

# Workforce Recruitment and Capacity

Date: July 2022

Report of: Director of Resources

Report to: Scrutiny Board

Will the decision be open for call in?  Yes  No

Does the report contain confidential or exempt information?  Yes  No

## What is this report about?

This report outlines the current workforce challenges particularly in relation to recruiting talent within the current labour market.

The report outlines the scope and scale of the work currently underway outlining both the short and longer-term interventions.

The recommended approach is cognisant of the Council's five-year People Strategy and our aspiration to increase diversity within the workforce so that it represents the communities we serve.

This work best meets the needs of the City's ambitions for inclusive growth, in terms of widening recruitment pools and making our roles accessible for a wider communities to apply and flourish in their roles.

## Recommendations

To note the content of the report and workplan, recognising the scale of the work and that there are a number of dependencies to progressing the activity particularly in relation to the recruitment system development.

### 1. Why is the proposal being put forward?

- 1.1. In 2020 the Council launched the five-year People Strategy, which featured as an enabling strategy of the Best Council Plan and will go on to support the City Ambitions. The People Strategy presents a simple vision for Leeds City Council to be the 'Best Place to Work'. The strategy focuses on the full 'employment life cycle' and details what the best employee experience would look and feel like. There is also a strong emphasis on the role our leaders and managers should play and sets out clear expectations in relation to our values to help strengthen organisational culture, behaviour and ambitions.
- 1.2. The Strategy recognised that interventions and actions would be required across the whole of the employment lifecycle ranging from workforce planning, recruitment, selection, induction, pay & benefits, development, wellbeing and progression. The People Strategy can be viewed [here](#).
- 1.3. However, over the past 24 months, in response to the pandemic and resultant budget pressures, effort and resource was focussed predominantly on workforce health, safety, and wellbeing, responding to the Financial Challenges and delivering new ways of flexible and agile working. Whilst these interventions have directly contributed to the People Strategy, as

we entered 2022/23 it is recognised that there are new and emerging workforce challenges that now require prioritisation.

## **The Workforce Challenges**

The pandemic, Brexit, socio-political and economic influences have impacted upon the labour market and our ability to secure the right workforce capacity and capability to meet the needs of our citizens.

- Latest figures (up to and including April 2022) indicate that there are 32.7 million employees in the UK, just slightly less than pre-Covid period of February 2020 (32.9 million). However, the number of job vacancies in March to May 2022 rose to a new record of 1,300,000; an increase of 20,000 from the previous quarter, and an increase of 503,900 pre Covid with most industries now displaying record vacancies. This is a similar reflection across the Local Government sector and the LGA have recently highlighted some short and long term actions to address the workforce challenges ahead.
- Despite the employment rate sitting at 75.6%, hours worked remain over 3% lower than two years ago. One aspect of this has been the drop in the number of people working part-time, there are now around 460,000 fewer people on fractional hours than there were two years ago. By comparison, full-time employment is up by just over 33,000.
- There was real concern as regards economic inactivity amongst [younger people](#) in the early stages of the pandemic. Throughout the Covid-19 crisis there has also been a continued increase in the number of people aged 50-64 who are economically inactive. The main explanations for this likely relate to ill-health (either temporarily or long term).<sup>1</sup>
- This situation is contributing to a decreasing talent pool, and the growing competitive nature of the labour market. There is also evidence of skills mismatch with high growth in skilled roles rather than entry level positions<sup>2</sup>.
- Much has been written about 'the great resignation' as people re-evaluate their priorities post pandemic and move to alternative employment or exit the labour market altogether. The pandemic has also changed the way many people work, with the introduction of hybrid working arrangements across many organisations, creating more choice and opportunities for individuals to engage in a portfolio of different roles, locations and ventures.
- There is an anxiety that the recent jobs recovery has not necessarily reached those most disadvantaged groups, ethnic minorities, those with disabilities, and older people, who may be struggling to join the labour market<sup>3</sup>.
- Within this challenging context, it is recognised that many employers have responded assertively to ensure the attraction and retention of their workforce talent. Examples have included well publicised interventions such as sign-up bonuses, retention payments, innovative recruitment campaigns, job personalisation, job redesign and role flexibility.

## **Local Context**

In addition to the contextual and environmental labour market challenges, Leeds City Council is also faced with other interdependent workforce issues to note:

- Local recruitment challenges in a range of key roles/services, notably Home Care Assistants, Care Assistants, Social Workers, LGV/HGV drivers, administration, hospitality/catering and also from a number of more specialist/technical roles.
- An aging workforce, with 42.7% of our extant workforce over 50 years old.
- Growing customer demand in many services, adding pressure on individual/team workloads.

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<sup>1</sup> [What do the latest data tell us about the UK labour market? - Economics Observatory](#)

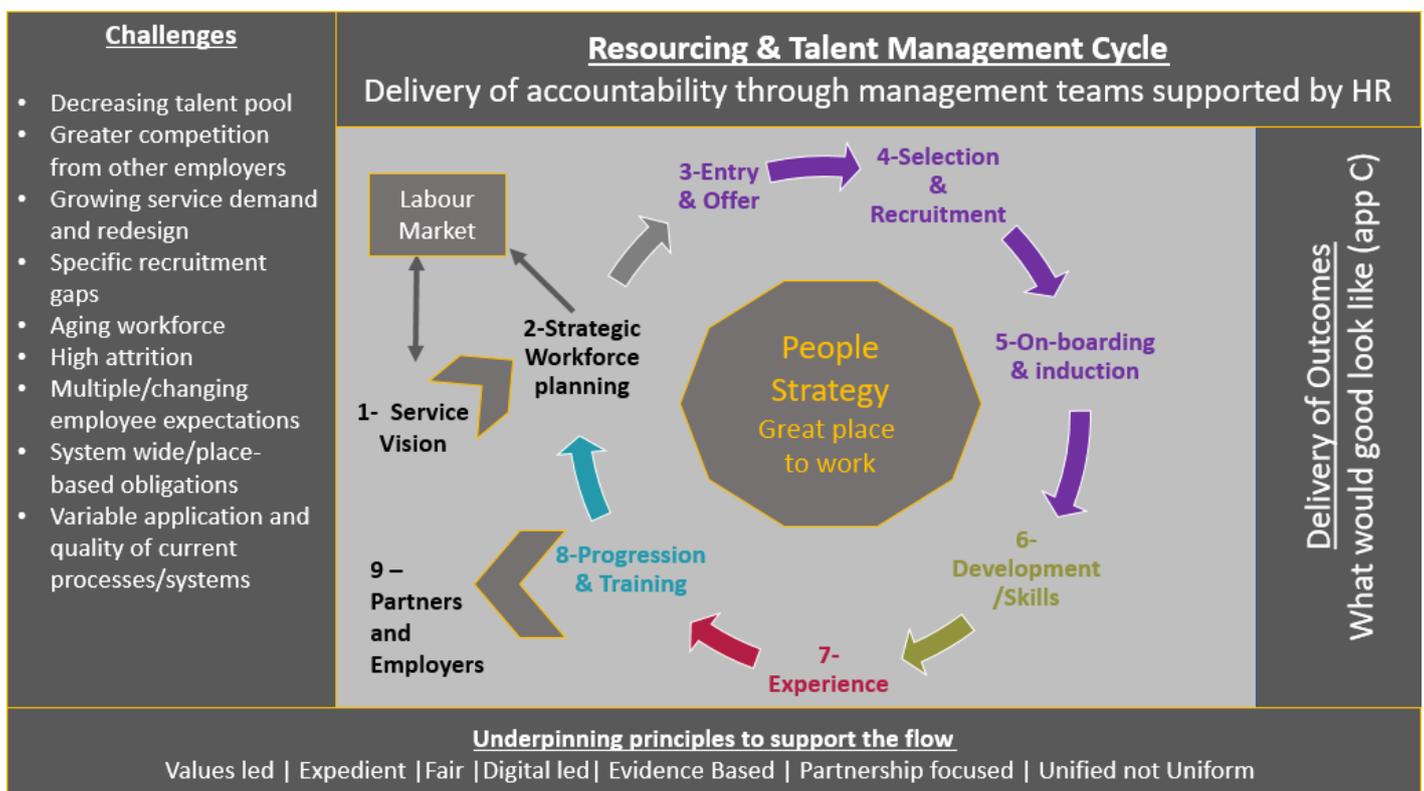
<sup>2</sup> Source: Institute for Employment Studies - analysis of labour force survey Jul-Sep 2021

<sup>3</sup> Source: Institute for Employment Studies - analysis of labour force survey Jul-Sep 2021

- A workforce that is not always as diverse and representative of the communities that we serve.
- High labour turnover and attrition in some areas with figures in the region of 20% in some frontline services such as Leeds Building Services and Civic Enterprise Leeds. This is reflective of the sectors nationally and not unique to the Council.
- Service redesign and reconfiguration in some areas that can create new and different skills gaps within the workforce (e.g. digitalisation, service redesign).
- Multiple occupational staff groups and workforce demographics mean that we need to consider and respond to a diverse range of intrinsic and extrinsic motivations and benefits to secure the requisite breadth of talent needed.
- A place-based organisation grounded in system-wide networks that requires a collaborative and collegiate approach to the workforce so not to de-stabilise our other stakeholders and partners (e.g. health and care sector for non-registered roles).

## 2. Response to the Challenges

- 2.1. Through delivery of the People Strategy, the Council is well placed to address these new and emerging external and internal workforce challenges. The People Strategy advocates a full employment lifecycle approach which will enable the authority to ensure it has the right people, with the right skills, at the right time to deliver its ambitions. This “resourcing & talent cycle” approach can be split into nine key interdependent components, as illustrated in the infographic below.
- 2.2. The infographic places the overarching and established long term vision at its centre, listing the described extant challenges to the left. The outcomes and accountabilities are listed on the right. The overall general approach to delivering the nine individual components is set out at the bottom.



- 2.3. Following the initial evaluation and review we have identified that we have a need to resolve and embed some strong basic principles around talent and resourcing within our own organisation and should concentrate on these workstreams before we are able to develop more progressive and city wide workstreams. This report seeks to update on current developments.

### 3. Key Issues/Outcomes

Since the Corporate Leadership Team agreed the work programme in February 2022, three key workstreams have been developed – a) Entry Routes, b) Recruitment and Selection methodology, and c) Workforce Planning, with associated interdependencies and links to wider priorities and workstreams. A high- level overview outlining our priorities are included in figure 1.

**Figure 1 – Workstream priorities for 2022**

3 LCC Workforce Capacity Priorities		
Entry Routes	Recruitment	Workforce Planning
Provide clear and diverse career pathways into the Council	Great recruitment, selection & a warm welcome	Future Planning skills to meet service vision and goals
<ul style="list-style-type: none"> <li>Establish clear communication of entry routes to the Council</li> <li>Establish clear career pathways that flow from entry routes across a wide range of sector and specialisms</li> <li>Embed entry routes as a tool within workforce planning</li> <li>Introduce T-Levels</li> <li>Introduce paid Internships</li> <li>Consider International Recruitment</li> <li>Re launch Graduate programme</li> <li>Create closer link with colleges and universities in the city</li> <li>Progress with neighbourhood based recruitment</li> <li>Review and revise our EVP/Brand and website</li> </ul>	<ul style="list-style-type: none"> <li>Values led and linked to associated People Strategy priorities</li> <li>EDI priorities as a golden thread throughout, ensuring the specific actions for recruitment are taken forward and continual improvement established.</li> <li>End to end recruitment review - streamline process to better enable faster, more agile recruitment and selection both internally &amp; externally.</li> <li>Analysis of current system improvements and readiness for CBT implementation.</li> <li>Improve advertising and attraction (including social media streams) for all to reflect current labour market challenges.</li> <li>Selection – create a broader range of selection options that better reflect the job demands and enable more inclusive engaging selection techniques (eg values based selection, diverse panels, anonymous shortlisting).</li> <li>Onboarding – streamline and ensure slicker recruitment and improve candidate experience.</li> <li>Data – Establish data capabilities from the system and analyse. Set up stable process to monitor and evaluate for future success.</li> </ul>	<ul style="list-style-type: none"> <li>Evaluate pilot approaches and lessons learned.</li> <li>Select further services to target.</li> <li>Develop toolkit and offer including bronze/silver/gold approach.</li> <li>Embed workforce planning culture.</li> <li>Establish clear and fair progression opportunities for all.</li> <li>Link to appraisal development plans and access to learning and development</li> <li>Develop detailed people metric dashboards.</li> <li>Future/sustainability – Create actions and parameters for continued sustainability and good practice, reflecting on the external environment.</li> </ul>

The following section of the report provides some additional context on key elements. A thread which will run through all of the three work streams is branding and attraction.

#### 3.1. Branding and Attraction

Our ability to attract from a broader diverse talent pool is integral to this work. From inclusive and compelling language in our advertising, to where we advertise, how we recruit, and what we offer. Currently our approach to these elements is largely devolved and piecemeal and can fetter our ability to assertively compete against private sector and other public sector partners.

We seek to innovate and diversify for the future. Specific work will include working with communications specialists to develop a strong recruitment brand that clearly promotes our Employer Value Proposition (EVP) to prospective candidates. We must also package and promote the Council’s other extended benefits which are described below and link these to our embedded values to improve attraction. Work was carried out prior to the pandemic to consider our employment ‘offer’ and this now needs to be progressed further. This and the ever-changing nuances of the labour market indicate the need for communications skills and support for the recruitment & workforce capacity programme.

In addition, we are keen to review our approach to the job application process, ensuring the candidate experience is expedient, positive and appropriate to the role the candidates are applying for.

#### 3.2. Approaches to pay and benefits

Within the current high inflation environment, pay is becoming increasingly competitive, with candidates carefully considering their potential full pay, reward and benefits package aligned to a role and organisation. The Council is cognisant of the importance of pay and benefits as part of its remedy to the recruitment and talent attraction challenges. We remain committed to the National Collective Bargaining Framework that negotiates the pay, terms and conditions for Local Authorities. We are currently in the negotiation cycle and would expect to implement the pay award without delay once collectively agreed. The Council also continues to currently uplift its payscale pursuant to the Real (Leeds) Living Wage rate as a minimum. Furthermore, whilst working within the collectively agreed pay and benefits framework, the HR Team is working closely with a number of services to consider and implement other pay and retention solutions to address specific labour market challenges, including market supplements, retention payments and benefits.

Whilst recognising the immediate importance of “take-home” pay, we continue to enhance the wider benefits offer. A new benefits portal will be launched this summer as a retention and recruitment measure. This will include new offers:

- Discounts on major high street and on-line retailers
- Salary sacrifice scheme on home and electronic goods
- A low emissions car lease scheme

It will also stress the value to staff of more established arrangements:

- Defined benefits pension scheme
- Leave purchase scheme
- Flexible working options and policies to support working parents and carers
- Wellbeing and financial wellbeing support
- Travel benefits, including bikes to work scheme.

By making new and existing offers more visible and prominent it is hoped that this will affirm the value of LCC employment and strengthen our employer value proposition.

### **3.3. Hard to recruit posts**

Recent data analysis shows a number of key posts across the Council have been re-advertised or had advert deadlines extended. Further analysis is underway with the working group that includes representatives from across the organisation to better understand the cause and effect, and to agree action plans.

Various options are being considered to help support managers with the approach to recruitment including refreshing supporting material, identifying the most appropriate routes to promote roles, using social media, modernising our selection techniques and considering job redesign to attract a wider talent pool. An innovative example of the latter includes the Contact Centre changing working patterns to specifically appeal to parents with school age children thus enabling them to undertake work in between the school drop off/pick up times of day.

An interactive tool kit of creative recruitment and selections options is now being worked up and will be shared with managers. The document highlights varied approaches to advertising, attraction, selection and assessment that can be tailored to the roles require. A couple of specific examples include;

The Adults and Health and Children and Families Directorates have developed and launched recruitment pages, streamlined the application processes, increased the volume of assessment centres delivered by the We Care Academy, information session through Facebook live have been tested and maximising the benefit of the recent Ofsted rating as part of recruitment campaigns.

We have had additional success working with the job centre and job shops for entry level roles that we had previously struggled to recruit. Business Admin Support are now utilising this route to secure candidates.

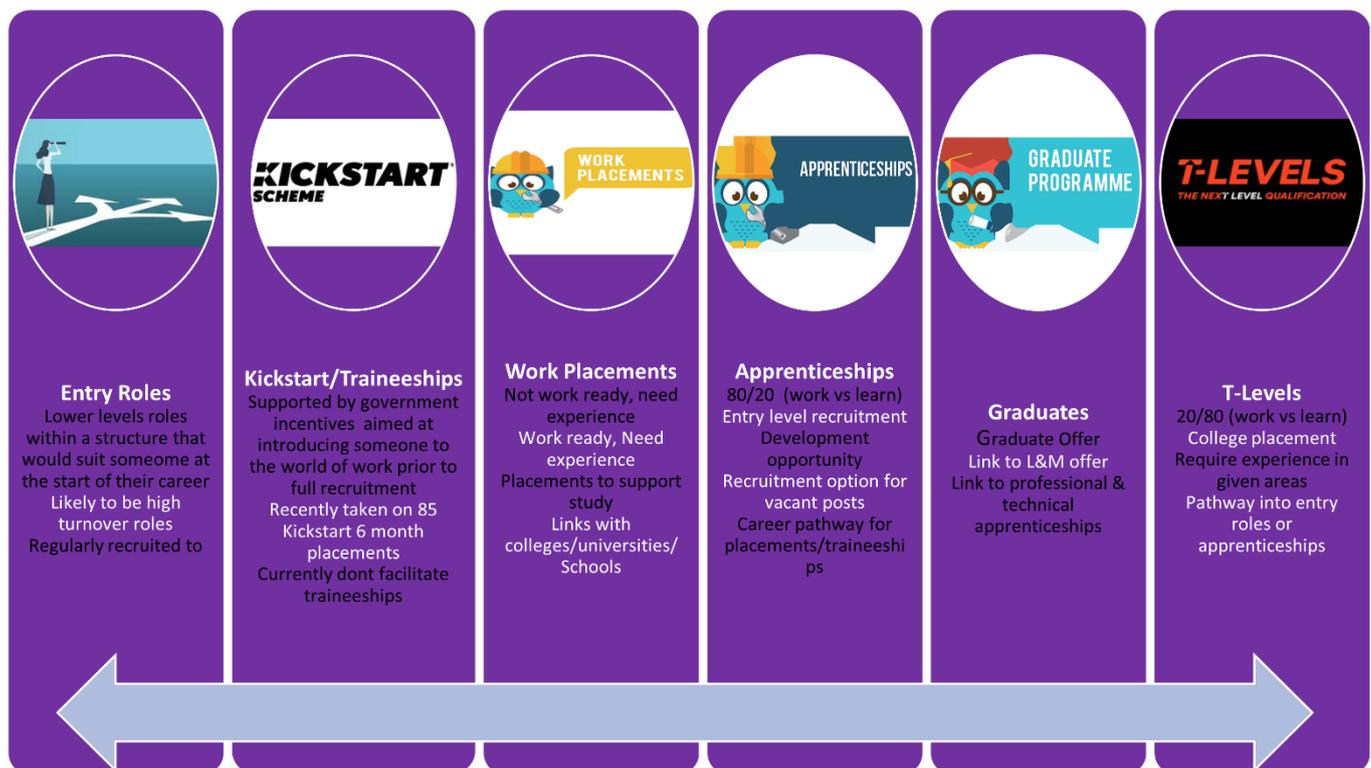
### 3.4. Developing Entry Routes

As illustrated in Figure 1, a key priority has been the opening up of a wide and diverse range of different and complementary entry points into LCC. Recent examples of specific interventions include a pilot programme offered to undergraduates at three Leeds universities paid summer internships. Placements are across a wider range of services and will run from July to September. The approach will be evaluated with a view to offering something similar in future years if this is successful. The Council's Graduate Programme will be relaunched in line with the new academic year to offer opportunities for both 'hard to recruit' posts and a more generic local government graduate offer. Both provide an opportunity to develop our longer-term talent pipeline.

The apprenticeship route is strong, with 648 current live apprentices, across the Council including schools. In the 21/22 financial year, levy ringfenced totalled £2,669,814, of which we committed £2,194,764 between developing our own workforce and transfer of funds to supporting other organisations.

Transfer funds can be given up to a maximum of 25% of our levy. Supporting a range of smaller organisations to recruit through the apprenticeship scheme enables skills development to take place where businesses would not normally be able to fund themselves. We are currently supporting 53 apprentices, with a commitment to support a further 147 in the coming months. Of our £600,000 set aside for this purpose we have already spent £117,900, with a further £446,200 in the pipeline for approval. These monies have supported businesses across a range of sectors including Health & Care, Education, Construction and Business.

**Figure 2 – Entry Routes**



### 3.5. Diversity & Inclusion

The recruitment and workforce capacity programme has equality and diversity front and central when reviewing the end-to-end recruitment and selection processes and will provide support to managers including guidance and options to target diverse talent pools. Initial work is likely to focus on changes around the application stage, inclusive wording for adverts, anonymous shortlisting,

and smaller diverse selection panels. We are engaging closely with the BAME Steering Group and others on the development of these issues. There are some dependencies to making some of these changes happen, particularly system updates to support new ways of working.

#### **4. What impact will this proposal have?**

- 4.1. To support the delivery of the Council's five-year People Strategy and our aspiration to increase diversity within the workforce so that it represents the communities we serve.
- 4.2. To support the City's ambitions for inclusive growth, in terms of widening recruitment pools and making our roles accessible for a wider communities.
- 4.3. To develop our approach to attraction, recruitment and retention to enable us to compete in the current labour market.
- 4.4. To ensure long-term workforce plans are developed to support the creation of talent pipelines to enable us to grow our own talent working in partners to ensure we have the right skills available to us at the right time.

#### **5. What consultation and engagement has taken place?**

- 5.1. The recruitment and workforce capacity work programme has been discussed with the Human Resources Leadership Team, Resources Senior Leadership Team (19<sup>th</sup> May), Best Council: People & Culture board (27<sup>th</sup> May), and Corporate Leadership Team (21<sup>st</sup> June). Trade Union Colleagues have received a number of updates through regular consultation meetings. The associated business case, seeking resource to progress the complex and interdependent workstreams, has been discussed and supported by Financial Performance Group and a delegated decision has been considered by the Chief HR Officer and the Trade Unions to secure additional capacity to deliver the programme of work.

#### **6. What are the resource implications?**

- 6.1. It has been highlighted that recruitment and resourcing are key to ensure we have the right skills, in the right place and the right time in order to deliver Council services and city ambitions effectively. As such it has been recognised that investment in resourcing this work is necessary to ensure momentum is maintained both in the immediate and long-term future. Support for these resources has been sought through Financial Performance Group and through Delegated Decisions and in consultation with the Trade Unions.
- 6.2. A working group has been established with representatives from across the organisation with a particular focus on identifying, reviewing and testing new interventions.
- 6.3. It is recognised that a number of system developments may be required we are working closely with IDS and Core Business Transformation team to consider options and how this work is progressed.

#### **7. What are the legal implications?**

- 7.1. There are no legal implications. However, if we do not work alongside the EDI workstream and ensure our recruitment processes are inclusive and transparent, then we will leave the Council open to risk.

#### **8. What are the key risks and how are they being managed?**

- 8.1. Failure to secure candidates will impact on service delivery – targeted interventions are in place to ensure essential services are receiving additional support to assist with improving the

effectiveness of recruitment campaigns. More generally, we are modernising our approach to ensure we attract, recruit and retain.

- 8.2. Failure to recruit a diverse workforce that is representative of the communities we serve – we are working to ensure that we are extending our talent pipelines to attract a more diverse workforce, we are looking to improve our approach to advertising and recruitment processes to remove any barriers
- 8.3. Failure to appropriately plan for future workforce requirements will impact on our ability to develop and secure sustainable talent pipelines – we are working to develop our maturity as an organisation in relation to strategic workforce planning. This will ensure service consider future resource requirements and we can develop strong talent pipelines through various entry routes.

## 9. Does this proposal support the council's three Key Pillars?

Inclusive Growth       Health and Wellbeing       Climate Emergency

9.1. As part of the entry routes strand of work, we will work with schools, colleges, universities, and communities to tap into talent pipelines locally. This will support the inclusive growth programme through targeting deprived areas to support people into roles or direct them to other support available to enable them to gain further education or employment.

9.2. Health and Wellbeing priority to have a strong economy with quality, local jobs, will be supported. Our aim is to support people from local communities, schools, colleges, and universities to access opportunities with the Council through the various entry routes already mentioned.

## 10. Options, timescales and measuring success

### 10.1. What other options were considered?

Other options have not been considered; the work programme developed covers a large range of interventions to respond to the current external and internal challenges in relation to resourcing and talent management. Decisions will be made as work progresses and individual options appraisals will take place as needed and follow appropriate governance.

### 10.2. How will success be measured?

Success will be measured against the delivery of the work plan and by monitoring the success of interventions through key indicators that are currently being developed alongside the review of the end-to-end recruitment process linked to system capabilities to record and report. The reporting and system requirements are being considered with support from the Core Business Transformation Team.

### 10.3. What is the timetable for implementation?

Timescales for this work programme are detailed in Figure 3.

### Figure 3 – Timetable for delivery in 2022

# Timelines for delivery in 2022

Entry Routes	Recruitment	Workforce Planning
Provide clear and diverse career pathways into the Council	Great Recruitment, Selection & a Warm Welcome	Future Planning skills to meet service vision and goals
<p>Continue the good work already started with apprenticeships – drive back up engagement to effectively utilise the Levy - <b>Summer 2022</b>.</p> <p>Introduce T-Level and internships to start - <b>Summer 2022</b>.</p> <p>Clear communications and Branding around Council entry routes to be developed – <b>work to start Autumn 2022</b> .</p> <p>Closer links with colleges and universities begun but to establish longer term <b>from September 2022</b> .</p> <p>Future Graduate approach agreed. Recruitment to commence from <b>September 2022</b></p>	<p>Complete end to end review and action planning by <b>May 2022</b></p> <p>Outline immediate quick wins and improvements to basic recruitment – <b>June 2022</b></p> <p>Implement changes to basic recruitment process – <b>Summer 2022</b></p> <p>Review and revise toolkit and guidance for managers and relaunch – <b>Sept 2022</b></p> <p>In conjunction with Comms experts develop advertising templates <b>May 2022</b> and social media strategy <b>by end Summer 2022</b></p> <p>Analyse data to establish current position and set future targets <b>before December 2022</b></p> <p>Establish Resourcing Steering Group – <b>May 2022</b></p> <p>and a further EDI task and finish group <b>Late Autumn 2022</b></p>	<p>Review and analyse lessons learnt <b>May 2022</b></p> <p>Identify next target services <b>June 2022</b></p> <p>Develop Toolkit and offer – <b>Autumn 2022</b></p>

## Appendices

None

## Background papers

None