

Local Government Pay and Workforce Strategy Survey 2006 – Executive Summary

Local Government Analysis and Research (LGAR) conducted this survey for SkillsPlus UK, the Improvement and Development Agency (IDeA) and Local Government Employers (LGE). The survey combines three previous returns, namely the People Skills Scoreboard, the Recruitment and Retention Survey and the People Management Survey and provides information on workforce development to support the implementation of the Pay and Workforce Strategy across local government.

The content of the Pay and Workforce Strategy Survey reflects key issues currently affecting local government including:

- use of People Strategies
- involvement in Investors in People (IiP)
- use of Workforce Development plans
- skills needs and development
- pay and rewards
- recruitment and retention difficulties
- recruitment and retention initiatives
- payroll costs and number of employees
- investment in employee training
- member development
- training days
- labour turnover
- Availability of staff development and/or appraisal schemes

SkillsPlus UK in partnership with the IDeA and LGE will use the findings of the Pay and Workforce Strategy Survey 2006 to lobby for additional workforce development related funding and encourage and support authorities in the implementation of workforce initiatives.

Authorities can use the results to inform and develop the people aspects of strategies and policies, for benchmarking and target setting and as a framework to organise or incorporate into their internal data collection system.

This report covers England; responses were received from 195 (50.3%) authorities representing 66.7% of the 1.6 million local government employees in England (excluding teachers, police and fire).

The main reports for England, Wales and Scotland as well as annexes containing time-series data by country 2001-2006, detailed recruitment and retention data and responses to qualitative questions is available from the following website:

www.lgar.local.gov.uk

If you have any queries then please contact Dan Wilks (dan.wilks@lgar.local.gov.uk, 020 7664 3272)

Key findings

The following are key findings for England from the 2006 Local Government Pay and Workforce Strategy Survey which was conducted in the autumn of 2006:

- In 2006, 83.8% of authorities had a People strategy (or workforce or HR strategy) for the whole or part of the authority, down from 86.8% in 2005.
- 88.0% of these strategies are designed to support the authority in achieving key objectives, 86.9% have senior management commitment and approval, 73.3% reflect the LG Pay and Workforce Strategy and its five key priority areas, and 69.6% were developed with involvement of members, senior managers, frontline staff and trade unions.
- There was an increase in authorities completing a workforce development plan (for the whole or part of the authority) from 15% at March 2004 to 57% at March 2006, covering 62.6% of the workforce.
- 84.5% of authorities with a workforce development plan aimed to agree individual development plans with every employee, 76.2% had senior management commitment and approval, and 68.5% had trade union/staff representatives involved in the process. Fewer authorities had engaged union learning reps in workforce development (39.2%) or developed a skills audit to assess key skills needs/gaps (25.4%)
- Authorities using succession planning increased from 6.4% in 2004 to 28.1% in 2006.
- The most common skills gaps were organisational development and change management (72.1%), business process redesign and analysis (61.0%), performance management (59.9%) and people management (59.3%). The least frequent (although still very high) skills gaps were customer relationships management (47.7%) and partnership working and community engagement (48.8%).
- 30.3% of authorities have adopted a pay and rewards strategy and 80.2% of the remainder are planning or considering to do so. 7.0% of authorities have adopted a total rewards strategy with 58.6% of the remainder planning or considering to do so.

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- The most common system was time served (i.e. annual incremental progression) (77.8%), followed by trainee grading structure/accelerated increments for exam attainment etc (42.3%). The least frequent system used was contribution related progression (6.3%).
 - In 2006, 87.4% of authorities reported a recruitment or retention difficulty with one or more professional/managerial occupations, a fall from 93.4% in 2004 and 90.7% in 2005.
 - 49.2% of authorities reported a recruitment or retention difficulty with one or more non-managerial/non-professional occupations, a fall from the 61.5% of 2005 and 58.4% of 2004.
 - The occupations most likely to receive market supplements were Social Worker Children and Families (49.4% of authorities), Building Control (39.7%), and Environmental Health (36.5%).
 - There was a rise in the percentage of workforce covered by Investors in People (IiP) recognition (for the whole or part of the authority) from 80.5% in 2005 to 85.0% in 2006 (up from 50.8% in 2001).
 - Annual Gross Training Expenditure (GTE) per employee (median) rose from £233 per annum in 2004/05 to £249 in 2005/06, matched by an increase in the GTE as a percent of payroll (median) from 1.2% to 1.3%.
 - Authorities GTE on member development (median) rose again, increasing from £153 to £263 between 2001/2002 and 2005/2006.
 - The average (median) annual number of off-the-job training days per employee provided by authorities increased from 1.5 to 1.6 days between 2003/04 to and 2004/05, and was unchanged in 2005/06.
 - The median labour turnover rate in local government decreased from 14.6% in 2004/05 to 13.6% in 2005/06.
 - All respondent authorities in England conducted staff appraisals and/or used development plans, covering 88.6% and 80.4% of the workforce respectively.