

MCB-PMO-03 Project Outline	Status: Draft	Version 0.7
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Project Title	Workforce Planning	Project ID	035MOS
		MCB ID	MCB001
Accountable Service	Resources & Governance		
Accountable Person	Stephen Coulter		
Project Status	Review		
CMT Approval Date			
Date Created	31 August 2015		
Political or Policy Implications	It is anticipated that workforce planning will result in a managed contraction of the Clackmannanshire Council workforce. This will also result in a review of key HR policies.		
Convenor's Comments			

1. Executive Summary

<p>Summarise the scope, objectives and options considered as part of this project.</p> <p>Include the recommended option / preferred solution, the benefits and financial benefits associated with the change initiative, along with any consequences of not undertaking this initiative.</p>	<p>Budget 2015/16:</p> <p>Savings associated with this project are based on indicative forecasting of our current workforce. Further detail, based on Service budget reduction modelling, will provide more definitive information on the savings anticipated from a managed contraction of our workforce.</p> <p>Therefore, whilst this business case does outline high level indicative savings, they are intended to set the scene as to the workforce challenges we currently face, and the decisions which each of our Service areas will need to make with regards to resourcing, and maintaining core service delivery in the future. Any savings outlined are subject to change, based on future Council policy direction.</p> <p>Spend-to-save?: No</p> <p>Spend-to-save investment required: No</p> <p>Spend -to-save comments: N/A</p>
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2. Background

Summarise the project and driver for the change initiative, such as budgetary saving, regulatory, legal, financial, strategic, increasing efficiency, resilience, stability, etc., and outline problems, issues and impacts that the initiative will solve.

This information may be pulled in from the associated *Change Proposal, section on Description of Change Proposal*

Include the details, including financial, of other options considered and reasons why these are not recommended.

This project intends to introduce workforce planning throughout the Council as a whole. At the simplest level workforce planning is about getting the right number of people, with the right skills, in the right jobs, at the right time, and at the right cost. It is a tool that helps organisations plan for the future, anticipate change, manage their workforces and meet core business goals. It also provides a framework for making workforce related decisions that align with corporate priorities, and in this case, the Making Clackmannanshire Better change programme.

It is intended that Workforce Planning be undertaken as a full project, with the objective of providing a strategic policy framework from which Council Services can create their own detailed workforce plans on an annual basis.

This involves a collaborative approach between Senior Management, HR, and Organisational Development in order to bring together both quantitative and qualitative information. This will then form the basis of an annual corporate workforce plan, which seeks to create a whole systems approach to future workforce management.

However, it is also recognised that the Council, as a result of the current fiscal climate, finds itself facing acute financial pressures. When addressing these pressures attention must be paid to our workforce, as this accounts for roughly 70% of our net revenue expenditure every year.

Therefore this business case, whilst outlining a long term approach to workforce planning, also provides key information regarding our current workforce, in addition to indicative savings which could be implemented in a short time period. These have been included to put into context some of the acute workforce related challenges which we now face as a whole organisation.

Our current workforce

The following information provides a snapshot of the Council's current workforce. This includes key information which must be considered when assessing supply and demand on a short term basis.

Our current workforce - average headcount:

Clackmannanshire Council is currently comprised of six service areas, each operating within their own budgets and service structures. The table below shows a snapshot of average headcounts, at a Council wide level, from 2013 until the current period.

	2013/14	2014/15	2015/16 (current)
Headcount	2913	2833	2590
Zero hours contracts	500	550	814
TOTAL	3413	3383	3404

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Our current workforce - Contract types:

The Council delivers a diverse range of services to the citizens of Clackmannanshire. As a result, we rely on a similarly diverse range of staff who we employ on a variety of contracts types. Of particular note is that the Council relies on a high proportion of temporary contracts (34%) in order to meet service demands. 71% of temporary contracts (all variants) are found in our Education Service.

The following table details the range of contractual arrangements in place within our Service areas.

	R&G			SOC. SERV			S&CS		
	Salary	H/C	FTE	Salary	H/C	FTE	Salary	H/C	FTE
Permanent	£4,626,298	193	150.4	£9,776,337	352	292.4	£4,532,840	214	162.5
Permanent (Supply)	£0	0	0	£0	0	0	£0	0	0
Permanent (Term Time)	£1,875,517	130	56.7	£0	0	0	£301,691	18	12.7
Temporary (Inc. Relief)	£994,151	62	11.4	£4,143,100	219	21.2	£1,104,436	65	9.7
Temporary (Term Time)	£16,206	1	0.2	£0	0	0	£0	0	0
Temporary acting App.	£247,853	7	6.3	£162,010	3	3	£69,971	3	2.5
Fixed term	£82,654	3	3	£134,434	4	3.3	£132,440	9	5.1
Fixed term (Term Time)	£0	0	0	£0	0	0	£22,794	1	0
Secondment	£134,703	4	3.7	£47,487	2	2	£0	0	0
TOTAL	£7,977,382	400	231.7	£14,265,368	580	321.9	£6,164,172	310	192.5

	D&E			EDU			H&CS		
	Salary	H/C	FTE	Salary	H/C	FTE	Salary	H/C	FTE
Permanent	£5,317,499	212	201.5	£17,954,083	503	445	£6,232,354	257	245.9
Permanent (Supply)	£0	0	0	£804,693	23	20.6	£0	0	0
Permanent (Term Time)	£0	0	0	£5,689,269	274	174.5	£0	0	0
Temporary (inc. relief)	£116,725	11	8	£14,452,059	584	74	£149,655	12	11.5
Temporary (Term Time)	£0	0	0	£2,669,665	143	63.5	£0	0	0
Temporary acting App.	£147,734	4	4	£1,248,582	33	30	£54,951	2	2
Fixed term	£13,961	1	1	£501,527	21	12.2	£220,467	16	15.5
Fixed term (Term Time)	£0	0	0	£163,621	9	3.8	£0	0	0
Secondment	£0	0	0	£346,049	9	8.3	£0	0	0
TOTAL	£5,595,919	228	214.5	£43,829,548	1599	831.9	£6,657,427	287	274.9

Definitions:

Fixed term: A contract with a definitive start and end date.

Fixed term (term time): A contract with a definitive start and end date, limited to within the School term timetable.

Permanent: An indefinite contract with the Council.

Permanent (Supply): An indefinite contract with the Council, but usually used for a specific need (e.g. Supply Teacher).

Permanent (Term time): An indefinite contract with the Council, limited to within the School term timetable.

Secondment: A temporary contract where a worker is moved to another position.

Temporary: A contract where the member of staff is expected to leave within a certain period. Our iTrent HR system also includes relief contracts under this heading, which is defined as the irregular use of staff for specific needs.

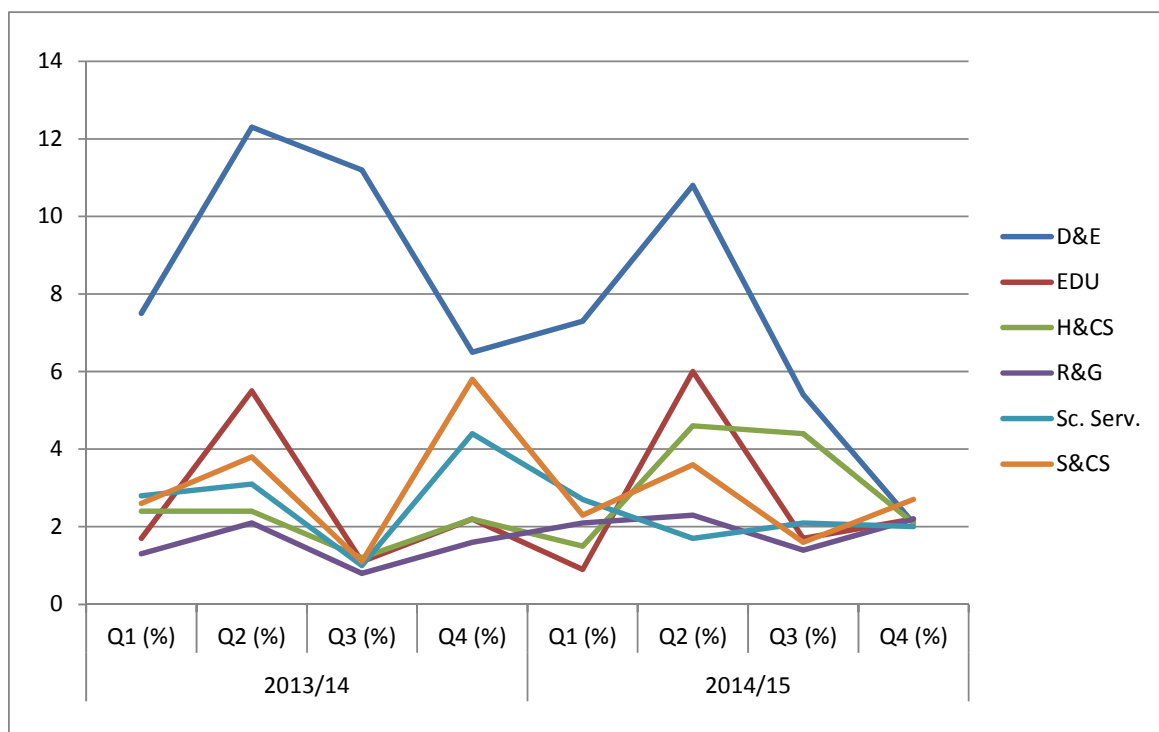
Temporary (Term time): As above, yet within the School term timetable.

Temporary acting up: Where a member of staff temporarily fills a position above their current grade (e.g. a Team Leader filling in for a Service Manager).

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Our current workforce - turnover rates:

Since 2013/14 our Service areas have demonstrated varying levels of turnover, with a pattern of peaks and troughs throughout the financial years since. Of particular note however, is that the turnover rate converged at an average level of 2.2% across our Service areas at the end of 2014/15.



Our current workforce - Voluntary Severance rates:

The Council demonstrates a relatively low level of voluntary severance, despite this exit method being offered continually since 2013. From the consistently low levels of take up it can be inferred that this voluntary exit method is either not attractive to staff, or has not been as effective a means to contracting staff levels to the extent required.

The average age for staff members taking voluntary severance is 56 years old. Since 2013, the Council has received a total of 134 applications for voluntary severance. 31 requests were approved, with 50 applicants withdrawing from the process. 35 applications over the period were declined, with 18 applications being deferred. The table below outlines by Service area, those requests which were approved.

	2013/14	% of Av. headcount	2014/15	% of Av. Headcount
D&E	0	0.0	0	0.0
EDU	5	0.4	6	0.5
H&CS	1	1.2	6	2.2
R&G	3	0.4	0	0.0
SS	1	0.3	4	0.9
S&CS	2	0.7	3	1.1

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Our current workforce - leavers analysis (2013-2015):

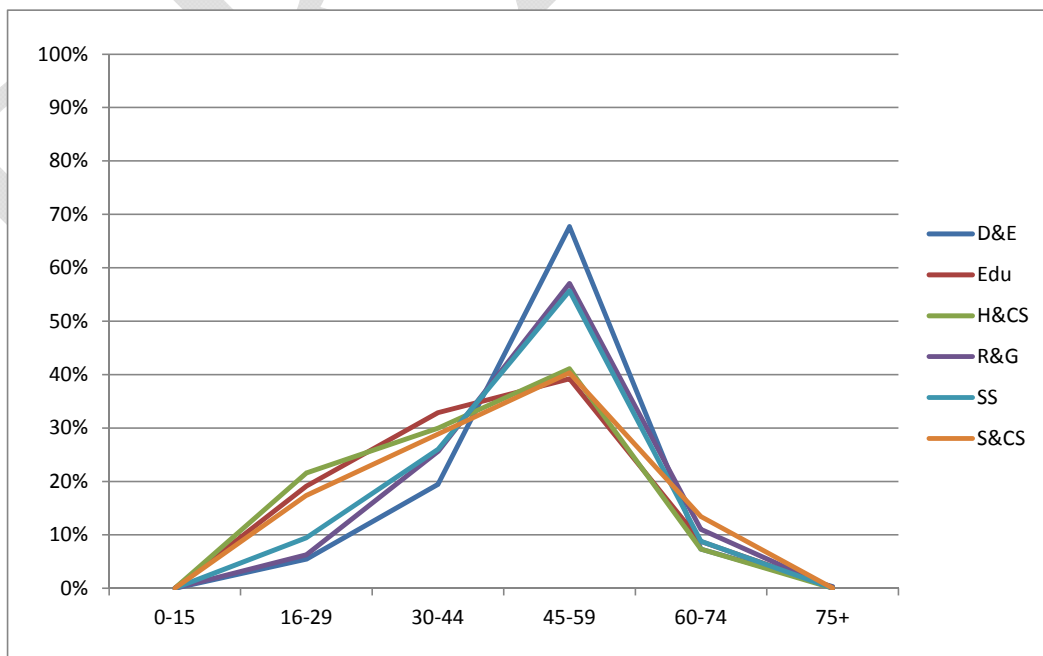
Aside from voluntary severance, people leave the Council for other reasons, both voluntary and otherwise. The following table summarises information on the reasons for which staff have left the council in recent years.

2013 - 2015							TOTAL
Resignation	21	123	15	15	40	23	237
End of contract	42	63	8	3	2	12	130
Retirement	2	67	8	3	9	5	94
Other reason	10	13	2	2	10	7	44
Voluntary Severance	0	11	7	3	5	5	31
Retirement - ill health	1	6	1	0	11	0	19
Not known	5	4	2	0	5	0	16
Death in Service	1	4	2	0	0	1	8
Dismissal	1	2	1	0	0	0	4
Transfer to new post	0	1	0	1	0	0	2

The average age for those retiring from the Council is 62 years of age, with the highest average age for retiring being found with our Housing & Community Safety Service area (68 years of age).

Our current workforce - age range:

In terms of age, the Council demonstrates a largely uniform range across all Service areas (as shown in the graph below), with an average age of 44 years of age. With an average leavers age due to retirement and ill health of 62 years, and an average voluntary severance age of 56, it is anticipated that levels of natural wastage within the Council will remain low for the next 3 years.



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Our current workforce: Recruitment statistics

The following table shows posts advertised and filled by Clackmannanshire Council over the period from 2014 to the current financial year. In total the Council has filled 486 posts, with the highest rate of recruitment being found within the Education Service area.

2014/15	D&E	EDU	H&CS	R&G	SS	S&CS
Single status	4	15	6	21	26	9
Apprentice	0	0	4	0	0	0
Trainee	0	1	1	0	0	0
Learning Assist.	0	1	0	0	0	0
Teaching	0	105	0	0	0	0
Early Years Worker	0	21	0	0	0	0
TOTAL	4	143	11	21	26	9

2015/16	D&E	EDU	H&CS	R&G	SS	S&CS
Single status	6	27	13	48	75	18
Apprentice	0	6	0	0	0	3
Trainee	0	1	0	0	0	0
Learning Assist.	0	4	0	0	1	0
Teaching	0	54	0	0	0	0
Early Years Worker	0	16	0	0	0	0
TOTAL	6	108	13	48	76	21

Our current workforce: Summary of baseline data

From the information presented, it is clear that as a Council we face acute and critical workforce challenges in order to continue being a provider of fit for purpose public services. A workforce with an average age of 44, combined with low turnover, means that the opportunity to rely on natural wastage in order to meet our financial challenges is no longer a viable solution.

It is therefore critical that Council Services utilise medium to long term workforce planning, in addition to more immediate pro-active resource management, as a means to managing our workforce.

In particular this includes, as an essential piece of work, the identification of core service delivery areas. Without this information forecasts on workforce supply and demand will continue to be indicative, and our ability to provide quantitative future assessments of our workforce will be greatly diminished.

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3. Dependencies, Assumptions or Constraints

Project Name	Reason for Dependency
<i>e.g. Advice & Guidance</i>	<i>e.g. Need to implement in parallel with TOM 2 & TOM 3</i>
<p>Definition of core Council functions</p>	<p>In order to develop forecasting models which ensure that the Council remains sustainable, we must be able to accurately describe the core (essential) functions which the Council provides, and will be required to provide going forward.</p> <p>Until this has been accurately defined the ability to effectively forecast workforce supply and demand, and as a result implement cost savings and OD strategies to fill gaps (in terms of skills, L&D etc), is greatly diminished.</p>
<p>Assessing staff skills</p>	<p>A key part of the baseline data required for workforce planning is information on staff skills and abilities. Currently, the Council operates a generalised competency framework and PRD (Performance, Review and Development) framework which does not record staff skills for workforce planning purposes. This process is also undertaken offline, and is not centrally collated and monitored.</p> <p>The result of this gap is that we cannot effectively audit which staff have which skills, therefore limiting our ability to be creative and flexible with resourcing opportunities identified through the workforce planning process.</p>
<p>Staff Deployment (generic working)</p>	<p>Generic working will assist with the creation of indicative staff forecasting models which will be used to support the managed contraction of our workforce.</p> <p>This work will also be important to the on going assessment of staff skills, and the development of support structures for remaining staff.</p>

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4. Stakeholder Impact

Stakeholder	Key area of interest	How the change will affect them
<i>e.g. Service users</i>	<i>e.g. Finding service hard to access</i>	<i>e.g. Improved ease of access via new technologies</i>
Trade Unions	Indicative resource management forecasts	Trade Unions will be consulted on proposed models of service delivery where there may be redesign of roles and/or where workforce numbers are impacted.

5. Identification & Evaluation of Options

The options under consideration are as follows:

Option 1:

This option represents the Council's current state (status quo).

Option 2:

As a baseline indicative saving, this option outlines potential savings which could be realised through the reprioritisation of **discretionary** Service areas and/or permissible changes to service standards for certain statutory services. These indicative savings have been based on the recent 10% and 15% service modelling exercises, and will be subject to change based on future Council policy direction and decisions.

Option 3:

Based on the 'realistic' budget gap scenario, this option outlines the potential reduction in staff numbers over a three year period if current trends in identifying savings prevail.

This option represents the current forecast of the reduction in staff numbers required. In reality, it is anticipated that this exercise will be constantly refined over time, in parallel with Council decision and policy prioritisation.

Option 4:

This option recommends the implementation of a detailed workforce planning project within all Service areas, including:

- Short term supply and demand sessions in order to identify internal and external Service drivers, in addition to forecasting workforce numbers to meet future Service demand;
- Long term development of a workforce planning toolkit so that all Service areas can develop detailed workforce plans, which when collated will form the basis of an annual corporate workforce plan with associated action plans; and
- creation of an Interim Workforce Strategy which outlines, in *high level qualitative detail*, our current workforce, how our future workforce will develop, and how we intend to achieve our vision.

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5.1

Description of current state (Option 1)

Without implementing either short term resource management, or a medium to long term workforce planning project, the Council will continue to manage workforce issues on a re-active and annual basis, primarily through the business planning cycle.

This will result in the in-ability to conduct a managed contraction of our workforce through a whole systems approach, and instead Services will need to rely on isolated and staggered re-evaluation of job roles in order to meet their financial challenges.

This method of resource management has also been criticised through recent Audit Scotland Best Value reports, where lack of strategic workforce management has been noted in a number of Local Authorities. It is therefore important that Clackmannanshire Council implement a medium to long term approach to workforce planning, in addition to any short term resource management that is required.

Benefits

Disbenefits

Highlight the benefit(s) of maintaining current state

Highlight risks or disbenefits / disadvantages of maintaining current state

Annual business planning in silo environments allows Services to plan effectively for their own issues and key drivers, based on short term goals.

Annual planning and identification of workforce issues creates a fire-fighting scenario, where medium to long term issues are not addressed.

Lack of consistency with identifying key issues, drivers and workforce issues creates challenges when building a cross-organisational picture.

Lack of evidence on future workforce requirements will result in short term planning. This could lead to short term workforce changes, and a drop in staff morale and engagement.

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5.2

Description of change (Option 2)

In August 2015 our Heads of Service conducted a targeted modelling exercise based on the principles of a notional reduction of general services budgets by both 10%, and 15%.

This option looks in detail at the staff related savings identified in each Service area (both 10%, and then cumulatively to 15%) and calculates the indicative savings which could be realised based on the re-assessment of **discretionary service areas** and/or permissible changes to service standards for certain statutory services. These indicative savings will be subject to change based on future Council policy direction and decisions.

		Staff savings identified (10%)	FTE	Staff savings identified (15%)	FTE
D&E	Vacancy management	£0	0	£75,000	30
	Voluntary Severance	£38,000	1	£74,000	2
	Imminent retirees	£0	0	£0	0
	Reconfig. of role / structure	£0	0	£0	0
	Potential redundancy (Voluntary)	£54,000	1	£121,300	3
	Total savings	£92,000	2.0	£270,300	35.0

		Staff savings identified (10%)	FTE	Staff savings identified (15%)	FTE
EDU	Vacancy management	£0	0	£0	0
	Voluntary Severance	£0	0	£0	0
	Imminent retirees	£0	0	£0	0
	Reconfig. of role / structure	£0	0	£0	0
	Potential redundancy (Voluntary)	£3,012,780	103.9	£763,800	18.3
	Total savings	£3,012,780	103.9	£763,800	18.3

		Staff savings identified (10%)	FTE	Staff savings identified (15%)	FTE
HCS	Vacancy management	£12,876	1	£0	0
	Voluntary Severance	£0	0	£0	0
	Imminent retirees	£0	0	£0	0
	Reconfig. of role / structure	£41,304	1	£127,694	3
	Potential redundancy (Voluntary)	£0	0	£0	0
	Total savings	£54,180	2.0	£127,694	3.0

		Staff savings identified (10%)	FTE	Staff savings identified (15%)	FTE
Soc. Serv	Vacancy management	£40,000	1	£0	0
	Voluntary Severance	£0	0	£0	0
	Imminent retirees	£0	0	£0	0
	Reconfig. of role / structure	£183,000	4.5	£0	0
	Potential redundancy (Voluntary)	£404,000	12.7	£974,000	28.5
	Total savings	£627,000	18.2	£974,000	28.5

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		Staff savings identified (10%)	FTE	Staff savings identified (15%)	FTE
SCS	Vacancy management	£107,690	4.5	£0	0
	Voluntary Severance	£5,174	1	£0	0
	Imminent retirees	£44,925	1.8	£0	0
	Reconfig. of role / structure	£57,840	1	£0	0
	Potential redundancy (Voluntary)	£0	0	£250,266	7
	Total savings	£215,629	8.3	£250,266	7.0

		Staff savings identified (10%)	FTE	Staff savings identified (15%)	FTE
R&G	Vacancy management	£140,000	3	£0	0
	Voluntary Severance	£0	0	£0	0
	Imminent retirees	£0	0	£0	0
	Reconfig. of role / structure	£0	0	£0	0
	Potential redundancy (Voluntary)	£674,835	20.9	£393,142	18
	Total savings	£814,835	23.9	£393,142	18.0

		Staff savings identified (10%)	FTE	Staff savings identified (15%)	FTE
Global Corporate	Vacancy management	£300,566	9.5	£75,000	30
	Voluntary Severance	£43,174	2	£74,000	2
	Imminent retirees	£44,925	1.8	£0	0
	Reconfig. of role / structure	£282,144	6.5	£127,694	3
	Potential redundancy (Voluntary)	£4,145,615	138.5	£2,502,508	74.8
	Total savings	£4,816,424	158.3	£2,779,202	109.8

Benefits	Disbenefits
Highlight the benefit(s)	Highlight risks or disbenefits / disadvantages
e.g. Maintain status quo / known delivery model	e.g. Unsustainable costs will lead to loss of service
<p>This method of managed contraction provides a baseline (minimum) scenario for realising savings from our workforce.</p> <p>This method of immediate resource management would provide a tangible saving within a short period of time.</p>	<p>This method of saving is highly dependant on the prioritisation of service delivery areas.</p> <p>Future policy direction will alter the savings above, and they should therefore be treated as indicative.</p> <p>Services would need to ensure that remaining staff are skilled to cope with future work. To achieve this it is highly recommended that a full scale workforce planning project is undertaken, led and facilitated by the Council's OD & HR teams.</p>

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Description of change (Option 3)

Based on the 'realistic' budget gap scenario, this option outlines the potential reduction in staff numbers over a three year period if current trends in identifying savings prevail. This option represents the current forecast of staff numbers required. In reality, it is anticipated that this exercise will be constantly refined over time, in parallel with Council decision-making and policy prioritisation.

The scenarios reflect the average savings taken by the Council in each of the past 3 years (54% of the gap). Assuming that rate of saving can be achieved in future years, the indicative FTE reduction has been forecast on the basis that staff reductions will be the option used to meet the remaining gap. This results in an indicative forecast reduction of between 320-350 FTEs.

Scenario A: Non-teaching posts only (Avg. salary of £29,892)

	2016/17	2017/18	2018/19	
Indicative Gap	£10,621,000	£6,226,000	£5,864,000	
Less average % savings trend in last 3 years (54%)	£5,735,000	£3,362,000	£3,167,000	
Revised indicative gap	£4,886,000	£2,864,000	£2,697,000	
Indicative FTE reduction	163	96	90	TOTAL - 349

Scenario B: Teaching and non teaching posts (Avg. salary of £32,540)

	2016/17	2017/18	2018/19	
Indicative Gap	£10,621,000	£6,226,000	£5,864,000	
Less average % savings trend in last 3 years (46%)	£5,735,000	£3,362,000	£3,167,000	
Revised indicative gap	£4,886,000	£2,864,000	£2,697,000	
Indicative FTE reduction	150	88	83	TOTAL - 321

Benefits

Highlight the benefit(s)

e.g. Maintain status quo / known delivery model

By implementing a reduction in staff over a 3 year period the Council would be able to rapidly reduce its budget deficit.

Disbenefits

Highlight risks or disbenefits / disadvantages

e.g. Unsustainable costs will lead to loss of service

In reducing staff numbers Services would need to ensure that current staff are skilled to cope with future work. To achieve this it is highly recommended that a full scale workforce planning project is undertaken, led and facilitated by the Council's OD & HR teams.

It is likely that a reduction in the number of permanent FTE roles would have a negative impact on the local economy of Clackmannanshire. This is due to a proportion of our workforce coming from the local labour market, particularly within administrative, clerical and manual job roles.

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Description of change (Option 4)

That a two stage approach to workforce planning is undertaken within our Service areas, split into both short term work (Supply and Demand workshops), and long term work (development of a workforce planning toolkit).

Supply and Demand workshops: It is proposed that Supply and Demand sessions are held with Heads of Service, Service Managers and HR Advisors. These sessions will be undertaken within the 2015 / 16 financial year so as to assist with current financial pressures, and are designed as follows:

- 1) Participants identify key Service drivers and current issues via three analytical techniques (business model canvas, PEST analysis, and SWOT analysis).
- 2) Participants create future scenarios based on the most critical and uncertain issues identified in step 1.
- 3) Supply and Demand forecasts are created on the basis of these scenarios, which outline staffing requirements over a three to five year period.
- 4) Gaps in supply and demand are identified within the forecasting models (Surpluses, deficits, skills, L&D etc).
- 5) Individual Services, in conjunction with their HR Business Partners, are then charged with creating action plans to plug the identified gaps. Critically, these will be required to be integrated to current business plans, our corporate priorities and the MCB change programme. This will create consistency across our Service areas.

Workforce Planning toolkit: It is proposed that a toolkit and training framework is developed so that Services can undertake workforce planning on an annual basis, and as part of their business planning cycle.

This will be developed within the 2015/16 financial year with planned roll out in time for the 2016 / 17 financial year planning phase. This approach will require the involvement of Heads of Service, Service Managers and HR Advisors.

This project approach is focussed on providing Council Service areas with up to date and relevant business intelligence, which will then assist with creating strategies and decisions on how to pro-actively manage and develop their workforces. As such, there are no immediate savings associated with this approach, however it is anticipated that resultant strategies would have aspects of staff savings based on a rationalisation of Service delivery (focus on core service delivery areas).

Benefits	Disbenefits
Highlight the benefit(s) of maintaining current state e.g. Maintain status quo / known delivery model	Highlight risks or disbenefits e.g. Unsustainable costs will lead to loss of service
<p>This approach satisfies the need for short term workforce planning whilst embedding a culture of medium to long term planning within the Council.</p> <p>The Council will demonstrate a commitment to pro-active workforce management; as recently highlighted through various Audit Scotland Best Value Reviews.</p>	<p>Uncertainty on the definition of Council core services could make forecasting inaccurate and speculative.</p> <p>Lack of buy in to the process may see this approach fail. It is critical that those with key strategic information are involved from the outset.</p>

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Revenue Savings (A)	Option 1	Option 2	Option 3	Option 4
Total (A) (i.e. budgetary saving as an operating cost reduction / ongoing benefit)	£0.00	£4,816,424	£10,447,000	£0.00
Revenue Costs (B)	Option 1	Option 2	Option 3	Option 4
Total (B)	£0.00	£0.00	£0.00	£0.00
Capital Costs (C)	Option 1	Option 2	Option 3	Option 4
Assets	£0.00	£0.00	£0.00	£0.00
Housing	£0.00	£0.00	£0.00	£0.00
IT	£0.00	£0.00	£0.00	£0.00
Land	£0.00	£0.00	£0.00	£0.00
Roads	£0.00	£0.00	£0.00	£0.00
Total (C)	£0.00	£0.00	£0.00	£0.00
Total Costs (B) + (C)	£0.00	£0.00	£0.00	£0.00
Net Benefit	Option 1	Option 2	Option 3	Option 4
((A) - (B+C))	£0.00	£4,816,424	£10,447,000	£0.00

Complete Section 7 onwards for the recommended option only

7. Impact Analysis

7.1 Equality Impact (Stage 1: Equality Impact Assessment)

Describe any foreseen impact on Service Users and what can be done to mitigate it:

This is an internal workforce planning project, and as a result there will be no direct impact on Service Users (customers). However, participants involved with workforce planning will be asked to address workforce issues with the aim of maintaining a financially viable and stable Service. Therefore, the impact on our customers should be negligible even when considering resultant action plans may come as a result of this work.

There are, however, potential equalities impacts in considering individual savings proposals and those are detailed separately within the individual business cases for each proposal.

Gauge the type of impact - either *Positive (1)* *Negative (-1)* or *Neutral (0)* for each of the protected characteristic below:

Characteristic	Impact
Gender	0
Age	0
Disability	0
Religion	0
Race	0
Sex	0
Pregnancy & Maternity	0
Sexual Orientation	0

If the preferred solution will potentially negatively impact any of the protected characteristics, a full Stage 2 Equality Impact Assessment (EQIA) is required.

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7.2 Sustainability Impact

Gauge the type of impact - either *Positive* (1) *Negative* (-1) or *Neutral* (0) for each of the protected characteristic below:

Characteristic	Impact
Climate Change	0
Greenhouse Gas	0
Community Environmental Activity	0
Outdoor Access	0
Fuel Poverty	0
Wildlife Habitats	0
Pollution	0
Landscape	0
Historic Environment	0

7.3 Community Impact

Foreseen impacts on the Council's priority outcomes, and what can be done to mitigate any negative impact:

Gauge the type of impact - either *Positive* (1) *Negative* (-1) or *Neutral* (0) for each of the protected characteristic below:

Priority	Impact
The area has a positive image, and attracts people and businesses	0
Our communities are more cohesive and inclusive	0
People are better skilled, trained and ready for learning and employment	1
Our communities are safer	0
Vulnerable people and families are supported	0
Substance misuse and its effects are reduced	0
Health is improving, and health inequalities are reducing	0
The environment is protected and enhanced for all	0

7.4. Performance Impact

Describe any foreseen impacts on relevant Performance Indicators, and what can be done to mitigate any negative impacts:

SAP SO1 (Staff Job satisfaction): Undertaking workforce planning can have negative connotations for those not involved with the process. Regular communications and Trade Union involvement may mitigate any negative perceptions which could be expressed through our staff survey.

SAP SO7 (Staff have the right skills to do their job): The gaps analysis stage of workforce planning has the ability to identify where further staff development may be required. This can include development of staff skills. Therefore, if implemented in full this project has the potential to increase the skills of certain groups of staff in order to prepare them for future work.

GOV FTE COU (Establishment figure based on FTE): A key part of workforce planning, both short and long term, is to forecast the number of staff the Council will require to meet future work requirements. This project will therefore impact on the Councils overall FTE complement.

Gauge the type of impact - either *Positive* (1) *Negative* (-1) or *Neutral* (0) for each of the protected characteristic below:

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Indicator	Impact
<i>[insert relevant indicators add or delete rows as necessary]</i>	
(1) SAP SO1	-1
(2) SAP SO7	1
(3) GOV FTE COU	-1

8. Recommendation - Preferred Solution

Based on strengths, weaknesses, costs and benefits, detail your recommendations for the preferred solution (recommended option) to take forward.

Also give reasons why the other options you have given are not deemed as appropriate.

It is recommended that the Council adopts a phased approach to the implementation of workforce planning. This recognises that options 2 to 4 are not mutually exclusive but rather present an evolution of workforce planning over time.

On this basis, Option 2 is proposed as the means by which the Council could deliver its short to medium term ambitions, whilst Options 3 and 4 are developed, refined and adapted in parallel in the medium to long term. This will ensure that the Council embeds full and effective workforce planning for the future.

9. Impact of Change

Outline risks identified at this stage for the recommended option - as per corporate matrix 5=HIGH, 1=LOW and how to address it.

Description of Risk	Impact 1 - 5	Likelihood 1 - 5	Action to Mitigate Risk
Staff and Managers misunderstand, and have unreasonable expectations about what WP is intended to achieve, leading to confusion and frustration with the process.	4	3	Communications activities should be undertaken outlining the WP process and its benefits.
A historical lack of skills recording has resulted in the inability to audit what skills staff currently have, and how these could benefit our organisation in the future.	4	5	Long term - assessment of skills via the WP toolkit, and capital investment in the HR iTrent system to record staff skills via an online PRD. Short term -Assessment of staff skills through facilitated sessions with senior management.
Lack of appetite to embed the WP process as part of the annual business planning cycle.	3	1	Service Management will be empowered to own and develop the workforce planning process themselves. Support from HR Business Partners will be key to promoting and embedding the core benefits of WP.

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10. Financial Benefits for Recommended Option

Detail here anticipated financial benefits (i.e. savings) for the recommended option, by category, by year.

Benefit ID	Benefit Name	2015/16	2016/17	2017/18	Total
Total savings (cumulative)		0.00	£4,816,424	£0.00	£4,816,424

11. Outcome Benefit(s) or Performance Improvements for Recommended Option

Benefit ID	Benefit Name	Measure	Current Performance	Target Performance
e.g	Increase in number of children going on to positive destinations when leaving school	Statutory PI	Ranked 32 out of 32 local authorities	Improve performance ranking by 10 places by 2019
/	/	/	/	/

12. Cost / Benefit for Recommended Option

Financial Benefit

Revenue Savings (A)	2015/16	2016/17	2017/18	Total
Employee	£0.00	£4,816,424	£0.00	£4,816,424
IT	£0.00	£0.00	£0.00	£0.00
Premises	£0.00	£0.00	£0.00	£0.00
Supplies and Services	£0.00	£0.00	£0.00	£0.00
Third Party Payments	£0.00	£0.00	£0.00	£0.00
Transport	£0.00	£0.00	£0.00	£0.00
Other - Specify	£0.00	£0.00	£0.00	£0.00
Total (A) (i.e. budgetary saving as an operating cost reduction / ongoing benefit)	£0.00	£4,816,424	£0.00	£4,816,424
Revenue Costs (B)	2015/16	2016/17	2017/18	Total
Employee	£0.00	£0.00	£0.00	£0.00
IT	£0.00	£0.00	£0.00	£0.00
Premises	£0.00	£0.00	£0.00	£0.00
Supplies & Services	£0.00	£0.00	£0.00	£0.00
Third Party Payments	£0.00	£0.00	£0.00	£0.00
Transport	£0.00	£0.00	£0.00	£0.00
Other - Specify	£0.00	£0.00	£0.00	£0.00
Total (B)	£0.00	£0.00	£0.00	£0.00

Capital Costs (C)

Capital Costs (C)	2015/16	2016/17	2017/18	Total
Assets	£0.00	£0.00	£0.00	£0.00
Fleet	£0.00	£0.00	£0.00	£0.00
Housing	£0.00	£0.00	£0.00	£0.00
IT	£0.00	£0.00	£0.00	£0.00
Land	£0.00	£0.00	£0.00	£0.00
Roads	£0.00	£0.00	£0.00	£0.00
Total (C)	£0.00	£0.00	£0.00	£0.00

Total Costs (B+C)

Total Costs (B+C)	£0.00	£0.00	£0.00	£0.00
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Net Benefit (A-(B+C))	2015/16	2016/17	2017/18	Total
	£0.00	£4,816,424	£0.00	£4,816,424

13. Resources

It is recommended that to support any short term resource management initiatives a full workforce planning project (as described in **Option 4**) is undertaken within Clackmannanshire Council. This project will be led by the Council's OD and HR teams, and will focus on the development of future medium to long term workforce planning, in addition to creating a workforce planning toolkit for Services to use on an annual basis.

The following table outlines the resources required to take forward a full workforce planning project.

13.1 Internal resources required to deliver the change

Detail here any internal cross-service resource required to support the development and delivery of the change. Consider: IT, Procurement, Strategy & Customer Services, Business Analysis, Communications, HR, Finance, Facilities Management, Customer Services, Business Support, Social Services, Education, Legal, Housing, Planning, Environmental, Sustainability and any other service.

Project Stage	Resource in Service area		Resource from other Service area	
	Role	Days	Role	Days
Initiate (analysis)	Supply and Demand Sessions			
	HR ITrent Team (Creation of raw data)	1	OD Adviser (Collation of baseline Service data for workshops)	6
	HR Advisers (Validation of baseline Service data for workshops)	3		
	Toolkit Development		OD Adviser (Toolkit research and analysis)	2
Design	Supply and Demand Sessions			
	HR Advisers (training in workshop outline)	6	OD Adviser (Workshop creation and prep)	5
	Toolkit Development			
	HR Advisers (Review of toolkit design)	6	OD Adviser (toolkit creation and review)	30

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Delivery	Supply and Demand Sessions			
	HR Advisers (Workshop support and facilitation)	12	OD Adviser (Workshop delivery and facilitation)	12
	Toolkit Development			
	HR Advisers (Toolkit roll out and support)	12	OD Adviser (Toolkit roll out and support)	12
			Corporate L&D Lead (Toolkit roll out and support)	12
			OD Adviser (Org. WP development)	30
Complete (review)	Supply and Demand Sessions			
	HR Advisers (Validation of workshop outcomes)	12	OD Adviser (Collation of workshop outcomes)	12
	Toolkit Development			
	HR Advisers (validation of Org. Workforce Plan)	6	P&C Team Leader (Validation of Org. WP development)	2
			Senior HR Adviser (Validation of Org. WP)	2
			CMT (Validation of Org. WP)	12
<i>Other -</i>				
Total		58		137

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13.2 External/specialist resources required to deliver the change

Detail here any specialist/external resource required to support the development and delivery of the change

Skill	Activity	Effort / Duration
e.g. Business Analyst	e.g. Analyse data	e.g. 4 days / 1 day per week over 4 weeks
N/A	N/A	N/A

14. Milestones

The following milestones describe the development timetable for a full scale workforce planning project (as described in **Option 4**). The due dates noted are flexible, and will change dependant on approval of this business case, or based on future Council policy direction.

#	Description	Planned Due Date
Supply and Demand Workshops		
1	Development of baseline data and workshop outline	31/09/2015
2	Delivery of Workshop #1 (Workforce analytics)	30/11/2015
3	Collation of Workshop outcomes	30/11/2015
4	Delivery of Workshop #2 (Workforce forecasting and gaps analysis)	30/12/2015
5	Collation of Workshop outcomes	30/12/2015
6	Collation of workforce evidence and forecasting models	31/01/2016
7	Submission of evidence and forecasting models to CMT	31/01/2016
Workforce planning toolkit development		
1	Development of a workforce planning toolkit	31/09/2015
2	Development of Training framework to support toolkit roll out	31/10/2015
3	Roll out of Workforce Planning E-learning and Toolkit for Heads of Service and Service Managers (to co-inside with conclusion of Supply and Demand workshops).	30/12/2015
4	Development of Service Workforce Plans in line with business planning cycle	01/03/2016
5	Review of Service Workforce Plans (monitor and evaluation process) to ensure consistency across Services	01/04/2016
6	Development and roll out of Organisational Workforce Plan	01/06/2016