



NCC Workforce Plan

2018

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NCC Workforce Plan

Introduction

This high level whole Council Workforce Plan will sit beneath the Council's Workforce Strategy and provides an overview and analysis of the current workforce and potential future workforce requirements to help inform strategic decision-making by elected members and senior officers.

More detailed and specific departmental and service workforce plans will be developed in conjunction with managers as appropriate to support operational workforce planning.

The Workforce Plan will consist of two parts:

Part A - The Workforce Review

This section sets out data and analysis of the composition of the current workforce and recent workforce trends within the Council to provide a baseline from which to identify emerging workforce issues and track and measure change. Understanding the data in this section will allow the Council to identify and predict potential future workforce challenges and opportunities; inform strategic decision making and enable future modelling of the potential impacts on the Council's future workforce needs and assist with planning the Council's response.

Where available, to provide an indication of trends, data within the report is presented from 2012 onwards, as this is when the current Business Management System was introduced and workforce data began to be more consistently collected across the whole Council.

The Workforce Review also provides a comparison with other Councils' workforce information, where possible and helpful, to provide context and a better understanding of the Council's position and potential future models for workforce delivery. CIPFA benchmarking data has been used where available but care needs to be taken when using this information as whilst CIPFA provides standard definitions of the performance measures not all Councils use these in the same way and there are a range of different types of Councils submitting data.

To provide further potentially more relevant context and enhance this comparison, a collection of Councils who have some similarities or synergies and some local relevance with Nottinghamshire have been approached for information. This work is still underway but where information is available this is included in the text which will be updated as further more detailed information is available.

Where relevant, information from the Local Government Association (LGA) Workforce Survey, and other external bodies such as Chartered Institute of Personnel and Development (CIPD) is also included to set the Council's data within a wider workforce context.

It is proposed to use the analysis to develop a suite of performance management measures for future reporting to members on workforce issues as part of the Council's Planning and Performance Framework to ensure a consistent approach over time and that change, trends and progress can be monitored by senior officers and members. Thus making the plan a live and iterative document which is periodically updated to support ongoing review and decision making.

Part B -

This section will include modelling of future workforce needs, including numbers of employees and knowledge, skills and experience requirements; using an adaptation of the workforce modelling approach applied across health and social care systems in development of Sustainability and Transformation Workforce Plans. This will enable a more consistent approach and mapping of interdependencies and synergies across the whole system. Over time it is intended that further work will take place with colleagues in health to enhance understanding of information from across the wider health and social care system to identify wider challenges, opportunities and influence the development of potential strategies in respect of the Council's workforce and the wider health and social care system workforce.

The modelling will be based on a set of assumptions as to the future size, shape and nature of the Council and activities to be undertaken or commissioned and potential models for service delivery as determined by elected members. These assumptions will be agreed with members and senior officers to increase the accuracy and relevance of the modelling to support key workforce planning decisions. This work is yet to be completed.

Context

The Workforce Review was completed against a backdrop of changing ways in which people live their lives and the services they need and expect from the Council. This is set within a context of increasing uncertainty about the future shape of the world around us. The Council has a duty to shape the place in which Nottinghamshire people live, to provide a diverse range of services and to engage with local people so that they can influence the future of Nottinghamshire. The Council has ambitions to raise the profile of Nottinghamshire and be a strong place leader creating the best conditions for investment and growth and ensuring a local workforce able to compete in the increasingly challenging local and global economy. This will require appropriate capacity and skills to be in place within the Council aligned to these priorities, working effectively with partners and stakeholders, to ensure the Council is able to fulfil its ambitions.

Public service funding is also changing with a decrease in resources direct from central government; and more locally determined funding sufficient for vital services that communities rely on. This includes Council tax, the introduction of the Social Care Levy and increasing retention of local business rates. There is an estimated national funding gap of £5.8 billion by 2019/20 across the Country in local government. £2.3 billion of this relates to the funding gap for social care services providing vital support for elderly and disabled people. £2 billion relates to the funding gap in Children's services required to continue to keep children and young people safe. The loss of the revenue support grant, service pressures and inflation have all contributed to the cumulative deficit.

The County Council is forecast to have a cumulative deficit of almost £54m by 2020/21. This will clearly impact on the services the Council delivers and how these are delivered. The Council needs to ensure that it has a workforce with the knowledge, skills and capacity to fulfil our statutory responsibilities whilst increasing self-reliance and resilience to keep people independent for longer and the delivery of universal services which are valued by local people. The financial challenge also reinforces the need to ensure value for money; to maximise the use of assets and encourage the adoption of more commercial, innovative and creative approaches.

The report is set against a backdrop of changes to local governance structures and arrangements with associated responsibilities and devolved powers in some parts of the Country. In the longer term this may impact more widely on the services delivered, the way in which they are provided and the nature and size of the workforce necessary to ensure services are delivered efficiently and effectively and the workforce and employment arrangements required going forward.

During the period covered by the review there have been significant additional responsibilities delegated to local government from central government. This includes the Care Act with implementation of part 1 having already taken place. Part 2 implementation has been delayed until 2020 but plans will need to be in place to ensure the Council has sufficient capacity to enable it to discharge its responsibilities. Other significant additional responsibilities include the transfer of Public Health functions to local authorities and the staffing pressures caused by the legal ruling on Deprivation of Liberty Safeguards (DoLS).

The Council's strategy for health and social care integration will also impact on the overall workforce requirements and organisation moving forward and work is already underway to begin modelling and planning for this in the Workforce Strand of the local Sustainability and Transformation Plan.

In addition to changing demographics and increasing demand for key services such as adult social care, there are changing public expectations in relation to how services are provided with the need for greater accessibility, flexibility, agility and responsiveness to change with increasing use of on-line, remote and other technologies including social and new media. Whilst this is beginning to impact on how some services are delivered, this is likely to continue to grow at an increased pace with significant changes to service design and delivery in the coming years reflected in the Council's future workforce needs and the way in which the Council works.

The changing nature of the employment market and employees with an increasing number of millennials entering work, greater workforce movement, flexibility and competition for key skills will be reflected across Council services. The Council is already experiencing recruitment and retention issues in some areas of national key skills shortage such as Planning and Social Work and action is underway to address this in areas such as Children's Social Care. The impact of Brexit and wider socio economic context also needs to be considered in terms of the impact on the Council's ability to attract and retain the skills it needs now and for the future. The changing profile of people employed by the Council will also impact on policies and strategies such as pay and reward and employee engagement as the factors which are considered most important and have the greatest impact on employee motivation for a different type of workforce are also likely to change.

Decisions in relation to the Council's future workforce needs will reflect the priorities set out in the new Council Plan for 2017-21, "Your Nottinghamshire, Your Future", and in more detail in Departmental Strategies and Service Plans as part of the corporate Planning and Performance framework. These will also be used to monitor and plan for changes in the workforce across the Council from the baseline set by the data and information within the Workforce Review supplemented by local departmental specific information where available.

Definition of "Workforce"

The term "workforce" for the purpose of this plan includes:

Nottinghamshire County Council's directly employed workforce of permanent and temporary employees which continue to deliver its services is reflected in the data within this report.

The Council also has a casual workforce which is available on a relief basis as well as a contingent workforce of agency workers to enable it to have the flexible capacity to deliver essential frontline services consistently. The latter, and the relationship between this aspect of the workforce and the directly employed workforce, is relevant in workforce planning terms and is referred to in the report.

The Council's relationship with schools has been changing for some time as the number of academies in Nottinghamshire increases. Where a school is an Academy or Foundation school then they are the employer. For maintained schools, in law the Council is technically the employer. Although staff are appointed, managed, and dismissed by the school governors and head teachers with little or no involvement of the Council. If employees in maintained schools are included in the overall figures the headcount increases to over 16,000. For the purpose of this report school based employees are generally excluded in the data except for specific performance measures where it is necessary to include them in order for effective benchmarking to take place. The calculation of the Apprenticeship Levy and requirements of the Public Sector Duty specifically include reference to staff employed in maintained schools.

The size, shape and nature of the Council's wider workforce continues to change to respond to fluctuations in supply and demand. As the Council continues to transform, the way in which its workforce operates will change significantly, reinforcing the need for an increasingly diverse, flexible and agile people resource. This includes:

- Specialist expertise supplied on a temporary basis through consultants and interims where the necessary skills are not immediately available within the substantive workforce cohort.
- Employees of arms-length organisations which work in close partnership with the Council to deliver a number of key public services, including Highways and Libraries.
- Employees directly employed by key stakeholders and partners relying on effective collaboration and partnership working with health, private and voluntary sectors, and across local and regional boundaries to deliver other services.

This document does not directly include data in relation to these facets/component parts. However, for workforce planning to be most effective the Council needs to be in a position to consider and apply the term workforce in its broadest sense more widely beyond its direct employees and to consider the balance between these various aspects. However, the level of data and information available for the different staff groups and ability to directly implement change is likely to vary. It may be helpful to rationalise this so that a more detailed and holistic picture is available to enable the Council to meet its future people needs by considering the wider workforce and develop this to maximise use of their skills, knowledge and experience in new and innovative ways to support organisational change and ensure effective service delivery.

Part A - The Workforce Review

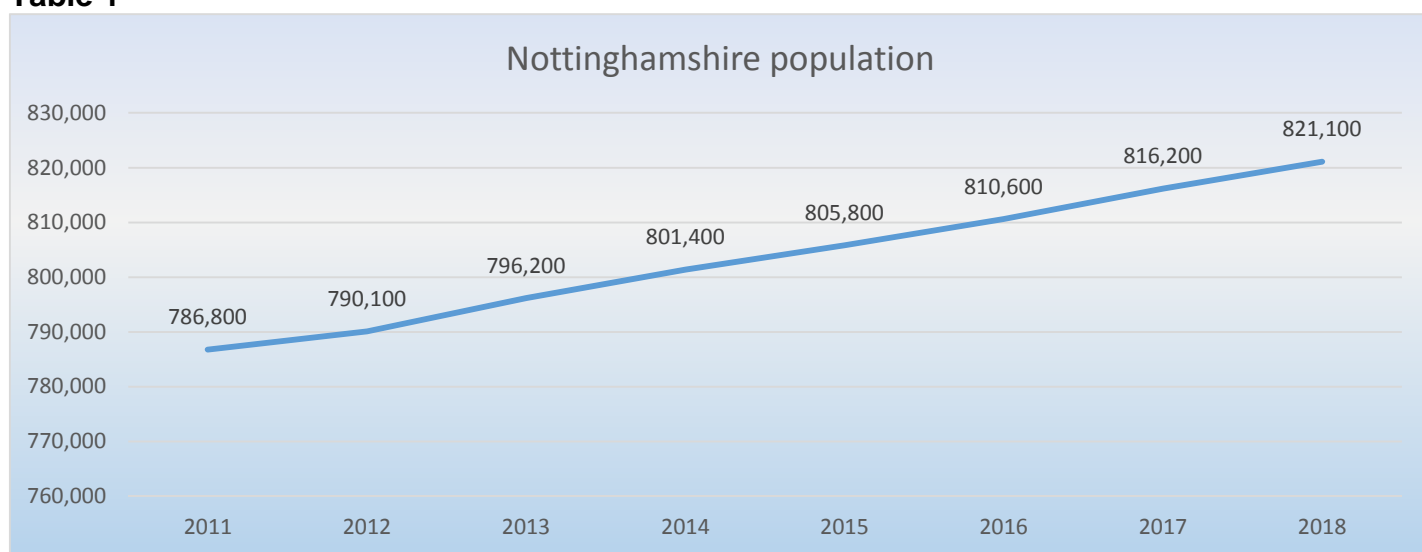
The Nottinghamshire population

Mid-year population estimates are produced annually by the Office for National Statistics (ONS) for the county and districts. An extract from the most recent data is set out below.

The trend in Council headcount is set out in table 2 which is then plotted as ratio per head of population in table 3. Table 2 shows a significant reduction in the number of employees following the impact of the implementation of a number of alternative service delivery models and different ways of delivering services. The total reduction in employees since 2010 is 5,595 with 2,347 of the headcount reduction taking place since 2012.

Where information is available from other Councils this is also shown on table 3 to set the Nottinghamshire figures in context.

Table 1



Note: 2017 and 2018 figures are estimates by the ONS

Table 2: NCC headcount of permanent and temporary employees

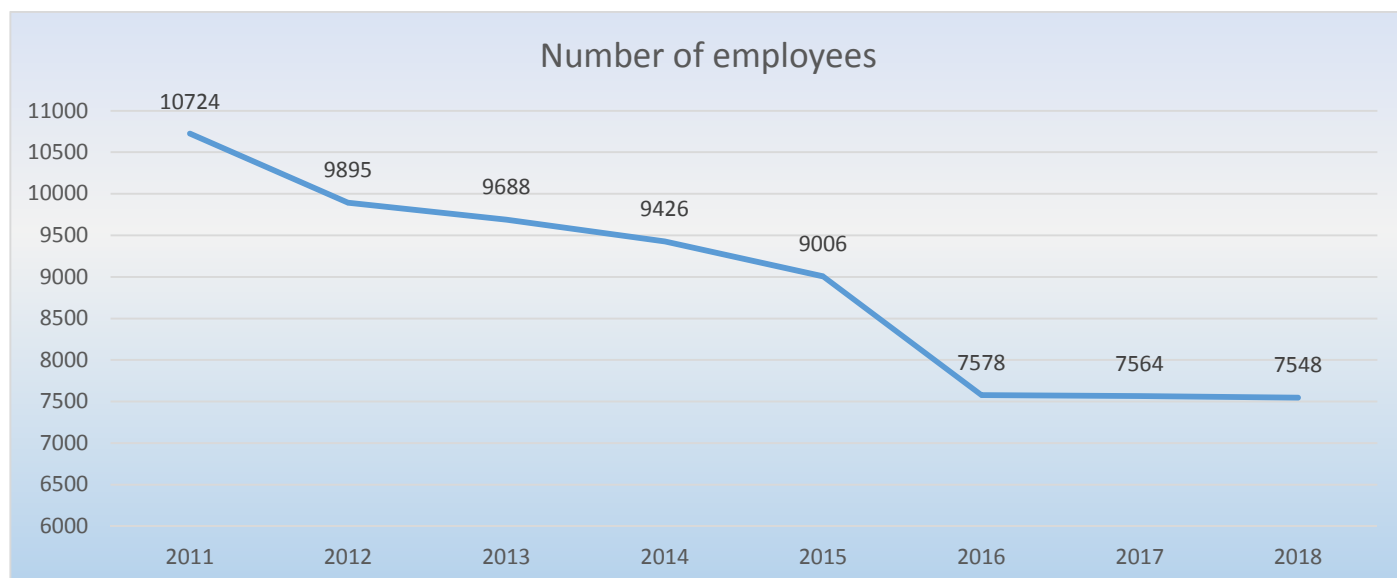
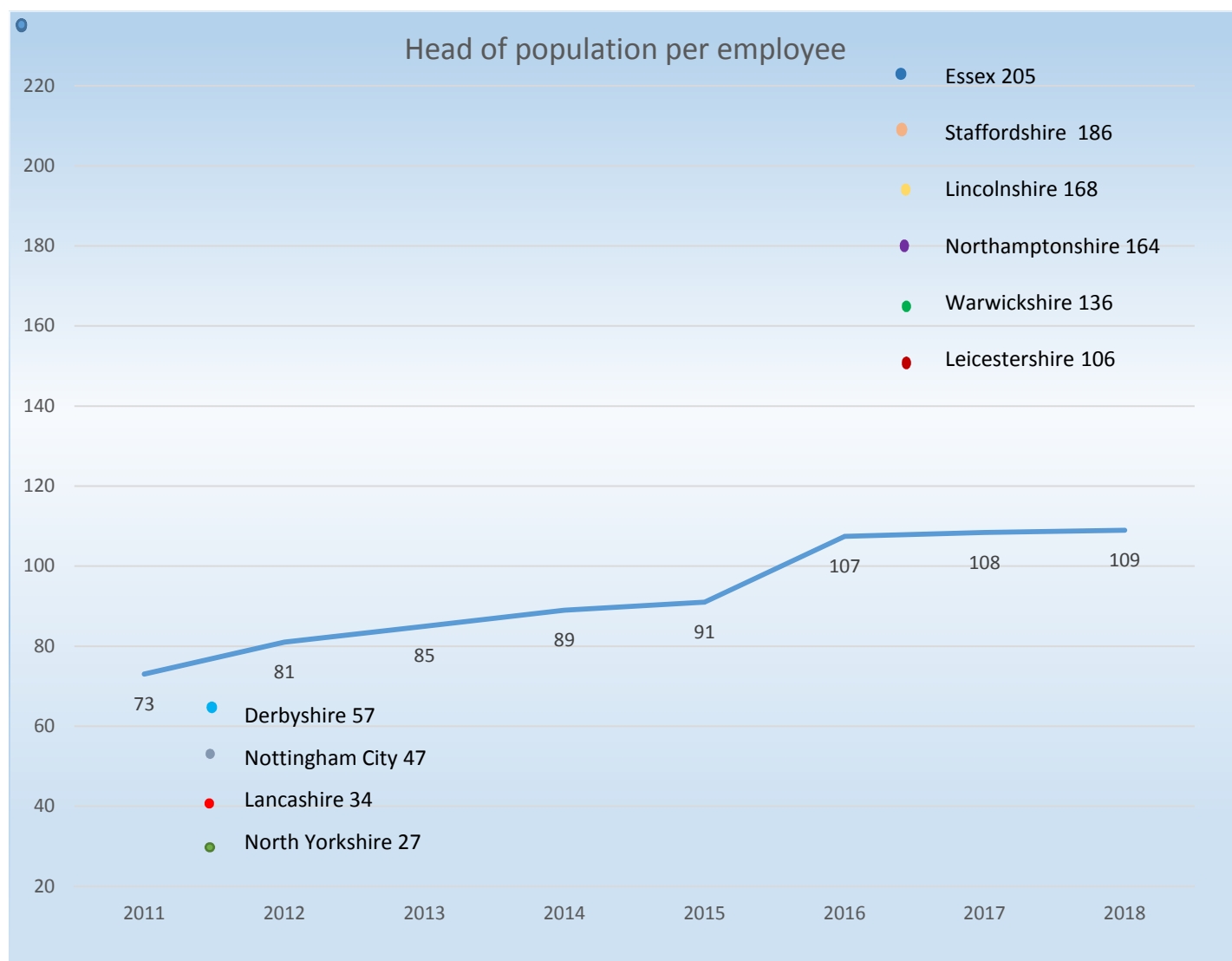


Table 3: Comparison of population with employees

The calculation for this table is based on the number of direct employees, excluding schools, and the most recently published estimated population figures from the ONS. If this is considered as a ratio, in 2011 there was 1 directly employed NCC staff member to every 73 people in Nottinghamshire, by 2018 this ratio had risen to 1 to 109 as shown by the table below.



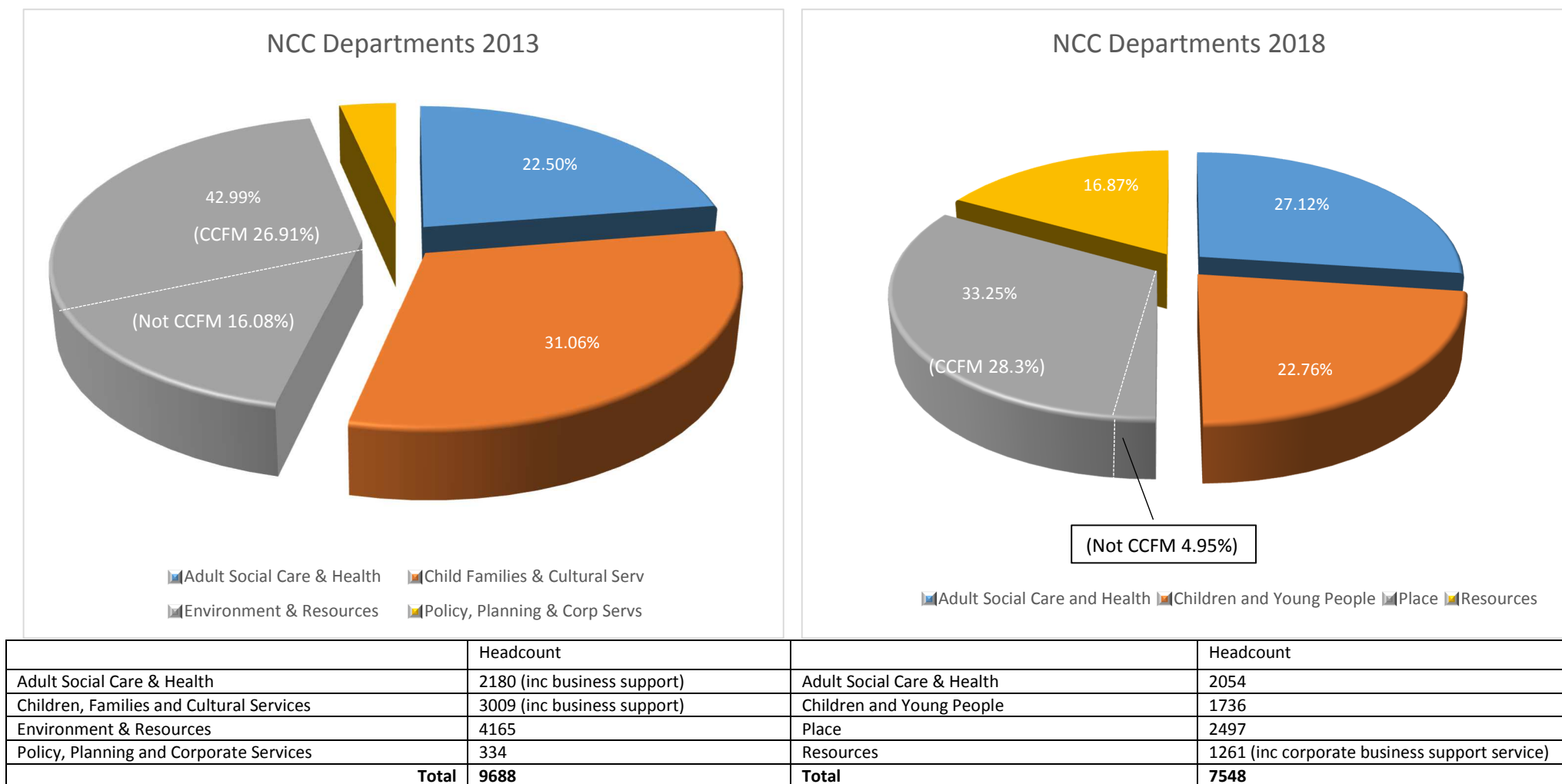
Note: Non- Nottinghamshire authority ratios are based on 2016 data

The differing ratios for Councils reflect the various stages of the benchmarking cohort in relation to their transformation programmes and the strategic direction of each Council. The ratios must be seen in the context of a number of variables present in the types of Councils included in the benchmarking exercise and whether they continue to deliver services or if these have been outsourced, services discontinued or alternative models of delivery implemented. Councils which have continued to deliver a range of direct services, for example Derbyshire, have a much lower ratio of employees to population than those such as Essex who have outsourced much of their provision and deliver services such as home care through an arm's length organisation.

It seems reasonable to expect the trend in relation to the ratio of population per employee in Nottinghamshire to grow with the continued increase in population whilst the number of direct employees continues to reduce due to transformation, alternative service delivery models and further savings and efficiencies.

Workforce Profile by Department

Table 4: Workforce ratios by department



As illustrated in the previous section, the number of directly employed staff has significantly decreased in the period covered by the report. Information in relation to the ratios of staff engaged in particular service areas and departments has been presented in the charts in table 4 as a percentage of the total workforce to make numbers comparable even though the overall number of staff has reduced and the percentage in the 2018 chart is of a smaller overall headcount.

After the overall decrease in headcount, the most obvious feature reflected in table 4 is the impact of changes in departmental structures. The Council's senior management structure was implemented in September 2015 with further significant changes coming into effect in July 2018. There have been some changes to lower level structures within departments during this period to reflect ongoing transformation; agreed business cases; savings and the resource requirements necessary to implement changes in statutory and other responsibilities.

In September 2015 the former Environment and Resources and the Policy, Planning and Corporate Services (PPCS) departments were reconfigured to become the Place and Resources departments respectively. This resulted in the move of corporate support services from the Environment and Resources Department (ICT, Finance, Procurement, HR, Customer Services) to merge with corporate service functions in the former Policy, Planning and Corporate Services Department (Legal and Democratic services, Communications and Marketing, Complaints, Programmes and Projects team) to create the new Resources Department. Corraling these functions together in one place facilitated the Corporate Services Review taking place looking at streamlining these activities, reducing duplication and exploiting synergies between the respective functions with a view to creating a corporate offer for these services. Ultimately this led to the creation of a new Chief Executive's Department from 1st July 2018 which will reduce the senior management capacity from 5 to 2 posts and with further proposals due for consideration by members in September/October. These changes are not included in this report which uses April 2018 data but will be in the next update.

During the same period the Corporate Business Support Function was also created which pulled together business support resources (between 600 and 700 employees) from the Adults and Children's departments into a central integrated function within the new Resources Department with a subsequent rationalisation of resources and decrease of approximately 200 posts. Further options for change have been agreed in this area to deliver further savings and post reductions during 2018-2020.

Overall, the headcount in the Place Department has decreased to approximately 33% (2497 people) of the Council's reduced headcount figure when compared to the Environment and Resources Department in 2013 of 43% (4165 people) of a larger total workforce. This reflects the creation of the Resources Department; creation of VIA and ARC resulting in the TUPE transfer of staff to the new organisations and transfer of some staff and functions from C&YP and ASCH in 2017 to form the new Place department. The Place department headcount had reduced to less than 2% of the Council's headcount in 2017 prior to the creation of the new department when all Place related functions were pulled together into one locus of control and further resources allocated to areas such as Economic Development to enable the Council to deliver its ambitions and strategic priorities set out in the Council Plan and Place Department Strategy. During the same period there was also an increase in the number of frontline staff in Catering, Cleaning and Facilities Management by 178 to reflect the additional resources required to deliver the Universal Free School Meals programme

which in turn impacted on the overall ratio of managers to staff in this service area. Catering, Cleaning and Facilities Management has the greatest number of employees in any

single area of the Council with around 2400 people. When this predominantly frontline staff group are excluded the remainder of the Place Department now amounts to approximately 5% of the Council's total headcount compared to 16% in 2013.

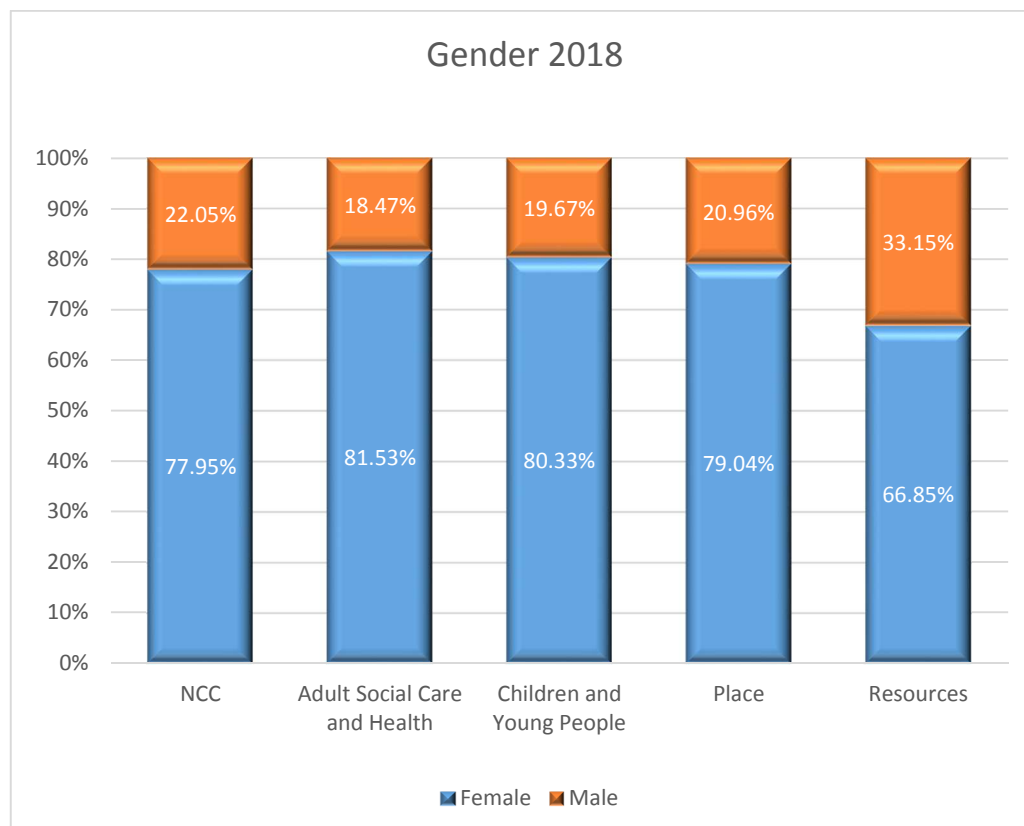
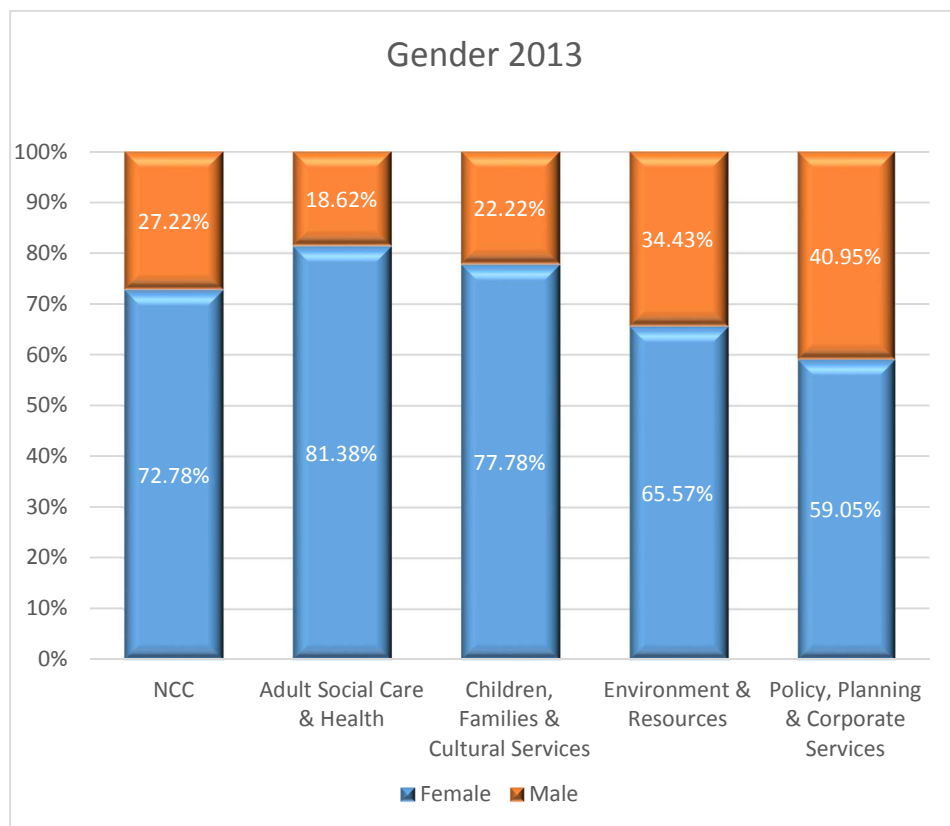
The integration of corporate support functions; creation of the new Place Department; reduction in headcount in Adult Social Care and Health and changes in delivery models in the Children and Young People's Departments have resulted in the overall percentage of the Council's workforce in Adults and Children's Departments when taken together decreasing from 53% to 50% of the Council's total workforce.

There have been changes to the Adult Social Care and Health (ASCH) Department over the same period and subsequently to reflect implementation of agreed options for change, delivery of savings and ongoing transformation. This is against a backdrop of increased demand for services due to an aging population with increasingly complex needs and increased life expectancy. There have also been changes within ASCH to reflect statutory requirements and an increase in statutory responsibilities and level of risk leading to more professionally led activities being undertaken by the Council. This includes resources required to undertake the additional responsibilities set out in the Care Act; resources required to undertake DoLs assessments and the transfer of Public Health colleagues to the Council in April 2013. The number directly employed by the Council working in the ASCH has decreased over the period covered by the report. Although, this presents as a slight increase in the proportion of the Council's workforce working in the ASCH Department due to the overall reduction in the Council's headcount.

The reduced size of the Children and Young People's (CYP) Department, as both headcount and proportion of the Council's overall headcount, reflects the creation of Inspire which saw the Council's cultural offer in respect of libraries transfer into a Community Benefits Trust; staff at the National Water Sports Centre and some Country Parks staff TUPE transferred to new providers. The transfer of staff to new employers within Children's Centres in April 2013 is also reflected in the information within the report and contributes to the overall decrease in the percentage of the directly employed workforce in this department. Children's Social Care historically had the greatest number of agency workers due to the difficulty recruiting and retaining qualified social workers. These workers are not reflected in the directly employed workforce numbers. A programme of work and implementation of an agreed strategy has resulted in increased recruitment in Children's Social Care against previously established posts which has led to a reduction in the reliance on agency social workers and increase in the number of directly employed staff in these hard to recruit to areas.

Table 5: Gender Profile

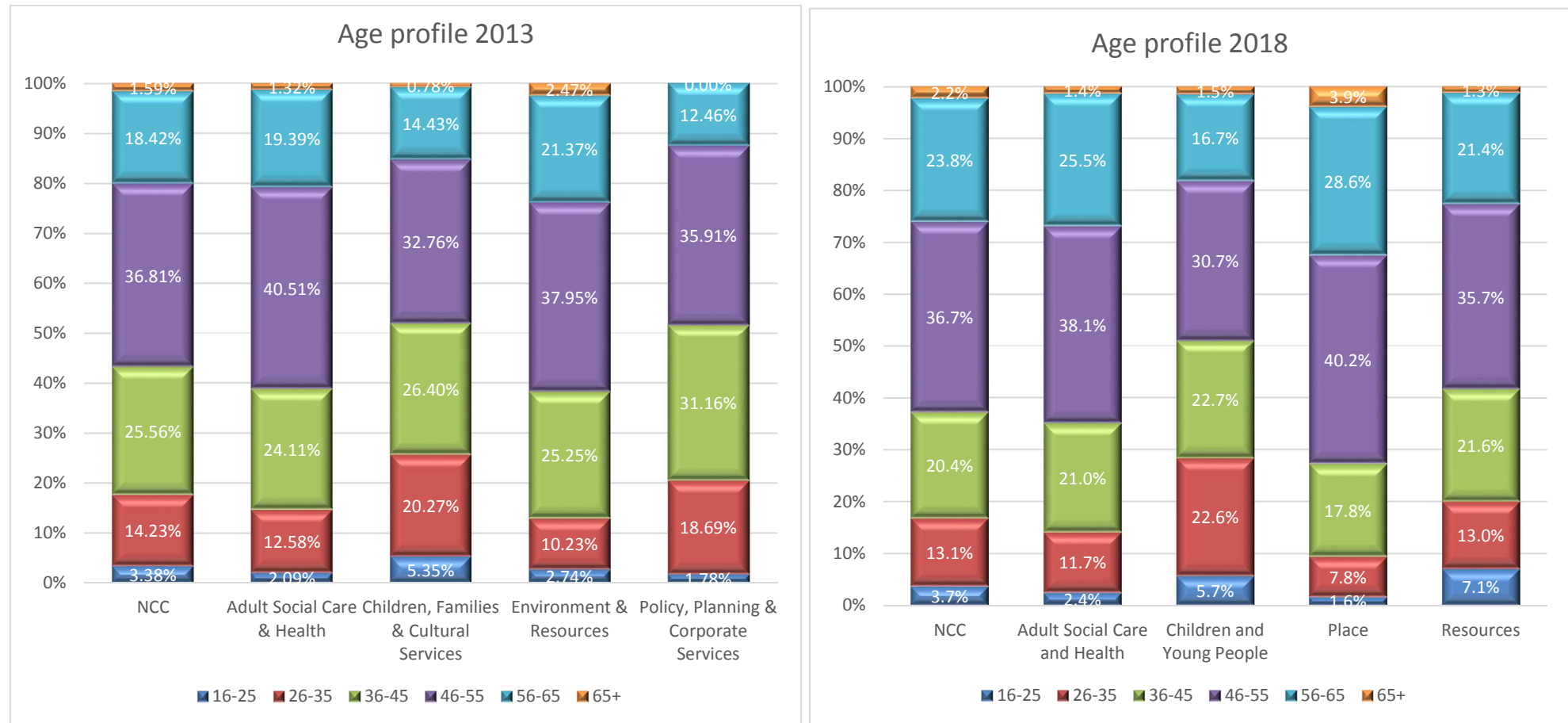
In common with the other local authorities in the comparator group, and the wider local government sector nationally, NCC has a predominantly female workforce. The overall representation of female employees having increased by over 5% to 78% since 2013:



- The Nottinghamshire Community (2011 Census) and Local Labour Market (April 2016) comparators are both 50.80% female to 49.20% men. This is not reflected in the gender balance of the whole Council workforce which is 78% female. This trend is reflected in the data for the wider comparator group in Appendix 2, and more broadly across the public sector, where there are also majority populations of female to male employees although the proportions fluctuate.
- The highest concentration of females continues to be in the ASCH Department (82% of its workforce), closely followed by CYP, reflecting the more traditional gender profile of front line social care functions. Most Councils reported the highest concentration of female workers in their adult and children's social care equivalent functions for example 81% and 82% respectively in Lancashire and 87.6% and 88.2% in Derbyshire. Appendix 2 refers.
- Women are also represented in high numbers in the Council's Place Department where part time, front line employees in Catering and Cleaning functions continue to be mainly female.
- In both ASCH and Place the higher representation of females correlates with the lowest paid jobs. This is reflected in the Council's published Gender Pay Gap analysis and supporting action plan which identify areas for action to address this. Work is currently underway and will be the subject of an update report to members in January 2019. The Council's mean pay gap at March 2017 was 12.33% and median figure 25.37%.
- As at 31st March 2016, 43% of the Council's leadership posts (those equivalent to Band F and above) were occupied by women, compared with an average of 40% across the CIPFA benchmarking group of other County Council's. The work identified above includes actions to develop and encourage women into leadership roles within the Council to increase this proportion.
- The transfer out of the predominantly male Highways service from the Place department and the predominantly female Libraries services and Children Centres from CFCS has not significantly affected the overall gender balance of the NCC workforce over the period covered by the report.
- It is difficult to compare the proportion of female workers for the PPCS and Resources departments over the time frame as they cover different areas of responsibilities. However, the ratio of female to male employees is higher in the Resources department which is a reflection, at least in part, of the inclusion of the Council's business support function which is a predominantly female workforce. This will transfer to the new Chief Executive's Department.

Table 6: Age Profile

In common with the other local authorities in the comparator group, CIPFA statistics and the wider local government sector nationally, NCC has an ageing workforce, with a current average age of **47.6 years** (1.3 years older than in 2013):



Departments age band variation from NCC average

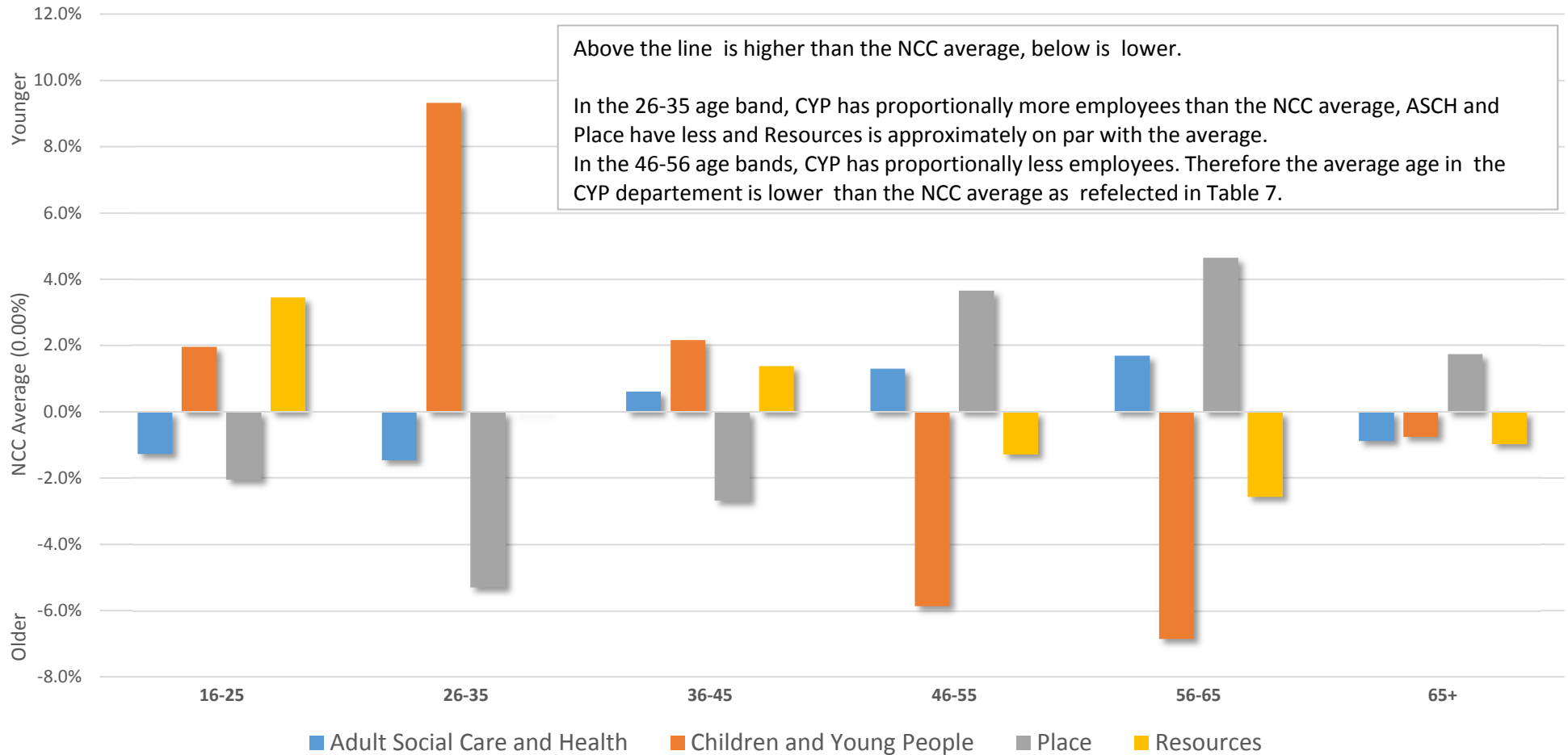


Table 7: Average age (years)

	2013		2018
NCC	46.3	NCC	47.6
Adult Social Care & Health	47.2	Adult Social Care & Health	48.1
Children, Families & Cultural Services	43.9	Children and Young People	44.1
Environment & Resources	47.8	Place	50.2
Policy, Planning & Corporate Services	44.5	Resources	46.0

- In common with all comparator Councils there is a 100% return of data relating to gender or age which can also be accessed through recruitment, pension and pay records. This means that reporting on these aspects is robust and is helpful in enabling Councils to plan their responses and strategies to address any imbalances in the workforce. However, the specific age bandings used differ slightly and must be taken into account when making comparisons between Councils.
- Currently, the majority of the Council's workforce are between 36 and 55 years old, 59% compared to 62% in 2013. NCC has a higher number of employees in the 50-55 age group than other Councils in the CIPFA benchmarking group (table 8).
- The average age of the Council's workforce is higher than most other reported averages in the comparator Council group with the exception of Nottingham City Council. (Appendix 2.)
- Even though the age categories used by the Councils in the comparator group vary it is clear that all have an ageing workforce with an under-representation of younger people. The majority reported the oldest workforce as being in their adult care equivalent function. For example 77% of the adult social care workforce are over age 40 in Lancashire and 16.49% over age 58 in Derbyshire. (Appendix 2.)
- The Council's oldest workforce is concentrated in the Place department (32% over 55); which also has the highest percentage of employees age over 65 (4%), and in Adult Social Care (27% over 55). The corresponding average ages across these two departments is the highest in the Council.
- The representation of young people age under 25 has remained consistently low across the Council with the highest concentration of younger employees in the Children and Young People's department (6% under 25 and 28% under 36). This in part reflects the nature of the department's activity and type of employees it attracts. It also reflects the recruitment and retention issues in children's social care and turnover of staff which have led to a concentration of newly qualified, predominantly female Social Workers beginning their social work careers.
- Currently Local Government employees can access their LGPS pension from age 55; although this is likely to be subject to change in the future. The previous statutory default retirement age of 65 is now abolished and 2% of NCC employees currently opt to work beyond age 65. These factors, together with the gradual increases to state pension age are possible explanations for the increase in older employees alongside continued low levels of recruitment and potentially greater job mobility amongst employees under 25.

- A majority of Councils in the comparator group reported that Apprenticeships, Graduate Traineeships and Work Experience are their strategic response to increase the representation of younger people in their workforce, which is the case in Nottinghamshire. It is anticipated that, as under the new Apprenticeship Levy arrangements from April 2017 the Council has become the direct employer of its Apprentices, the percentage of younger employees will increase moving forward. The Council will also want to actively attract and retain younger workers and millennials as an employer of choice to support creativity and innovation, new ways of working and new delivery models to meet increasing public expectations.

Nottinghamshire County Council's age profile values plotted against the CIPFA average age profile as at 31st March 2017 are as set out in the graph below which shows the age profile of the Council's workforce to be broadly comparable with other Councils in the CIPFA benchmarking group.

Table 8: NCC age values shown against the CIPFA group average

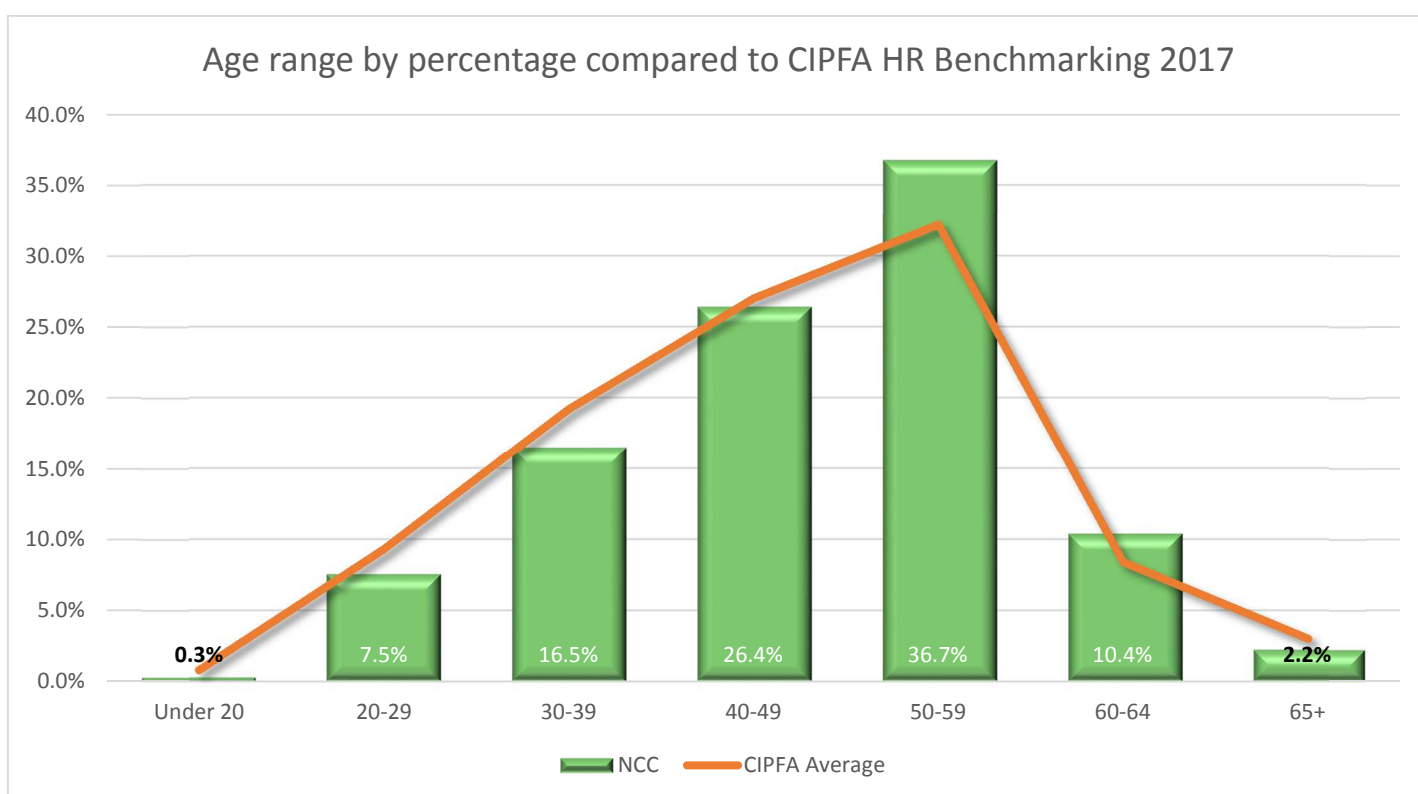
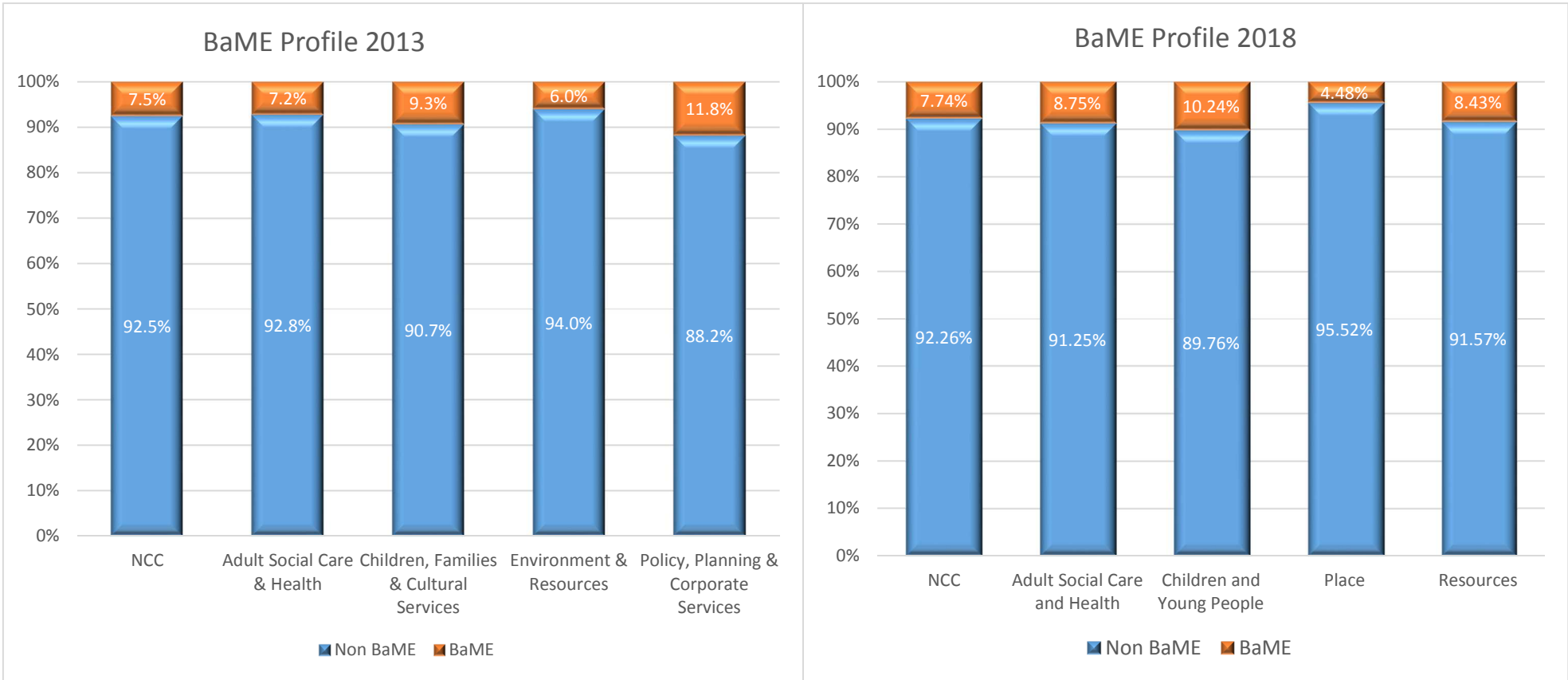


Table 9 – Ethnicity Profile (Black and Minority Ethnic)



Disclosed = 91. %

Undisclosed = 9%

Disclosed = 85%

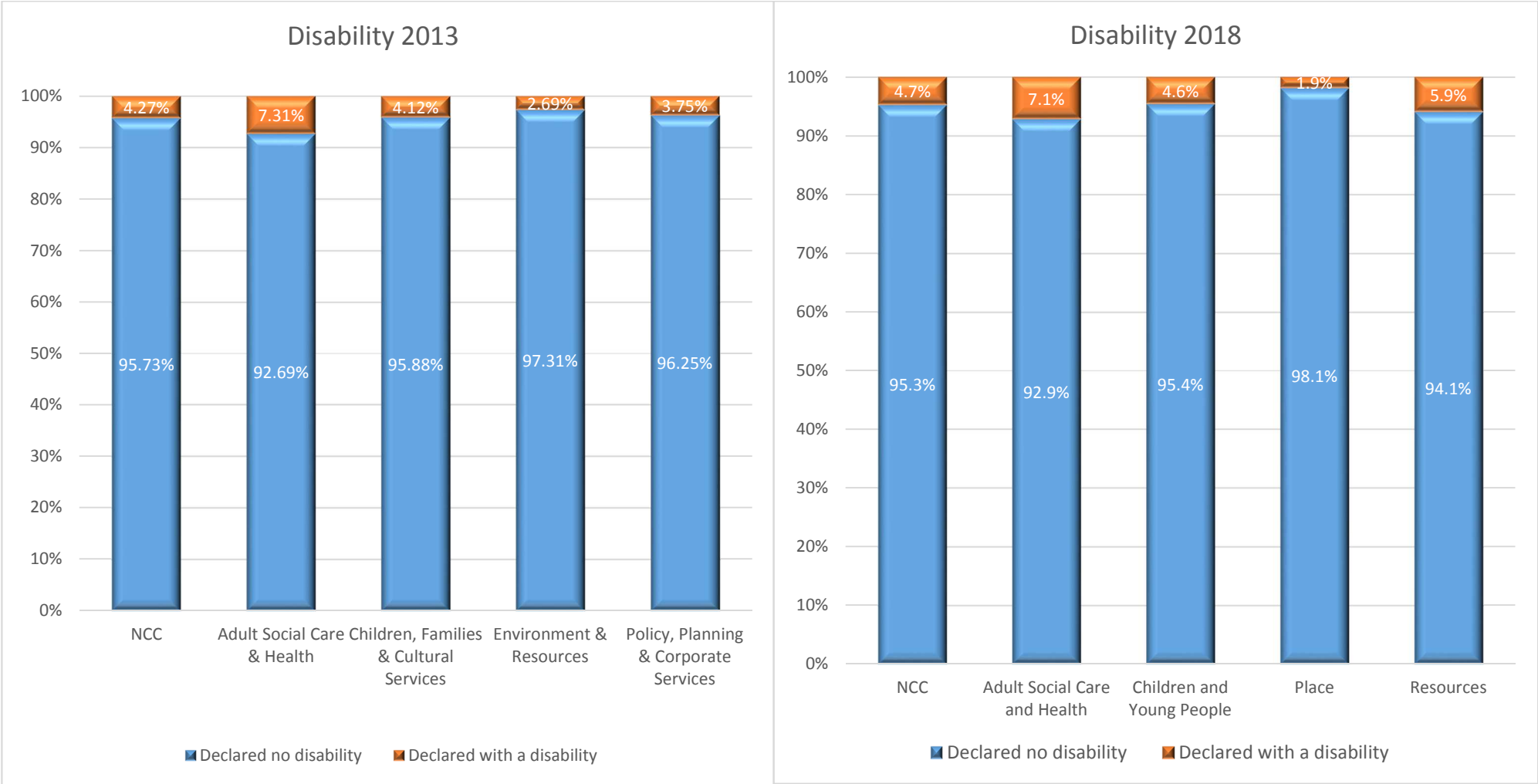
Undisclosed = 15%

- Despite recurrent campaigns to emphasise the importance of workforce profile data to effectively plan for a diverse and representative workforce, disclosure rates have declined between 2013 and 2018. Ongoing work is planned in Nottinghamshire to understand the barriers preventing employees providing this information and encouraging them to do so.
- Declaration rates vary across comparator Councils but are broadly within a range similar to Nottinghamshire with the exception of Northamptonshire where declaration rates for B&ME are much lower than for other Council's in the comparator group.
- The Nottinghamshire Community Comparator for B&ME population (2011 Census) is 7.36%. This is reflected in the overall figure across the NCC workforce of 7.31%. The B&ME figure across the East Midlands region is 8.70% and nationally 13%.
- The most recent Local Labour Market (LLM) data (Office of National Statistics Annual Population Survey for Nottinghamshire Dec 2016), indicates that the Nottinghamshire Comparator data is made up of 4.10% of communities in the County (excluding the City) being B&ME and 10.60% when Nottingham City (from which NCC draws a significant proportion of its direct workforce) is included.
- At just over 10% the highest representation of B&ME employees is currently in Children and Families and the lowest in the Place Department at 4.5%.
- Meaningful comparison with other Counties should also take into consideration the variations in the ethnic population of their respective communities and therefore their local labour market. For example:
 - Leicestershire has a high percentage of B&ME employees in its workforce reflective of the makeup of its community, 8.6% of the population of the County are from Black and Minority Ethnic groups and 54% of the population in the City of Leicester, from which a high proportion of its workforce are drawn, identify as B&ME.
 - North Yorkshire has the lowest percentage representation of B&ME employees in the comparator group at 1.15%, however only 2.47% of its population are from black and minority (BME) groups.

This data is set out in Appendix 2.

- The respective representation across comparable departmental definitions in comparator Councils (where this data is available), fluctuates to such an extent that it negates any meaningful comparison with the spread across service departments in NCC.

Table 10 – Disability Profile (Equality Act 2010 definition)



Disclosed = 89%
Undisclosed = 11%

Disclosed = 85%
Undisclosed = 15%

- Accurate data in relation to disability is only available by self-declaration. Disclosure rates for disability have declined by approximately 4% between 2013 and 2018. The Council has ongoing campaigns to emphasise the importance of this data and encourage people to provide this voluntarily. Consideration is being given to alternative methods for people to provide this information.
- Declaration rates across comparator Councils vary but are broadly within a range similar to Nottinghamshire with the exception of Northamptonshire where declaration rates for Disability are much lower than for other Councils in the comparator group.
- There is no meaningful Nottinghamshire Community Comparator for Disability as the national census definition of disability is not based on the Equality Act definition which is used by this Council and other employers.
- The most recent ONS Annual Population Survey for December 2016 shows the percentage of people of working age with a self-declared disability in the Nottinghamshire labour market as 21.20%. However, this figure includes people in full time education; people in receipt of benefits and people not looking for work and is not therefore comparable with the Council's figures.
- At 7% the highest representation of employees who have declared themselves as having a disability is currently in ASCH and the lowest in Place at just below 2%. This may directly reflect the numbers of people who have a disability or the nature of the work. Alternatively it may reflect that people working in adult social care are more likely to feel able and willing to declare themselves as having a disability. As self-declaration is predominantly through completion of on-line information held in the Council's Business Management System (BMS); the low level of self-declaration in the Place Department may also reflect the fact that this department has the lowest number of employees who have access to employee self-service in BMS.
- Where information is available in relation to comparable departmental definitions in comparator Councils it fluctuates to such an extent that negates any meaningful comparison with the spread across service departments in NCC.

There is currently no information in this report relating to the other "Protected Characteristics" of Sexual Orientation and of Religion and Belief as currently disclosure rates are not high enough for meaningful comparisons to be made. It is anticipated that ongoing efforts to encourage Council employees to disclose their personal information will, over time, allow for meaningful internal trend analysis across departments and enable meaningful statistical comparison with those other Councils who publish this information.

Management Ratios

The Council's Workforce Plan provides information about manager to staff ratios to enable the Council to plan effectively for future needs and to inform succession planning, training and development programmes. In order to do this effectively the Council needs to understand the range of supervisory, managerial and leadership roles across the whole organisation and set this within the context of the services provided. Management activities and ratios for front line direct service provision may be different to those in professional services with high levels of risk where levels of professional supervision and scrutiny of decisions are required with authorisations and approvals within predetermined timescales and levels of seniority. For example, in some social care areas which work within national frameworks, sometimes prescribed by legislation. It is essential that manager to staff ratios are sufficient to effectively identify and manage risk and enable the Council to ensure delivery of safe services and safeguard the most vulnerable people in Nottinghamshire.

The ratio of managers to employees can also be used as one measure to indicate the cost effectiveness of the services delivered but this is too simplistic an approach in isolation and needs to be considered in conjunction with other factors such as those set out above. Another key consideration is the definition of the term manager and the management responsibilities included and varies from organisation to organisation making comparisons difficult. This is discussed in more detail below.

Definition of Managers

For the purposes of this document a "manager" has initially been defined as follows:

- An employee paid at Band D or above who has direct line management responsibility for a number of staff
- A manager who was part of the second cohort of the Leadership Development Programme for Team Managers and above
- The definition excludes those paid on Band D who have no line management responsibilities, for example, programme managers in the Programme and Projects Office or Independent Reviewing Officers in CYP.

Employees on more junior grades who have limited day to day management responsibilities for one or two people are not currently included. The information provided for large scale front line services such as Catering, Cleaning and Facilities Management where front line team leaders and managers have responsibility for day to day management of large staff groups may currently also not include all managers in these areas as they are on grades lower than Band D given the nature of the responsibilities, degree of risk and actual management activities undertaken. Further work will be undertaken to analyse these cohorts and reflect this in the information contained within the report and in workforce plans.

Further analysis is also required in relation to management activities and what is meant by the term "manager". Previously the focus was on managers with responsibilities for people and budgets. As the nature and shape of the organisation and the range of statutory responsibilities and levels of risk increase "management" increasingly includes activities such as contract management, procurement, commissioning, commercial development and higher level professional and technical decision making which require different approaches and skill sets. This is discussed in more detail later in this section.

Senior Managers – These are the senior leadership roles in the organisation defined for the purposes of this report as Service Director or Group Manager and above.

In 2016 the ratio of senior managers (Service Director and above) to employees when measured across the whole Council was 1 to every 303 employees. This had increased to 1 manager to every 377 employees by 2018 as the number of senior managers has decreased.

The ratio of group managers to employees across the whole Council in 2016 was 1 to every 111 employees which has increased to 1 to every 119 employees in 2018.

Organisational design

Organisational design shapes people processes and informs future decisions on an organisation's structure, to align with its business purpose and the context in which the organisation exists (CIPD). It is increasingly recognised that there is no overall "one size fits all" approach to organisation design given a number of new approaches to work which challenge the traditional hierarchical arrangements focusing on increasing organisational agility, enabled by more flexible organisational structures. This makes comparison with other organisations difficult.

A number of factors influence the choice of organisation design, including corporate strategy, the external environment, stakeholder engagement and organisational culture. Recognising the importance of having a cohesive structure in place, the Council developed a set of principles to support future business/service development and transformation.

Principles:

NCC's agreed Organisational Design principles, implemented from April 2011, specify that there will be a maximum of 7 tiers between the Chief Executive and front line service delivery and sets spans of management control determined by the nature and complexity of work and management of risk within the following framework:

- Chief Executive to Corporate Director - 1: 4-8
- Senior Management roles - 1: 4-8
- Group Manager to front line manager - 1: 8
- Front line manager to employee - 1: 8 or more

These were based on wider public and private sector approaches, as advised by external consultants, adjusted to reflect the operating context within the Council at the time.

Whilst important to recognise that different service areas will have variable management requirements, there has been a significant overall reduction in managers. From January 2010 to April 2018, the overall number of managers has reduced from 576 to 392, a reduction of 184.

The principles were applied in management restructurings to reduce the number of organisational tiers from 13 to 7 and to implement a more systematic approach across the Council. This led to an emerging more consistent picture of mainstream manager roles in professional service areas at Band D and above. This in part reflects increasing levels of professionalisation and the need for higher level professional decision-making in these areas to effectively manage risk and fulfil statutory duties. This is distinct from day to day managers in frontline roles such as catering and cleaning services where there are lower levels of risk resulting in lower grades with broader spans of control. There was a large initial reduction as flatter management structures were developed and in the main, an entire tier of service managers was removed. This resulted in over 120 of the 184 managers leaving

between 2010 and 2012. A further 64 left between 2012 and April 2018 with further reductions planned during 2018. The impact of this on the ratio of managers to employees is shown in table 11.

This picture reflects the residual requirement for some more traditional management and leadership roles to be retained, the changing nature of the services being delivered and the transformation which has already taken place to date. As more services are commissioned or delivered through alternative delivery models the balance with direct service delivery has shifted. This requires different roles, professional knowledge, skills and experience which are in demand across the employment market place. Many of these professional roles are in the middle tiers of the organisation and require pay rates which are competitive if the Council is going to reduce demand for external consultants and be able to attract and retain the expertise it requires to effectively manage risk and drive forward further change. It is likely that the Council will require fewer more highly paid roles as it continues to change. These roles, whilst not traditional people manager roles, have some aspects of management and associated responsibilities and accountabilities within them. Further analysis will be undertaken to tease out these distinctions amongst the middle tiers of the organisation.

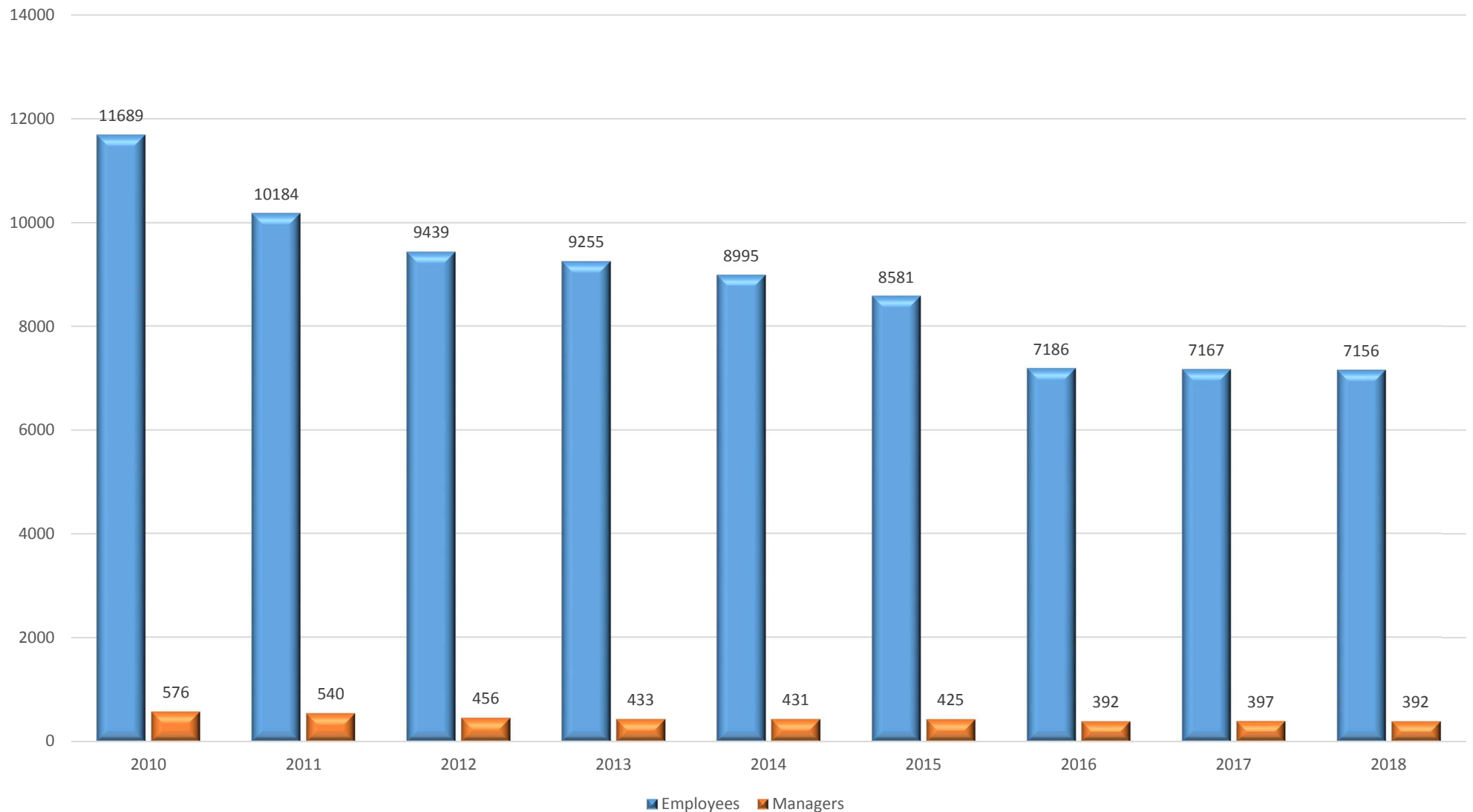
The current management structure, in place from September 2015 and creation of the new Place and Chief Executive's departments, provide a springboard to agree how we move forward to the next iteration of transformation and what structures and roles will be required to be in place to deliver key business strategies.

There is much theoretical debate about the definition of the term manager and correct ratio of staff to managers. However, there is no clear consensus of what this should be other than the recognition that what is appropriate will depend on the work being undertaken and the complexity of the roles within specific teams. The more complex services with greater levels of risk will require smaller management ratios to meet the greater need for management interaction and individual coaching and the more straight forward operations can be successful with broader spans of control. It is the work performed and level of risk which determine the structure required, rather than a fixed adherence to a set of principles which may no longer meet the future needs of a 21st century public service organisation. As a tool the Organisational Design principles served their purpose at the time. Part of the development of our workforce plan will require a review of these principles to test their ongoing fitness for purpose in determining what NCC workforce needs will be in the coming years. Having a framework has proved helpful but it is suggested that greater flexibility supported by further more detailed analysis is built in going forward to reflect specific service requirements.

It has not so far proved possible to access the Organisational Design Principles (if these exist), of Councils in the selected comparator group for benchmarking purpose but, subject to the caveats above, this will be a further area of work to develop.

New ways of working and virtual workplaces; the increasing use of new technologies; the level of autonomy given and expected and geographical spread of services will also have an influence on the relevant staff/manager ratios and nature of management activities and responsibilities and is likely to continue to change as the Council itself continues its transformation. It is anticipated that as the Council increasingly shifts its focus to commissioning of services the requirement to manage new approaches to services delivered from elsewhere will see a diminishment in front line employees engaged in direct service delivery and will require a further redefinition and redistribution of the management role.

Table 11: NCC Number of Employees and Managers



- Since 2010/12 the respective ratios of managers to employees has fluctuated and decreased overall from 1:22 to 1:18. This reflects the differing nature of many roles which have evolved over the last 5 years whilst the Council has continued to transform and the changing nature of the Council and how services are provided. There has been an increase in the commissioning of professionally led, often statutory and high risk services with staff who would, based on grade, fall within the descriptor of manager used for the analysis within the report. As the density of these more strategic and professional responsibilities has increased the level of transactional, high volume, operational, direct in-house service delivery has decreased. These two factors together have impacted on the manager to employee ratios. Further work will be undertaken to separate out true management activities and roles where this applies to provide more detailed analysis of this cohort.
- The highest ratio of managers to employees in both 2016 and 2018 is in the Place Department reflecting the high numbers of front line, part time employees, including those in Catering and Cleaning functions and the nature of the work. Therefore management spans of control and activities in this area have always reflected this and now forms part of the Place and Communities Division. Options for change and business cases are under development to provide options for the future delivery of Catering, Cleaning and Facilities Management which could result in significant reduction in headcount and overheads or other more commercial options to generate income which could impact on roles and headcount.
- The remainder of the Place Department has spans of control similar to other areas of the Council undertaking professional and technical activities and commissioning and contract management type functions. This has become more apparent as the new Place Department has become properly resourced and the new department and its responsibilities have been clarified and settled in.
- The overall ratios of managers to employees for the other three departments and the Council average are within a similar range and have not varied significantly between 2016 and 2018 across the board. This reflects a slowing in the decrease in the number of traditional managers as these changes took place earlier in the Council's transformation where numbers of management tiers were deleted. This has been followed by significant service review and restructuring which has shifted the focus of services from direct provider to commissioning and reflects the changing nature of service delivery and type and level of roles required which has led to the development of more contract management, commissioning, technical and professional roles which fall within these grading bands.
- Ratios of managers to employees are 1 to 44 in ASCH North Notts and Direct Services which contains most of the department's remaining front line social care functions. The lowest ratio of managers to employees in 2016 and 2018 across the Council are in Public Health with 1 manager to every 1.5 employees. This reflects the small size of these services and their professional nature. Overall the ASCH department's ratio of managers, as defined for the purpose of this report, to employees has remained fairly consistent between 2016 and 2018.
- Within the Resources Department, the ratio of staff to managers was greatest in the Customers and HR division, predominantly reflecting the integration of Business Support functions and transactional activity undertaken by the Business Support Centre (BSC) and Customer Services Centre, all of which are included in this service division. The slight decrease in the ratios of managers to employees from 2016 to 2018 reflects the reduction in headcount in these areas. These services will form part of the new Chief Executive's Department from July 2018.

Table 12: NCC ratio of managers to employees

	2016		
	Number of employees	Number of Managers	Ratio of manager to employees
Adult Social Care, Health and Public Protection			
Mid Nottinghamshire	274	28	1:10
North Nottinghamshire & Direct Services	879	19	1:46
Public Health	35	15	1:2
South Nott & Public Protection	401	35	1:11
Strategic Commissioning, Access & Safeguarding	176	19	1:9
Transformation	8	3	1:3
Total	1773	119	1:15
Children, Families and Cultural Services			
Child Social Care	730	89	1:8
Education Standards & Inclusion	151	14	1:11
Youth, Families & Culture	742	56	1:13
Total	1623	156	1:10
Place			
Economic Development & Devolution	14	6	1:2
Environment, Transport & Property	2455	15	1:164
Environment & Highways	54	6	1:9
Planning, Voluntary & Community	41	5	1:8
Total	2564	32	1:80
Resources			
Communications & Marketing	54	5	1:11
Customers & Human Resources	803	18	1:45
Finance, Procurement & Improvement	152	28	1:5
ICT	152	24	1:6
Legal, Democratic & Complaints	69	10	1:7
Total	1230	85	1:14
Totals	7190	392	1:18

	2018		
	Number of employees	Number of Managers	Ratio of manager to employees
Adult Social Care and Health			
Mid Nottinghamshire	346	33	1:10
North Nottinghamshire & Direct Services	890	20	1:44
Public Health	28	18	1:1.5
South Nottinghamshire	354	31	1:11
Strategic Commissioning, Access and Safeguarding	171	17	1:10
Transformation	10	7	1:1.4
Total	1799	126	1:14
Children and Young People			
Commissioning, Resources and Culture	252	22	1:11
Education, Learning and Skills	159	12	1:13
Youth, Families and Social Work	1171	102	1:12
Total	1582	136	1:12
Place			
Investment & Growth	86	13	1:7
Place & Communities	2500	31	1:81
Total	2586	44	1:59
Resources			
Communications, Marketing and Commercial Development	54	5	1:11
Customers & Human Resources	787	18	1:44
Finance, Procurement & Improvement	156	22	1:7
ICT	128	24	1:5
Legal & Democratic Services	64	10	1:6
Total	1189	79	1:15
Overall total	7156	392	1:18

The initial analysis in the table shows a short term comparison of the relative ratio of NCC managers to employees by service division over the most recent year in order to reflect and make like for like comparison with the current organisational structure.

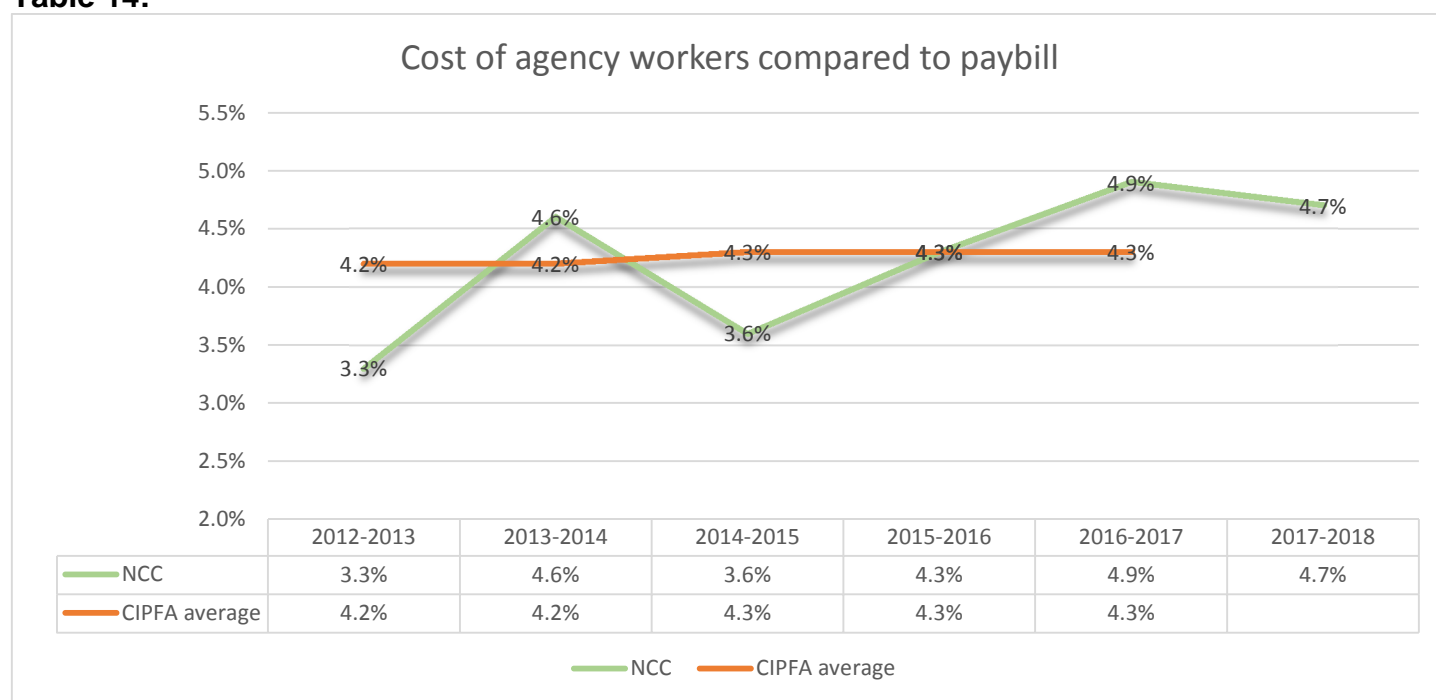
Agency workers

Table 13: Overall headcount of agency workers

Department	October 2013 ¹	March 2014	March 2015	March 2016	March 2017	March 2018
Adult Social Care, Health (and Public Protection)	34	21	72	101	68	47
Children and Young People	147	99	93	90	57.3	69
Policy, Planning & Corporate Services	16	15	22			
Environment & Resources	91	99	55			
Place				53	15	32
Resources				61	57.7	66
Total	288	234	242	305	198	214

¹ Earliest collated records –October 2013

Table 14:



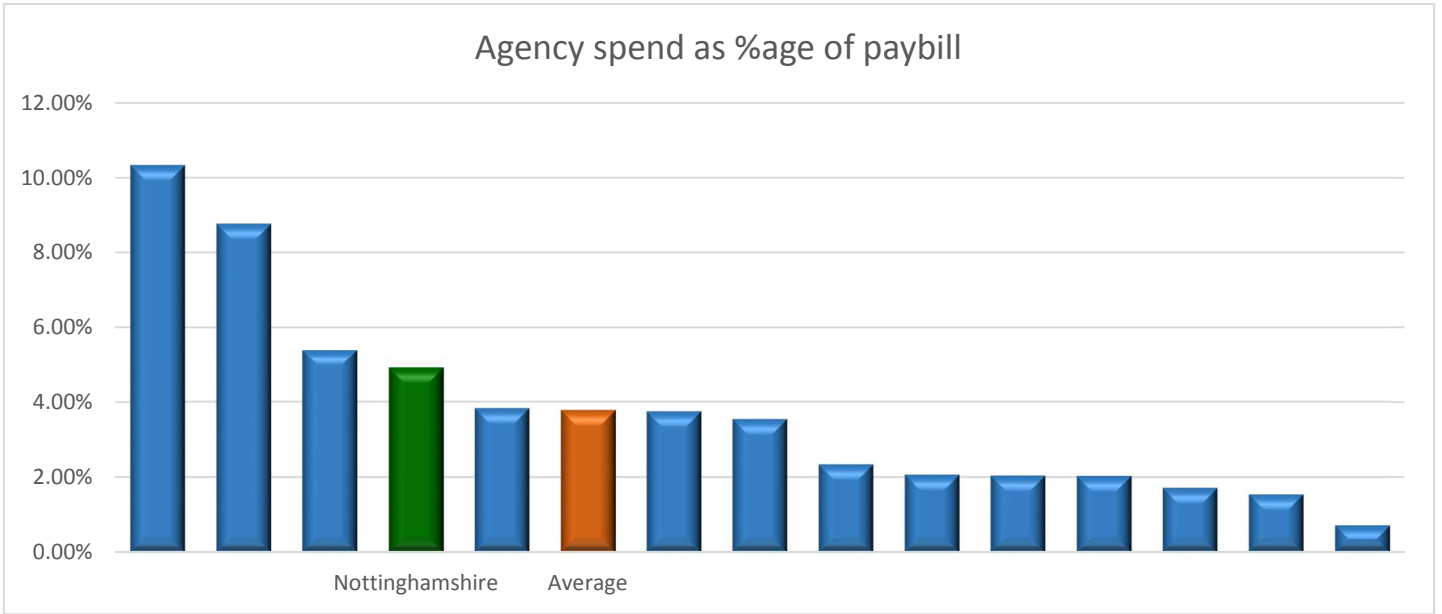
(From CIPFA Public Sector Corporate Services VfM indicators Human Resources reports 2012/13 – 2016/17)

The Council uses agency workers for a number of reasons including short term cover, in hard to recruit to teams and for specialist roles where we do not have the relevant skill set. Previously the contingent workforce was sourced through various ad hoc arrangements. Since November 2015, the Council has sourced the majority of its agency workers through a managed service provider. This has ensured that proper contractual arrangements are in place; temporary staff are legally compliant and properly referenced and checked; there is clear visibility and better control of spend; and the ability to monitor and manage performance against a framework of agreed criteria. This has enabled the Council to develop more flexible resourcing models which allow for a flex up/flex down approach without employing additional people at a time when the overall headcount is reducing.

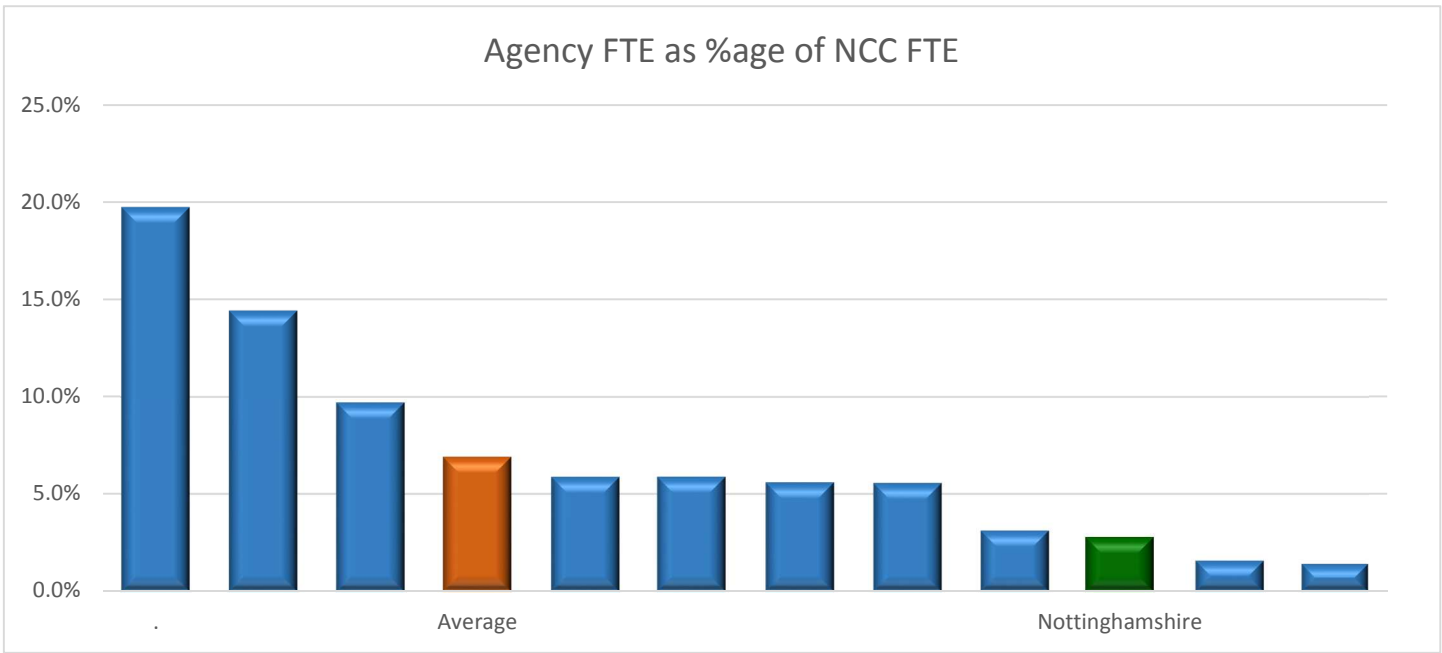
The use of longer term agency workers remains part of the vacancy control process to ensure that these resourcing decisions are subject to the same level of scrutiny as any other type of recruitment. The Council has set a target of 4% of its workforce to be agency workers which is broadly aligned to the “all Councils” CIPFA benchmarking data as shown above.

Nottinghamshire County Council’s number of agency workers as a proportion of the Council’s overall headcount is lower than the CIPFA average whilst the proportion of agency spend as a percentage of the Council’s overall pay bill is slightly above average. Rates of pay for lower level agency workers are controlled by the Managed service Contract. This would suggest that agency spend is greater in more highly paid professional roles such as social workers.

Table 15: CIPFA comparison graphs as at 31.03.2017:



Awaiting updated figures from CIPFA for 2018 comparison



Awaiting updated figures from CIPFA for 2018 comparison

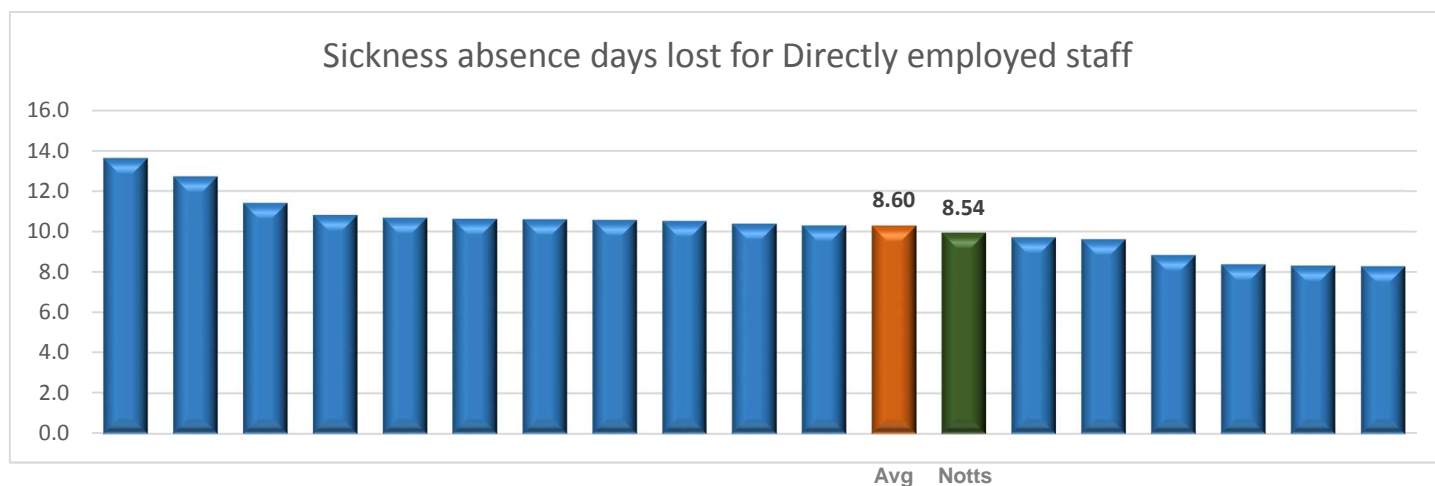
NCC value is shown in green against other Councils who have supplied data, the group average is shown in orange.

NCC Sickness absence

Following a systems review, in July 2016, amendments were made to the basis of reporting which established a new baseline of **8.21 days** on average per fte per annum for comparative trend analysis. This adjustment confirmed a fairly consistent level of absence since March 2013 but the last two quarters have seen a slight increase **to 8.54 days** in March 2018. However, the overall trend is downward; having reduced from **10.15 days** in June 2010 and approximately **12 days** average per fte since 2003/4.

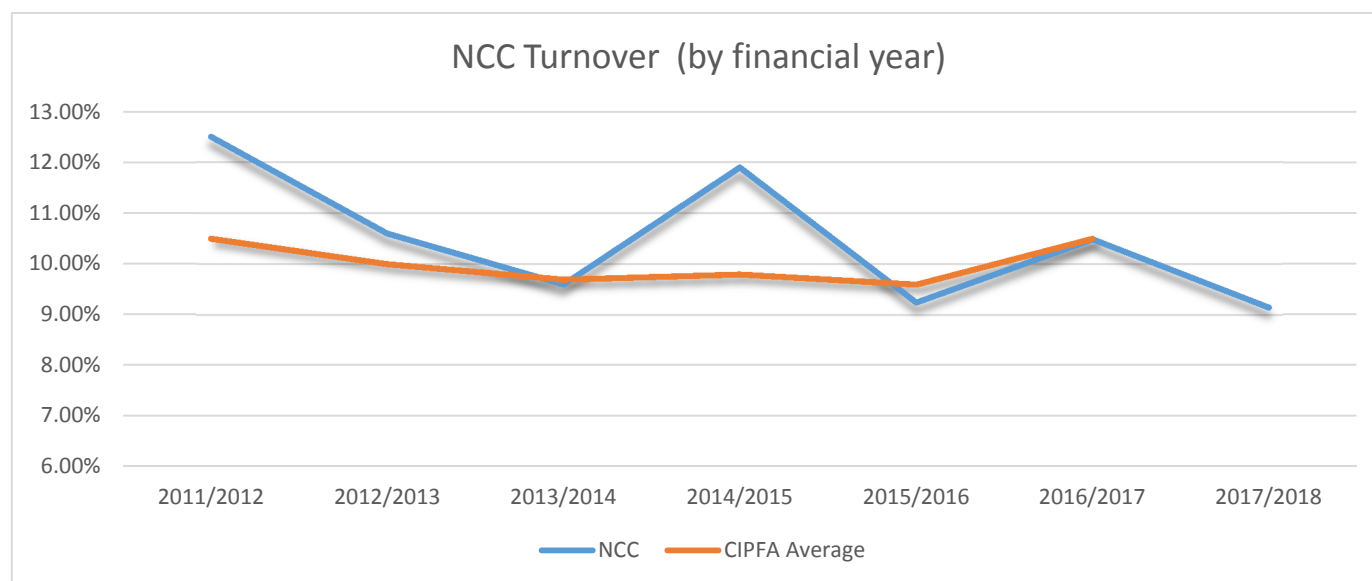
- The most recently reported (2015), local government (LGA) average is **9.40 days**.
- The most recently reported (2017), CIPFA benchmark average for County Councils in the benchmark cohort for County Council's is **8.60 days (9.30 days for all local authorities)**. The CIPFA data is set out in the chart in table 16 below.
- The Chartered Institute of Personnel and Development (CIPD) annual Absence Management Survey Report for 2016 records the average level of employee absence reported by its local government respondents at **9.80 days**.
- Regionally the current reported average number of fte days lost to sickness across all East Midlands Council's is **9.30 days**.
- The Council's current target for improvement, set by Personnel Committee, is 7.00 days with a detailed action plan to enable the Council to make further progress towards this target.

Table 16: CIPFA comparison graph as at 31.03.2017 FTE average days lost to sickness pa:



Turnover

Table 17: NCC turnover compared with CIPFA benchmarking results



Awaiting updated figures from CIPFA for comparison

Turnover is measured for permanent and temporary employees who leave the employment of the authority for a number of reasons. A degree of turnover is considered healthy for any organisation as it allows review of roles and activities and can lead to a refresh of ideas and energy as new employees are appointed. It can also be part of a strategic approach to generate savings and introduce new methods of service delivery. Turnover rates therefore tend to fluctuate through the various phases of organisation transformation.

Employees who transfer by TUPE or retain an employment with the authority (employees with multiple employments) are not currently included in the turnover data to allow meaningful comparison with other Councils as this is not included in the definition reported under the CIPFA benchmarking regime.

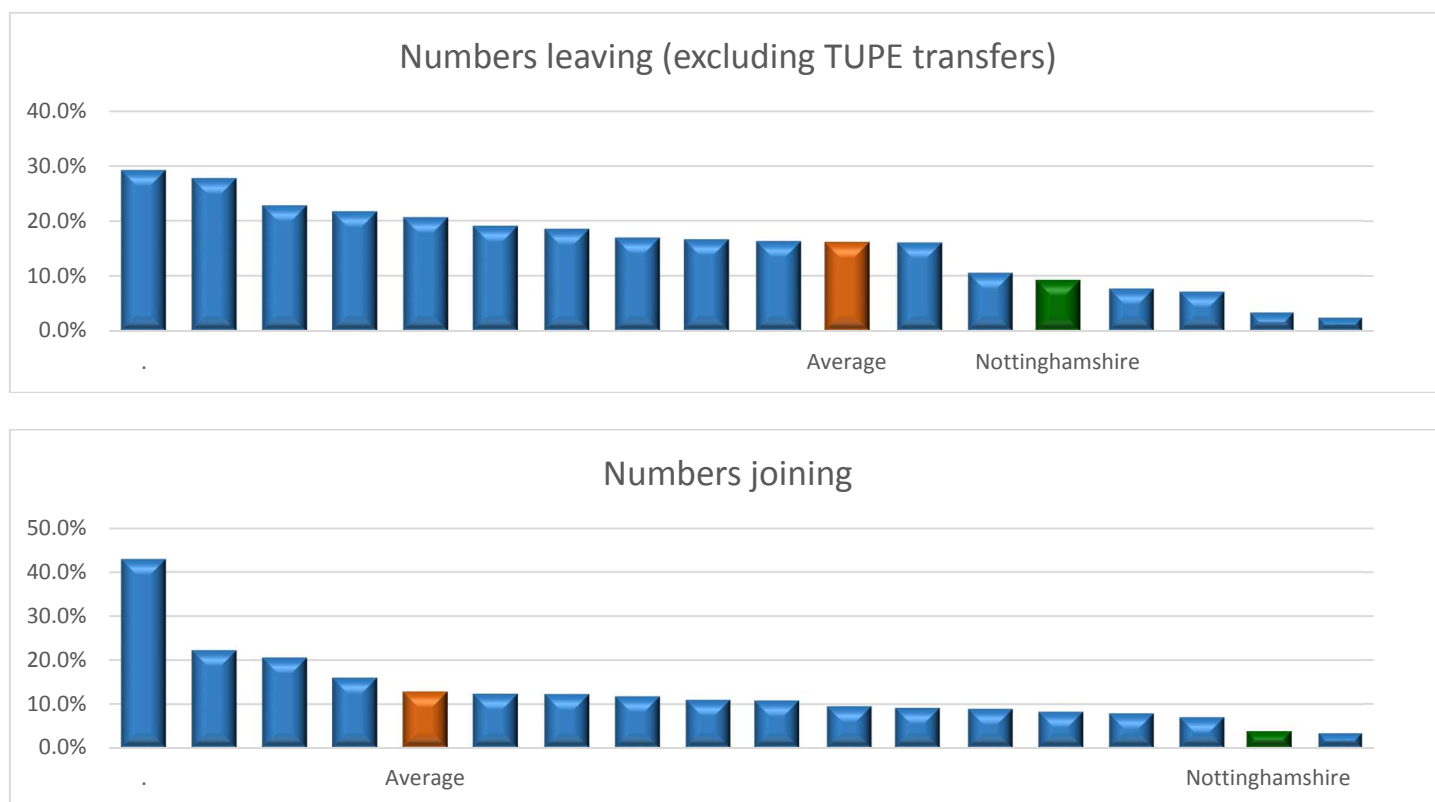
The following factors are currently included:

- Retirement
- Retirement Ill Health
- Death in Service
- Dismissal Conduct
- Dismissal Capability including absence
- Failed Probation
- Mutually agreed termination
- End Fixed Term Contract
- Redundancy Compulsory
- Redundancy Voluntary
- Resignation

Over recent years the impact of the transfer out of major services under TUPE arrangements including Children's Centres, Libraries, Highways, Country Parks and Property has had a significant impact on this Council's turnover rates. Further work will be undertaken to model the impact of this in addition to the factors outlined above.

- The Council's turnover rate is currently **10.17%**, compared to **13.4%** in Northamptonshire and **14.9%** in Warwickshire as set out in Appendix 2.
- The most recently reported (2017), CIPFA benchmark average for County Councils in the benchmark cohort is **9.7 %**.
- The most recently reported Local Government average turnover rate (LGA) stood at **13.40%** as at 31st March 2015.
- The number of leavers shown in table 19 is lower than the CIPFA average because staff transferred out through TUPE haven't been included and this accounts for a significant proportion of the overall headcount reduction in Nottinghamshire. The number of starters is also lower reflecting the overall net reduction in employees and delivery of savings for the period in question.
- Between 2013 and 2017 turnover has remained highest in Adult Services reflecting recruitment and retention difficulties in some specialist areas e.g. DoLs team and the age profile of the adult social care workforce, particularly in front line service areas.
- Analysis of turnover by service areas is being undertaken to identify and plan to address specific workforce planning needs. Work has already begun with some departments on specific areas of service where there are specific skills shortages. For example children's social care.

Table 19 - CIPFA Turnover comparison graphs as at 31.03.2017:



Awaiting updated figures from CIPFA for 2018 comparison

NCC value is shown in green against other Councils who have supplied data, the group average is shown in orange.

The above graphs in part reflect that much of the Council's turnover is not captured in the CIPFA benchmarking as it does not include TUPE transfer of staff which has contributed significantly to the Council's overall headcount reduction. Figures will be adjusted to reflect this information.

Reasons for Leaving

The top 3 reasons for leaving amongst Council employees are consistently:

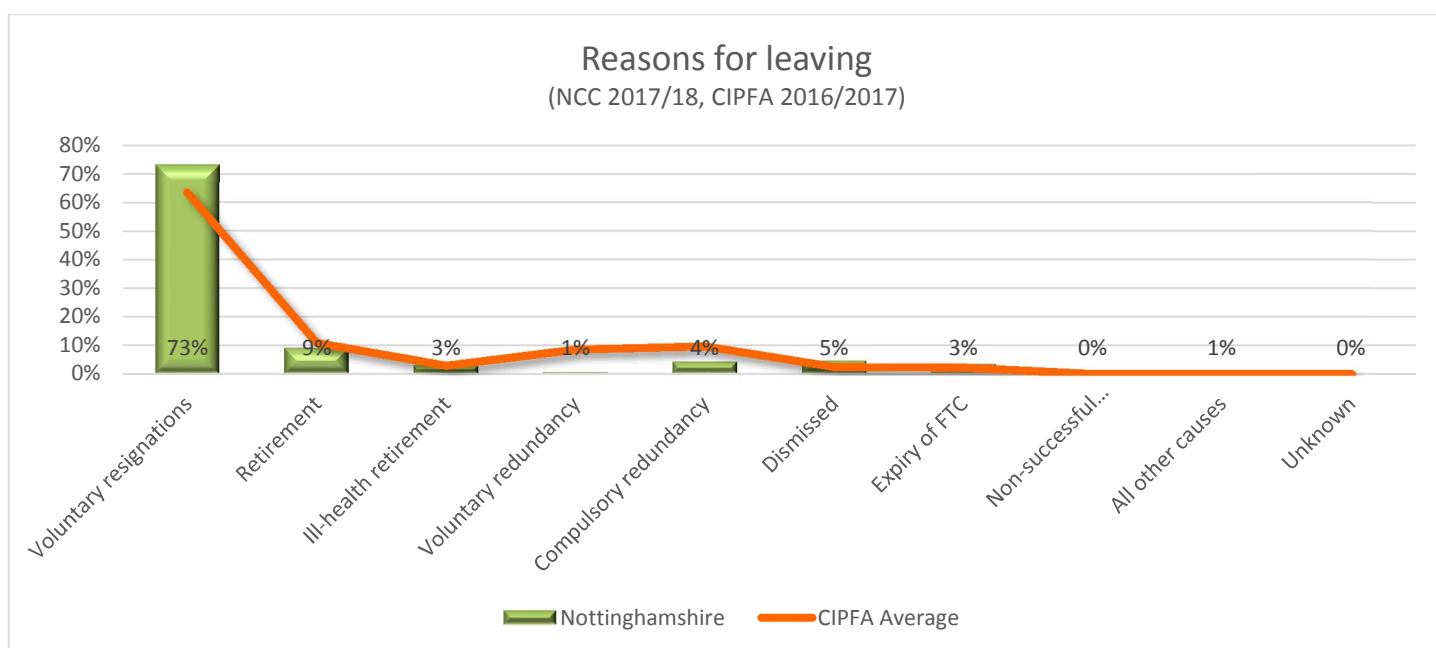
- Voluntary Resignation
- Voluntary Redundancy – over 70% redundancies have been voluntary
- Retirement

Table 20: NCC Reasons for Leaving:

Reason for leaving	April 2017 to March 2018
Retirement	63
Retirement Ill Health	21
Death in Service	8
Dismissal Conduct	13
Dismissal Capability including absence	19
Failed Probation	2
Mutually agreed termination	1
End Fixed Term Contract	24
Redundancy Compulsory	4
Redundancy Voluntary	29
Resignation	506
	690

The position within the Council broadly reflects the position across CIPFA comparator Councils as illustrated below:

Table 21: CIPFA Overview: Reasons for Leaving



NCC values shown against the group averages for other respondents in the CIPFA Benchmarking group.

Table 22 Average length of service (years)

	2013		2017	2018
NCC	10.8	NCC	11.2	11.2
Adult Social Care & Health	11.5	Adult Social Care, Health and Public Protection	12.2	11.9
Children, Families & Cultural Services	9.7	Children and Young People	9.9	10.2
Environment & Resources	11.1	Place	10.8	10.7
Policy, Planning & Corporate Services	12.3	Resources	12.5	12.5

- The average length of service across all direct Council employees has increased by 0.4 years from 10.8 years in 2013 to 11.2 in 2018.
- Between 2013 and 2018 the average length of service has remained lowest in Children and Young People reflecting the degree of change in service delivery across the department. More specifically in children's social care, this reflects the lack of availability of and inability to retain experienced, qualified children's social care professionals at local and national levels; the move from permanent to contingent labour and the need to address these issues through the adoption of recruitment and retention incentives and efforts to control agency costs through the application of a rate cap, tenure discounts and the most recent impact of IR35 on the contingent labour market.

Pay

- The Council's pay bill fluctuates over time: for 2017/18 it was £0.4 billion.
- In the period covered by this report, the overall pay bill has been impacted on by a number of factors including: the Council's adoption of a living wage based on the national Foundation Living Wage rate in April 2014; the Government's National Living Wage and associated government policy statements and their impact on national Local Government pay awards and increase in the employer's LGPS pension contributions. Market pay rates in key skills areas, particularly where skills are in short supply are further ongoing external influences on the pay bill.
- NCC subscribes to the national pay bargaining framework for Local Government and has an established pay and grading structure which is based on a "points to pay" relationship determined through a Job Evaluation process which formed part of a Single Status agreement with the recognised trades unions in 2008. The Council does not pay bonuses or offer any benefits in kind.
- The Local Government national pay award for employees on NJC terms and conditions has been applied for 2018, on average 2% depending on position on the pay spine. A second phase is due for implementation in 2019 in conjunction with a new national pay spine. Confirmation of the 2018/19 national pay award for Chief Officers and Chief Executives has been recently received.
- On appointment in 2015 the pay of the current Chief Executive was set by full Council at £170,000, approximately £15,000 less than the salary of the previous Chief Executive. For the first time since 2009 a national pay award for Chief Executives was agreed for the period 2016-18, this equated to a 1% increase per annum taking his salary to £173,417 currently.
- In fulfilment of its reporting obligations under the Localism Act 2011, the Council reports annually on the pay relationship between its highest and lowest paid employee. A number of factors influence these ratios year on year, including national pay awards, the inclusion of the Living Wage Allowance in the calculation and the impact of the transfer out of significant numbers of lower paid front line employees to alternative service delivery models.
- When expressed as a multiplier of pay, the Chief Executive's salary as at 1st February 2018 is 10 times greater than that of the Council's lowest earner. As at 1st February 2018, the relationship between the Chief Executive's pay and that of the Council's median (mid-point), earner (£18,070), was a ratio of 9.6:1 compared to 10:1 as at 1st February 2015 which reinforces the reduction of the gap.

Summary/conclusions

The overriding conclusion from analysis of the data, when set within the context of relevant comparator data, is that in workforce terms the Council is not an outlier. It faces the same challenges and has patterns and trends within its workforce similar to other Councils. In many cases the data illustrates the Council is close to the average /median. The information also illustrates in several areas the degree of change and transformation the Council has undergone over the period of the report and extent to which this continues.

A range of comparator data is used within the report which is useful to set Nottinghamshire's data in context and identify areas for further analysis and consideration. However caution must be exercised in the use of this as organisations collect, record, measure and report on workforce information differently across the public sector and more widely. On balance it does add value if considered in this context but comparisons are limited to the accessible data and it is sometimes difficult to ensure comparison of like with like.

The information specific to Nottinghamshire reflects a changing workforce. There has been a significant overall reduction in the number of people directly employed by the Council. 4717 since 2010. In part this is due to the impact of savings measures and efficiencies as services have been reviewed, streamlined and waste and duplication reduced or new ways of doing things. It also reflects the change in delivery models for a number of services where staff have been transferred to new arms-length organisations or other providers.

The organisation of the Council's workforce and departmental structures has changed with the increasing integration of similar services to improve service delivery and efficiency. As illustrated by the creation of the new Place Department in 2017 to provide a renewed focus on strategic priorities by pulling together the Council's place-based services under one locus of control. The creation of the Resources and then Chief Executive's Department in 2018 are further examples.

Although the overall number of employees has significantly decreased, the profile of the Council's workforce in terms of age, gender, ethnicity and disability as a percentage of overall headcount has not changed significantly over the period in question. The workforce profile broadly mirrors that of other similar Councils when specific local factors in relation to the local labour market are taken into account. The different nature of the population of cities and large rural county areas can also be seen in the benchmarking data. The available information supports the view that the way in which reductions and changes have been implemented has not had a negative or disproportionate impact on the overall diversity profile of the Council and the make-up of the workforce is generally a reflection of wider socio-economic factors. The areas of greatest difference relate to the age of the Council's workforce which is older overall and has more employees in the 50-59 age group. Clearly targeted strategies will be required to make significant change moving forward which maximise the use of internal and external levers such as the Apprenticeship Levy and Public Sector Duty to impact on the age profile of the workforce. This will need to be supported by robust workforce planning across the whole Council.

The Council Plan reflects the importance of attracting and retaining millennials in relation to the economic growth of Nottinghamshire. Overall the workforce for the foreseeable future is likely to be a mix of older and younger workers with different knowledge, skills and experience and differing approaches to work. Younger workers will have an increasingly important part to play over time as increasing numbers of millennials come into and form a greater percentage of the workforce and as they move through the workforce. This is likely to impact on expectations in relation to career pathways; learning and development; pay and reward; ways of working and the overall nature of the employment relationship and needs to be reflected in the Council's approach to and relationship with its employees.

Nottinghamshire has more women in higher paid roles than comparator Councils and is above the CIPFA average in this respect. Recent research by the Municipal Journal and Public Sector People Managers Association identified that people with disabilities were struggling to break through to senior positions and 60% identified barriers facing both women and black and minority ethnic people in progressing into leadership roles. Activities to understand the potential barriers and improve the position within the Council will be identified and explored. Initially, as part of the Council's response to Gender Pay Gap reporting requirements.

The changing nature of the workforce can also be clearly seen in the middle tiers of the organisation. Historically these tiers contained traditional management roles occupied by managers of people and budgets. These types of roles have significantly reduced across the Council overall. Where these roles remain they are likely to be professional support and management roles managing high risk, statutory or specialist/technical services. As the Council's statutory responsibilities in areas such as adult social care increase the need for higher level professional decision-making and support is also likely to increase.

As service delivery models have changed the skills and roles required have changed and this trend is likely to continue at an increased pace. Going forward higher level specialist skill sets will be required in areas such as service design and improvement; commercial development; commissioning; contract management and technical specialists to support economic development and growth; in addition to higher level professional service skills. It is likely that the Council will have fewer but more highly paid employees in these roles as it has to compete in the market for key skills which are in demand and very transferrable.

Recruitment and retention issues are also likely to continue for the foreseeable future in critical frontline services where there are skills shortages such as social work. Other national skills shortages in areas such as Planning, Quantity Surveying and Engineering are also likely to continue to impact. Effective workforce planning; an understanding of current skills; targeted learning and development programmes and revised pay and reward strategies within the context of developed career pathways will be essential to ensure that the Council is able to recruit and retain key skills sustainably for the future. This will be supported by increased numbers of apprenticeships and traineeships reflecting wider skills and career development as part of the Apprenticeship Levy and reflected in the Council's revised Workforce Strategy.

Overall the headcount of agency workers has reduced in the period covered by the report. In part this reflects the impact of targeted recruitment and retention strategies in children's social care. However, the Council is likely to need greater flexibility in its resourcing model moving forward where specialist skills are only procured for the minimum period required to complete a specific activity with some knowledge transfer as appropriate or additional temporary support to enable further organisational change. A key factor will be ensuring that the approach chosen provides best value for money.

Turnover within the Council fluctuates around the CIPFA average depending on where the Council is in relation to its budgetary and change cycles. A level of turnover is good to ensure a healthy, refreshed organisation. It will be necessary to manage turnover more proactively to support organisational change and ensure the required skill sets are available for the future. The approach will need to be flexible enough to reflect both local service needs and the wider organisational picture. Effective workforce planning underpinning an agreed refreshed Workforce Strategy will help co-ordinate this. Work is already underway in some key skills shortage areas, and further work is planned.

Sickness absence within the Council is below average in all of the benchmarking and comparative data with an ongoing downward trend which is beginning to flatten out with slight increases in the last two quarters. It is important that the overall downward trend continues to ensure the effective management of risk and continued development of a healthy workplace. It is timely to review the Council's approach

to identify the key activities likely to have the greatest impact on the health and wellbeing of the workforce as part of a proactive approach to individual and organisational resilience and prevention of ill-health and injury.

The report describes the narrowing of the gap between the highest and lowest paid but also sets out some of the external factors and challenges in terms of pay and reward moving forward. Further work will need to be undertaken to ensure that the Council's approach to pay and reward provides value for money for the people of Nottinghamshire; ensures delivery of good quality sustainable services and protection of the most vulnerable and helps the Council prepare and plan for the future in a competitive and buoyant employment market.

The purpose of the report is to pull together a suite of standard workforce measures and data to inform strategic decision-making and provide a baseline and methodology to measure performance and change going forward. It is intended that the information within the report will be updated regularly to form the basis of future reporting on workforce matters.

The report represents a period in time with trend data to help predict and model future workforce needs moving forward. The data within the report will be used to undertake workforce modelling and planning, based on a set of assumptions, to identify future workforce needs and help inform the development of plans and strategies to ensure the Council has the right number of people with the right knowledge, skills and experience at the right time.

Appendix 1: Methodology

Internal Comparisons

2013 and 2017 were initially chosen as the internal benchmark comparator years to ensure consistent data comparison through the Council's Business Management System (BMS) which was implemented late 2011 and came fully on line during 2012/13. This is when data began to be consistently collected and reported on in the current format in relation to the key areas in the report in respect of workforce. The range and scope of the data reported will be updated and developed over time as indicated throughout the report.

The internal data has been reviewed, adjusted and presented to ensure consistency and the ability to make comparisons across the Council and over time as far as possible. Care needs to be exercised when reviewing numbers of employees as employment arrangements are complex and one of the features of the Council's workforce is the high number of multiple employments. That is where employees have contracts for different jobs in more than one role, more than one department etc. This may result in minor discrepancies in actual numbers but overall would not significantly affect the data or its analysis. This is most relevant in relation to ratio of managers to employees where some employees have contracts for posts on both sides of the equation.

Discussions have taken place with Corporate Directors in compiling the report to ensure the analysis reflects their views of the current position and future direction of travel. Further work will be undertaken with departmental leadership teams as part of the modelling exercise in Part B.

External Comparison

There are difficulties with gathering information from the identified comparators and with the use of benchmarking data from CIPFA which are set out in more detail below. However, a preliminary and high level analysis has been undertaken of NCC's data using this information for context and comparator purposes only. This can then be used as a mechanism to identify areas of difference which would benefit from further investigation. This report will be updated as more recent and/or additional national data is made available. It is envisaged that a more consistent set of benchmarking comparators and measures will be identified over time to enable more robust and effective analysis to be undertaken on an ongoing basis.

Use of National Data Sets:

The most recent available national data sets and analytics have been used for benchmarking purposes. However this data is inherently both retrospective and incomplete as a significant proportion of the 353 Council's in England and Wales and, where relevant, other Public Sector organisations, will not complete all or some elements of the annual return or will compile the data differently.

The primary sources used to inform relevant sector comparison in this report are as follows:

- Chartered Institute of Public Finance Association (CIPFA) Value For Money HR data set 2015/16 (data as at 31.3.16) – the annual Public Sector Corporate Services Value for Money (VfM) Indicators for Human Resources provide a consistent source of annual benchmark comparison with similar (Shire County) Councils and are used to establish the Council's position in relation to the reported average (mean) performance of all respondent Councils against a set of primary and secondary indicators. This data is used to set annual improvement targets against key HR performance indicators (KPI's) as set out in the HR Service Plan and reported on a quarterly basis to Elected Members through the Committee

process and to senior officers through the Council's performance management reporting regime. Where relevant, CIPFA bar charts indicating the NCC value against other Councils who have supplied data and the group average is included. This data comes with the health warning mentioned above that not all Councils report this information in the same way.

- Chartered Institute of Personnel and Development (CIPD) Absence Management Report 2016 (data as at 31.3.16) – compares a range of 1,091 respondent employers across all sectors, including private sector employers, 194 of these respondents are from the wider public service sector and provide further potentially wider comparison for the Council's performance reporting in relation to this workforce measure.
- Local Government Association (LGA) annual Workforce Report 2014/15 (data as at 31.3.15) – compares a range of data provided by 153 respondent Councils of all types. The data supplied by the 77 respondent single/ upper tier Councils is used as the basis of comparison for Nottinghamshire's workforce performance reporting.

Comparator Councils:

As part of the compilation of this report a number of Councils were identified and contacted for additional potentially more specific and meaningful comparator data. They were chosen to reflect a range of sizes, different operating models and demographics as well as including some of our statistical neighbours as listed in the table below:

Derbyshire
Essex
Lancashire
Leicestershire
Lincolnshire
Northamptonshire
North Yorkshire
Nottingham City
Staffordshire
Warwickshire

Initial research involved accessing publically available information on these Councils' websites including their Pay Policy Statements, published equalities information and workforce profile data which all Councils are required to produce in standard formats.

Follow up telephone calls were made to these Councils to explore and understand the data better but to date it has been difficult to gather further more relevant information. This work requires completing and a more comprehensive, reliable and sustainable method of collecting this information needs to be developed.

The information requested included the following:

- Number of employees as at 31/03/2017
- Number of agency workers as a % of pay bill
- Senior staffing structure

- Population figure using ONS 2015 mid-year estimate
- Organisational design principles
- Manager to staff ratio
- Definition of a manager
- £ spend per head of population
- Turnover %
- Average age of the workforce

Appendix 2

Comparison of direct workforce profile with other local authorities					
Workforce Profile	Date of Data	Gender Profile	Age Profile	Ethnicity Profile <i>information taken from BMS only includes employees where information is available for Ethnicity</i>	Disability Profile <i>information taken from BMS only includes employees where information is available for Disability</i>
Nottinghamshire	2017	77.56% female	Under 25:3.61% Over 55: 24.60% Average age: 47.3 years	7.31% Declared B&ME 92.69% Declared Non B&ME Declaration rate = 84.49%	4.60% Declared Disabled 95.40% Declared Not Disabled Declaration rate = 83.74%
Comparator Council	Date of most recent published data				
Derbyshire	2016	83.41% female	Under 25 : 4.20% Over 58 : 12.72%	2.34% Declared B&ME	3.48% Declared Disabled
Leicestershire	2015	69.53%	Under 25: 4.27% Over 55: 21.99%	11.87% Declared B&ME Declaration rate = 83.60%	4.23% Declared Disabled Declaration rate = 72.80%
Lancashire	2016	72.90% female	Under 25:4.00% Age between 40 and 65: 67.40%	3.25% Declared B&ME	2.09 % Declared Disabled
North Yorkshire	2015	82.00% female	Under 25: 5.89% Over 55: 16.50% Average age: 44.78	1.15 % Declared B&ME	1.04% Declared Disabled
Nottingham City	No equivalent data currently published - Average Age 49.38				

Essex	2016	74.00% female	Under 25:5.00% Over 50:38.70%	11.90% Declared B&ME	3.40% Declared Disabled
Warwickshire	2016	70.30% female	Under 25: 5.00% Over 50:45.00% Average age: 45.70%	12.20% Declared B&ME Declaration rate = 85.50%	3.60% Declared Disabled Declaration rate = 71.40 %
Staffordshire	2016	76.00% female	Under 29: 8.30% Age 50 to 59 :30.30%	7.00% Declared B&ME Declaration rate = 87.0%	3.00% Declared Disabled Declaration rate = 86.0%
Lincolnshire	2016	64.44% female	Under 25: 4.92% Over 55:24.06%	3.76% Declared B&ME Declaration rate = 92.43%	4.16% Declared Disabled Declaration rate = 81.59%
Northamptonshire	2016	68.00% female	Under 25: 3.84% Age 45 to 59 : 43.00% Average age: 44	5.80% Declared B&ME Declaration rate = 50.30%	3.20% Declared Disabled Declaration rate = 37.90%