

Thursday 14 April 2022



People & Change Development Update

Purpose of report:

The report provides an update on key focus areas within People & Change and gives an overview of the main projects of work that are in train as part of the next stage of the Workforce of the Future Strategy that was last presented to Corporate Leadership Team (CLT) and People, Performance and Development Committee (PPDC) in September 2021.

Introduction:

1. One of the key challenges that the council faces within the People & Change arena is the attraction and recruitment of candidates, particularly recruiting younger candidates, candidates with disabilities and those from ethnic minorities. This in turn has an impact on the diversity of the workforce and the ability to reflect the current demographics of the county. For example, whilst the proportion of employees under 30 years old is improving (currently around 12.5 per cent) and is higher proportionately than the 2011 Census Surrey demographic data of nine per cent, we would like to improve this to 16 per cent of the workforce in 2022.
2. The recruitment challenge is highlighted in the comparison of new vacancies advertised in 2021 below, versus those advertised in 2020. In addition the 2022 numbers show no easing in terms of vacancies in the first three months of the year.

Year:	Total Number of Adverts Posted:	Total Number of Appointments Made:	Total Number of Applications Received:
2020	1786	2593	36416
2021	2549	3053	32268
2022	525	502	582

3. The retention of staff in the current market is challenging, particularly within the social care and social work sectors, where the issues are longer standing and more complex, due to budget pressures and affordability of candidates. The national average for voluntary turnover is currently around 15 per cent and whilst Surrey's average is around 13 per cent, this rises to just over 20 per cent for Social Workers within Children's service.
4. The recruitment market is a candidate-driven one, which means that it is even harder to attract and retain the best candidates. Councils are competing for the same candidates, which has an adverse effect on pay rates, further impacting on budgets. There continues to be significant focus on social care and social work sectors from our permanent and temporary resourcing teams, with a particular lens on the conversion of temporary workers to permanent contracts.

Areas of Focus for 2022

5. Future Programmes of Work have been identified following a Stocktake of the Workforce of the Future projects in November 2021. The People & Change Programme Management Office (PMO) will coordinate 18 different programmes of work across the following Workforce of the Future Categories:
 - a) Employee Experience programmes:
 - Reward Reform
 - Wellbeing
 - Equality, Diversity & Inclusion (EDI) Representation
 - Personalised Intranet & Policies
 - EDI Inclusion & Belonging
 - b) Leadership and Development programmes:
 - Agile Organisation Programme
 - Succession Planning
 - Talent Management
 - c) Resourcing and Workforce Design programmes:
 - Affordability & Twin Track
 - Resourcing Process
 - Joint Venture
 - Blended Resourcing
 - Children's Workforce Planning
 - d) Insights programmes:
 - Digital, Business & Insights
 - Monthly Storytelling
 - Digital Workforce

These are further enabled by two additional programmes of work on the transformation of Business Operations and the Design & Change Review.

Some of the areas of work are corporate programmes, such as the Agile Organisation Programme, but are underpinned by People & Change in terms of preparing and supporting the organisation through change and therefore require a project plan to support the work required to deliver the programme successfully.

The Programme Management Office will drive the progress of these programmes to ensure successful and timely delivery to the rest of the organisation.

Updates will be taken to CLT and PPDC on a regular basis to ensure that the work is on track and that the service is delivering to schedule on its planned projects.

6. Employee Reference Groups (ERG's) were set up in 2021 to provide support for specific groups of employees who may experience discrimination and to help enable the organisation to better understand and address diversity issues in a collaborative way. The Council currently has eight ERG's:
 - Disabled Employees Network in Surrey
 - Deaf Employees Network
 - Parent Network
 - Carers Network
 - Minority Ethnic Group and Allies
 - Lesbian, Gay, Bisexual, Transgender, Intersex, Queer/questioning, Asexual (LGBTQ+) Network
 - Early Careers Network
 - Women's Network
- 6.1 The ERG's all have an Executive and Cabinet Sponsor to support them in their work. Each ERG is in a different stage of development and maturity. Some have a wide membership, agreed terms of reference and agreed objectives or work plans outlining what they aim to achieve, whilst others are still focussed on recruiting members and agreeing ERG officer roles.
- 6.2 To support the development and influence of our ERG's, a 12-month Equality, Diversity and Inclusion, Implementation Consultant role has been created and recruited to. This role will work with the ERG's and support them to develop sustainable structures, effective communication and agreed annual objectives. This role will work very closely with EDI colleagues, ensuring that we have the systems in place to make SCC an inclusive place to work and to assist in our attraction of candidates from more diverse groups across the county.

- 6.3 The EDI Forum provides a space for all ERG's (and trades unions) to meet to share their work, experiences and make recommendations to the EDI Change Group. The terms of reference of the forum are currently under review, in collaboration with the ERG's, with the aim of giving the forum more structure and strengthening its relationship with the EDI Change Group, as well as better scrutiny over actions and issues that are raised by members.
- 7 As part of the council's work last year to develop an Employee Value Proposition (EVP), research was undertaken to determine what aspects of employee experience both current and prospective Surrey County Council (SCC) staff valued most from their jobs. This research included a literature review of global and national workforce trends; focus groups for current SCC employees; additional EVP related questions within the Pulse Survey and a survey of prospective staff by the Recruitment Team. This work found the following:

	What aspects of employee experience do you value the most?	What do you think SCC does well (as an employer)?	What do you think SCC does not do well (as an employer)?	What could SCC do better (as an employer)?
Ranking (in order of importance)				
1	Recognition <i>and</i> career progression	Positive work environment	Benefits system	Providing a consistent employee experience
2	Salary and reward	Agile/flexible working <i>and</i> interesting place to work	Limited career progression opportunities	Recognition for work <i>and</i> realising employee potential
3	Agile/flexible working <i>and</i> positive work environment	Helping the community	Unmanageable workloads	Better benefits system

For younger staff and/or those in the early stages of their careers, the following was found to be of most importance:

- a) Career progression
- b) Opportunities to gain experience of working in different roles across an organisation
- c) Wellbeing and work-life balance and opportunities to work in a flexible way.

Work will begin in 2022 to identify and prioritise the changes to working practice and culture that is needed to meet the expectations and values of current and prospective employees and to implement the different elements of our Employee Value Proposition.

- 8 New work streams have been initiated within our Early Careers Programme, with the goal of attracting young talent and increasing the percentage of employees under the age of 30, which is one of the Key Performance Indicators (KPI's) regularly reported to Committee.

There are two main elements to the Early Careers project now underway, which are detailed below. These workstreams will contribute to the outcomes of the Workforce of the Future programme and the insights and approaches designed with them will be used within Directorates to inform future talent strategy and resourcing practices.

- 8.1 Creating attractive developmental routes into the organisation for those who are early in their career by focusing on maximising and relaunching opportunities such as:

a) 'On the job' schemes such as Apprenticeships which provide a unique opportunity for social mobility and a range of diverse talent to enter the workforce at all levels of the organisation.

b) Work placements, T Levels, (technical work placement qualifications which are a new alternative to A' levels), and Research placements which serve to bring fresh ideas into the organisation on projects, have the potential to inspire the next generation of Local Government employee and, where paid, will enable us to tap into the gig economy

c) Continuing to recruit Leadership and Management trainees through the National Graduate Development Programme (NGDP)

- 8.2 Developing the experience and career progression of our current employees under 25 to inform our plan to become an employer of choice for young people. The initial focus will be to:

a) Engage current employees under 25 through focus groups and other methods to capture their current experience at SCC, from a support, development and career progression/prospects perspective (start April 2022)

b) External research with organisations such as Youth Employment UK to benchmark against (start March 2022)

9 Pay

- 9.1 At its meeting on 1 March 2022, PPDC approved a new simplified payment in respect of unsocial hours worked by staff in Adults and Children's Social Care. Trades unions are balloting their members and it is hoped that the scheme will come into effect from 1 April 2022.

- 9.2 Work is underway on producing a pay offer to staff on Surrey Pay. It is intended that an offer will be made to trades unions in late March/early April 2022.
- 9.3 The offer will focus on pay and pay related benefits such as pay progression and benefits.
- 9.4 There will also be a focus on the cost of living and proposals are currently being explored and evaluated, to mitigate the impact on staff.

10. Resourcing

2022 has seen a national record of job vacancies in comparison to 2020, where there were four unemployed people for every job in the UK, the ratio is now one for one. This leads to huge competition for candidates across all sectors. Applications have dropped considerably in the social care sector, but also in a number of skilled roles which were historically held by senior, experienced professionals e.g., waste and highways.

As a result of the above, efforts are being focused on attracting candidates by using the following methods:

- a. Analysing traffic source data to understand what digital platforms are resulting in hires and using these leads to further sponsor our roles in the relevant online fora so they are better optimised and reach appropriate audiences.
- b. Trialling new products such as Indeed Hiring Days for urgent roles which allow for a swift connection between hiring managers and candidates, meaning time to hire may be reduced.
- c. Ensuring we have a consistent yet diverse approach to reaching passive candidates through social media channels, advertising in magazines, websites and handbook updates and webinars.
- d. Working in partnership with Department for Work and Pensions (DWP), National Citizen Service and National Health Service (NHS) employment support groups to better link local candidates who are being supported back into work with our opportunities and hiring managers.
- e. Working closely with a high volume of hiring managers to review their recruitment and tailoring advert wording, application processes and supporting them in best practice to ensure they can adapt to candidates' needs.
- f. Regularly attending webinars and seminars and feeding any insights and data back to hiring teams to connect them more to the changes in the external market.
- g. Reviewing our recruitment and resourcing policies with Equality and Diversity leads to ensure our processes are inclusive.

- 10.1 The set-up of our own temporary recruitment agency, Connect2Surrey, as a Limited Liability Partnership with Commercial Services Kent Ltd, also means that we can focus on small, independent, local agencies to attract Surrey-based candidates into temporary positions, (as well as continuing to use the larger more competitive agencies), which should see a positive impact in the long term, on the permanent candidate market.

Connect2Surrey was established on 1 February 2022 as a replacement for our previous third-party supplier of temporary resource, Adecco Plc, when the contract terminated after five years, as per the procured contract terms. The purpose of Connect2Surrey is to bring the sourcing and resourcing of temporary positions within the council in house, with the assistance of back office systems, expertise and staff from Commercial Services Kent Ltd, in a 50/50 partnership agreement. The aim is to generate income from our continuing need for temporary resource, source candidates from a wider and more local pool of agencies, academic institutions, faith sectors and charitable organisations and reduce the reliance on agency staff by seeking to turn temporary contracts into permanent ones for certain roles. The progress of the Joint Venture will be monitored by the Shareholders' Investment Panel and the Strategic Investment Board, as agreed by Cabinet in July 2021.

Committee Focus Areas

11. The key areas of focus for Committee will be the improvement of the KPI's within the areas of employees from different ethnic minority backgrounds, disabilities and employees aged under 30. These are directly linked to the resourcing challenges that the organisation faces.
12. Voluntary turnover within the organisation is increasing, which is of concern, although the level is still below the national average. The focus will be on how we can improve our support of the workforce through a whole package of benefits, both financial and non-financial, including wellbeing, financial wellbeing support, career development opportunities and flexible working.
13. The particular challenge of social worker and social care worker attraction and retention, within the budget envelope will continue to be an area our resourcing teams will focus on.
14. A decision on a proposed pay deal will be sought by PPDC in quarter one of 2022/23 following negotiations with the trades unions.

Recommendations:

15. It is recommended that Committee notes the contents of this report and provides feedback to any of the sections above.
16. More detailed plans can be provided for different elements of the People & Change workstreams, where members require them.

Next steps:

17. An update will be given to Resources & Performance Select Committee in 6 months' time, whilst the Committee will continue to receive commentary on a monthly basis through the regular KPI reporting for Resources.

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