

People, Performance and Development Committee  
27 October 2016

**Proposal to introduce a Professional Development Programme  
within the Environment & Infrastructure Directorate**

**Purpose of the report:**

To seek endorsement from the People, Performance and Development Committee to introduce a Professional Development Programme within the Environment & Infrastructure Directorate that provides set pay progression for candidates undertaking specific professional training schemes.

**RECOMMENDATIONS**

It is recommended that the People, Performance and Development Committee approves the introduction of a Professional Development Programme within the Environment and Infrastructure Directorate (E&I) that provides set pay progression for candidates undertaking specific professional training schemes.

**REASONS FOR RECOMMENDATIONS**

Vacancies in key specialist positions within the Environment & Infrastructure Directorate have highlighted challenges around the recruitment and retention of staff within the Directorate. The introduction of a Professional Development Programme would make Surrey County Council a more attractive employer in the competitive market for recruiting to engineering roles and other specialist posts.

**DETAILS**

**Introduction**

1. Within the Environment and Infrastructure (E&I) Directorate there is a recruitment and retention issue with currently 96 vacancies across E&I Groups and Services (excluding Surrey Fire & Rescue Service) which equates to 16% of the workforce. This is particularly evident across specialist professional roles such as engineering and planning posts with the majority of vacancies being across the S7 to S9 grade range (Annex B).
2. There is also an aspiration to create a younger workforce within the service to support succession planning by attracting and developing both new recruits and existing staff to cover E&I's numerous and varied specialist roles. 66% of the E&I workforce are over the age of 40 and in the Environment Service only 9% are under 30 (Annex B).

| Environment & Infrastructure Vacancies May 2016 (E&I)   |            |            |           |                |
|---|------------|------------|-----------|----------------|
| Group/SERVICE   | POSTS      | PEOPLE     | VACANCIES | % VACANT POSTS |
| Local Highway Services  | 144        | 133        | 11        | 8%             |
| Ntwk & Asset Mgmnt  | 141        | 117        | 24        | 17%            |
| Works Delivery  | 92         | 64         | 28        | 30%            |
| HWYS & TRNSPT   | 377        | 314        | 63        | 17%            |
| Planning & Dvlpmnt  | 78         | 60         | 18        | 23%            |
| ENVIRONMENT   | 162        | 147        | 15        | 9%             |
| <b>E&amp;I TOTAL *</b>  | <b>617</b> | <b>521</b> | <b>96</b> | <b>16%</b>     |
| *Total does not include E&I Strategic or Asst Directors, the Superfast Broadband or Emergency Planning Teams (no vacancies), or the Fire & Rescue Service |            |            |           |                |

- Most of the 60+ vacancies in the Highways & Transport Service (HTS) are part of the capital works programme and have high recharge targets. Being unable to fill these roles not only puts service delivery and programme deadlines at risk but also creates a pressure on salary budgets which are set on the assumption of income targets being met. For example, based on 2015/16 figures, an S9 post with a 70% capital recharge target results in a monthly deficit of £278 whilst remaining vacant.
- A recruitment and retention strategy is currently in place to help support E&I, and one of the proposals is to create a Professional Development Programme (PDP) or trainee scheme, initially within HTS (engineering) and the Planning & Development Group.
- A PDP / trainee scheme will provide opportunities to attract and retain the right people and establish an accomplished, capable and qualified workforce to meet service demands and help support succession planning.

## Background

- 73 people resigned from E&I in the last financial year (April 2015 to March 2016) which equates to a 12% turnover of staff across the Directorate. The Works Delivery Group in HTS has suffered the biggest impact with staff turnover of 27%. Both the Network and Asset Management Group and the Planning and Development Group have each lost 17% of their workforce.
- Details of the posts vacated in the latter groups over the last 18 months are provided in the tables below including the reasons why staff chose to leave E&I and where they now work. (29% of leavers joined TfL). Another table shows that more than half of those who resigned from E&I over the last five years have left due to the lack of career prospects/pay progression on offer. (Annex C, in Part 2)

8. E&I are failing to attract suitable candidates due to the lack of career progression opportunities on offer and Surrey County Council (SCC) are also losing experienced and knowledgeable professional staff as a direct consequence, this is costly in both monetary and reputation terms.
9. With rates starting at £50 per hour for graduate engineers with two years' experience, increasing to £120 per hour for professionally qualified and experienced specialist Senior Structural Engineers and Civil Engineering Project Managers, the necessity of relying on agency staff and contractors to cover these specialist roles is clearly not cost effective for SCC.
10. The lack of fully qualified senior structural engineering staff and reliance on contractors in HTS also means high consultancy fees are incurred when statutory sign offs are required for highway and bridge construction works. This is a function the Council could and should be fulfilling as the Highway Authority for Surrey.
11. There is a clear case to not only attract and keep professional staff such as engineers 'in house', but to also 'grow our own' through career paths that reward commitment and progression. This would not only greatly reduce costs, but also boost staff morale by demonstrating the Council's commitment to investing in both new and existing staff.

## Competitors

12. As stated above (8), 29% of leavers over the last 18 months have joined TfL due to the fact that the enviable opportunities that they offer as well as strong pay and benefits including 30 days annual leave, two free Oyster cards and interest-free loans to buy annual tickets - including for those on student placements. (Annex D)
13. A number of staff have left E&I to work for other local authorities. For example, the Sustainable Transport team have recently lost a junior and very able member of staff who was offered a permanent position at Hounslow Borough Council which included a structured two year development programme.
14. A Professional Development Programme would also help enable E&I to compete with organisations that offer similar pay and conditions to Surrey but are located in more affordable areas. Working for local authorities outside the London area is an attractive proposition due to house prices and rents being much lower and can also often result in a less time consuming and costly commute. [11% of E&I 'leavers' over the last five years stated relocation/accommodation/post near home as their reason for leaving – see Annex C(iii)]
15. SCC's proximity to London and the associated high demands on its extensive highway network together with the large volume of applications for major building projects being received has resulted in E&I experiencing an increasingly high demand for transport, planning and engineering professionals - more so than other local authorities.

16. E&I also have to compete with several major transport and engineering consultancy firms that are based in the London and Surrey area. This includes WSP Parsons Brinckerhoff, Odyssey Markides, Atkins and Mouchel who all offer higher salaries and/or significant regular overtime, substantial bonuses, a more modern working environment, up-to-date facilities and equipment as well as various national and international career development opportunities. (Annex D).
17. Demand is high across both private and public sectors for engineering and planning professionals. A four-year Highways England spatial planning contract has recently been awarded to Mouchel (in partnership with Atkins) and with other consultancies winning similar prestigious contracts action is required to help attract and retain staff members needed by E&I in these fields of expertise.
18. The current severe skills shortage across these professional sectors presents a huge challenge for E&I in meeting key aims and achieving corporate objectives, having a flexible development programme in place would help to attract, develop and retain talent to meet the demands on SCC's services.
19. Information on Southampton Solent University's web site regarding their engineering HNC course includes the following statement: 'It is estimated that there is an annual shortfall of 81,000 professional engineers in the UK alone'. This critical skills gap is thought to be affecting the UK's ability to stay competitive, implying that demand for engineering professionals is likely to increase'.
20. The difficulties being faced in recruiting transport and planning staff was also highlighted by Buckinghamshire County Council in a recent TransportXtra.com article:-Staff recruitment a struggle, says Bucks: "There is a national shortage of transport and planning professionals. This has been a challenging area for TEE (Transport, Economy and Environmental departments) to recruit to critical high-level posts due to various factors, including not being able to compete with the salaries of private consultancy. This has left TEE in a difficult position, especially when facing integral planning needed for growth infrastructure."

## **Aim and Overview**

21. The aim of providing PDP schemes is to attract high calibre school leavers and graduate level candidates as well as helping improve staff retention by supporting internal career development for the existing workforce who will also have the opportunity to apply for the schemes. There will be approximately 20 to 25 trainees across E&I. The scheme also links in to the principles of the Pay and Reward Strategy implemented across SCC as it provides career development opportunities along with a robust training and development offer thereby helping to attract and retain staff.
22. Schools, colleges and universities will be advised of the opportunities offered by SCC and schemes will be promoted at recruitment fairs and advertised in

various media including relevant professional publications and web sites. E&I staff will be advised when positions for the various schemes within the programme become available and details will be published on Surrey's jobs pages.

23. Candidates will enter a PDP scheme at a level/stage appropriate to their qualifications, knowledge and experience and will be appointed at the relevant salary point. The rate of grade/salary progression will vary according to the particular scheme and the ability of the candidate.
24. The achievement of set criteria for professional development and progression will be assessed and signed off by a nominated manager. Mentoring support will be provided by experienced colleagues and progression regularly monitored through one-to-one meetings.
25. SCC is currently liaising with Guildford College to negotiate favourable terms and to establish whether there is an opportunity to help each other by SCC providing work experience placements for full time engineering students.

### **Principles and Details of the Proposed Schemes**

26. Schemes will be between one and four years in duration depending on the relevant grade span and the candidate's achievements and knowledge at entry level. Candidates will be supported to work towards gaining the qualifications and experience that will enable them to progress through the various stages of a scheme and, ultimately, reach the standard required for the particular role. The launch date for the programme will be from the 1 January 2017.
27. Some schemes will be offered on a day release basis with progression dependent on candidates passing relevant modules; others will require candidates to produce reports to substantiate their knowledge and experience in performing the different aspects required of the role. Evidence of progress will be signed off by a suitably qualified senior officer and may also be assessed by a professional body.
28. In some cases, candidates will be 'rotated' across different teams and/or groups relevant to their course modules and they may also be based with one of SCC's partner organisations. (See S7 to S9 Engineering PDP in Annex A). This will arm them with the knowledge and experience to take on a variety of roles that specialise in aspects such as design, maintenance, traffic and parking engineering, or in planning development, transport planning and/or transport modelling.
29. Positions in the scheme will be identified by adding PDP prefix to post titles which will be removed on successful completion of the programme when candidates will formally occupy the post at the starting salary of the relevant grade and undertake the duties/accountabilities in the role profile.
30. The programme will include various schemes covering different grade spans and timescales. The tables in Annex A outline entry level requirements, the

stages of progression, and the development and/or qualifications candidates will be working towards to fulfil the roles under the PDP schemes.

31. Existing initiatives that provide entry pathways into the planning profession include apprentice posts in partnership with Chichester College for school leavers studying for a level 3 Planning Technician qualification, a planning intern position as part of a sandwich course for planning degree students and also summer work experience placement opportunities. PDP schemes will complement these initiatives in helping to attract high calibre school leavers and graduates who will then have the incentive of potentially continuing their career development within SCC.

## **Cost and Funding**

32. Positions will be offered on a permanent basis and existing vacant posts at the higher grade of each PDP scheme will accommodate candidates who will be appointed at entry level grade releasing budget to cover associated costs. Finance have agreed this in principle with the proviso that there must be sufficient capacity in the overall total budget for the cost centre, team or group. (See 36)
33. It will not be necessary to create new posts for the scheme, nor will additional budget be required. The posts will be part of a team's existing staffing establishment and salary, training, professional membership and travel costs will fall well within allocated budgets.
34. On successful completion of the first stage of a scheme (nominally anticipated to be reached after one year), candidates meeting the agreed benchmarking criteria will progress to the midpoint of the pay band, in accordance with the career pay model for E&I and will then continue to receive training and development within their role to help them succeed in reaching the next grade at stage 2, then the midpoint of the grade at stage 3, and ultimately, on successful completion of stage 4, be appointed at the starting salary of the highest grade in the particular scheme. (i.e. commence at PS7 and progress to the starting point of PS9).
35. For example, utilising an existing S9 post for a PS7 to PS9 training programme would provide a budget of £45,976 pa. Candidates would commence at the bottom of the PS7 pay scale at a cost of £29,809 (£24,697 plus on-costs) 'releasing' a surplus of £16k+ which will cover training /qualification costs throughout the scheme.
36. On successful completion of the programme, the candidate would progress to the starting point of the PS9 pay scale as a permanent employee, with salary costs still remaining within budget (approx £2,275 less than the budget allocated for an PS9 post).
37. The table below demonstrates the balance of salary budget that would be available throughout a PS7 to PS9 PDP scheme. It should be noted that for



roles within teams delivering capital projects an increasing percentage of salary costs would be rechargeable as the candidate progresses and takes on more responsibility which will further contribute in reducing any impact on budgets.

| <b>S9<br/>SALARY<br/>BUDGET</b> | Start of S7<br>plus on<br>costs<br>ENTRY<br>LEVEL | S7 midpoint<br>plus on<br>costs<br>STAGE 1 | Start of S8<br>plus on<br>costs<br>STAGE2 | S8 midpoint<br>plus on<br>costs<br>STAGE 3 | Start of S9<br>plus on costs<br>COMPLETION |
|---------------------------------|---|--|---|--|--|
| <b>45,976</b>                   | 29,809  | 32,142                                     | 34,474                                    | 39,041                                     | 43,608                                     |
| <b>Balance:</b>                 | <b>16,167</b>                                     | <b>13,824</b>                              | <b>11,502</b>                             | <b>6,935</b>                               | <b>2,368</b>                               |

38. Costs will vary from scheme to scheme but will be a fraction of budget capacity. The advertising of each scheme will require approval from E&I DMT and validation from Finance on a case by case basis, with business cases being submitted via E&I's SRF process (Staffing Request Form).

39. The schemes E&I wish to offer under the proposed PDP will require candidates to become a member of a relevant professional body by examination and/or professional review which will afford them access to free training. Annual membership fees range from £65 for initial registration, up to £300-400 pa at more senior stages. It is proposed that these costs will be met by E&I for PDP scheme candidates along with exam fees, training course charges and travel expenses. Membership of the following is required for professional roles in Highways, Transport and Planning:

- Engineering Technician (Eng Tech) ICE\*/CIHT\*/IStructE\*/IHIE\*
- Incorporated Engineer (I Eng) ICE\*/CIHT\*/IHIE \*
- Chartered Engineer(C Eng) ICE\*/CIHT\*/IStructE \*
- MRTPI Chartered Town Planner (Member of the Royal Town Planning Institute)
- MCILT (Member of the Chartered Institute of Logistics and Transport)
- MRICS Chartered Quantity Surveyor (Member of the Royal Institution of Chartered Surveyors)
- Transport Planning Professional (TPP)

\*ICE - Institute of Civil Engineers, \*CIHT - Chartered Institution of Highways & Transportation, \*IStructE -Institution of Structural Engineers, \*IHIE - Institute of Highway Engineers.

### Career Pay Model

40. The proposed scheme fits with the current career pay model approach and is an example of a practical application of this model and will include an entitlement to a non-consolidated payment for outstanding performance. Similar trainee scheme have been adopted within the Procurement Team which has been successful in attracting and retaining talent within the organisation. Candidates on a fixed term contract follow a two year programme incorporating the CIPS Advanced Certification in Procurement and Supply Operations and the CIPs Diploma in Procurement and Supply. Progression from PS7 to PS8 at

the end of year one and then from PS8 to PS9 after year two requires passing the relevant modules and achievement of defined competencies and skills.

41. Under the National Graduate Development Programme (NGDP), graduates are recruited across SCC at grade PS7 on a two-year programme of work and study. After one year, candidates demonstrating substantial progress towards meeting the NGDP capabilities (and meeting their appraisal objectives and behaviours) progress to PS8 whilst those who do not do so remain at PS7.
42. The wording provided by the Chief Executive for the leaflet promoting Surrey's NGDP scheme echoes the sentiments behind E&I's proposed Professional Development Programme: 'We know that the next ten years are likely to be the toughest ever faced by local government. We also know that our people are central to meeting the challenges that Surrey County Council will encounter. To meet our ambitious plans for the future we want to attract, retain and develop the brightest talent in the country. Surrey County Council has a proud history of recruiting bright graduates, fast-tracking them into pivotal roles, and equipping them with the range of skills and experience needed to become the leaders of the future. We look forward to you working with us to provide you with a springboard into a long and successful career in local government.'
43. The learning agreement and clawback arrangements (should anyone leave the scheme either before or within two years of completion) are currently being developed and subject to further discussion. The final arrangements will be brought to a future meeting of the PPDC.

## Conclusions

### Risk Management Implications

44. The proposals in this paper aim to attract and retain key skills and expertise within E&I. There is a risk that E&I will continue to hold high vacancies across the Services placing pressure on remaining staff if the recruitment and retention of staff is not addressed, consequently impacting on the delivery of key objectives and incurring unnecessary excessive costs for Surrey County Council.

### Financial and value for money implications

45. The proposed 'grow our own' PDP schemes will greatly help negate the cost of high agency and consultancy fees currently being incurred to cover specialist roles, and in many cases also assist in meeting capital recharge/income targets and so be much more cost effective for E&I and SCC.

### Equalities and Diversity Implications

46. An objective justification can be made for introducing E&I's new PDP schemes and is based on business needs and costs savings, and is not expected to



have any adverse implications on equality and diversity grounds. Although aimed primarily at college leavers and graduates, the scheme will consider applicants who may not possess the requisite qualifications will be considered should they have relevant work experience and/or show potential to succeed.

47. If successful and funds permit, we would like to extend PDP schemes across E&I for positions in the Countryside, Waste, Travel & Transport and Place & Sustainability Groups, and also for cross-cutting business, project and programme roles.

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**Annexes:**

Annex A - E&I Professional Development Programme (PDP) Scheme Details

Annex B – Age Range Data and Post Grade Analysis

Annex C – Why People have left E&I and where they work now (Part 2 Annex)

Annex D – What SCC's Competitors offer

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