

Strategic Workforce Planning Report 2025/26

CYNGOR SIR POWYS COUNTY COUNCIL.

CABINET
25 March 2025

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SUBJECT: Strategic Workforce Planning Summary Report 2025/26
(as part of Integrated Business Planning)

REPORT FOR: Discussion and information

1. Purpose

- 1.1 To advise Cabinet of the high-level workforce implications, which will arise next year as part of the Integrated Business Planning process, and to provide assurance that the Council has suitable workforce planning arrangements in place.

2. Background

Workforce Planning – why is it important and what do we want to achieve?

- 2.1 Having the right workforce in place does not happen just by chance. Successful organisations plan to have the right staff in place with the right skills at the right time, at the right cost. Through effective workforce planning (WP), they are better prepared to deliver their planned outcomes and change.
- 2.2 Organisations that respond best to service change and improvement do not plan in isolation, rather they join their plans up and invest their financial and people resources into the changes that matter most, ensuring too that their assets and ICT systems also underpin those plans.
- 2.3 The Council has been planning in this integrated way for many years, in order to underpin the realisation of its ambitious vision, plans and priorities laid out in the Corporate Strategic Equality Plan, titled “**Stronger, Fairer, Greener.**”
- 2.4 In order to ensure that the Council plans as effectively as possible, the process is reviewed and improved each year, and this report draws together the key workforce considerations contained in the various service plans.
- 2.5 It is pleasing to note that the Councils workforce planning arrangements have been recognised as good practice from further afield, with the LGA recently inviting our team to present the Council’s approach to c 100 other Network members including Local Authorities across the UK and other public sector organisations, which was well received and resulted in a lot of follow up from parties interested in our thinking and approach. Following the consideration of

this report Rachel Roberts, Organisational and Design Manager will take Cabinet through a brief presentation about the Council's WP approach.

3. Advice

The Workforce Planning process 2025/28

- 3.1 The process is improved and facilitated each year by People Services, in line with good practice in local government and wider, drawing upon expert advice and learning.
- 3.2 In the current round of planning, services were provided with data driven insights for their workforce, and a People Risk report. This for instance offered data on the number of fixed term contracts, spans of control, workforce age profiles and a full list of vacant positions.
- 3.3 This people risk based approach, helps services to identify the key risks impacting their workforce and posts, and hence the changes they need to plan for. This helps services to better plan the interventions that will be required, such as staff development, succession planning, or specific recruitment initiatives to attract the talented people needed.
- 3.4 To supplement this, we offered services facilitated support, in taking them through a structured process and set of key questions, to ensure they could look at their needs holistically and to encourage the development of a structured plan to address their priorities and risks.
- 3.5 This also helps the corporate HR & OD teams to identify more clearly each services workforce gaps and to plan their support needs in 2025/26.
- 3.6 A key focus this year was on succession planning and talent management and in assessing the future workforce gaps and opportunities that would arise.
- 3.7 Working through this process, all services have either completed or have partial workforce plans in place, and as we move forward, it will be essential that services spend the coming months, finalising and acting upon their plans.

Analysis – an aging workforce

- 3.8 As part of WP, we review the makeup of the workforce to identify key risks and we looked in particular at the aging demography of the workforce, the type of contracts we employ staff on and the risk of staff leaving.
- 3.9 This confirmed that we have a mature workforce, whereby 1,681 posts are occupied by staff aged 50+ (i.e. 47% of the workforce). This is more acute in some of the more populous services such as Planning & Regulatory Services where 55% of staff are aged 50+.
- 3.10 Given that this presents a greater risk of staff turnover, as part of our WP approach, we follow a 'People Risk Management' approach, whereby services review their age profile and focus on succession planning, talent management and skills development.

Analysis – types of contract and the impact of external funding on fixed term contracts

- 3.11 The vast majority of staff are employed under permanent contracts which are more attractive to candidates in general, as they offer greater job security and aids staff retention.
- 3.12 Given however that a significant element of local authority work is funded by grants the Council offers a sizeable number of job opportunities for fixed terms periods, indeed when this report was drafted **405 staff were employed on fixed term (FT) contracts**.
- 3.13 An analysis of the 405 roles tells us that c 360 are employed on contracts due to end this calendar year, which is to be expected given the nature of FT work. Services will therefore be reviewing the ongoing employment situation in line with funding.
- 3.14 Changes to the arrangements for Shared Prosperity Funding (SPF) for 2025 will however impact on our programmes of work and the current staff deployed under FT contracts.
- 3.15 Whilst the number of staff deployed on SPF related work is sizeable, once the specific employment circumstances of the staff affected is explored and all other factors are considered, the number of staff at risk reduces considerably.
- 3.16 This will have the greatest impact on the workforce of the Economy and Climate Service, which expects to see a reduction of 16.3 FTEs.

What does our workforce planning tell us – our high-level outcomes?

- 3.17 Succession plans which identify key roles, and the skills required in those positions remains a priority focus for the Council, which is more important than ever with an aging workforce and the risk of greater numbers of staff leaving.
- 3.18 Effective succession planning, focused staff development and staff retention plans are therefore more important than ever.
- 3.19 A number of services have embraced finding solutions through talent management and initiatives such as mapping career pathways, and through 'Grow Our Own' initiatives, which are delivering tangible results, with an increasing number of care staff qualifying in house as social workers.
- 3.20 Whilst the deletion of current vacancies has been a commonly used means of achieving staff savings over the years, **a new feature this year** has seen plans to realise staffing savings through the use of **vacancy management**. Typically, a large organisation of our type will have a core number of vacancies at any point, arising from their normal turnover, and due to the time, it takes to recruit. A number of services have therefore offered up this bottom-line lag in staffing costs as a saving and will manage this within their general budget management.

What does our workforce planning tell us?

- 3.21 It should be noted that the information contained in this report is a snapshot of the situation on 17th January 2025, in preparation for a report to Cabinet / Corporate Leadership Team at that time. Good workforce planning is very much a live process, meaning further change will be identified as services continue to plan.
- 3.22 The combined changes identified in the services workforce plans will lead to an overall reduction across the Council of 43.5 FTEs.
- 3.23 The figure of 43.5 FTEs includes a straight-line calculation of the impact of vacancy management by a number of services, which equated to 10 FTEs.
- 3.24 Given however that vacancy management does not lead to posts being deleted, this will not lead to staff departing, rather this is achieved by good prudent budget management.
- 3.25 Accordingly, the likely number of post reductions arising from the current plans amounts to c 33.5 FTEs.
- 3.26 It should be noted that does not necessarily mean that 33 or so staff will exit the Council, as some services may be able to delete a number of existing vacancies or use existing funding or budgets to resolve their plans.
- 3.27 In addition, and as detailed above, there will be a net reduction of a further 16.3 FTE staff in the Economy and Climate Service due to SPF funding changes.
- 3.28 The WP process also identifies service pressures, to which end, a small number of services have identified **staffing pressures amounting to £218k** which if agreed would equate to the establishment of 3 new FTEs.
- 3.29 If the staffing pressures are agreed this would amount to an overall net reduction of c 30.5 FTEs arising from this round of workforce planning.
- 3.30 Portfolio Holders have received a full report, laying out the detail of the planned changes in their respective areas, to ensure fuller understanding and to enable discussion in services within the overall process. This summary report provides the higher-level detail.

Our key challenge in recruitment and retention

- 3.31 The Council has been concerned for many years about its ability to recruit staff, in that the county's rurality and lack of locally based higher education facilities can make it difficult to recruit to certain posts, such as in social work and other specialist roles. Indeed, the Council recognises these concerns in its Strategic Risk Register.
- 3.32 An analysis of local labour market statistics helps to illuminate our challenge further, in that the people of Powys are largely employed with 75.6% economically active, which matches the figure for Wales nationally. In comparing the number of people unemployed the rate in Powys of 2.7% (i.e. 1,600 people) compares favourably to Wales at 3.1% and Great Britain 3.7% (all figures for the 12 months ending June 2024).

- 3.33 Where Powys then differs considerably is in the number of people in employment who are self-employed which stands at 23.8%, compared to 11.1% for Wales as a whole.
- 3.34 Taken together, this means that Powys has less unemployed people available for work, along with a lot less people employed in the general employment market who may consider changing job and employer, which I believe heightens the recruitment challenge we face.
- 3.35 The challenges all employers in the UK experienced in the recruitment market following the pandemic seems to have been resolved, as borne out by our experience and the following.
- 3.36 During the height of the recruitment crisis, UK employers posted 1.32m vacancies during February 2022, which by December 2024 reduced back to historic norms of 0.81m vacancies, consistent with the number pre-pandemic.
- 3.37 This is also reinforced by one of our key performance measures in Powys, whereby we measure the percentage of recruitment exercises that lead to a successful appointment the first time we advertise a role.
- 3.38 During the second and third quarters of this year, we saw the numbers of staff recruited at the first time of asking, increase to an average of c 64%, compared to 44% in Q1.
- 3.39 The improvement we have seen is not just down to changes to the recruitment market but is also an outcome of great work undertaken by a corporate Recruitment and Retention Working Group and by service management teams and officers across the Council.
- 3.40 For instance, over the past 2 years, we have seen a new attractive and eye-catching branding used on our recruitment materials, and which are displayed on our vans as they travel across the county. Services have successfully embraced grow your own principles, with more internal staff qualifying as HGV Drivers and Social Workers than ever.
- 3.41 Further, innovative practices such as visiting locations where we know trades people congregate has led to greater recruitment to such roles, and the development of an easy apply process, has enabled us to recruit staff to roles which were previously “hard to fill.”

So, what happens next – action planning and implementation?

- 3.42 Developing 13 workforce plans each year is just the starting point, workforce planning is iterative, and further work needs to be completed by services and corporately as follows:
- Services will need to set aside time and resources to action their planned workforce initiatives over the next year.
 - Capacity and time to reflect will be important. Setting out clear expectations and key dates in advance for workforce planning activities will be proposed.
 - We will continue to work with the services who have not yet identified the detail or fuller detail of their workforce implications to complete their plans.

- We will then revisit the proposed impact and workforce changes.
- The HR Business Partners will support senior managers in managing the restructuring, redeployment and any redundancies which arise from next year's plans, which from experience can be up to 26 restructuring processes at any time.
- Heads of Service will need to build the actions they have identified in their workforce plans, into their normal service planning and performance management arrangements, with support.

3.43 We will continue to work with experts in the field to further develop our workforce planning arrangements. Helpfully additional funding has been secured from WLGA to support a Social Care Wales initiative, focused on people risk management across social care in Wales, which is an initiative we very much intend to actively participate in later this year.

3.44 Alongside this, the Organisational Development and Design Team will take the development needs identified in services workforce plans and offer facilitated support to each service in undertaking a training needs analysis for the coming year.

3.45 The needs identified will then be prioritised and built into the corporate development and training programme offered and services will be able to prioritise their services specific training and development needs as part of their plans.

4. Resource Implications

4.1 Workforce Planning is an essential part of integrated business planning and effective resource management in ensuring that the workforce and its costs are fully aligned with the council's priorities, services plans and the financial resourcing model.

5. Legal implications

5.1 The Monitoring Officer has considered the report and confirmed that there are no legal considerations arising from it.

6. Climate Change & Nature Implications

6.1 The purpose of this report and the Council's workforce planning arrangements do not impact on climate or nature.

7. Data Protection

7.1 The premise of and recommendation of this report does not involve the processing of personal data.

8. Comments from local member(s)

8.1 This report summarises workforce planning across the Council and does not relate to any specific ward.

9. Impact assessment

9.1 Workforce Planning is completed by each service as part of the Integrated Business Planning process and is aligned to the development of the financial resourcing model and budget for the coming years. Services therefore complete appropriate impact assessments in relation to their proposals as part of that process. This report summarises the overall outcome of that planning.

Recommendation:	Reason for Recommendation:
That Cabinet are invited to consider, note, and endorse the importance of the report and approach, in ensuring that effective workforce planning is undertaken by services, to align their workforce needs within integrated business and financial planning.	To enable Cabinet to consider the key workforce implications identified which arise from Integrated Business Planning for 2025/26.
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