness absence are funded by the relevant service area.

9. PERSONNEL IMPLICATIONS

9.1 The personnel implications are included in the report.

10. CONSULTATIONS

10.1 The consultation responses are included in this report.

11. STATUTORY POWER

11.1 Local Government Act 1972

Author: Lynne Donovan, Head of People Services

Consultees: Dave Street, Deputy Chief Executive
Richard (Ed) Edmunds, Corporate Director Education and Corporate Services
Mark S Williams, Corporate Director Economy and Environment
Cllr Nigel George, Cabinet Member for Corporate Services, Property Services and Highways
Stephen Harris, Head of Financial Services and S151 Officer
Lisa Lane, Head Of Democratic Services and Deputy Monitoring Officer
Nicola Chapman, HR Service Manager

Background papers:

Workforce Capacity and Associated Challenges' report considered by Council on 24th November 2022 and Cabinet on 19th October 2022

[Link to Council on 24th November 2022](#)

[Link to Cabinet 19th October 2022](#)