

Springing Forward – Workforce – Newport City Council

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Summary report

Summary

What we reviewed and why

- 1 We reviewed how the Council strategically plans for its workforce requirements both now and in the future, how it monitors its workforce and how it reviews and evaluates the effectiveness of its arrangements.
- 2 We delivered this review as the world moves forward, using the experiences from the global COVID-19 pandemic, to look at how councils are strengthening their ability to transform, adapt and maintain the delivery of services, including those delivered in partnership with key stakeholders and communities
- 3 When we began our audit work under the Well-being of Future Generations (Wales) Act 2015 we recognised that it would take time for public bodies to embed the sustainable development principle, but we did also set out our expectation that over the medium term we would expect public bodies to be able to demonstrate how the Act is shaping what they do. It is now approaching seven years since the Well-being of Future Generations Act was passed and we are now into the second reporting period for the Act. Therefore, we would now expect public bodies to be able to demonstrate that the Act is integral to their thinking and genuinely shaping what they do.
- 4 This project had three main aims:
 - to gain assurance that councils are putting in place arrangements to transform, adapt and maintain the delivery of services;
 - to explain the actions that councils are taking both individually and collectively to strengthen their arrangements as well as further embed the sustainable development principle; and
 - to inspire councils and other organisations to further strengthen their arrangements through capturing and sharing notable practice examples and learning and making appropriate recommendations.
- 5 We undertook the review during the period April to July 2022, reviewing key council documents and speaking with officers of the Council.
- 6 At the end of March 2021, the Council employed 5,100 people, which has reduced by 9% from the 5,600 people it employed in March 2017. In terms of full-time equivalents (FTE), in March 2021 the Council employed 27.0 FTEs for every 1000 residents which is below the 32.4 FTEs average for all Welsh Councils.

What we found

- 7 Our review sought to answer the question: Is the Council's strategic approach to its workforce effectively helping the Council to strengthen its ability to transform, adapt and maintain the delivery of its services in the short and longer-term?

- 8 Overall, we found that the Council has applied the sustainable development principle to develop a clear vision for its workforce that is supported by effective implementation arrangements.
- 9 We reached this conclusion because:
- the Council has a clear vision for workforce, supported by key strategies and effective arrangements for implementation;
 - the Council has applied the sustainable development principle to make good progress in developing new ways of working; and
 - the Council is aware of its workforce-related challenges and is currently enhancing its workforce monitoring arrangements, but limited benchmarking is restricting potential learning.

Recommendations

Exhibit 1: recommendations

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

Recommendations	
Sustainable Development Principle	
R1	The Council should use the sustainable development principle to shape the revision of its People and Culture Strategy, considering longer-term workforce risks and opportunities.
Performance Management	
R2	The Council should benchmark its workforce management information internally and with other organisations to strengthen its understanding of workforce performance.

Detailed report

The Council has a clear vision for its workforce that is supported by effective implementation arrangements

The Council has a clear vision for workforce, supported by key strategies and effective arrangements for implementation

Why setting a clear vision is important

- 10 A clear workforce strategy and well-developed delivery plans are important to identify the intended usage of assets over the short and longer term; the funding available to maintain and develop assets, as well as the anticipated future level of demand for, and cost of, providing services. It is also important to identify how the workforce management strategy aligns and is integrated with other relevant strategies including, agile working, assets, digital and carbon reduction. Learning from the changes brought about by the global COVID-19 pandemic, can help Councils strengthen their ability to transform, adapt and maintain the delivery of services.
- 11 In reaching the conclusion that the Council has a clear vision for workforce, supported by key strategies and effective arrangements for implementation, we found that:
 - within the Council's current Corporate Plan 2017-2022, Building on Success, Building a Better Newport, the Council made several pledges under the banner of a Modernised Council that includes commitments to developing a modern, capable workforce, where the use of agile working would be explored and implemented wherever possible. The Council's new Corporate Plan is in the final stages of development.
 - the Council augments its Corporate Plan pledges with its People and Culture Strategy – the latest version currently being for 2018-22. The People and Culture Strategy is in the early stages of revision to reflect the revised Corporate Plan. Whilst developing the Strategy, the Council should take the opportunity to use the sustainable development principle to shape its approach including considering longer-term workforce risks and opportunities.
 - in response to the first lock-down in March 2020 of the COVID-19 pandemic the Council had to adapt how its workforce operated. Those delivering front line services were protected through adapting working practices adapted, whilst previously office-based staff worked from home, wherever possible. In June 2020 the Council published its Strategic Recovery Aims that included the aim to Sustain a Safe, Healthy and Productive Workforce, which are consistent with its strategic vision for its workforce.

- in addition to the medium-term People and Culture Strategy, the Council has a yearly Workforce Plan. The Council's Workforce Plan 2021-22 states annual priorities, which are the following five themes:
 - succession planning;
 - structural effectiveness review;
 - nurture and develop talent;
 - a more representative workforce; and
 - a digitally enabled workforce.
- to support delivery of its corporate strategies, each directorate of the Council produces an Annual Service Plan. Progress against these Annual Service Plans are monitored through the Council's Management Information hub and also its democratic process. Within each templated Annual Service Plan is a dedicated section on Workforce Planning. Annual Service Plan for 2021-22 include explicit activities by directorates to support staff recruitment and retention such as succession planning, training and expanding previously flat structures to provide clearer career pathways..

The Council has applied the sustainable development principle to make good progress in developing new ways of working

- 12 The Council's transformational project, 'New Normal' is driving the Council's implementation of learning, adaptation and need for change stemming from the COVID-19 pandemic and requirements for carbon reduction. This project includes transforming its workforce in conjunction with its buildings, digital services and energy consumption through a collection of new employment policies for its workforce, including:
- Agile Working Policy
 - Working from Home Policy
 - Flexi time Scheme
 - Travel and Subsistence
 - Parking at the Civic Centre

Why the Well-being of Future Generations (Wales) Act 2015 is important

- 13 When we began our audit work under the Well-being Future Generations (Wales) Act 2015¹ (the Act) we recognised that it would take time for public bodies to embed the sustainable development principle, but we did also set out our expectation that over the medium term we would expect public bodies to be able to demonstrate how the Act is shaping what they do. It is now approaching seven years since the Act was passed and we are now into the second reporting period

¹ [Well-being of Future Generations \(Wales\) Act 2015 \(legislation.gov.uk\)](https://legislation.gov.uk)

for the Act. Therefore, we would now expect public bodies to be able to demonstrate that the Act is integral to their thinking and genuinely shaping what they do.

- 14 Under the Act Councils must carry out sustainable development in accordance with the sustainable development principle. To do something in accordance with the sustainable development principle is to act in a manner which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. To act in that manner, the Council must take account of the five ways of working: Long-term, Integration, Involvement, Collaboration and Prevention. Statutory guidance on the Act² sets out that seven core organisational activities that public bodies should consider applying the Act to. Workforce is one of those core organisational activities.
- 15 In reaching the conclusion that the Council has applied the sustainable development principle to make good progress in developing new ways of working, we found that:
- the Act requires the Council to demonstrate that it balances short-term needs with the need to safeguard the long-term needs for its workforce. Each year the Council undertakes workforce planning within service areas. In addition to considering short term immediate issues the Council's process for workforce planning also incorporates some scenario and potential medium-term future trend considerations. The Council should extend its workforce planning exercise to also consider longer-term risks to help shape its workforce to be more fit for purpose.
 - there are well defined links between its workforce planning and other strategies, eg digital, carbon reduction and agile working.
 - the Council is experiencing significant difficulty in recruiting staff to some key roles due to a range of external factors. The Council is responding to these challenges within its Workforce Plan 2021-22 and Annual Service Plans. The Council is also developing its arrangements that monitor staff turnover and recruitment.
 - the Council has in the last two years introduced a Wellness Policy and surrounding arrangements which are individually tailored to individual employees to help keep them well and able to work. These arrangements are currently being developed and not complete, but their introduction demonstrates a shift away from sanction and toward a preventative culture that will, if successful, contribute to the Council's strategic aims of employee health and retainment.
 - the Council can demonstrate many examples of where it engages with its workforce and external stakeholders, through surveys, staff working groups, etc. to inform its decision-making processes and also recognises value of and challenge to maintain effective engagement.

² <https://gov.wales/sites/default/files/publications/2019-02/spsf-1-core-guidance.PDF>

- the Council can point to two examples of where it is working collaboratively with other organisations: to provide specialist services: partnership with Barnardos to deliver a Newport Family Support Service; and the partnership including Cardiff County Council and Welsh Government to undertake a regional response to the National Transfer Scheme. In developing the People and Culture Strategy the Council should take the opportunity to consider how it works collaboratively to other organisations to deliver its workforce.
- the Council's Workforce Plan includes a priority to have a more diverse workforce. The Council is required to publish its gender pay gap each year in the Pay and Reward Policy. The overall trend has been a declining gender pay gap across the Council which for the first time in 2022, when comparing the median pay gap, women are paid a higher hourly rate of pay than men. The Council is intent upon addressing other areas of inequality in its workforce in the near future.

The Council is aware of its workforce-related challenges and is currently enhancing its workforce monitoring arrangements, but limited benchmarking is restricting potential learning

Why effectively reviewing the delivery of planned changes is important

- 16 Councils should use data to monitor whether they are achieving their intended outcomes effectively and efficiently over the short and longer term. Using benchmarking data can provide useful insight into Councils individual performance and can identify opportunities for learning from other organisations
- 17 In reaching the conclusion that the Council is aware of its workforce-related challenges and is currently enhancing its workforce monitoring arrangements, but limited benchmarking is restricting potential learning, we found that:
- the Council's quarterly update on Corporate Risk Register provides regular assessment of the workforce challenges facing the Council. The mitigations in the latest update at the time of our audit work which was March 2022 were:
 - building on the lessons learned from the COVID-19 crisis undertake further work to enable some of its workforce to work more flexibly from Council offices, home and other locations securely and safely.
 - collaborating with SRS to ensure officers and Members are able to work remotely using digital solutions and appropriate equipment.
 - developing HR policies and procedures that will support the wellbeing and development of the organisation's staff.
 - pressures developing around the supply of labour (most notably HGV drivers and care staff) which is partly affected by Brexit and COVID-19.

- current Annual Service Plans, including workforce specific actions, were set in April 2021 and senior Council officers are actively working on delivery. The Council's Senior Leadership Team receive quarterly progress updates on Service Plans.
- the Council presents bi-annual performance reports to both its Cabinet and Performance Scrutiny – People committee that includes updates on progress in delivering workforce related activities. as well as standard workforce related data for including for example multiple reporting periods, comparison and information on staff turnover, sickness rates, are not reported.
- the Council is currently modernising its arrangements for collecting/reporting key workforce related management information for its strategic and operational managers. For example, the Council's internal Management Information hub has recently begun providing key monthly workforce performance data such as sickness, staff turnover, wellbeing assessments.
- there is very little workforce benchmarking, either within Council departments over time nor external comparison with other similar organisations, which limits insight into the Council's own performance and opportunities for learning from other organisations.
- the Council's Human Resources officers met with their equivalent from across the Welsh public sector throughout the challenging period to share knowledge and experience, particularly at a regional level to focus upon workforce challenges in social care and health.



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