



**FINAL INTERNAL AUDIT REPORT
HUMAN RESOURCES DIRECTORATE**

REVIEW OF WORKFORCE PLANNING AUDIT

Issued to: Charles Obazuaye, Director of Human Resources and Customer Services
Antoinette Thorne, Head of Learning and Development, HR Directorate
Shakeela Shourie, Workforce Development Projects Lead, HR Directorate

Prepared by: Principal Auditor
Reviewed by: Head of Audit and Assurance

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REVIEW OF WORKFORCE PLANNING AUDIT

INTRODUCTION

1. This report sets out the results of our audit of workforce planning. The audit was carried out as part of the work specified in the 2018-19 Internal Audit Plan agreed by the Section 151 Officer and Audit Sub-Committee. The controls we expect to see in place are designed to minimise the Council's exposure to a range of risks. Weaknesses in controls that have been highlighted will increase the associated risks and should therefore be addressed by management.
2. Workforce planning is an area which has not been audited previously. The purpose of the audit was to review the extent to which the Council has assessed its current and future skills gap and addressed risks caused by the demographic make-up of its workforce.
3. We would like to thank all staff contacted during this review for their help and co-operation.

AUDIT SCOPE

4. The original scope of the audit was outlined in the Terms of Reference. It included the following key risks:
 - The Council has not identified its future staffing and training requirements as part of its strategic planning process and the need to meet future operational demands,
 - Analysis of the Council's current workforce profile and future workforce needs, including skills gaps, has not been carried out. In particular, demographic, technological, economic and staffing issues have not been considered,
 - Strategies to address future gaps by recruiting, developing and retaining key staff have not been put in place. These could include HR initiatives, policies, procedures, recruitment, selection and staff development strategies and succession planning,
 - There are no action plans in place to implement workforce planning strategies,
 - There are no monitoring arrangements in place for reviewing action plans periodically and responding to any unanticipated events and changes required.

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AUDIT OPINION

5. Our overall audit opinion, number and rating of recommendations are as follows.

AUDIT OPINION	
Limited Assurance	(Definitions of the audit assurance level and recommendation ratings can be found in Appendix B)

Number of recommendations by risk rating		
Priority 1	Priority 2	Priority 3
0	3	0

SUMMARY OF FINDINGS

6. The Council has a number of HR initiatives and strategies in place to support workforce planning. They are aligned to ‘Building a Better Bromley’ and the Council’s REAL leadership values. These include an Apprenticeship Scheme, a Graduate Intern Scheme and an Organisational Development Pathway. A Management Training Programme for all managers was launched in 2018. A dedicated Recruitment and Retention Board has been put in place for Adult Social Care and Children Social Care staff, together with a plethora of training courses and initiatives for staff in those areas. The Bromley Learning Hub has a range of learning and development activities for all staff.
7. One of the documents provided to us as evidence for our audit testing was a report in the form of a position statement, written by the Head of Learning and Development in 2018. It reviewed current and past talent management and succession planning programmes in the Council and included an action plan with nine recommendations to address various elements of workforce planning. We have included the recommendations from that action plan as Appendix C to this report and the Head of Learning and Development has provided an update on each of the recommendations.

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8. Controls over succession planning are not widely in place except for hard to fill posts mainly in Adult Social Care and Children Social Care, although we acknowledge that a 'Critical Post Identification Tool for Succession Planning' has been created and is in draft form. An Organisational Development Pathway diagram confirms how talent management and succession planning will be part of the workforce planning arrangements of the Council. A culture of talent management with criteria and measures to evaluate its success and review and analyse progress has not been established however. These findings are being addressed via the HR action plan recommendations (Appendix C).
9. A Recruitment and Retention Board has been set up to identify and implement initiatives to recruit to 'hard to fill' positions in Adult Social Care and Children Social Care. The skills and training required to retain staff in these key posts have also been identified and appropriate action taken. There is, however, nothing similar in place for other areas of the Council where 'hard to fill' vacancies in key positions exist.
10. The Council's HR strategy includes areas relevant to workforce planning such as recruitment and retention, skills development, performance management and organisational development. Within these areas there is a statement of how success will be measured, however these will not always determine how effective the measurement will be. Furthermore, there is no evidence that management information has been obtained and used to review and evaluate the delivery and level of effectiveness of workforce planning action plans.

DETAILED FINDINGS / MANAGEMENT ACTION PLAN

11. The findings of this report, together with an assessment of the risk associated with any control weaknesses identified, are detailed in Appendix A. Any recommendations to management are raised and prioritised, together with management's responses and timescales for implementation. Appendix B details the definition of the audit assurance and priority ratings and Appendix C shows the action taken by HR in response to the recommendations made in their own 2018 report on talent management and succession planning.

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DETAILED FINDINGS / MANAGEMENT ACTION PLAN

APPENDIX A

No	Finding	Risk	Recommendation and Priority *Raised in previous Audit	Management Response	Agreed timescale and responsible manager
1	<p><u>Identifying 'hard to fill' positions across the Council</u></p> <p>A Recruitment and Retention Board has been set up to identify and implement initiatives to recruit to 'hard to fill' positions in Adult Social Care and Children Social Care. The skills and training required to retain staff in these key posts have also been identified and appropriate action taken. There is nothing similar in place for other areas of the Council where 'hard to fill' vacancies in key positions exist.</p>	<p>There is a risk that the Council is not using more widely the initiatives which were successfully employed when seeking to recruit and retain staff for roles in Adult Social Care and Children Social Care which were proving difficult to recruit to.</p>	<p>The scope and remit of the existing Recruitment and Retention Board should be expanded to include other business areas of the Council which have vacant positions for which it is difficult to recruit and retain staff.</p> <p>Priority 2</p>	<p>We keep an eye on hard to fill posts. If and when there is any indication that this is the case, they are invited to be present at the board. The board helps them to develop a recruitment and retention strategy to find and attract the right people, help them action the strategy and monitor it for a period of time until the service becomes stable.</p> <p>There is a capacity issue hence the focus in the main is on the most critical areas namely Adult Social Care and Children Social Care qualified staff. Housing has recently joined the Board. HR colleagues are also working with Finance, Planning, etc. to address staff recruitment challenges. Managers are also being encouraged to recruit from within in an attempt to grow tomorrow's managers/leaders.</p>	<p>Ongoing – Head of Learning and Development</p>

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No	Finding	Risk	Recommendation and Priority *Raised in previous Audit	Management Response	Agreed timescale and responsible manager
2	<p><u>Management information</u></p> <p>We were unable to evidence that management information has been obtained and used to review and evaluate the delivery and level of effectiveness of workforce planning action plans.</p>	<p>Without the use of management information supported by comprehensive, accurate and timely data, workforce planning initiatives and procedures may not be effective or meet their objectives.</p>	<p>Management should identify what information it requires and how it will be used and reported to demonstrate that workforce planning action plans are being delivered and are operating effectively.</p> <p>Priority 2</p>	<p>The Change Consultant will liaise with key HR leads to ascertain the staffing numbers, profile and skills and knowledge sets in order to ensure action plans are delivered and are operating effectively.</p> <p>A suite of key HR indicators are now part of the corporate KPIs managed by the Performance Management Service under the Assistant Director, Strategy, Performance and Corporate Transformation.</p>	<p>Ongoing – HR Employment Lawyer</p>
3	<p><u>HR strategy – workforce planning measures of success</u></p> <p>The Council’s HR strategy includes areas pertinent to workforce planning such as recruitment and retention, skills development, performance management and organisational development. Within these areas there is a statement of how success will</p>	<p>Performance in workforce planning may not be either measurable or measured effectively.</p>	<p>The measures of success for workforce planning as set out in the HR Strategy are reviewed and amended as necessary to ensure they determine how effective the measurement will be.</p> <p>Priority 2</p>	<p>We will review the measures for success outlined in both pages 6 and 8 of the HR strategy document and amend them as necessary by 31 October 2019. Once the strategy is finalised, an owner, published date and future review date will be included on the cover.</p>	<p>31 October 2019 - Workforce Development Projects Lead</p>

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	be measured, however these will not always determine how effective the measurement will be eg for ensuring a workforce with a good mix of skills, knowledge and experience, the measurement is 'The number of apprentices and graduate interns.'				

OPINION DEFINITIONS

Assurance Level

Assurance Level	Definition
Substantial Assurance	There is a sound system of control in place to achieve the service or system objectives. Risks are being managed effectively and any issues identified are minor in nature.
Reasonable Assurance	There is generally a sound system of control in place but there are weaknesses which put some of the service or system objectives at risk. Management attention is required.
Limited Assurance	There are significant control weaknesses which put the service or system objectives at risk. If unresolved these may result in error, abuse, loss or reputational damage and therefore require urgent management attention.
No Assurance	There are major weaknesses in the control environment. The service or system is exposed to the risk of significant error, abuse, loss or reputational damage. Immediate action must be taken by management to resolve the issues identified.

Recommendation ratings

Risk rating	Definition
Priority 1	A high priority finding which indicates a fundamental weakness or failure in control which could lead to service or system objectives not being achieved. The Council is exposed to significant risk and management should address the recommendation urgently.
Priority 2	A medium priority finding which indicates a weakness in control that could lead to service or system objectives not being achieved. Timely management action is required to address the recommendation and mitigate the risk.
Priority 3	A low priority finding which has identified that the efficiency or effectiveness of the control environment could be improved. Management action is suggested to enhance existing controls.

**RECOMMENDATIONS MADE IN THE HR ACTION PLAN ON TALENT MANAGEMENT AND SUCCESSION PLANNING,
WRITTEN BY THE HEAD OF LEARNING AND DEVELOPMENT IN 2018**

RECOMMENDATION	ACTION TAKEN
Create a position to lead on Talent Management across the Council	Completed
Develop a talent management and succession planning strategy (including talent acquisition)	In development
Identify critical posts at all levels in the organisation and continuously monitor this information (held in Resourcelink)	In process – tool is being trialled
Use a gap analysis tool to highlight developmental needs of all staff in line with critical posts in the team (utilising the DISCUSS process)	In development – will be trialled after critical post tool is rolled out
Identify potential candidates to fill the critical posts from the talent pool and talent acquisition methods	Framework for talent pool is being developed – indicative roll out date April 2020
Implement development plans for the identified candidates and ensure they have access to development opportunities and learning tools (including mentoring)	Mentoring scheme has been identified – list of mentors currently being compiled
Establish a fully integrated and resourced development programme that would identify and develop rising stars at any level within the organisation, with access to a range of bespoke internal development programmes as well as technical ‘on the job’ training to support them to achieve the required skills and knowledge for the next steps on their management and potential leadership journey	Completed – pathway developed and ongoing commissioning taking place

**RECOMMENDATIONS MADE IN THE HR ACTION PLAN ON TALENT MANAGEMENT AND SUCCESSION PLANNING,
WRITTEN BY THE HEAD OF LEARNING AND DEVELOPMENT IN 2018**

RECOMMENDATION	ACTION TAKEN
Ensure that the recruitment strategy is aligned with the talent management and succession planning strategy to ensure that when recruiting to management positions, the default position is to refer to the talent pool	Will action once talent development strategy is developed. Default position of referring to talent pool will be reviewed in the recruitment strategy.
Realign graduate interns salaries in line with national trends or reinstate the National Graduate Development Programme	No action to date – this recommendation will have to be agreed at Chief Officer and Member level given considerable impact on salary budgets

Statement

Although recommendations were made re. talent management initiatives by the Head of Workforce Development in 2018, all actions taken in regards to Talent Development must now be in line with the Council’s new roadmap (Transforming Bromley)