



OFFICIAL REPORT
AITHISG OIFIGEIL

Local Government, Housing and Planning Committee

Tuesday 19 September 2023

Session 6



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LOCAL GOVERNMENT, HOUSING AND PLANNING COMMITTEE
21st Meeting 2023, Session 6

CONVENER

*Ariane Burgess (Highlands and Islands) (Green)

DEPUTY CONVENER

*Willie Coffey (Kilmarnock and Irvine Valley) (SNP)

COMMITTEE MEMBERS

*Miles Briggs (Lothian) (Con)

*Pam Gosal (West Scotland) (Con)

Mark Griffin (Central Scotland) (Lab)

*Ivan McKee (Glasgow Provan) (SNP)

Marie McNair (Clydebank and Milngavie) (SNP)

*attended

THE FOLLOWING ALSO PARTICIPATED:

Sean Baillie (GMB Scotland)

Mo Baines (Association for Public Service Excellence)

Johanna Baxter (Unison)

Martin Booth (Glasgow City Council)

Gerry Cornes (Society of Local Authority Chief Executives and Senior Managers)

Robert Emmott (Dundee City Council)

Paul Manning (South Lanarkshire Council)

Councillor Lynne Short (Association for Public Service Excellence)

Linda Somerville (Scottish Trades Union Congress)

Fiona Whittaker (North Lanarkshire Council)

CLERK TO THE COMMITTEE

Euan Donald

LOCATION

The David Livingstone Room (CR6)

Scottish Parliament

Local Government, Housing and Planning Committee

Tuesday 19 September 2023

[The Convener opened the meeting at 09:00]

Decision on Taking Business in Private

The Convener (Ariane Burgess): Good morning and welcome to the 21st meeting in 2023 of the Local Government, Housing and Planning Committee. I remind all members and witnesses to ensure that their devices are on silent and that all other notifications are turned off during the meeting. We have received apologies from Mark Griffin and Marie McNair.

The first item on our agenda is to decide whether to take item 4 in private. Do members agree to take that item in private?

Members *indicated agreement.*

Pre-Budget Scrutiny 2024-25

09:00

The Convener: The next item on our agenda is to take evidence from three panels of witnesses as part of our pre-budget scrutiny. I welcome our first panel. We are joined, in the room, by Sean Baillie, who is from GMB Scotland, and Linda Somerville, who is deputy general secretary of the Scottish Trades Union Congress, and, online, by Johanna Baxter, who is the head of local government at Unison. We were also due to hear from Graham McNab, who is the local government officer at Unite, but, unfortunately, he has been unable to join us.

We now turn to questions from members. We will try to direct questions to specific witnesses where possible, but if you would like to come in, please indicate that to the clerks, or, if you are joining us online, as Johanna is, type R in the chat function.

I have a broad opening question, which I will direct initially to Linda Somerville. Will you highlight the main challenge that you believe that the local government workforce currently faces?

Linda Somerville (Scottish Trades Union Congress): Thank you for having us along today. It is increasingly important that trade union representatives are given the opportunity to give evidence at committee or elsewhere on behalf of the workforce, so thank you for giving us such an opportunity. It is really important that we share the workforce's experiences.

The Accounts Commission report that has prompted some of the committee's discussion opens rather starkly by saying that councils and communities face a stark future. That is quite a grim opening statement but, in some ways, it is a more realistic reflection on where local government is at the moment than some of the other narrative that we hear from the Scottish Government or elsewhere. We think that local government has been consistently underfunded, and we agree with the estimate that was made after last year's budget by the Convention of Scottish Local Authorities and the public finance directors that there was a shortfall of about £1 billion in local government funding.

We can see the impact of that underfunding in our communities and in staff shortages across local authorities. Everyone here who has had some dealings with local authorities in the past six months or so will know that, although we might be post-Covid as far as the medical situation is concerned, there is still a Covid backlog. For local authorities, the Covid backlog has not gone away. That is very evident in what has been going on in

the workforce. Some local authorities are choosing to close services, which is having an impact on our communities. I know that it is important to the committee and to local government generally to consider how we best serve our communities, which is what public services are there to do.

We welcome the fact that, in its programme for government, the Scottish Government has again made having efficient and effective public services a huge priority. That is reflected in the new deal as well. However, it is a struggle to do that, because it runs counter to what is happening on the ground, where the workforce can see the long-term implications of underfunding, with people consistently being asked to do more with less. The work has not gone away, although it might have changed in some areas. There are some areas in which things have been done differently since Covid and that has been successful but, all too often, the work has not gone away. For some of the work that local authorities do, there is no technical solution. A lot of that work is people centred, so it still needs to be done by workers.

There has been a history of underfunding, and we are now in a situation in which I do not think that it is unrealistic to talk about there being a crisis in local government. There is low morale in the workforce and industrial action has had an impact over a number of years; workers have been trying to get a decent pay rise in the face of rising costs. Unfortunately, we look as though we are heading in that direction again this year.

After discussions that the former Deputy First Minister had with COSLA and trade unions last year, he said that we needed to learn some lessons from industrial action and about industrial relations across local authorities. I am not sure that we have got to that place, which is unfortunate. That is not the best outcome for the workforce who are in post and are committed to, and are trying to deliver, good public services.

The Convener: Linda Somerville gave a comprehensive response, but Johanna Baxter and Sean Baillie are welcome to come in if they would like to add anything.

Johanna Baxter (Unison): Unison's current industrial dispute with COSLA is reflective of a decade of local government underfunding, and the pressure that workers are experiencing because of the work that they are being asked to do. As Linda Somerville has said, jobs have been cut during the past decade, but none of the work has reduced. We are seeing that members are under enormous pressure and experiencing stress from the physical and emotional demands of trying to deliver high-quality services without adequate resources.

Last year's Scottish Government spending review indicated that the overall pay bill should be frozen, reducing the public sector workforce to pre-pandemic levels, which would amount to a loss of 30,000 public sector jobs. That is against the backdrop of nine out of 10 of the jobs that were lost during the period of austerity being in local government.

The committee will be aware of our current dispute with COSLA about pay and the looming industrial action on 26, 27 and 28 September. I believe that the industrial action ballot results that Unison has seen are reflective of the level of concern among the workforce about pay as well as the resourcing of their jobs. It is untenable for the overall pay bill to remain frozen. There needs to be a recognition of the enormous contribution that the public sector workforce makes. Unison has a strike mandate covering more than 21,000 members across 24 local authority areas and almost 2,000 schools. The ballot result from our members was unprecedented and demonstrates the feeling of concern and anger among the local government workforce.

Sean Baillie (GMB Scotland): I will reiterate some of the points that my colleagues have made. Underfunding is, undoubtedly, the largest obstacle, or the biggest issue, facing local government at the minute, both for service delivery as well as for maintaining a happy and productive workforce. As Johanna Baxter has said, there are looming strikes about pay. As we have maintained over the previous few years, happy workers do not vote for strike action and they do not take strike action. The disputes are not just about pay; there are underlying issues. For a long time, we have seen the mental and physical impact that cuts have had. In my opinion, everything that we are seeing at the minute is, unfortunately, a consequence of the past 10 to 15 years of cuts. There is no getting away from that. I am sure that we will get into some of those points in more detail later.

The Convener: I will come to Johanna with my next question, which will layer on the challenges that have been spoken about. Thank you for flagging up the current dispute. You will be aware of the new deal with local government. The Scottish Government and COSLA are working on the details of that. What are your thoughts on the key ways in which the new deal could support local authorities to address the workforce challenges that they are facing?

Johanna Baxter: That is a very good question. Unison was interested to see the announcement of the new deal. Our response at the time of its release remains the same: the Verity house agreement says many good things, but it contains no additional investment for local government. It

indicates that local authorities will have greater fiscal flexibilities, which is welcome, but that will get them only so far. Unfortunately, the new deal has had very little impact on our discourse with COSLA during the current dispute and, if anything, I would say that it is being used as a reason why one side cannot take on the other.

For example, if we approach COSLA to say, “If you do not have enough money to fund a decent pay offer, why are you not speaking to the Scottish Government to get the additional funding that you require to provide one?”, COSLA will say, “Well, we have very constructive relations with the Scottish Government and, therefore, we could not possibly criticise it.” If we ask the Scottish Government why it is not speaking to COSLA about the additional funding that it would require in order to make a decent pay offer, it says, “Because of the Verity house agreement, we could not possibly interfere in COSLA’s relationship with the trade unions.”

Far from being the solution that I think that everybody would wish it to be, I believe that the Verity house agreement has not, to date, delivered any positive or tangible benefits for the workforce. There needs to be a grown-up honest conversation about the financial resources that local government needs in order to deliver the services that we all rely on. I will cite some of the previous winter crises that we have experienced. Local government delivers preventative services that support the health service. You cannot address things such as the winter crisis or, indeed, emergencies such as Covid by investing only in the national health service; you also have to invest in the preventative services that our members deliver, day in and day out.

The Convener: Could you unpack what you mean by the preventative services, so that we have that on record? What kinds of preventative services does local government deliver?

Johanna Baxter: Local government supports people in their homes through social care and care at home services. It also provides services such as refuse collection, which people sometimes take for granted. However, if you have rubbish piling up on the streets, it will not be long before you have health issues or concerns of a different nature. I would also go back to the sorts of discussions that we were having with COSLA and the Scottish Government during the Covid pandemic, when our members who dig graves were integral to ensuring that bodies were not piling up. There is a massive diversity of roles in local government, and some of those are paid very little attention but are crucial in providing the services that we all rely on. People who are covered by our strike mandate—those who work in schools to support the education of our children and provide early years services—

also support key workers and allow them to get to work, which was highlighted during the pandemic.

There is a massive role for local government in the provision of preventative services. We need to consider that in much greater detail when we look at investment in health or education, for example, and ensure that local government gets the financial resources that are necessary to provide those services.

09:15

The Convener: Thanks very much for going into that detail. Sean or Linda, do you want to add anything on the new deal?

Linda Somerville: We have similar concerns about the new deal. We welcomed the changes on ring fencing and giving local authorities more devolved powers, as they should have been. Really, that was restating their devolved power to use their budgets as they see fit. Local authorities cover rural and urban communities and they all have different challenges so, by their nature, one size does not fit all.

We welcome the new deal but, although you said that the Government is still working on the detail, we are still to see any of that. Any analysis of it shows that it is really a glossy memorandum of understanding between two organisations. That is welcome, because they have to have good engagement and they have to sit down and speak, formally and informally, and the agreement allows for that. That is helpful but, when it comes to how it will pan out for the workforce, we cannot at the moment see that it will deliver. Although there is a commitment to have regular reviews of funding, there is no method to say how that will be done. Will it be outside the budget timescale? Will it happen alongside the budget or at a different time? What is the process? We do not have any detail about how that will work.

There is a lot of preventative spend in our communities, whether that is through social work, criminal justice—with regard to youth offending—or working with families and vulnerable people in our communities. The benefit of that is often not highlighted, and nor is the fact that, although some of it is statutory provision, a lot of it is not, and local authorities are having to strip back many of those things unless they are statutory provision.

Tackling poverty—not just child poverty but poverty overall for families and individuals—is the Government’s priority, yet the lack of provision for preventative services that are not statutory in local authorities, because of their funding constraints, is working against the Scottish Government’s priorities.

The Convener: Thank you.

Willie Coffey (Kilmarnock and Irvine Valley) (SNP): Good morning to everyone on this wet and miserable day in Edinburgh. Linda, you opened up with comments about the budget allocations, which were important to hear and get on the record. You mentioned the £1 billion shortfall, and that has been mentioned several times to the committee in the past. The finance circular that accompanies the provisional budget shows a 1.3 per cent real-terms increase from last year to this. Over the past 10 years, the provisional revenue settlement is actually a 4.3 per cent real-terms increase.

Can you explain why there is such a divide between your estimate of the situation and the figures in things such as the finance circulars? How do we get such different figures?

Linda Somerville: The estimate that I gave was not mine—I was simply quoting the estimate that COSLA and the Chartered Institute of Public Finance and Accountancy came up with, and we would not disagree with that. We do not do the calculation of the shortfall; the information that we have is from workforces, based on what they see.

One thing to look at is whether service provision has changed over the period. We can look at whether a budget is static or increasing, but part of the problem is perhaps about absolute issues, such as what you can buy with that budget or what can be done with it. We have a changing demographic in our communities and an ageing population, with people living longer but not always living well, and local government is having to deal with those things. We also have a housing crisis and a lack of affordable housing. Local government is sometimes having to deal with a lack of capital budget to maintain what it has already.

The issues about how budget calculations are done by different organisations are sometimes also about what needs to be done with the budget and how we take that forward.

Willie Coffey: It is more about an expression of what we think we need to do to serve our communities better. That seems to explain the disparity in the figures that we see quoted from time to time.

Linda Somerville: Sometimes, there is a lack of ambition as well. Often, when local government looks at the budget figures, it says, “What do we need to do to provide the services that we already have?” When the Scottish Government looks at its budget—this meeting is obviously part of that process—we need to think about what ambition and vision we have for local government. How do we want our services to look and how can we have a community that is flourishing, rather than just existing, surviving or getting by?

Any figures that we come across are generally what we need to plug the gap. They are not there to get us to think about what we could have if we made the best of our communities and allowed them to flourish. However, poverty is not just about money in people’s pockets; it is about people having access to culture, libraries and all those other things that they need. We really should talk about our much wider ambition sometimes.

Willie Coffey: It is good to hear that. Thanks very much for adding that.

I have a question about workforce issues. Way back in 2018, our predecessor committee noted that local authority workforces tend not to reflect the communities that they serve. What can we do to make our workforces, and particularly people in senior positions, more representative of their communities? It seems as though there is a disparity between the two. Do any of our three witnesses recognise that situation from the time of the predecessor committee’s report? Have we made any progress on that to date?

Linda Somerville: I will speak briefly on that and then let my colleagues come in. There is a lack of diversity in parts of our workforce, and the gender pay gap in particular feeds into that. When we look at early years provision, social care and, indeed, any part of the workforce that involves caring, we find a gender pay gap. That makes it less attractive—there are other reasons, too—for men to join that workforce. There are issues around pay that you probably need to address.

Occupational segregation, whether it is horizontal or vertical, exists throughout most workforces. It is a persistent problem across most of western Europe but not in other parts of the world. It exists as a result of deep-rooted long-term structural inequalities.

There are things that employers can do, such as enabling quality part-time work; in relation to women moving into leadership positions or senior positions, quality part-time work is not always considered. When constructing new jobs, employers can consider whether they have to be full time. Quality part-time work is often undervalued. Women will say, “I just work part time”, thereby denying the quality of their work when they are there.

Women tend to negotiate themselves into flexible working. When they are in a job, they negotiate the hours that suit them, and they do not change out of that job because they think that they will never get the same deal somewhere else.

There is a whole raft of things that employers can take forward, and that is no different for local government. In fact, local government’s practice in that regard should be outstanding, because it has

a much wider remit when it comes to using those types of employment practices.

I think that employers can be a bit frightened that they will get it wrong. Sometimes they want to take positive action to address an imbalance in the workforce, such as ensuring that they target a black and minority ethnic community, but they do not want to do anything because they are worried that they will get it wrong. Confidence needs to be built in employee relations. Some local authorities, like other organisations, have devolved human resources practice to local managers with very little training. A bit more confidence is needed, and training, so that people can take positive action, which is legal—unlike positive discrimination—to diversify their workforce.

Willie Coffey: Thanks for that. I invite Sean Baillie or Johanna Baxter to comment on our predecessor committee's comments about the local authority workforce not being particularly representative of the communities that they serve. Do you recognise that and is there something that we can do to improve that? After your response, I will move on to another question.

Sean Baillie: If we look at local government as a whole, there is underfunding. The staffing levels have reduced overall, and they shrink year on year through cuts, redundancy and so on. New people are not being recruited, so a more diverse pool of staff is not being recruited into the organisation.

If an organisation is shrinking, it can never make a positive intervention in the make-up or the demographics of that staffing pool. As it shrinks, it will keep on holding on to people, and it will be those people who will progress as no one new is being brought in. It just becomes a death spiral. I am sure that I will repeat that phrase today. I might be overegging the pudding, but that is my experience.

Johanna Baxter: I have a number of things to say on that. I agree with Sean Baillie that it is more difficult to increase diversity in a shrinking workforce. For example, the most recent sets of data for vacancy rates in social care that the Scottish Social Services Council published demonstrate that, as of December 2022, East Dunbartonshire had 60 per cent vacancies, Edinburgh had 59 per cent vacancies, and Dundee, Clackmannanshire and North Lanarkshire all had 57 per cent vacancies within their services.

There is therefore a real issue about attracting people to work in local government. Our view is that pay is clearly central to that. I go back to the fact that we are in dispute about pay at the moment, and we were also in dispute about pay last year, so it does not seem as though local authorities and the Scottish Government have

learned their lessons about pay disputes and why so many of the workforce are willing to take industrial action to secure better pay deals.

The situation also affects more senior positions. Although all three trade unions have sought to ensure that the lowest paid within local government are protected in our pay negotiations, we have experienced a real squeeze among members who are employed in the middle-income brackets. We have had to strike a difficult balance between trying to ensure that those who are on the lowest pay get decent uplifts and protecting those who are in the middle-income bands.

In the discussions that we have had with COSLA about trying to bring the workforce up to a minimum of £15 per hour within a reasonable time period—we say within the space of three years—COSLA has said to us that it just cannot afford it. We then see workers leaving local government to go to work either for the private sector or for other areas of the public sector because they can secure higher wages in doing so. That continues the trend of a shrinking workforce and puts increased pressure on those who remain.

The other thing to add is that the focus on pay and funding means that everybody in local government is firefighting all the time and we do not get the opportunity to spend time on some of the other conversations that we would like to have about, for example, diversity, greater flexibility in or reduction of the working week without detriment, and the use of new technologies.

Willie Coffey: Thank you for that, Johanna. I have a follow-up question that touches on inequalities. Linda Somerville introduced some ideas about the problems that we face with inequalities. The Association for Public Service Excellence's report on local government highlighted that most local authority staff are women, which we all kind of knew anyway. We also know that there are still inequalities in pay and progression and that there are problems with the gendered segregation of occupations. In some of her earlier comments, Linda offered a few suggestions about how we might overcome those problems. I invite our three witnesses to expand on that. What are we doing to address those continuing inequalities, particularly for women?

Linda Somerville: I do not know about the specifics of what local government is doing; I am speaking much more generally about employers. My colleagues might know whether there are any initiatives within local government, but it is worth reflecting on Johanna Baxter's point that, when organisations are firefighting to keep services going, equalities are often put to the side.

People say, "We've not got time for that—we can't invest in that just now", or, as I have seen

sometimes with employers, it is approached in a tokenistic way. The fact is that you need to take time and you have to change a lot of systems. You have to think about, say, unconscious bias training, who does the recruiting and how they do it, how people are promoted, what systems are in place, and what networks exist in the workplace and whether they are formal or informal. Do you have formal networks for, say, women or LGBT workers to give them a space where they can be supported in the same way that other parts of the workforce are supported?

There are lots of things that employers can do, but I completely agree that when people are firefighting and trying to provide services, that sort of thing is sometimes not at the top of the agenda. However, my colleagues might know more about what specifically local government employers are doing about it at the moment.

09:30

Sean Baillie: I want to come back very quickly to the issue of pay. Next week, as Johanna Baxter has said, thousands of school staff, excluding teachers, are taking industrial action over this year's pay award, which fails to match the offer to workers in English and Welsh councils to the tune of at least £500. That figure is more for pro rata and part-time workers, which the majority of those school workers are; they do not work full 37-hour weeks. As a result, if we are talking about equality, particularly around pay, a great step that could easily resolve the issue within the next week would be to at least match the pay offer that workers in England and Wales got for this financial year.

Willie Coffey: Johanna Baxter, how do we solve the problem of gender segregation? How can we encourage and promote more women into work? Are there other more creative ideas around part-time and flexible working, such as those that Linda Somerville highlighted, that could attract more women into the local authority workforce?

Johanna Baxter: A lot could be done, but as I said earlier, nobody in local government has the bandwidth to give that agenda the focus that it deserves. How you attract people into local government is a real issue in itself, never mind how you increase the diversity of those who might apply and be appointed.

It all goes back to the discussions that we have had on fair funding and pay. You will see no real change or movement on those fundamental issues unless and until some long-term financial stability is provided to local government to allow it to invest in them. We want to have conversations with COSLA on how we increase diversity, how we use new technology to help our members to do their

jobs and, indeed, how we attract younger people into the workforce, which is an issue, too. Unfortunately, all our conversations at the moment are surrounded by the issues of pay—that is, the lack of decent pay—and cuts. COSLA consistently tells us that it does not have the funding to invest in what we would view as decent pay rises and that, if it did so, it would cost even more of our members their jobs. Unfortunately, though, those jobs are being cut at any rate.

We are at a crisis point in local government. It can cut no more without such cuts having a substantial and negative impact on the services that it is expected to provide and which our communities rely on. There needs to be real reflection on the sort of support that we need to be providing to local authorities.

Willie Coffey: Thank you very much for all of those contributions.

The Convener: Thanks, Willie. Before I bring in Pam Gosal, I have a very direct question on an issue that Linda Somerville and Johanna Baxter touched on. Johanna, is the gender pay gap improving?

Johanna Baxter: I cannot speak for every local authority area. It is an issue that we continue to try to address with local authorities individually but also with COSLA during our national negotiations. More can and should be done. We have provided COSLA with suggestions on how to do that, such as an agreed programme to bring workers up to the minimum of £15 an hour within three years, for example. We can agree guidelines on how to ensure that we gender-proof those changes to the pay system and structures. We did that when we agreed the full consolidation of the living wage. We agreed a set of national guidelines for how that should be done, and we spent a huge amount of time working with local authorities individually to ensure that that was done properly and appropriately, that the equal pay implications of those changes were reviewed during the process and that the gender pay gap was reduced rather than widened.

The Convener: Thank you. It was helpful to get that clarity. I will now move on to Pam Gosal.

Pam Gosal (West Scotland) (Con): Good morning. Before I ask my main question, I want to touch on diversity in the workforce, which my colleague Willie Coffey spoke about. Johanna Baxter mentioned the figure of 60 per cent vacancies in East Dunbartonshire, which is in the West of Scotland region that I cover and is also where I live.

Just last week, I was chairing a meeting between East Dunbartonshire Council and the Milan day care centre, which cares for elderly Asian people as well as other people that really

need that help. One of the questions that was asked by the black, Asian and minority ethnic community was whether, on that panel of people who make the decisions about where cuts are made or services are changed, there was anybody who was diverse—I am going to use that word—who could have that thinking about what the service should look like. People from that community mentioned that they were being shifted to another facility in a different area where nobody spoke their language and there was no catering for the food that they eat or the clothes that they wear. They asked about how they were going to integrate with people from western society and talked about their cultural needs.

Those issues were brought up time and again in that meeting, and I was shocked by the situation. Do not get me wrong: the people who worked for the council were a bit stuck about how to answer those questions. In such a situation, the council cannot serve diverse communities because it does not understand how to serve them or what their culture is, because the workforce is not representative or diverse. Johanna Baxter, is that situation going to come up more, and have you heard of situations such as that?

Johanna Baxter: I do not know the details of the particular circumstances that you cite. Local government officers are the people who implement political decisions; the people who make the decisions about where cuts would fall are actually locally elected politicians.

I will clarify the figure that I provided for East Dunbartonshire: it was for vacancy rates in social care as at December 2022.

The local government workforce is doing absolutely the best job that it possibly can with the resources that it is given. The problem is that the resources that it is provided with are not sufficient, which leads us to the question of why that is. That is the result of political decisions that are made in council chambers and in Holyrood.

I can only praise the members of the local government workforce for the efforts that they are making to serve their communities against a backdrop of cuts to the bone in terms of the services that the communities need and the workforce that is required to deliver them. The people who are working and striving to deliver for their communities day in and day out are doing a very good job in absolutely terrible circumstances.

That is why there is such an increase in the stress that our members experience. They want to deliver good local services to the communities that they serve. They do not want to deliver a bad service. Therefore, clearly, when they are not provided with the resources that they need, that will take a toll, not just in terms of the physical and

emotional effort that they make to get the job done, but because they care—they care that they are struggling to provide a good service. I do not think that there is a simple answer, but I certainly do not think that the answer is to criticise a workforce that is delivering while also being on its knees.

Pam Gosal: Thank you, Johanna. I absolutely agree with you. The officers were brilliant, to be honest. They were really trying to make good of a difficult situation. It was a public meeting, so that is why I am speaking about it today. It was important that, as an elected member, I stepped in to chair to help. I am just saying that it is sometimes not the council officers' fault. You are absolutely right that they had to deal with a difficult situation because they did not have that diverse workforce.

Is there anything that Sean Baillie or Linda Somerville would like to add, not about the case but about how we better serve our diverse communities? We have people coming in—refugees and asylum seekers—as well as people who are living here and who were born here, so how do we understand their cultures and how to deliver the right service, so that we do not offend them but help them?

Sean Baillie: You are absolutely right that it is a wider issue. It has been mentioned a few times already today that local government has become alienated from the communities that it serves—particularly, perhaps, in areas that have multiple deprivation or different challenges in terms of culture and stuff like that. The best way to tackle that is to ensure that there are pathways for people and secure well-paid employment for people from those communities all the way through the organisations. We are in a situation where funding has been cut, year on year, and we are losing positions in the very jobs that deliver the services on the front line, so there is no entry point for people to come in from any community to get on the ladder and move up through the organisation where they can share those skills and experiences. We are going to see more issues in a similar vein unless we try to reverse the current way of working.

Pam Gosal: Could I ask one more quick question please, convener?

The Convener: Yes.

Pam Gosal: Thanks, convener, and thank you for that answer, Sean. Scottish councils have failed to recruit workers for one in four jobs overall, and we have heard from all three witnesses that underfunding is the biggest challenge that local government is facing. Funding is being cut to the bone and that is leading to cutbacks in service provision as well as strikes over pay and conditions. It is obviously becoming increasingly

difficult to make those jobs look attractive. Are they more unattractive, especially in relation to job security, to people who are looking for jobs? What impact is that having on skills shortages and on local government's ability to deliver on its priorities?

Sean Baillie: We have all highlighted the high vacancy rate. My finance adversary at Glasgow is sitting behind me so I had better watch what I am saying, but I think that the issue is not about not being able to recruit or people not applying, but about how those things are recorded and how accounts are done. A council will say, for example, that 60 per cent of vacancies have not been filled for the past year. This is anecdotal on my part—I do not have facts and figures—but a lot of that will come back to vacancies being managed within local government to save money. If a council is having to make a saving of £X, the easiest way to do that is to not backfill any vacancies—but they vacancies will sit.

09:45

If services have also been systemically underfunded and if not enough staff have been provided to deliver those services, the existing workforce will be relied on more and the workload will be dispersed among the remaining workforce. Those staff will try to pick up a wee bit more work—they will work a wee bit harder and a wee bit quicker to fit in all the work. They will get burned out, get sick and tired and go off sick. That adds another vacancy, but people are never recruited to fill vacancies. The easiest way to fill a vacancy and maintain service provision is to take on agency staff, which incurs a higher cost.

Any serious discussion about how we cannot fill vacancies in local government needs to include serious discussion about the use of employment agencies in local government and how the two aspects are related. I do not have all the answers in front of me—even if I sat here all day, I probably would not have them—but if it is the committee's job to explore vacancies, it needs to explore the use of employment agencies.

Pam Gosal: You say that the issue needs to be explored a lot more. Given strikes, underpayment and the conditions of underfunding, how can local government jobs become less unattractive? That question might be for Johanna Baxter. This concerns job security—people want certainty. Given that people know that all this is happening out there, will they apply for a local government job or a private sector job? What is more secure?

Sean Baillie: To put it simply, local government still provides a very secure and attractive job. It provides the work for a lot of people to build a

family and a life around. The security and flexibility are there, but the pay is sometimes lagging.

Once someone is in, there are workload challenges—people are beginning to realise that such jobs are hard. At the lower end of a lot of local government jobs, people pick up a lot of slack with services that communities rely on being delivered. Even at the lowest level, these are not easy jobs that people can wake up and roll out of bed to go into; they are hard physical jobs. Working in refuse collection, in schools or in care is hard physically and mentally, and people have to put in the hours. Maybe the biggest barrier is the pay compared with the physical effort. If we can address that, a lot more people will start to want to come back into local government.

Pam Gosal: Does Johanna Baxter want to respond?

Johanna Baxter: Concern about job security has increased because of the amount of cuts that it has been necessary to make as a result of the underfunding of local government. I think that concern about job security has increased, but that is not to say that I disagree with Sean Baillie in my analysis. These are good jobs and, once people get into employment in local government, they are more likely to view their jobs as secure.

The difficulty lies in attracting people to work in local government, and central to that is pay. We have made the point to COSLA and the Scottish Government that, if someone wanted to increase the value of the money in their pocket now, in the middle of a cost of living crisis, they could apply to be a care worker in a local authority, but they might earn more money per hour by working in a fast-food chain. That is not a good position for local authorities to be in.

We absolutely understand that with a local authority role come other terms and conditions, which make the role more attractive overall. However, in the middle of a cost of living crisis, people are much more concerned about the money that they have in their pocket today, rather than all the other benefits that might come with a job.

There is a bit of analysis going on and people are choosing to work based on how they can pay their mortgage. If we were in a much more stable financial situation as a country, people might make different choices. However, there is a massive focus on day-to-day pay and salary levels. Unfortunately, that is the key thing that makes it very difficult for local authorities to attract people into working for local government.

I go back to the fact that COSLA and the Scottish Government could be a leader and provide the funding to achieve a minimum rate of

pay of £15 an hour, which might help to alleviate some of the pressure.

The Convener: Thank you for that response. I remind everybody that we have about 10 minutes left of the session, although we have some flexibility to go over a little bit. I invite everyone—both my colleagues and our witnesses—to try to keep questions and responses as tight as possible, because we are not even halfway through our questions. Quite a few of the things that we want to ask may have already come out in previous questions, but there is some detail that we want to get to.

I want to pick up on absence rates. The Accounts Commission highlighted that recruitment challenges and high sickness absence levels are a considerable source of pressure for councils. In 2021-22, the overall absence level for non-teaching staff was the highest on record, at an average of 12.2 days per employee. What do you think are the key drivers of that increase and what can local authorities do to support staff to reduce levels of absence?

Linda Somerville: I will comment briefly and then let my colleagues come in. When people take time off work due to ill health, particularly if they are in a public sector role, they do not do that easily. The attitude is, “I’ve got a job to do and there’s nobody else to do it if I’m not there, so I will come in.” However, that has changed, for a number of reasons.

There is probably an impact of long Covid, which should be looked at in considering the figures. However, the bigger issue is very much about workplace stress, which is coming from the pressure of having to do too much. I think that that would be borne out. In the Accounts Commission’s report and the case studies of wellbeing initiatives that went alongside it, the initiatives that were listed were welcome for what they were, but none of them actually got to the bottom of identifying or tackling the absence management issues that we need to deal with.

We would argue that the situation is due to the workplace pressures and the stress that comes from people being burned out as a result of having to do so much. Social care is one area where there are the biggest recruitment problems. That is to do with pay, but it is also to do with what the job looks like once you are in it. If a job is an intense one that is quantified into 15-minute chunks where people are expected to deliver a service that is, frankly, almost undeliverable in that time, people end up working more than their time for nothing. There are specific issues in there.

When the Scottish Government had a mental health working group on employment, it looked at signposting workers to services, rather than

considering what issues are affecting people at work.

Sean Baillie: I go back to my point that it is all a consequence of cuts. The existing workload does not deplete—you are not cutting the workload, but you are cutting the staff, and that work still needs to be done. People still need to be cared for, bins still need to be lifted and kids still need to be fed and looked after at school. However, you are doing that with a much-reduced head count of staff. The workload for remaining staff sometimes doubles or triples, and they are not growing arms or legs or getting 15 minutes extra in the day—if anything, they are getting less time to do more work. I think that we would agree that, if any of us in our professional lives had to experience that, it would have a massive impact on our mental and physical wellbeing, and that impacts on absence.

One further point is that, when that situation happens, it is very hard to get out of it. I spoke about a death spiral earlier, but I suppose that it would be better to describe it as a snowball. Once a service has issues with higher absence rates, the workload is moved to a smaller and smaller group of people. The issue snowballs, and the workload gets increasingly large for the remaining employees, so the stress that they are under increases and increases and they might then have to go off, too. It just snowballs, and it is very hard to stop it and roll the snowball back up the hill. There needs to be a whole culture change, and instead of relying on agencies to fill the gap, I think that the best way of approaching this would be to look at head count and staffing levels and to build in contingencies in the form of extra workers who can step in at any time to cover the work that needs to be done. Local government used to have that; it was before my time, but that is what I have heard from many of my esteemed colleagues. We do not have that at this time. The biggest issue that I am hearing from my members is that we do not have contingencies in the service any more, but such an approach could play a huge role in helping people.

The Convener: Thanks very much for that detail. Did you want to add something, Johanna?

Johanna Baxter: I agree with the point about the increase in workload for those who remain, given the cuts that have been made, but a wider point to make in that respect is that, because everybody is chasing their tails, you will find that sufficient attention is not being given to people development, particularly with regard to line managers and the softer skills involved in supporting individuals at work. For example, our education support staff members very often report experiencing violence in the workplace in the course of doing their jobs, and better reporting, investigation and prevention of all of that would

certainly help them deal with some of those issues. We just need to ensure that workplaces are safe for members to work in.

As Linda Somerville has said, there is also the issue of long Covid. Given the jobs that they do, particularly in the care sector, our members were more likely to pick up Covid, and there are certainly issues to deal with in that respect.

Finally, we often find that local authorities record absences in different ways, and better consistency in reporting and recording not just absences but many other issues would help us get a better picture of what is going on across the country.

The Convener: That is great. I thank everyone for their responses. I call Willie Coffey.

Willie Coffey: I have a quick question about what is, perhaps, the ageing workforce in local authorities. We read widely that the workforce is ageing, but we are also hearing that local government workers are retiring earlier. There seems to be a bit of contradiction there—you cannot have both at the same time—but what are your views in that respect? Do our councils have an ageing workforce, and if so, what can we do to address that? I will start with Sean Baillie this time.

Sean Baillie: We do have an ageing workforce. As for people retiring earlier, that has mainly come about, I think, as a consequence of cuts; if you are having to make savings as part of your year's budget, part of that budget will be made up of redundancy packages. A lot of the time, people of a pensionable age will be asked to take either redundancy or early retirement. However, we are still not recruiting anyone to replace those people, so we are left with the same workforce, which is getting older year on year. Because we are not bringing in enough younger people at the bottom of the ladder to replace them, we are left with the same ageing workforce slowly crawling forward. People are retiring earlier, because savings have to be made, but it just means that the head count is being reduced; just because somebody retires, it does not mean that we are replacing them with somebody younger.

Willie Coffey: So you get early retirements and a gradual increase in the relative age of the workforce.

Sean Baillie: Aye. A lot of the time, local government will make strategic decisions about who can access early retirement, and it will be based on who is needed for service provision or service delivery. If a savings package includes removing a certain aspect of a service, that role might not be needed any more; I think that they are all needed, but I can see how local government would look at the issue of value and might think that the post has been made redundant, because of cuts.

Willie Coffey: If that is the case, Linda, what can we do to resolve or even reverse that?

Linda Somerville: I will let Johanna Baxter field that, as she is perhaps better placed to do so.

Willie Coffey: Okay. Johanna, what can we do to reverse that trend, if that is what is happening?

10:00

Johanna Baxter: I will go back to some of the evidence that I have already given around how we attract people into local government. Pay is certainly a factor in all that.

To add to what Sean Baillie said about the use of earlier retirement in the process of cutting roles, it also means that the most experienced workers, those who perhaps have longer service with local authorities, are very often choosing to take voluntary early retirement. Councils suffer when that knowledge leaves the workforce. It is about not only the vacancy rates but the skills and experience that councils are losing through the continued cuts that are being made and how that impacts the delivery of services at a local level.

Willie Coffey: Okay. Thank you for that, Johanna.

The Convener: I will bring in Pam Gosal.

Pam Gosal: I am quite happy to ask this next question to the director of councils, if that is okay—or do you want me to ask it here?

The Convener: Could you ask it here as well?

Pam Gosal: Okay. I was just saying that because of time. No worries.

In the past, the committee has heard about the disproportionate impact that the overall reduction in local authority personnel has had on council departments, particularly in planning and building standards. Upcoming legislation proposed by the SNP-Green Government, including the new build heat standard and the short-term lets licensing scheme, will undoubtedly lead to an influx of applications to such departments. Are the relevant departments adequately staffed and resourced to deal with an increase in workload without there being any adverse impact on other stakeholders?

Johanna Baxter: When it comes to the areas of local government that have seen the most severe cuts over the past 10 years, the Accounts Commission report published in May of this year demonstrates that planning is an area that has seen the highest level of cuts of all local authority services. Central support services were not far behind that. Culture and leisure, environmental services, and roads also all saw big decreases to their funding.

Planning departments have had about 40 per cent of their budgets cut. Do I think that those services are adequately resourced? No, I do not. We have seen huge impacts in those areas. Giving them additional workload on top of what they already have, with resources that have diminished considerably over the past 10 years, is concerning. Additional resource needs to go into those areas.

Linda Somerville: I agree with that.

It is also about what I said earlier in relation to the question of what the ambition is for local government. Are they just doing what they have always done, or are they doing something different? Some of the priorities that have been set through both the Verity house agreement and the Scottish Government's own priorities around just transition and net zero will mean new work coming to local authorities. They will have to play their part in relation to, for example, local authority housing heating, retrofitting and other things that they will have ambitions to do. Those will be new areas that need done and there will not be the workforce to do them.

Sean Baillie: I will come in quickly.

No, we do not have the workforce, but that does not mean to say that we should not try. Any new projects that come online need to be well resourced. They could be a stimulus for economic recovery. Local government needs to be the foundation of any efficient and proper economic recovery in wider society. It starts with local government. Those projects are admirable and we need to invest to get the returns on them.

Ivan McKee (Glasgow Provan) (SNP): Thanks for your contributions so far this morning—it has been an interesting session. Your comments have been couched and framed in terms of the perception that reductions in head count have been making things more difficult than they might otherwise have been, but when I look at the data—and perhaps you can help me square this circle—I see that local authority full-time head count has increased by 21,000, or nearly 9 per cent, over the past five years. I just want to understand why you are talking about cuts and reductions in head count when the reality is that head count has increased quite significantly over the past few years. I do not know who wants to start with that.

Sean Baillie: I will. You mentioned the past five years, but in that period, we had the pandemic; immediate measures were put in place and funding was secured from various levels of government to ensure that staff were recruited to deliver and maintain key and essential services. The devil will be in the detail, Ivan, but I imagine that that will be a part of it.

The general trend since 2008, or over the past 10 to 15 or maybe more years, has been a drastic reduction in head count. Various members in Glasgow City Council regularly tell me that, 10 years ago, there were 1,300 staff in parks and gardens; now we have just over 200. It is a similar situation with street sweepers; now we have just over 300. I imagine those trends are the same in, say, any kitchen in any school that you might walk into. If you were to ask the head cook or caterer, “How many staff have you got, and how many should you have?”, they would probably say that they had three out of the five members of staff that they used to have. Anecdotally, if you were to walk into any workplace and ask whether the headcount has been reduced, the workers at the front line of delivering those services would tell you that it absolutely has been. I would need to see the detail that you are talking about, but I do accept that the pandemic brought in additional sources of funding and head count.

Ivan McKee: That makes things even more interesting. You have just quoted concrete examples of specific departments, but if we look at the 10-year timeframe that you have talked about, we find that over the 10 years to now—that is, the third quarter of 2023—the head count is still up 13,000 on what it was in Q3 of 2013. The head count has increased over that 10-year period, too, regardless of Covid.

My second question, then, is on your comment that a lot of people were brought in to do Covid-specific stuff. Post pandemic, are those people being redeployed? Should they be redeployed? What should the position be? If the argument is that they were needed for Covid, what is the situation in that respect now that we are beyond Covid?

Sean Baillie: I am sorry—what was the question?

Ivan McKee: You said that head count was down on what it was 10 years ago, but the reality is that it is up.

Sean Baillie: And that is across Scotland.

Ivan McKee: Exactly. You talked about all of the people who were brought in during Covid, so if that is the case, what are all those people doing now that we are past Covid?

Sean Baillie: There has been a large push by employers, particularly where I am, to carry out robust vacancy management. In other words, with those who have had long Covid and have not been able to return to work, their positions have been replaced temporarily, while those who have not been able to return to work have been capabilityed out the door—to use a colloquial term. There has been a reduction—and a transfer, perhaps; the overall head count might have

increased, as you have said, but there has been a transition with people coming in to cover posts and going back out. I cannot say why there has been an increase across Scotland, but over 10 or 15 years, the needs of services will change, things will be redirected and additional resource will be put in place in certain areas and removed from others, with head count reduced in one place and moved into others to increase it there.

It is a natural consequence of time, I suppose. I would love to see a bit more detail on some of the stuff that you have been talking about, but I maintain that the experience of my members, who deliver front-line services, is that head count has been reduced drastically, and it is having a massive impact on their ability to do their jobs and on their physical and mental health.

Ivan McKee: Okay. Perhaps the head count has gone somewhere else. Johanna, do you have any comments to make?

Johanna Baxter: Over the same period, we have seen the expansion in early years provision, and as a result, the workforce in a particular area has expanded to deliver services that the Scottish Government committed to. That is one area that directly contributes to an increase in staffing numbers.

The devil is in the detail, though, because although some areas have seen an expansion in workforce numbers, services provided and funding committed, other areas have seen very drastic reductions. It is therefore very difficult to put everything into one pot and say, "Everything's fine, because head count's gone up." It might well have done in some areas, but in our experience, that is directly related to the Scottish Government's policy priorities, for which ring-fenced funding has been provided to local authorities. The areas of service provision that have not been provided with secure ring-fenced funding have suffered cuts.

Ivan McKee: That might help to clarify things, and you are right to say that there is clearly some work to be done to dig into the detail. I just thought it illuminating that the data shows a very different picture from the narrative.

I have a supplementary, convener, but it can wait until the next panels.

Linda Somerville: Perhaps I can add something. A while ago, we had a briefing that looked at local government; obviously, you need to look at the sources, but the figures that we had from local government showed a fall in employment from 325,000 workers in 2006 to 260,000 in 2022, excluding the police and fire services. There might be different ways of coming up with the figures.

Ivan McKee: I just want to clarify that those numbers did include police and fire—30,000 of that reduction arose from their recategorisation. At the moment, we are at 262,000, so we can see that over the past five or 10 years, the number has gone up quite significantly. It is a different story if you go back to 2006, but we are talking about the pressures today. If we are talking about things that happened nearly 20 years ago, that is obviously a different conversation.

Sean Baillie: I think that you are right—it is illuminating. As Johanna Baxter said, certain areas have been ring fenced as a result of national policy objectives and there has been an increase in funding to deliver those services. However, in areas that have not been ring fenced, we have seen a decrease. I do not think that we are in disagreement here.

That brings us back to the issue of the Verity house agreement, because we need to look at what impact that will have. Will it just mean shifting the accountability for cuts around like a political hot potato? It is, as you have said, illuminating and interesting.

Ivan McKee: You are absolutely right. It is all about getting into the detail and seeing where the additional head count has gone, what its purpose has been, how much of it is temporary, how much of it needs to be made permanent and, as you have said, what the increase in service provision has been as a consequence. I do not deny that there has been an increase as a result of policies elsewhere, but it is hard to focus on what is actually going on if we are looking at it all from 30,000 feet and without parsing the data and understanding the detail.

The Convener: There is some work to be done to find that detail.

That concludes our questions. I thank the witnesses for coming in this morning and sharing their perspectives in that discussion about the local government workforce in Scotland.

I suspend the meeting briefly to allow for a changeover of witnesses.

10:12

Meeting suspended.

10:16

On resuming—

The Convener: For our second panel we are joined in the room by Martin Booth, who is the executive director of finance at Glasgow City Council, and Paul Manning, who is the executive director of finance and corporate resources and deputy chief executive officer at South Lanarkshire

Council. We are also joined online by Robert Emmott, who is executive director of corporate services at Dundee City Council. I welcome you all to the meeting.

We turn to questions from members. As previously, we will try to direct questions to a specific witness where possible, but if you would like to come in, please indicate as much to the clerks. Robert, as you are appearing virtually, please type an R into the chat function. There is also no need to operate your microphones, as we will be doing that for you automatically. Sometimes there is a bit of a pause before the microphone comes on, but we are aware of that.

I will begin with the same general question that I asked the previous panel—and I will direct it to you first, Martin, as you know it is coming. I am interested in hearing you highlight what you believe to be the main challenge for the local government workforce at the moment.

Martin Booth (Glasgow City Council): We would echo many of the comments made by the trade union representatives about the challenges with regard to available resources for local government around directed spending and, as a result, the ever-increasing pressure on our workforce. Recruitment across all grades has also become much more challenging—and, in recent years, at more senior grades, too, for perhaps the first time.

We would not disagree with any of the trade union representatives' comments about pay, but the issue is the affordability of that pay. I do not think that we would disagree with the trade unions on that, either; indeed, they acknowledged that affordability was a problem. There are challenges across the board with recruitment and retention and with resources to do anything about them.

The Convener: Does anyone else have anything to add?

Paul Manning (South Lanarkshire Council): Picking up on Martin Booth's answer, I will not reiterate his points, but I will say that I am in complete agreement with them.

Perhaps I can add just a little bit to what he said. The committee has had a lengthy discussion with trade union representatives about the reasons for the recruitment issues. One facet is recruitment into leadership posts, the problems with which might be attributed to the fact that, over time, the differentials between pay rates have become compressed, which makes it less appealing for people to take on those roles.

The Convener: Robert, do you have anything to add?

Robert Emmott (Dundee City Council): I have nothing specific at this time.

The Convener: I would be also interested to hear about some of the key ways in which the new deal with local government could support local authorities in addressing workforce challenges.

Martin Booth: Again, we are all supportive of the Verity house agreement in principle. It is about recognising the importance of the relationship between local government and the Scottish Government, mutuality of respect and respecting the local democratic right of government. We are all supportive of that as a principle, but actions speak louder than words. We have had something like the Verity house agreement before, with the concordat that was signed in, I think, 2008 or 2009, which did not last a very long time before it unravelled.

We need actions that back up this particular position, transparency in decision making and clear accountability, with a clear demonstration of the pressure being placed on local government finances. I think that I told the committee this when I gave evidence last year, but lots of information has been put out comparing the Scottish Government's real-terms budget to local government's cash-terms budget. That is comparing apples to pears, and we need to be transparent and compare apples to apples and pears to pears.

The Convener: Well, that is part of the work that we are doing, is it not? We will see what fruit tree we get later on.

Paul Manning: I echo Martin Booth's comments about the Verity house agreement.

I want to go back to the discussion that has already been had this morning about the importance of funding and its being the basis of a good relationship in relation to pay and workforce. One of the dimensions in the Verity house agreement that I would like to see come through is a look towards a fiscal framework that will stop the drift in funding away from local government that we have seen over a period of time.

Another critical facet of funding is the issue of ring-fenced and directed spend. Indeed, it is one of the tenets of the Verity house agreement that the default position is that there will be no ring-fenced or directed spend. Such spend is one of the reasons for the impact of having to close budget gaps within councils being skewed towards certain parts of the workforce. Big parts of what councils do are, in effect, protected from cuts. I am thinking principally of education, because of the prescription around teacher numbers, but it is also very hard for local authorities to make savings in the area of activity that sits within health and social care partnerships. It means that the burden of having to make savings falls on the minority of a council's spend that is left.

Perhaps I can give the committee the example of my own council. Education and the activity of the health and social care partnership account for about 75 per cent of what we spend, but it is difficult to close the budget gap by going to that 75 per cent, because of the protections afforded to it. We are left trying to close the gap with the 25 per cent of activity that is left—that is, the things that people would traditionally think of as local government services, from cleansing and waste to planning and back-office services such as our own. Those are the points that Johanna Baxter was making earlier on. If, through the Verity house agreement, we could get more flexibility in local government budgets to address such anomalies, it would greatly help the position.

Robert Emmott: I will add a couple of points.

First, as Martin Booth has said, it is important that we have an open and transparent conversation, and it is also important that it is something longer term. Over the past period, we have been dealing with single-year settlements, but in the context of trying to plan our workforce and the delivery of our services, we believe that stretching that out to two or three years would help with good-quality planning. There is strong alignment between the objectives that local and national Government are trying to achieve, but we should achieve them through an open discussion about our policies.

I have one final point. Paul Manning has already mentioned the fiscal framework. As well as thinking about spending, we should also be thinking about income, tax raising and how we fund public services. We need to have an open discussion about the opportunities in that respect.

The Convener: Thanks for those additional points. We move to questions from Willie Coffey.

Willie Coffey: Good morning, everyone. As we heard in the previous session, everyone wants more money to come to local government. There is a proposal on the table on council tax which, if approved, would bring £176 million extra into local government. Have your three councils reached a position on the proposal? What is your view on it?

Martin Booth: We are trying to represent the position of all 32 councils, and we are finalising a response to the council tax proposal on behalf of the directors of finance. Paul Manning has prepared that, and I will let him respond in a second.

The effect of council tax with regard to bands E to H does not fall equally across the country. For example, 83 per cent of Glasgow's houses fall within bands A to D, with more than 10 per cent of the remaining chunk in band E. Therefore, less than 7 per cent of Glasgow's total housing stock

falls into bands F to H. That shows that things do not fall equally.

We are also aware that there is still a high percentage of council tax reduction in the higher council tax bands, and the figures that you have quoted do not factor that in. We would support more money for local government, but care needs to be taken to ensure that any policy is applied in a way that benefits everyone in society, not just the wealthier suburbs.

Paul Manning: I echo what Martin Booth has said. Indeed, it forms the basis of the response that the local government directors of finance group is preparing for the consultation.

The proposal is not a substitute for local government finance or local tax reform; it is simply adjusting what is currently there. As Robert Emmott has said, the question of local government finance and taxation reform is long-standing, and a final fundamental answer to that issue is still awaited. The council tax proposal does not even address the valuation issues. Essentially, you are still running with a system of council tax bands based on values that were set in the early 1990s; that cannot be satisfactory, but the proposal does not address it.

Martin Booth also made the point that any benefit does not necessarily fall equally, and there would need to be some form of distribution process to ensure proper equalisation of benefit. However, the directors of finance across the 32 councils would be supportive of the proposal, because of the £176 million referenced by Mr Coffey. Given the funding position that councils are facing—and we can talk more about that later—we would have to look at the proposal as potentially mitigating the cuts to council services that will have to come. That is the overwhelming reason for our saying that the proposal has to be looked at.

Off the back of that, I would just make a cautionary point. Ideally, to mitigate the potential effects of cuts, I would be looking for the proposal to be rolled out in 2024-25, but that might not be doable at this point in the year. Indeed, it might not even be possible to make, say, system changes to get it done for April 2024. It might just be something that we would need to accept would be phased in over time.

Robert Emmott: I will reiterate my point about looking at the value of public services. If we are going to deliver the public services that we aspire to, we need to ensure that we raise the related taxes and that the burden of that taxation is appropriately distributed. If you look at where current house values are and the proportion of income to tax, the system is not—I would contend from a professional perspective—really fit for

purpose. It is due for reform, which is a submission that we have made before. In the meantime, though, my council has taken the view that we should look to do something to alleviate the burden and to protect services in the forthcoming period.

10:30

Willie Coffey: Thanks very much.

I have a question about inequality, particularly pay inequality. On that issue, we need look only at the position in Glasgow some years back, when the council fought tooth and nail to prevent equal pay for women. That issue has been overcome, I am glad to say, but is pay inequality, particularly gendered pay inequality, still a problem in Scotland's councils, and something that we should continue to address?

Martin Booth: I should perhaps declare an interest as director of finance in Glasgow City Council. We are still finalising that process. We are well through the job evaluation exercise, which will lead to a new pay and grading system that will be as equality proof as anything possibly can be—although that is not a 100 per cent guarantee.

As for pay inequality, there are long-standing historical issues over what, in the past, were perceived to be the factors that led to a job being higher paid. The world has moved on massively since then, and dealing with those long-term historical inequalities is the issue.

I am pretty certain that in Glasgow City Council, our gender pay gap is actually positive; on average, women earn more than men. However, that does not take away from the fact that our lowest-paid staff are predominantly in occupations that are dominated by females. That is being addressed, and as we go through our job evaluation and new pay and grading system process, we will hopefully resolve that.

Willie Coffey: Thank you.

Paul, is the gender pay gap closing or widening from your perspective?

Paul Manning: From my council's perspective, the short answer is that it is closing, but it is still a negative gap. It is currently just over 3 per cent. That has improved significantly over the past couple of years, and I expect it to improve again when we get next year's statistic. I will explain why in a wee moment.

The majority of our council's workforce—73.7 per cent—are women. The national figure is 73.8 per cent, so we are as near as damn it to the national average. In the education workforce, the position is the same as has been highlighted; there is a high percentage of female employees,

but there is a positive gender pay balance—that is, on average, women are paid more than men.

Within the overall workforce, though, which includes teachers and non-teachers, the pay gap is 3 per cent. That has been addressed over a period of time, and continues to be addressed. Unfortunately, for societal reasons, we have women in those lower-paid roles. A conscious decision has been taken by our council and many others to try to increase the level of pay in those lower-paid roles through measures such as the pay award and implementing the real living wage. It has also been done in our authority and in others through progressive job evaluation reviews, by looking at and trying to properly evaluate the content of jobs. Lifting the pay of those lower-graded posts has led to a closing of the gap, by and large, and a reduction to 3 per cent.

Over the past year, we have had a job evaluation review of home care staff, which has now come to fruition. That has led to a significant increase in pay for those staff, who are predominantly female. That will benefit the gap next year, and I would expect it to reduce much further. Those are the sorts of measures that our council and others use to try to close the gaps.

Willie Coffey: That is really encouraging to hear. Thank you very much for that, Paul.

Robert, could you offer your perspective on the gender pay gap issue?

Robert Emmott: I will make a couple of comments. First, I should say that we are in a slightly better position than Paul Manning's council, as our gap is now just under 1 per cent.

To go back to Martin Booth's comments, I note that the workforce has evolved over many years in particular ways. One of the biggest challenges is that we have jobs that are—I am not sure what the professional phrase for it is—typically undertaken by, or which have been typically undertaken by, one gender or another.

We are finding opportunities to ensure equality of opportunity for everyone across all the jobs within the workforce. We take that very seriously, but some of it is embedded in the way in which we work and some in the way that we are as a society. Changing all of that will require more effort.

Willie Coffey: Thank you very much for that, Robert.

Pam Gosal: Good morning, panel. My question is about recruitment. We have heard this morning that vacancies are high and that Scottish councils fail to recruit workers for one in four jobs. We also heard from the previous panel and this panel that underfunding is one of the biggest challenges that local government has today. Those cuts lead to

cutbacks in service provision as well as strikes over pay and conditions.

What impact will lower pay and uncertainty in relation to job security have on the skills shortages and on local government's ability to deliver on priorities? We have also heard about people moving to the private sector more because of job security and pay issues, which are having the effect of fewer people coming into local government.

I ask Paul Manning to come in on that first, please.

Paul Manning: I am happy to pick up on that.

Local government is still an appealing career for a whole range of people in Scotland. However, the fact that we are all—I include the private sector—fishing in a shallower pool has started to have an impact on recruitment. If I look at my own area's statistics, I see that levels of unemployment are at a record low but we have a higher level of economic inactivity, which also plays into the situation. We are trying to recruit from a smaller group of people.

Some of the roles that local government has are challenging. In some places, a person can get equivalent money through doing things that are not necessarily as challenging as the roles that local government offers. Councils are having to work harder to recruit and fill posts, which leads to some of the statistics on unfilled posts that we have talked about this morning.

As a sector, we are becoming increasingly innovative in how we reach out to and engage with our potential workforce. Not everybody goes online or picks up a particular paper every Friday and tries to find a job that way. I will give some examples of things that my own council has used, which I know that other councils have used as well. We have tried to be more innovative by running things such as job fairs in specific areas and in different places; for example, in social clubs and working people's clubs. We have been putting on events and getting people in and showing them the jobs that are available in their geographic areas, where travel might not be a barrier. Through that, we have successfully brought people back into our workforce and back into the labour market generally.

It is particularly difficult to recruit people to be drivers. From buses to bin lorries, local authorities use drivers, so we have to be very innovative. We are using techniques such as the ones I have described to try and get people in to do those types of jobs.

Another big area across professional services—from procurement to accountancy—is our graduate apprenticeships. Rather than looking

only for people coming out of university, we are looking at bringing in school leavers and putting them through a degree or another professional qualification while they are working for the local authority. Those are all things that are done to try and innovate and move things on.

I am not despairing, in that respect. I think that local government is still a career that stands comparison with others. There are other things that make it worth while to work in local government and I think that councils are reaching out and engaging and doing their best to fill those posts.

Martin Booth: To build on Paul's positivity at the end of what he was saying there, I think that local government is still a fantastic place to build a career. We have a first-rate pension fund and very flexible working conditions and conditions of service for lots of staff. Although the job security is perhaps not seen by the public to be as strong as it was in the past, most councils still have a policy of no compulsory redundancies, so there is still job security.

However, as our trade union colleagues said earlier, the workload is increasing quite substantially and pay is a challenge. We do not have flexibility. Some of the challenge is linked to equal pay, but some of it is linked to funding. Where we are competing with the private sector, we will lose professional staff, in particular, for quite substantial pay rises and a job that is probably less taxing. There is an accountancy joke in there somewhere.

However, we have examples of people who really have built careers. I am not going to name a name here, but one of my very senior team grew up in the east end of Glasgow, got enough qualifications to get into university and started university. However, it became apparent quite quickly that his family needed him to bring in a wage and he was not doing that at university, so he took a job as a clerical officer with the council. He has built a career. He went back to university through day release, and is now professionally qualified and a head of service in a very big department across Scotland. He is very committed to Glasgow because of that. I am not going to name his name, but I do not think that he will ever leave local government, because he is absolutely committed to it. Local government gave him an opportunity to do the training and gain the professional qualifications that his circumstances had made it difficult for him to gain otherwise.

From a recruitment point of view, this time last year, I had eight qualified accountant vacancies in my team. I went to the market, but we could not get anybody who was suitably qualified. We made a decision to employ 10 graduates and five apprentices, who were people who were not at

degree level. Both groups are going through programmes to become qualified accountants. One is a three-year programme and one is a five-year programme. In the short term, that brings lots of challenges. My managers agreed that they would take trainees rather than not getting anyone at all, but it increases their workload, because they have to train those people. The situation will be better this year, because they have second-year trainees not first year trainees, but it continues to be challenging.

Robert Emmott: I will make just a couple of points. There is no doubt that there is a challenge in terms of workforce availability. In Dundee, I think that the figure is that around 10,000 or 11,000 people are not economically active. One of the challenges is finding ways to get people into work or back into work in a constructive way. We know from our work with employability that it is not just the public sector that is struggling with employing people, so the types of innovative approaches that Paul Manning and Martin Booth were talking about are relevant.

However, even when we have successfully trained someone—for example, as a tradesperson—they can be offered double the money to go and work in the commercial sector somewhere, in the short term. There also remain challenges while we have an ageing population. There is an on-going challenge for us as a workforce to plan ahead and, in particular, train our own staff, who then have a greater commitment to the work that we are doing, as Martin Booth described.

The Convener: Thank you, Robert. I have a supplementary question about rural employment. From what I understand, about one third of the rural population of Scotland is employed in the public sector. How are things going there, from your perspective, in terms of the challenges of recruitment? Is it challenging in similar ways, or is it different? I know that you are not rurally based, but I am hoping that you might have the big picture.

Paul Manning: I will pick that up, because South Lanarkshire can probably lay claim to being more of a rural authority than Glasgow, right? That probably applies to every council in Scotland.

10:45

There are challenges in specific areas, which arise partly as a result of the way in which the population is dispersed and partly because of issues such as transport links. Accessibility to good public transport, with regular services that suit people's working hours, can be problematic. That has probably influenced the way that the council has delivered certain services over a

period of time. For example, it can be more difficult to recruit care service staff in the rural part of South Lanarkshire than it is in the urban part. For that reason, we have sometimes used external care providers when they have been available, although they will not necessarily be available right across that geographic area. In those respects, it can be difficult to provide services and to recruit people.

I go back to what I said earlier about what we have done to address that. We have carried out targeted recruitment exercises. Rather than simply putting out a general advert that runs across the whole area, we have gone to specific communities and made the relevant people there aware of the specific vacancies in their area. That type of targeted recruitment seems to have borne fruit, but it does not take away from the fact that that challenge is of a greater dimension in a rural setting than it is in an urban setting.

Robert Emmott: I do not know whether members know this but, previously, I was director of finance with Comhairle nan Eilean Siar. In an island community, public sector jobs carry a greater weight and make a greater contribution to the economy, but recruitment—especially for professional posts—is a more significant challenge in such locations. As Paul Manning mentioned, when it comes to the provision of care services in very remote places, the availability of staff, which is challenging in cities, is very challenging, so more bespoke solutions are required.

That mirrors population decline. We still have an ageing population and one that is moving to the cities, so effective workforce planning is required. In some cases, more flexible ways of working that have been adopted on the back of Covid have helped.

The Convener: Thank you for that. We will move on.

We discussed absence rates with the previous panel, and Sean Baillie told us about the “snowball” effect. Johanna Baxter spoke about the fact that local government records absentees in different ways and called for more consistent reporting. What do you think are the key drivers of the increase in absence rates? What could local authorities do to support staff to reduce rates of absence?

Martin Booth: I certainly could not disagree with any of the comments that my colleague Sean Baillie made about the pressure on our workforce. I also think that we have experienced a significant impact on the back of Covid because of the fact that some people are suffering from long-term conditions. In addition, people are thinking about looking after their own health and where, in the past, they might have come into work, they are

choosing to protect their health by not taking risks in that area.

I do not recognise the comments that were made about different ways of calculating absence rates. It might be the case that there are differences between the public sector and the private sector in that respect, but I think that things such as the local government benchmarking framework will ensure that, when it comes to the calculation that is applied, the local government stats will be pretty consistent. Although it will never be perfect, I think that there is a level of consistency in how we record such figures. Therefore, I do not think that that is a particular issue, although local government might do it differently from how the private sector does it.

Paul Manning: I agree. My view is that the inconsistencies that existed have been ironed out over the years. Other colleagues might give a different answer.

With regard to why absence rates have reached the level that they have, I go back to the point that Martin Booth made. In the 2021-22 figures, Covid was still having an impact. An aspect of that is that people were being stretched during the pandemic, and that has had a residual impact. It has been borne out on things such as psychological reasons for absence, and it has contributed to the higher absence figures.

We have an older workforce, which brings its own challenges with absence levels. I will use home care in my authority as an example. Recently, someone told me that the average home carer is a 58-year-old lady. That we have a demographic of people who are in their late 50s means that there will be more health challenges and more reasons for absence. We have seen the impact of having an ageing workforce more often as we have come out of the pandemic. Those are some of the reasons that I think are behind the absence rates.

The Convener: I will bring in Willie Coffey.

Willie Coffey: In your view, Paul Manning, how can we have an ageing workforce if more people are retiring early?

Paul Manning: You are referring to different groups of people. I referenced a particular group when I spoke about our home care staff, who, on average, are in their late 50s. In my anecdotal experience, the group of people who are retiring earlier are not working in that area, but are in more senior or managerial roles. In the local government workforce, there is what we could call a hollowing out; managerial experience is going from the workforce. My point is that those two phenomena could exist within different groups in the workforce.

Willie Coffey: Have you had a similar experience in Glasgow, Martin Booth?

Martin Booth: In Glasgow, I have to sign off anyone who takes early retirement or voluntary retirement. We have quite strict controls around that. People are doing that across the piece and not just in senior roles. A lot of people take flexible retirement, often due to health reasons. We are keen to support that, because we are concerned about the brain drain among senior people, just as Johanna Baxter spoke about her concern about lots of experience disappearing. If we can support someone towards retirement by retaining them for three days a week, for example, in order to allow them to transition to retirement, that is a good thing.

A number of people are retiring, and that is how we are dealing with a lot of the pressure on our budget. We have to reduce our headcount, and the easiest way to do that is for people to retire, either through normal retirement processes or voluntary redundancy or early retirement processes. We are not recruiting in the same numbers at entry level; the same number of younger people are not coming into the workforce. That is leading to an ageing workforce. Unfortunately, we are all ageing.

Willie Coffey: Robert Emmott, do you have any additional perspective about the ageing workforce?

Robert Emmott: Our workforce in Dundee is pretty much the same size as it was in 2019. Our workforce has changed, with a shift away from corporate services and some neighbourhood services and a growth in education and children and family services. There are parts of the workforce in, for example, neighbourhood services where the majority of people are in their late 50s. That group of people who, I presume, started work at a particular time are reaching the end of their careers.

One of the challenges that we are concerned about is retaining expertise and knowledge in our services, which is where our workforce planning comes in. We are looking at where the changes are coming in and the council has heat maps to show that. That helps us to think about what we might do to prepare for a loss of particular groups of staff at certain times.

Pam Gosal: Earlier, we spoke about work pressures on departments, and we heard that the overall reduction in local authority personnel has had a disproportionate impact on certain council departments, such as planning and building standards departments. Upcoming pieces of legislation that have been proposed by the SNP-Green Government, including those covering heat standards for new builds and the short-term lets

licensing scheme, will undoubtedly result in an influx of applications to such departments. Are those departments adequately staffed and resourced to deal with an increase in workload without there being adverse effects on stakeholders?

Martin Booth: It is difficult to recruit across all professional grades. That includes planning officers, building control officers, environmental health officers, surveyors, accountants and lawyers. In planning, building control and environmental health, there are additional pressures, because fewer people have the relevant graduate qualifications. There are fewer places where those subjects are studied than there were historically, which leads to challenges. More people are graduating with an accountancy degree, so that area is less challenging, although it continues to be challenging. We still have to recruit and train our own staff.

The other real issue, which Paul Manning touched on earlier, is directed spend. Social care and education have been protected by directed spend decisions, so cuts need to be made in the areas that are left, which include all those professional services. The pressure on resources in those areas is significant.

Robert Emmott: Martin Booth has captured the main points. There is no doubt that the work that we are doing in local government has changed, and we need to be smarter about what we are doing and how we are doing it. It is incumbent on us all to look at how we can be most effective in using our scarce resources across the public sector. We should be thinking about the outcomes that we are trying to achieve.

There is a challenge in filling particular posts, and the way in which local government delivers services is changing, so we should be prepared to look at different ways of doing things. In particular, we should be looking at reduction of effort in how things are done. My personal observation is that we have a lot of bodies in the public sector and that all sorts of people are doing, or are looking at doing, similar things. We should be finding ways to reduce duplication so that resources are focused on the front line. The direct services that we need to deliver should be our priority.

Although I am an accountant by training, we are not a means to an end; we are there to support the function that we are trying to deliver. The point that I am making is that some people will be uncomfortable with change as it comes, and our organisations need to try to adapt. That goes back to why our workforce planning is so important. We are thinking about the direction that we are going in, where we can collaborate, how we might do things differently and what our organisations might look like in five years' time.

Paul Manning: I will not go over the points that have already been made. Robert Emmott stressed the importance of workforce planning. A greater degree of financial certainty—knowing the amount of money that we are working with for a period of time—would help greatly with workforce planning. The commitment to net zero and the planning towards that have been mentioned. We are working in the absence of a funding structure for moving towards those targets in the next decade. If we had a greater degree of certainty about our financial settlements and the extent to which financial commitments would be honoured, there would be less inhibition in workforce planning. People would be more likely to say, "This is what we need to do, and these are the plans that we need to make." People would be more likely to fill posts on a permanent or long-term basis if there was that degree of certainty.

Martin Booth: I am sorry—when I was speaking earlier I should have said that we have a long history of using workforce planning to train the workforce of the future. When the 1,140 hours of early learning and childcare was brought in, we went through a programme—this happened across the country—in which we supported staff in other areas of the council workforce to retrain to work in an early learning environment.

11:00

In Glasgow, a few years ago, we were struggling with teachers, so we created a programme to support staff to retrain as teachers. First, staff were given six months to take a day a week to spend in a school, so that they could be sure that they were comfortable working in that environment. Then, while they did a teacher training year, we provided them with a bursary to give them a salary, on the basis that they would come back and work for us. We use our workforce planning to plan for future gaps in our workforce.

The Convener: Thanks very much for that. In a previous answer, Robert Emmott mentioned the heat maps for his council's workforce planning, which seems like an interesting process. Do all councils do that?

Robert Emmott: I do not know how other councils go about it, but I am happy to share with the committee an example of the work that we have been doing. I imagine that other councils are looking at specific areas to see where challenges might arise.

The Convener: That would be great—thank you very much.

I will now bring in Ivan McKee.

Ivan McKee: Good morning. My first question follows up on the matters that I asked the previous

panel about. I am trying to get some insight on the macro numbers. I would then like to move on quickly and explore some of the stuff that Robert Emmott talked about on continuous improvement, opportunities for innovation and so on.

If you can cast any light on those macro numbers, that would be helpful.

Martin Booth: Obviously, we have had the benefit of hearing the previous answers on that. The underlying trend is a significant reduction in the workforce over a number of years, although I absolutely understand your question, because the numbers have increased over the past eight to 10 years. That ties in with the increase in the early learning and childcare resources, with the numbers of hours that are provided almost doubling. We have significantly increased the workforce, and retrained staff to support that. Within that timescale, we also had the roll-out of free school meals, which has increased the uptake among children who have school meals.

Perhaps one of the most subtle differences that was probably missed earlier was the classification of staff. The figures that you quote are for council staff, and exclude arm's-length external organisations. In the period that we are talking about, a number of ALEOs were brought back in-house. Most significantly in Glasgow, I think that Cordia would have been excluded from the figures. I cannot remember the exact total workforce in Cordia, but I know that, just in catering and cleaning—which are now under my responsibility in Glasgow—I have 3,500 staff who previously would have been excluded. When you add in the social care staff, we are probably talking about up to 10,000 staff.

That is just in Glasgow, and there have been similar moves in a number of other authorities, where ALEOs have been brought back in-house. That is a significant element, and when you add it to the increase in early learning and childcare and the changes relating to free school meals, that would more than account for the increase in the workforce figure.

Ivan McKee: That is helpful—thank you. I knew that there must have been something there. Perhaps you or your colleagues can come back to the committee with more granularity on that. If possible, could you put numbers on the policy changes or reclassification changes, so that we can fill that out?

My next question was going to be about why the workforce figure for Dundee is down 2 per cent, when South Lanarkshire is up 5 per cent and Glasgow is up 28 per cent. However, you have answered that. It is about the reclassification of ALEOs—I was not aware that they were previously not included in the figures.

As I said, I want to explore further the points that Robert Emmott made about opportunities for improvement, removal of duplication, collaboration between councils on back-office services and duplication in the wider public sector, including, frankly, Government directorates. Is there overlap and duplication there or with other agencies? What is happening in that space? Are you comfortable that we have robust enough mechanisms to be able to share best practice, collaborate, understand and drive that as a way of working rather than that being something that we do exceptionally and when under pressure?

Robert Emmott: I think that we have not yet done enough in that area to look at how we can collaborate. I do not know whether you have seen the piece of work that the Society of Local Authority Chief Executives and Senior Managers—SOLACE—produced to consider what councils might look like in the future and how they might work. For example, in Dundee, with our neighbours, we are looking at what we might do differently and how we might share services. Some of that is driven by necessity and difficulty in recruiting and some of it is driven by trying to identify opportunities to make sure that our support services are as efficient as possible. For example, at the moment, we share a chief internal auditor with our colleagues in Angus Council, which neighbours us.

There are still further things that we can do and we should be thinking about whether services are provided locally or nationally. Martin Booth was talking about ALEOs. We should consider the number of bodies that we have and what is the most effective and efficient way of delivering different services. Councils are very much located in their place, so in general we have good oversight of what is happening in a particular place. We think that our focus should be on how we are improving things in partnership for Dundee or for any local area—I am not singling Dundee out for special treatment—and the outcomes that we are achieving, rather than on just protecting the services, structures and individuals that we have at the moment.

Martin Booth: There are lots of examples of where we work with other councils to deliver services. Robert Emmott mentioned that Dundee City Council shares a chief auditor with another council. Glasgow City Council provides the internal audit service for Shetland Islands Council. We also provide the internal audit service for a number of other public bodies, such as Scottish Canals and Loch Lomond and the Trossachs National Park Authority. We do even more work with other councils across lots of specialist areas. For example, our computer audit team in Glasgow City Council provides support, almost on a consultancy

basis, to other local authorities, predominantly in the west of Scotland but sometimes further afield.

There is a bit of a misconception that shared services might be the answer to all the problems. Shared services have been about for a long time and they have not taken off massively anywhere in a truly cross-organisational fashion. They work best within an organisation and by being as efficient as possible. Again, in Glasgow, we have a customer business service centre, which is, in effect, a shared service centre, where we have looked to centralise services and processes as much as possible. However, we learned through that that some services are most efficiently and effectively delivered locally, so we have transferred some staff back to, for example, education. Staff lose their drive for working, because they want to work in a school in their community and deliver services for that school rather than work in a shared service centre. It is about getting the balance right in how we deliver services, and we work on that all the time. Because efficiencies avoid cuts, we have been driving efficiencies as much as we possibly can.

Paul Manning: Most councils across Scotland will probably be able to provide examples of joint working. It is more widespread than the general consciousness would have you believe. For example, my local authority, as well as providing back-office services for ALEOs in our area, has SEEMiS Group, which is the joint education system provider for Scotland and now provides education, information technology and admin services for all 32 councils. Our council provides the professional services back-up for them. Those relationships exist.

As well as talking about shared services, I would like to use the term “joint working”. A really good example of that is Glasgow city region and the joint working around the city deal. On the face of it, that is a massive economic investment that is funded by the councils, the Scottish Government and the United Kingdom Government. Several services underpin that; for example, a joint project management office provides services to all the councils that are involved, so that that work is not duplicated within individual authorities. There is also an economic information service, which assists all of those authorities in progressing with the aims of the city deal. Those things are in place and they are helping to deliver a project that is leveraging literally billions of pounds into that area.

Ivan McKee: I am aware that a lot is happening there, so it is good to hear that. Martin Booth made a good point about decentralisation often being more efficient than centralisation, not least because you can get rid of an expensive corporate function that may not be adding as much value as you think it is. I totally appreciate that point. Are

you comfortable that there are mechanisms in place to facilitate that sharing? I am thinking about the Improvement Service and other work that is happening. Do you feel comfortable that such sharing is part of the daily conversation and that there are mechanisms to give effect to it?

Martin Booth: We are very fortunate in Scotland, in that the 32 councils all talk to each other. They do that through the directors of finance section, the Society of Personnel and Development Scotland, the Association of Directors of Education in Scotland and SOLACE. There is a structure where we can all talk. We share good practice and experience across the board, and I think that that happens in all the service areas. We have a big advantage over other places because 32 is not too big a number for that to work effectively.

Miles Briggs (Lothian) (Con): We have heard a lot about changes that the pandemic brought about. How is local government measuring staff wellbeing in relation to those changes, particularly among individuals who may now work permanently from home? What opportunities have been opened up for the workforce?

Paul Manning: The changes have brought different challenges. Again, I am drawing not on my authority’s experience but on a discussion that I have had in the past week. There is a view that home working is more taxing on younger and newer employees, because they do not have the foundation of understanding of the workplace environment or from having formed relationships. I heard about one employer that asked the majority of its new intake of employees to work more from the office, as best they could, for their first two years before working on a more hybrid or home-working basis, if it was appropriate for the job that they had started. Such things are appreciated to be difficult.

Hybrid working has opened up new opportunities. Some staff have become more marketable because they can work remotely. A procurement officer who we had was working from his home in Lanarkshire for a London borough. That was valued by the employer because getting that resource is really hard. However, the impact on us is that it is harder to attract such people, because they can cover a greater area in their work.

To go back to August 2022, we put a paper to our council on a new deal for employees—the local government overview report gives that recognition and links to it. The paper included a section about the right to disconnect, which we were the first authority in Scotland to recognise. That policy said, “These are your rights as an employee. These are your duties as a manager. Wherever possible, you should look to be

referencing, checking and answering email correspondence only within working hours.” We put it in the consciousness of everybody in the organisation that they have a right to turn off, because not disconnecting was becoming a factor in people’s working lives.

The paper on the new deal for employees also looked at aspects of paternity leave, support for pregnancy and loss, and neonatal leave. That package of measures, whose cost was not particularly high, was worked through with the trade unions. It took into account the additional pressures that had come about through hybrid working and the pandemic and tried to give something back to employees. That is an example of what we did as a council, but you will see such things across Scotland.

11:15

Miles Briggs: That was helpful. Does Martin Booth or Robert Emmott wish to add anything?

Martin Booth: I agree with Paul Manning that there are benefits such as flexibility and making it easier for us to manage our work-life balance, but there are also significant downsides to hybrid or home working that we need to be cautious about. Paul Manning mentioned training; we are learning all the time, and we learn from each other, but we do not learn as much when we are not sitting next to someone.

I am concerned that not engaging with others will have an impact on people’s mental health. At the start of all this, everybody was working from home, and I was no different, but we were getting work done on the house, and it was too noisy. As a result, I came back into the office full time as soon as I was allowed to, and it was only when I did that that I realised the importance of separating work from home.

I now work in the office 100 per cent of the time, because my commute to and from work—it is not very long—is where I switch on and switch off. From a mental health point of view, it is really important to encourage people to come into the office for at least a significant amount of time. It will not be the same for everybody—after all, everybody is different—but we must not create future problems for our workforce.

Robert Emmott: I echo what colleagues have said. Support for wellbeing is a key component, and we are working closely with colleagues in the unions to ensure that it is put in place. We have found that some people have found it a challenge to come back to the workplace after Covid, and we need to put in different measures and look at different ways of addressing that.

Miles Briggs: That was helpful.

Are your councils undertaking any work on how changes to services might be impacting disproportionately negatively on women and minority groups in the workforce?

Paul Manning: Perhaps I can make a wee bit of a generalisation here. We have already talked about the financial challenges that local authorities face and some adjustments that will need to be made to services to try to close budget gaps and cope with the situation. Closing budget gaps means in large part that jobs will be lost. We have talked about no-redundancy commitments, and we would always try to redeploy people in the workforce.

When we look at such measures—this will apply to all councils—we undertake equality impact assessments, which look at the impact on the workforce, and there are conversations with the trade unions. The extent to which I can protect women in what is a predominantly female workforce—as I said, more than three quarters of the workforce are female—is going to be limited, but we always try to ensure that that is a consideration when we undertake service change.

Martin Booth: To tie this back to the previous question, we should remember that the vast majority of our workforce cannot work in a hybrid way. You cannot be a care worker and work from home; you cannot be a teacher and work from home; and you cannot be a refuse collector and work from home. The vast majority of our staff are front-line delivery staff and, if they are not working, the work will not get done. In short, this sort of thing does not apply to the vast majority of our staff. Moreover, as Paul Manning said, undertaking an equality impact assessment for any changes that we make is vital in ensuring that we do things as fairly and as equitably as possible.

Miles Briggs: Finally, I will return to Willie Coffey’s question on equal pay. We have seen the situation in Birmingham. Are you aware of such situations in Scotland? Are there councils that have still to settle longer-term equal pay claims? Which councils might be exposed in that way, and have any concerns been raised with the Government about that?

Martin Booth: I think that we would be very ill-advised to talk in a public forum about individual councils with regard to things that might become legal cases.

It is difficult for me to speak about the situation in Birmingham; I suppose that Glasgow is a local authority of an equivalent size, and we have worked through the equal pay process. From my understanding, the important issue for Birmingham City Council was that, although it had settled equal pay several years ago, it had not fully implemented an appropriate pay and grading

system and structure to protect itself from future claims.

We are working through our job evaluation and the new pay and grading system hand in hand with our trade union colleagues just now. When I answered Mr Coffey's question, I was very clear that, although that work is challenging, it is vital to enable us to limit future liability.

Miles Briggs: That is grand—thank you.

The Convener: Something that came up briefly with the previous panel—it is connected to wellbeing, but also to recruitment—was the idea of a four-day working week. Is that being considered or explored?

Martin Booth: That is certainly being talked about a lot in council chambers. I should probably declare that this is my personal view, and not the view of any local authority or organisation. To go back to my answer to the previous question, the vast majority of our workforce are front-facing, or client-facing, staff. If they go down to a four-day working week, somebody else has to work the fifth day, so there is a 20 per cent increase in the costs of delivering that service.

We cannot afford what we have just now, so it is not deliverable to put 20 per cent on to our pay bill. The more there is talk of other workforces going to a four-day working week and the pressures that that would create, the more I believe that it would lead to massive inequalities in our workforce, so I am not supportive of it in any way whatsoever. That is a personal statement.

The Convener: Thank you for qualifying that. Does anybody else want to add to that?

Robert Emmott: In local government, we already have a flexible approach to working. In my council, we have people working compressed or reduced hours and people with flexible arrangements. My view is that, as organisations in local government, we are good employers in terms of responding to the needs of individual employees.

That all exists, but I personally support Martin Booth's view—given that we are providing front-line services for often five days, and in many cases seven days, a week, trying to map that to a four-day working week would become very challenging. In addition, we need people to be available to work when the services need to be provided. I am thinking, for example, about the hours that a school operates—someone cannot do extra hours on a school day to facilitate such an approach. There might be pockets of services where a four-day working week could work but, by and large, there are probably other priorities for us.

The Convener: That concludes our questions. I thank you for your evidence—your perspectives have been insightful. I suspend the meeting briefly to allow a change of witnesses.

11:22

Meeting suspended.

11:26

On resuming—

The Convener: For our final panel this morning, we are joined in the room by Mo Baines, who is the chief executive of the Association for Public Service Excellence; Councillor Lynne Short, who is the chair of APSE; Gerry Cornes, who is the portfolio holder for workforce issues at the Society of Local Authority Chief Executives and Senior Managers; and Fiona Whittaker, who is the chief officer of people resources at North Lanarkshire Council.

Before we go to questions, I invite Councillor Lynne Short to give a declaration of employment.

Councillor Lynne Short (Association for Public Service Excellence): I want to declare that I am employed by Joe FitzPatrick MSP for seven hours a week.

The Convener: Thank you for that.

I am going to start with the general question that I have been asking at the beginning of each session. What are the main challenges for the local government workforce at the moment? I will start with Fiona Whittaker.

Fiona Whittaker (North Lanarkshire Council): I will try not to repeat what my colleagues have already said, although I very much support it.

I want to make three points that are most important from the perspective of my role in representing my colleagues in human resources across the 32 local authorities. It is important to bear in mind the fact that we are operating in a difficult labour market, as my colleague Paul Manning said.

The availability of workforce is significantly less than it was prior to the pandemic. I can give you some numbers from my area that illustrate that. You have heard about the reduction in levels of unemployment. In North Lanarkshire, it has dropped from an average between 10,000 and 12,000 to about 6,000. Unemployment is now sitting at its lowest level for 10 years. If we add to that the increases in economic inactivity that we are seeing—there has been a jump of 10 per cent in my area—we get an impact at both ends, and workforce availability is shrinking quite

significantly. That is one of the key things that I wanted to say.

It is important to differentiate the majority of workforces in local government, which are bottom-end workforces or front-line workforces, that you have heard my colleagues talk about a lot and which are critical for us. By and large, we recruit those workforces locally, so I emphasise the link between the local labour market and the availability of a workforce, especially in areas where we recruit from the female 50-something population, which is the population in which we have seen the biggest increase in economic inactivity. Those two things link together significantly.

11:30

The other aspect of the local government workforce to consider is that senior professionals are, as a number of my colleagues have told the committee, difficult to attract. The compression in our pay spine through bottom-ended pay awards has significantly affected the standing in the labour market of some of the professional roles. We have also seen private sector organisations that have more flexibility in what they do around pay starting to inflate their pay so that they can attract those individuals to their organisations. That underpins a lot of the difficulty that we have in attracting and retaining the likes of accountants, lawyers, architects and so on.

My colleague Paul Manning talked about the final point that I want to make. The answer lies in the ability of local government to access skills funding, such as for apprenticeships and graduate apprenticeships, which are critical. As things stand, we do not have funding to support the development of workforce areas through our normal revenue funding. Access to the sources of funding that come through the apprenticeship levy are critical for us.

I will give a brief example, then I will stop and let my colleagues come in. Social workers are crucial for us and there is a significant shortage of them across Scotland. As things stand, my authority can fund only six places on a trainee scheme. If a graduate apprenticeship in social work was available to us, we could significantly increase the number of social workers that we train locally. It is important that we train people locally because a lot of their practice is done locally, so we must recruit them into local authorities and then put them through their training and qualifications.

I will stop there. Those three points are key, for me. They have been touched on already, but I hope that I have given you a bit more information.

The Convener: Thank you. It is helpful to get that level of detail, because it gives us a better

picture. Does anyone else want to come in on that?

Mo Baines (Association for Public Service Excellence): APSE regularly surveys our member authorities to find out what is creating issues for them. Our latest workforce survey found that 76 per cent of our member authorities in Scotland cited pay as the main problem in recruitment and retention of staff. There is some good news in that for Scottish local government, because the UK-wide figure is 82 per cent, so it is marginally less of a factor in Scotland. Nonetheless, it is a huge issue.

APSE's local government commission also explored that matter; I know that Mr Coffey referred to that earlier. One of the main things that came out from the expert witnesses to the commission was that there is a distinct lack of comprehensive workforce planning in local authorities. Again, that was on a UK-wide basis, but the commission consistently cites the inability to plan for the workforce for the long term because of the short-term nature of local government financing. The two things are absolutely interconnected.

Before the pandemic, and after it, we have seen demand on services increase. Although we accept Mr McKee's questioning of the workforce numbers, underlying that are demand-side increases. We see an increase in child-poverty issues, and in the old population in which there are adults who are in need of more complex care. There is a host of factors.

On the green economy, local authorities are doing fantastic work in striving to get to net zero, but new skills are needed—in construction and in putting solar panels on properties, for example. We lag behind in those skills, so the demand base for local authorities has shifted significantly in the past decade. That is one of the main factors in our workforce issues.

Gerry Cornes (Society of Local Authority Chief Executives and Senior Managers): I will try not to repeat points that my colleagues have made. Our workforce is aware of the financial challenges that councils face, and with that awareness comes a level of uncertainty and anxiety. Financial challenges also come with a level of necessary change, as councils look to respond to them.

As Mo Baines mentioned, demand is not reducing, and we have problems, difficulties and challenges with resources, including because of the labour market issues that Fiona Whittaker mentioned. Demand is increasing but resources are diminishing—in particular, in areas that the fiscal framework and budget settlements do not protect as much as they protect others.

We are still dealing with post-pandemic issues as we move from the response phase to the recovery phase. That recovery will not happen overnight, but our workforce needs to go through it, given the challenges that it faced through the pandemic, so we are still dealing with that. In the post-pandemic recovery phase, there are challenges with new ways of working. There were questions, which we will probably come on to, on the impacts, opportunities and challenges of hybrid working; I heard the panel discuss post-pandemic skills loss at more senior levels and the challenges that that brings.

The Convener: I asked about the new deal with local government, which includes the agreement on work, the fiscal framework and the programme of activities. I will come to APSE first. I am interested to hear your thoughts on how the new deal can support local authorities in addressing the workforce challenges that they face.

Councillor Short: We have to be careful that although we have the new deal, local authorities and councillors must also be able to be the grown-up in the building. At the moment we can say, "That's just because we have the new deal."

I work on the Tay road bridge joint board; the bridge does not have tolls. We had a conversation about Transport Scotland at which I asked whether there were questions about tolls, because they are a way of bringing in income. You would have thought that I had said that it was the end of the world, but if we are offered those opportunities, we must take them up.

We must also think about what to do with our workforce beyond where we are at the moment. The young people whom we teach during those 1,140 early learning and childcare hours are the workforce of the future, so are we looking at artificial intelligence, and are we looking at heat maps in relation to how we will deliver services across the board? The workforce is incredibly important, but so is understanding what local authorities will have to deliver over the next few years.

We must think generationally, because there is no point in thinking about the issues only in relation to the present. My parents are in their 70s and are still running around, but in six years I will be eligible for sheltered housing, which fills me with fear. We must ask whether we are looking across the board at what we will need to serve the post-war post-baby-boom generation.

Gerry Cornes: At the highest level, the principles that are set out in the new deal will be good for national and local government. Earlier engagement, discussion about potential future policy initiatives and the implications of those initiatives for the workforce and for supporting

workforce planning must be a step forward. That earlier engagement will, I hope, lead to problem solving and understanding issues from the outset, rather than engagement being too late, which can feel as though barriers or hurdles have been put up, because things have progressed too far without a full understanding of the implications. Earlier engagement and discussion of the implications of new policy initiatives will be good.

A fiscal framework that supports all that by being flexible at the local level and by delivering on agreed national priorities must be a good thing. Both those things will contribute to better workforce planning, because there will be a longer-term view taken of what the workforce needs to do.

Fiona Whittaker: I echo what my colleague says. I reiterate that we understand where the workforce gaps are in local authorities. You have heard us collectively tell you what are the known gaps and some of the challenges. Addressing those gaps is not as simple as going out there and recruiting people—they simply do not exist. The new deal will facilitate conversations if we are focused on the solutions that we can build locally.

One thing that we have touched on but not talked about in any detail is the fact that local authorities have access to the developing the young workforce programme and direct access to school children. Lots of innovative programmes are under way to engage younger people in areas where we know there are gaps so that we can build that future workforce.

However, where we need national support and the Scottish Government to engage in solving some of the bigger problems, we have engaged. I highlight engagement with the further education and higher education sector as one example. Its future direction and how we can engage in partnerships to solve some of those issues were well set out in the Withers report, which was very welcome to local government. That is an important part of what this is about.

Mo Baines: I agree with all the comments from colleagues on the panel. There is one element with which we could turbocharge the new deal. We should take a serious look at having a general power of competence for local government. That has been looked at on several occasions.

I do not believe for one minute that the Scottish Government is trying to hold back local authorities, but the current legal powers that are available to local authorities are being interpreted by the courts, as opposed to being interpreted by Government and Government will. We in local authorities are nervous about how authorities can act in a more collaborative way, including with

partners in the private sector and other parts of the public sector.

We did an analysis in 2018-2019 that covered, for example, neighbourhood services and local authority parks. The data shows that there is significantly less buoyant income in those areas. Councils that have been able to achieve additional resources through income generation can invest in their workforce using that income. That is profit for a purpose: it is not profit to make casino bankers out of local authority executives. It is a sensible measure.

Alongside the warm words in the new deal, we could turbocharge the deal with a general power of competence for local authorities.

Willie Coffey: How representative is the local government workforce of the communities that authorities represent? I put that question to the first panel, but I feel that the witnesses did not get close to answering it. What are your views? How representative is that cohort of people, especially those who are in senior positions, of the communities that they represent day to day? If that is an issue, what could we do to rebalance that? I ask Mo Baines to start off.

Mo Baines: This is a very good question. We considered that in “Local by default: APSE Local Government Commission 2030 report”. We found that the question whether local government is truly representative must be asked on two levels. One is whether local councils are reflective of communities. In a party-political system in which parties have different selection processes, that can be very difficult to achieve.

However, as employers of a workforce, it is possible for authorities to look at the demographics of their local area and to look at how they could achieve representation by looking outwards to communities to engage with them proactively in recruiting. Often, there is a tendency, particularly for professional-level jobs, to go through the usual channels, which might, for example, be a job advert in *The Guardian*.

One of the things that we recommended in our report was “Grow your own”: that is, for organisations to have a talent-spotting process, to put people on career pathways, and to invest in training and development in order to change the structures and faces of senior leadership roles in local government.

There is much more diversity in lower-paid jobs, but that in itself is a problem. We are segregating people into low-paid work by gender, for women, and we are also segregating into lower-paid work people from black and minority ethnic communities, which is unacceptable in 2023.

We have to do much more to end job segregation in local authorities, but we also have to do much more to change the faces of the professionals within local authorities.

I did an equalities review for a north-west of England authority a couple of years ago. Among a senior management cohort of probably about 55 people, there were fewer than three BAME managers in an area where BAME communities account for around 6 per cent of the local population, which was relatively low for that particular conurbation. That is not good enough.

In an interview, a member of staff who was looking after a group of activists among staff to try to embed change asked, “How can we instil in people the ambition to become a senior manager when none of the senior management team looks like I do?” That was a powerful testament to the level of ambition that we need to reach in local government.

11:45

Willie Coffey: Councillor Short, do you have a perspective on this? How representative is the workforce of the communities that it serves? You are in Dundee City Council, are you not?

Councillor Short: Yes, I am. We have had quite a number of changes in our workforce recently, especially at the top end. I think that Robert Emmott is one of the few men whom we actually have now in those positions—it has been a case of growing our own. We have got to the stage where the 16 and 17-year-olds who went on the youth training scheme way back in the day are now coming into medium to higher-level management roles. Therefore, the workforce is reflective of Dundee, but there are gaps within that.

It is, as Mo Baines has said, a case of “You can’t be it if you can’t see it”, so we have opportunities to ensure that leadership is seen. It is really important, especially now with hybrid working, that we see our leaders, whether they be elected members or the officers.

Willie Coffey: Fiona Whittaker or Gerry Cornes, do you have a perspective on how to make the workforce more representative of the communities that they serve?

Fiona Whittaker: I can offer some thoughts on that. We recently did a very powerful piece of work; an elected member and officer working group came to the conclusion that we needed to look very closely at representation in our area, specifically around black and ethnic minority communities. I would say that local government is pretty balanced in male and female terms, but we know from that work, which was done in the local

authority and with the wider community and was supported by the University of the West of Scotland, that we are not representative at any level.

Our numbers of BAME employees are significantly low, and we also know that there are significant barriers to increasing them. You have to take very direct and focused action, which includes, for example, the blind recruitment process that we are trying now. It is a more inclusive recruitment process in which you have better representation on panels.

All of that work has now culminated in my local authority signing up to the race at work charter, which has a number of specific commitments that we now need to adhere to. It is not easy; you need to set out a plan and then change the systems and processes that create the barriers, including around unconscious bias. We are actively doing that, and I am sure that other authorities are beginning to consider it, too, because it shows up in people's experience of interacting with services. Some of the feedback that we have received on language barriers includes the point that speaking to somebody who is not from your own area about difficult issues in your life is not made easy.

It is a commitment that we could do much more on, and something that we need to accelerate.

Willie Coffey: Thanks. Gerry, do you have a perspective on that?

Gerry Cornes: Colleagues have covered a lot of the main points, but I will say just a couple of things.

To take a slightly different perspective, I would say that, with regard to the representation of the communities that we serve, it is vital that we can demonstrate that we have understood and interacted with them in relation to what they want. I say "want" rather than "need", because, in the past, we in local government have had a tendency to decide what communities need rather than listen to what they tell us they want. That is one element.

On the employability issues, colleagues have made all the relevant points. As a local authority, we are looking to ensure that we have absolute equality when it comes to access and opportunity, but we need to do more. The national work that Fiona Whittaker talked about will feed into local work on the practices that we need to look at and the areas where we need to improve.

Willie Coffey: Thank you very much.

My other question is on the gender pay gap issue that you might have heard about in the other sessions. Is that gap improving or worsening? What is your experience? I will start again with Mo Baines.

Mo Baines: On the issue of the segregation of roles in local authorities, we can strive very hard to implement equal-pay-proofed pay and grading structures, and we can strive very hard to ensure that pay-point relationships are robust and job evaluated in technical schemes, but we will still see a glut of predominantly part-time women workers stuck in low-paid professions. As a result, we need to break down the segregation between job roles.

The Association for Public Service Excellence has done a lot of work on encouraging women, in particular, into construction through apprenticeship programmes. I have to say that our member authorities in Scotland are way ahead of those in other areas of the UK in apprenticeship development—particularly apprenticeships in construction—but we need to go further and faster. I do not believe that we can solve equal pay issues by taking a technical approach to pay-point relationships; we have to look at societal issues.

During the Covid pandemic, we picked up from another APSE workforce survey on post-Covid return to work that Covid had a very gendered impact. There was encouragement from some quarters, as women could stay at home, which reduced childcare costs and meant that they could manoeuvre their career around childcare. There is a big issue with investment in professional childcare for working women. In our view, that has not been a sufficient part of the discourse on addressing the gender pay gaps.

We can say that some of the pay gaps are technically lessening, which is a tribute to the work of our member local authorities in local government. On the whole, though, the segregation of job roles is still a fundamental barrier to truly achieving equality for women.

Willie Coffey: Councillor Short, what is your perspective on the gender pay gap issue? Is it getting better, and are we getting closer to where we should be?

Councillor Short: I hope that I am remembering this right, but Robert Emmott said that the gap is 1 per cent in Dundee compared with 3 per cent in some other areas.

I agree whole-heartedly that it is a societal problem. When the expansion of early years provision was announced, I was in the local paper saying that it would be a great job for men. I am a single parent—there are many single parents in Dundee—so to have a man in that role seemed to fit perfectly, for that really early interaction. However, screeds of people asked why a man would do that job, so we have to think very differently about the way we talk about jobs. Jobs are not gendered—they are only jobs. People can bring different things to different jobs; we should

always look right across the whole spectrum at what people can bring.

Willie Coffey: Fiona Whittaker or Gerry Cornes, is there another dimension to that? Do we need to think more carefully about how we try to attract people into work and to recognise their personal needs as they come into the world of work? Do we need to adapt and be more flexible?

Fiona Whittaker: Occupational segregation, which has been talked about, is a difficult issue to fix. By far the biggest driver of the gender pay gap in local authorities is occupational segregation. Some of it is about encouraging males, particularly younger males, into areas such as care and covering the 1,140 hours of early years provision. After all, we know that we will be expanding that workforce.

Equally, male and BAME candidates could be better represented in teaching; Education Scotland is currently looking at that. The difficulty is that some women choose to go into those roles, because they are aligned with choices that suit them and their family, as has been alluded to.

I am not giving you the answer, because it is a difficult answer to give, but we could address the issue by attracting young males into certain sectors. That would certainly help reduce the gap.

Gerry Cornes: A lot of what I want to say has already been said, but I think that losing the idea of male and female jobs is really important, as is ensuring that we have workforce policies and practices that are positive, support all employees in the workforce—male and female—and do not present any barriers to anybody in the workplace.

We might come on to talk about some of the opportunities that we have post pandemic in relation to potential working practices—hybrid working et cetera—that will allow us to build in employee flexibility and preferences to encourage people to be able to continue in the workplace. We should be thinking differently now about managing employee performance in a way that is not related to attendance and where they attend. A lot of those things will help, but it is a huge challenge.

Willie Coffey: Thanks for your responses to those questions, everyone.

Pam Gosal: Good morning.

I have some questions on recruitment. We have heard that vacancies are high in Scottish councils and that councils fail to recruit workers for one in four jobs. We have now heard from all three panels, including you, that funding is one of the biggest challenges for local government. It leads to cuts in service provision as well as strikes over pay and conditions. We have heard about the lower pay and job uncertainty, and that people are choosing the private sector over local government.

What impact is that having on skills shortages and on local government's ability to deliver on the priorities?

As for people seeing the private sector as more attractive, I know, coming from a BAME background, that if I were an accountant, my parents would be pushing me into the private sector, because of the job security. I worked in local government for around 20 years and I have to say that I loved it. However, I can certainly say that job security is a big thing for people from BAME backgrounds. I am just saying that, because we have been mentioning BAME issues.

Fiona Whittaker: I fully agree. Research underpins the point that BAME families, particularly on the professional side, want children to go into the private sector. The children are well educated, and the families want them to benefit from the investment that they have made in that education. In considering whether local government is attractive to people from those backgrounds, we have found that they tend to focus on areas such as the NHS or professional areas such as the big six consulting firms or accountancy firms. That is more about the pay issue than anything else; the private sector does a much better job of selling the bottom-line pay to candidates.

Local government could do better at describing the total package that people are offered. To stray into pensions territory, I point out that pension contributions in local government are significantly higher than they are in the private sector. For someone at a certain point in their career, it is really attractive to come to local government, but we do not sell that. That sort of thing is more difficult to sell to younger staff, as they are not really interested in paying a pension at the beginning of their career. As we know, they are not interested in the money that comes off their salary at the end of the week.

Certainly, we do not sell enough the benefits of flexibility, the pension contributions and just the experience itself. Local government is a great place to work; it is very diverse and dynamic; and we could do a much better job of selling that to people.

Councillor Short: I have just come back from a seminar in Belfast involving local authorities from across the four nations, and the term "Cinderella service" was ringing out again and again. Sometimes, there is a bit of an underestimation of what councils do for people, so it is difficult to attract people in. For example, we get a large number of people on the phone complaining about buses, but we have not been involved in buses since 1987.

We need to have a conversation about where the responsibility lies and what people can do and deliver in their local authorities. I have been doing this for seven years now, and those seven years have been a bit tough. Today, for example, I will be sitting with Robert Emmott and looking at the next budget.

However, we also bring great joy to our communities, because we deliver wonderful things and solve incredible problems that need to be solved. We just need to be a bit more gallus about talking up local authorities, because they are often the solution to the problems that, as members of the Parliament, you will see in your mailboxes, too.

Pam Gosal: Do you want to comment, Gerry?

Gerry Cornes: You are absolutely correct that the funding and financial challenges that councils face impact on their ability to recruit. There is an impact on potential employees and their view of job security, but there is also an impact on local authorities as employers and their confidence to fill posts when there are concerns about budgets.

I smiled slightly when you mentioned people moving to the private sector for job security. I have been in local government for so long that, when I started, it was a secure job for life. You are absolutely right—we cannot offer that, but we should be talking to people about how we can offer them a career for life. That might involve different jobs, but they will be able to work with a local authority for life.

12:00

I think that there is an issue for local government in how it markets itself, the types of role that are available and the types of career opportunities that exist. Someone might not finish their career in the same role that they started it in, but the range of jobs that we can offer should be seen as a positive. We need to market the flexibilities and the new ways of working that are available in local government, because that is an area where we can compete with the private sector. In the past, it would have been assumed that a job in a local authority would have involved working in an office for a fixed number of hours, but it is not like that any more, and we need to ensure that we get that message out there.

Pam Gosal: Absolutely. I started off as a trading standards officer and moved on to economic development. You are right—there are so many opportunities in local government, and we need to sell it.

Mo, would you like to add anything?

Mo Baines: Councillor Short covered that perspective perfectly, but I have a brief point to add. We do not sell enough the value-based

proposition that is offered by a career in local government. There is a lot of competition for filling jobs among our members. That comes not just from the private sector but other areas of the public sector. We lose chief executives and accountants to the NHS, which is seen as better by the public.

When it comes to the issue of an ageing workforce, we should be selling the value-based proposition to younger workers—not just school leavers, but people from college—and offering them career pathways. I have yet to meet a young person who has just come out of college who says, “I wanna make loads of money from everybody.” Young people nowadays tend to be really concerned about climate change, social value issues and giving something back to society. I think that local government ticks all those boxes, but we are incredibly poor at selling that value-based proposition, particularly to younger people. As a sector, we must take responsibility for that and sell ourselves better.

The Convener: Thank you. I look forward to that coming about.

In its report, the Accounts Commission highlighted that the overall absence levels for non-teaching staff in 2021-22 were the highest on record. What are the key drivers of that increase? What could local authorities do to support staff to reduce absence rates?

Mo Baines: I think that the figure that was cited earlier was 12.5 per cent. I took advantage of being at the back of the room and emailed to get some figures from APSE’s performance networks data sets, which have been collected for more than 25 years. I have looked at some of the figures, including the average figures for our member authorities in Scotland across different services. There seems to be some inflation in those figures, and I think that the way in which those figures are calculated includes long-term absence.

I will give an example. In cemeteries and crematoria services, the overall absence level is 11.2 per cent. If we take out long-term absence, that comes in at 5.5 per cent. In catering, the all-service average for the UK is 12.5 per cent; in Scotland, it is just 4.67 per cent. When long-term absence is excluded, that drops to 2.4 per cent. There are big differentials in the absence figures for different services, and it is important that, rather than homing in on a headline-grabbing figure, we understand the granular detail.

In our experience, authorities can handle absence management extremely well by offering support for people, but good absence management also involves a carrot-and-stick approach. If someone is off and their absence is

unjustifiable, that is unfair on other people. Where it is justifiable, we need to think about how we support that worker to get back into work. Unfortunately, we come across delays in things such as occupational health support. The impact of delays in the NHS also has to be factored in. If someone is waiting for a procedure such as a surgical intervention, that will impact on the figures. Quite a big chunk of the local government cohort consists of relatively low-paid workers, which means that they are not people who can bypass the NHS and buy treatment privately. Therefore, we will see a higher level of absence generally among lower-paid workers, but we should not lump everybody in the same category and we must be cognisant of longer-term absences, which need a separate management approach to short-term absences.

The Convener: Thank you. I really appreciate your getting those figures, because what we have uncovered today is that, when you parse things, you start to get a fuller picture of what is going on. Would anyone like to add anything on that?

Fiona Whittaker: Yes, I can give you more detail on that, which might be useful for the committee. It is important to understand the predominance of types of absences. I think that you gave a figure of 12.4 days per employee, per full-time equivalent. That will be according to the local government benchmarking framework, which is consistent across local authorities. A lot of work was put into getting that right. If you break that down, the split is about 70 per cent long-term absence and 20 per cent short-term absence, which you heard my colleague Mo Baines illustrate. If you further break that down, there are two main issues that drive those long-term absences and the predominant one is mental ill-health.

In my authority, we have begun to dig under that to understand whether those mental health issues are work related or non-work related, because it is important for us to understand that. We have found that, in certain services, it is work related. A number of colleagues have referred to areas such as home care, where constant working and high levels of overtime, driven by staff shortages, cause staff to burn out. That is an area of high absence, which it is very difficult to address at the moment.

Bone, muscle and joint problems are the second main reason for long-term absences. For people who work in some of our heavy-going front-line services who are out in all weathers doing heavy lifting, that is a significant factor behind absences. My colleague referred to the fact that, post-pandemic, accessing NHS treatment is very difficult. The wait for knee and hip operations means that some of those longer-term absences are unnecessarily protracted.

The work that we are doing around mental health is to help managers to engage with their staff who are absent due to mental health issues, because that can be difficult. I absolutely support the idea that better processes and mental health support will help to address those more complex mental health-related cases. I hope that that gives you a bit more detail.

The Convener: That is helpful.

Gerry Cornes: In those absence figures, you are seeing the impact of the pandemic and the post-pandemic period. Fiona Whittaker has articulated that impact, particularly on our front-line staff and especially our care staff. The demands that they faced during that period have exacerbated the situation. There were vacancies, but we still needed to provide essential services and we are seeing some of the impact of that in those figures.

Those absence figures make it clear that, from a council perspective, it is really important that we have a high level of resource targeted at wellbeing and employee support to encourage people to come back to work. We like to talk about maximising attendance rather than managing absence, given the negative connotations of that. There are big workforce challenges post pandemic and, for the reasons that Fiona and other colleagues have articulated, we are not always able to tap into the necessary resources in a timely fashion in the way that we would like to. We are absolutely seeing some of the longer-term post-pandemic impacts.

The Convener: It is really helpful to unpack that more and get that detail.

Willie Coffey: I will ask the same question about the ageing workforce that I asked the previous two witness panels. We heard that there is an ageing workforce in local government, but we are also hearing that local government workers retire early. Earlier, a witness tried to explain the dynamics of why that is the case. Does all that imply that we need to do more to recruit younger people to replace those who retire? I know that that is difficult, because a huge number of local government posts require experience, but what is your perspective on what we can do to turn that around? I will start with Mo Baines again, if that is okay.

Mo Baines: One of the really obvious issues with the ageing workforce is that, even when people retire, other people in the workforce are getting older, so there is the natural progression of an ageing workforce.

Based on its official statistics, another area in which Scotland appears to be doing better than elsewhere in the UK is in bringing younger people into local government, but there is an absolute

necessity to preserve some of the skills that we have lost in local government. I will give you an example. Last December, I spoke to a parks manager at our performance networks seminar. He said that they no longer have the skills to maintain bowling greens and pitches, because the old park keepers who have the specialist knowledge to do that have left. A couple of the guys had come back in their own time to teach some of the younger people how it needed to be done. I think that there is a huge gap there; managing retirement in a much more flexible way would be helpful as it would allow some of those skills to be passed on to the next generation, rather than lost.

Relating to skills shortages, grow your own is a really good policy, but it is incredibly expensive, because it requires doubling up productive time so that someone can be trained to be able to do that job on their own two feet. It is an expensive approach and many local authorities feel that they do not have the luxury to do that. In some local authority neighbourhood services, there has been unequal misery in terms of the reductions in overall spending power. APSE data has shown that there is quite a difference emerging in some of those front-line service skills. A “Grow your own” approach would be ideal, but, unfortunately, it is expensive and we lack a workforce plan strategy that is pan-local government in order to achieve those aims.

Councillor Short: Our bowling greens are being used to grow fruit and veg—they have gone. The municipal bowling greens are beyond us, so I am now tapping into the private ones. More seriously, we have not had apprentice gardeners for a long time, which is also part of the equation, because the work is now about cutting the grass as opposed to maintaining bowling greens and verges, for example. However, we have a problem in that we have an expectation from members of society who want bowling greens, whereas younger members of society are thinking about climate change and that if we have wildflower meadows, it will attract bees, which is much better for the climate. We are almost at a tipping point; we do not have the skills and we have one expectation on one side and another expectation on the other. Again, it is that thing about us having to be good communicators and grown-ups. We need to explain, “Look, this is for the bairns. This is for our future. It is not because we do not want to cut the grass; it is about providing the services that we can within the pocket of money that we have.” Ultimately, that is what we are talking about.

Willie Coffey: If the age trend continues to creep up, despite retirals, what on earth can we do to try to peg it back?

Fiona Whittaker: There are a couple things. My personal view is that we need to engage young people. We find that there are unfavourable attitudes towards traditional local government roles, such as bin men and care work posts, which is a generational challenge. Recently, however, we have found that offering work placements to young people who are leaving school, particularly in the care sector, has worked for us, rather than advertising those posts. We surprised ourselves by bringing young people into care settings and seeing how engaged and prepared they were to do jobs that we would not have expected them to do. There is something there.

Economic inactivity is on the other side of that. We have to work harder through our employability funding and services to support workers from an older generation in particular who may have come from other sectors where their jobs may not be secure. For example, we know that retail and other sectors are quick to put people back on to the marketplace when business is tight. We have to do more to convince people to come to work in some of our local government roles and to communicate the job security that comes with that. Those are the main areas that we need to focus on.

I will make another point that my colleague touched on. We need to think about how we structure some jobs. It is a bit like going back to demarcation. If we structure work so that people are doing one job in the morning and another in the afternoon, it might be more attractive—we would have community-based workers rather than park workers, bin men or grave-diggers. Those roles are a reality of local government, but we need to be a bit more innovative about how we structure some of them in the future to make them more attractive.

12:15

Gerry Cornes: It is a really interesting point. You can see the juxtaposition of the two points about an overall ageing workforce and early retirement. The point was made that the overall workforce is ageing and that we have an increase in early retirement in a percentage of that workforce. You can have both.

People’s perception might be that, in past times, it was a case of one out, one in, and you would have that stability. That is not the situation that we are in just now, because we are struggling to replace some of the skills that we are losing, or there is not a confidence in councils, or a specific, deliberate, strategic choice is being made not to fill vacancies because of the financial challenges.

I will be a little bit of a broken record in answering the second part of Mr Coffey’s

question. A degree of certainty about the longer-term financial environment would give local authorities confidence in relation to their workforce plans and ability to recruit. It is also about the points that Fiona made in relation to how we use technology and innovation where we are struggling to fill roles or resources. It is about how we look creatively at the kind of jobs that we are offering, how we use innovation and technology, and how we think about the workforce of the future in relation to what skills they need and what functions we need them to perform. It has to be flexible; it cannot be the silo roles that we have had in the past.

Willie Coffey: Thanks very much, everyone. Your feedback is really helpful.

The Convener: It was very interesting to hear some of that detail.

Pam Gosal: We have heard about the disproportionate impact that the overall reduction in local authority personnel has had on council departments, particularly those such as planning and building standards. Earlier on, we heard from Johanna Baxter, head of local government at Unison, that there have been cuts of around 40 per cent to planning departments.

Upcoming legislation proposed by the SNP-Green Government, including the new build heat standard and the short-term lets licensing scheme, will undoubtedly lead to an influx of applications to such departments. Are those departments adequately staffed and resourced to deal with such an increase in workload? What kind of adverse impacts would that have on other stakeholders?

Gerry Cornes: I will probably start to sound a bit like a broken record, but from a local authority perspective, the operations and services that we deliver are very much driven by national and local policy priorities and the financial framework within which they operate.

The committee has heard how education and care services that councils deliver are protected within the fiscal framework that we work with just now, so there will logically be a disproportionate impact on remaining council services in relation to the level of savings and efficiencies that they might have to find. What can we do about that? We are looking at innovative ways of working and new technologies that we can use where digital gives us flexibility in the way that we deliver those services and how we interface with customers. If we take planning and building standards, we can offer an appointment with a duty officer online to discuss a particular planning or building control issue. We can also have flexibility in the support teams for those services, where we can have not only economies of scale, but also economies of

skill, because there are common support functions for a number of those services. We have to look at all those things.

That is not to say that that is a panacea. There are huge challenges in those services. As I said, they have had to take on a disproportionate impact in relation to some of the financial positions that councils have found themselves in. Those are the things that we have to do to try and mitigate that impact, but there is no doubt that it has had an impact on performance and the customer experience in certain areas.

Fiona Whittaker: If I separate out the two policy areas, I think that the short-term lets will certainly fall into the ring-fenced area of housing. We are one of the largest local authorities in terms of our housing provision and it will probably be absorbed within that. There is a little bit more flexibility in the housing budget, as it is ring fenced.

During the pandemic, councils were very good at redeploying staff from other areas. Unfortunately, doing that means shelving work in a particular area that is not statutory or seen as key, but we were certainly very good at redeploying staff during that period. Indeed, we supported in a number of areas such as the NHS, with vaccinations being a good example. We have some capacity to absorb those kinds of challenges.

However, planning is a different situation, which is why I wanted to separate out the two areas. Planning is a bit of a perfect storm at the moment. Certainly, there were historical reductions in planners. That is combined with the fact that we are now seeing very few places across Scotland for planners to become professionally qualified, and we know that it is quite a long-term process to qualify planners.

My understanding, through my colleagues, is that there is a demand for something like 700 planners in Scotland over the next five years. However, the number of university places being offered to planners based in Scotland—as opposed to international students; the figures are heavily weighted towards international students—means that there is an undersupply of planners.

Work is definitely under way with some of the universities in the Glasgow city region to have a conversation about the number of planning places, but that is not a quick fix. We would be looking at things such as graduate apprenticeships and taking people straight out of school and putting them into trainee positions. Planning is definitely an area that we need to come together to fix—I will be honest about that.

Councillor Short: Similarly, the private sector services unit gets its money and it is working within that envelope on the short-term lets side.

Locally, we often have planning students come in on internships during the process of their degrees. That is an opportunity for them to have a summer of work, with a chance to improve their CV while helping to deliver some of the work that needs to be done. We have only 26 square miles, so there is not much planning left, but we will keep trying our best.

With building standards, you will know if there is slippage because I think that it is one of the very few things that come back to the Parliament to be graded. People are given notice if they are not doing it properly and with value for money. It is therefore something that the committee can presumably check very quickly across all 32 authorities.

Mo Baines: Many of the points have been covered, but we have just launched, with the Town and Country Planning Association, a research report on planning and its ability to deliver on climate change. Unless we get planning right, we will not achieve net zero. Looking at how we green future developments is absolutely critical if we are to achieve those ambitions.

I would, however, very much agree with Fiona Whittaker that there is a shortage of planners, not just within Scotland but UK-wide. That was very clear from the TCPA research. Universities should have an answer to that. There has been a complete lack of investment at university level in planning-related disciplines. It became a not particularly attractive option, so we have lost that.

In terms of funding and funding cuts, planning is an area where non-statutory work with fees that are not capped, such as advisory work that could be done using a general power of competence, could be charged for. Let developers pay a little bit more for those services in order to generate some income, which, we hope, could improve the planning service. There has been case law in the past around planning and planning charges and how far local authorities can push the parameters on that. I think that it is an area where we should look to a greater degree at more commercial thinking in terms of what income could be achieved by providing salient and good-quality professional advice. That, in turn, would support the future of the service by developing the planners of tomorrow.

Pam Gosal: Do I have time to ask quick follow-up question?

The Convener: Yes; could you perhaps focus on one person?

Pam Gosal: We heard from the other witness panel that councils are not equipped to deal with the increased workload that new legislation brings. Is time a factor in your looking for solutions? If you were given a lot more time when legislation came

forward—for example, to plan your apprenticeships and internships—would that be a factor? I ask that of Gerry Cornes.

Gerry Cornes: Yes—time is a factor. I said earlier in a response about the new deal in the Verity house agreement that earlier awareness of policy developments would be a positive. This will sound like a broken record, but that also comes back to having sufficient resource to deliver.

The Convener: Great—thanks. I will bring in Ivan McKee. Time is really ticking on.

Ivan McKee: The area that I will focus on, which will be no surprise if you heard my previous comments—although I will leave out the workforce stuff, because I have more of a sense of that now—is process improvement and innovation. The Accounts Commission report talks about how agility and the ability to work across boundaries were, during the Covid period, much more prevalent—we all experienced that—than they had been previously and, sadly, than they have been since then. We have talked about what the future will look like in terms of work in offices because of changes in demand and in policies, and about how that needs to be thought through. I have taken on board the comments that have been made about the lack of multiyear funding impacting on that.

Bearing that in mind, my first question is about mechanisms to support innovation. Do you feel that the culture of looking for opportunities to improve is strongly embedded enough? Secondly, what kind of work is taking place to understand what the local authority of the future, and the workforce planning of the future, could look like?

I am also interested in the general power of competence, so you might want to touch on that, on the scope that it offers and on what would need to happen to take that forward in legislation or other mechanisms. I will throw that out there and let you answer as you see fit.

Mo Baines: On innovation, I do not think that there is any lack of ambition among our member local authorities. As Councillor Short mentioned, we had an event last week in Belfast. More than 250 representatives of local authorities were there, and the whole event was about sharing innovation and best practice.

I do not think that there is a lack of ambition among local authorities, but they are hidebound by the resources that they have. APSE's concentration is unashamedly on front-line services. What has happened to the way in which resources are distributed is that the protection of statutory services in education and social care has meant that there has been a very unequal and lumpy settlement for neighbourhood services. The services that people see when they step out of their front door are the very services that have

been hit hardest through the years of austerity and beyond.

Workforce planning for those services looks very different, because they have had to crisis manage reductions in staffing and skills shortages. They are now lifting their heads above the parapet a bit more and saying, “What can we do differently?” There are open discussions about environmental apprenticeships, about green skills and about whether people can move between departments—as well as between authorities—to pick up skills. Skills in things such as maintaining electric or hydrogen vehicle fleet assets will come forward. Workforce planning—in APSE’s view, based on our research—has to address not where we are now with local government but what skills local government will need in five years’ time.

On where that ties into the general power of competence, according to some of our data, the buoyancy of income generation for some areas of neighbourhood services has been stymied by a fear that, if local authorities do things in a way that pushes boundaries and if they act in an ultra vires way, they will be open to challenge. The purpose of the general power of competence is to really give people a power of first resort. It does not prevent the Scottish Government from saying to councils, “This is not a backward power, where you can start doing things that were previously debarred”—charging for collection of domestic waste is an obvious example of that. It does not allow councils to suddenly generate new taxes or charge for things that were not previously charged for. However, it allows innovation and better co-operation and co-ordination across local authority boundaries. It is not limited to the concept of wellbeing. Basically, it says that you or I can go out and do something innovative, if it is done with due regard for health and safety and if we are not ripping people off or putting them at risk.

12:30

Part of APSE’s argument has been to say to councils, “Please make sure that you talk to local businesses”—this approach is not about putting the local window cleaner or gardener out of business. Let us look at where we can expand innovation and get a little bit of income generation into local authorities to help meet the resource gap.

Councillor Short: Community wealth building provides a huge opportunity for us. Yesterday evening, I had a meeting with a local builder who wants to give back. They do ground maintenance and other things, and they were talking about working with communities.

I often have to put my hand up and say, “What am I for?”, because an integration joint board, or

29 IJBs, will make a decision, and that is sometimes quite far from where things are delivered on the ground. It is often about being very much at the community level. Communities have participatory budgeting, empowerment moneys and so on, but often they do not know how to use those. I am the person who can link up with the builder to create a nicer community environment without having to involve the council. We can sometimes step away from the idea that the council has to be your mum—it does not have to do everything for you. Sometimes, communities know what they want.

I recently worked with the police. A piece of ground where the council used to cut the grass belonged to the police, but the police gave us permission to work with the Eden Project, and now we have a wild meadow. It is next to a school, which is going to look after it. We should be thinking about and doing those things, and using local members as the conduit to make them happen.

Ivan McKee: Absolutely—that is good.

Fiona Whittaker: I echo what my finance colleagues said earlier. There is certainly huge opportunity in local government for digitisation to make a difference. Prior to joining local government, I worked in the private sector, so I know that there is definitely opportunity to strip out complexity and to be more efficient and productive; I will leave that for my colleague Gerry Cornes to pick up. The majority of chief execs and councils have some form of digital programme, so we are certainly committed to that area.

In addition, we are thinking about co-locating services—a lot of local authorities are discussing a review of their assets and buildings and looking at whether, as they replace some of those buildings, there are opportunities for co-location with colleagues in health and other services. It is about providing better support for citizens in particular places while lowering costs for councils in terms of assets, running buildings and so on. Those are the two points that I would make.

Gerry Cornes: Fiona Whittaker is right—there will not be a local authority in the country that does not have a transformation team, or a team that is looking at transformation and new and more efficient ways of trying to deliver services and improve performance as well. That is supported by initiatives such as the Digital Office, in which all 32 local authorities are involved.

Earlier in the session, there was reference to the Improvement Service and the COSLA piece of work. It looks at the workforce of the future but, much more than that, at how we engage with and support and deliver with our communities. There is a double win there—it is better for communities

and their community wealth building, but it is better for local authorities as well if we can generate efficiencies through working in that way.

What does that piece of work mean for our workforce of the future? What skills do people need? Those skills will be very different from the skills that were required of a local authority employee when I first came into local authorities.

With regard to thinking about the idea of shared services, there have been a number of attempts at that in the past that have failed or have at least not been as successful as people would have wanted. One issue is that although a shared service is a more efficient option for a local authority, it does not always deliver for communities in that area.

In the past, the shared services approach was about saying, "This group of employees can relocate over here and work in that area." If a local authority is shipping people out to work somewhere else, it is not supporting its local communities. New technology and new ways of working mean that that does not need to be the case, because we can work in a flexible, digital way.

If we think more about how we can collaborate and share common resources, rather than sharing services—which tends to involve people feeling that someone is winning and someone is losing—we can deliver improvements. The city regions are a pretty good example of that, in terms of their programme management offices, the intelligence hubs and the work that they are doing collaboratively on employability.

Ivan McKee: Thank you.

The Convener: We move to questions from Miles Briggs.

Miles Briggs: Most of the points that I wanted to raise have been covered, but I have two questions. The first is about changes to services. As I asked in relation to another matter, what work was done to consider potential negative impacts on women and ethnic minorities in the workforce, and what planning is going on around that?

Fiona Whittaker: As my colleagues said, equality impact assessments are key because, given the significant financial pressure that we are under, we have to make decisions about the reduction of services, which sometimes has differential impacts on various groups—whether it be community-based groups that use those services or the staff who work in those services, which would mean an impact predominantly on women. We cannot avoid that, but we can fully consider those decisions in an equality impact assessment and carry out a full consultation before we deliver a change. I hope that that answers your question.

Miles Briggs: I will go back to some of the points that we have heard about workforce planning—specifically the request for a graduate apprentice scheme for social care and the creation of training places to increase the number of planners. This week, I met people from Edinburgh College who told me that they had 300 more applicants for construction courses than they could take.

On the outcomes—Fiona Whittaker mentioned the Withers report—why have we not got to a place where public services in the further education sector and the council sector are linking in with the development of the workforce? I am sure that people are doing that, but their efforts do not seem to be delivering the outcomes that we have been talking about for years in terms of head count and the flow of new entrants into the college sector and local government.

Was the Withers report dumped on a shelf? Why have we not seen the linking-up of services in relation to workforce planning? It seems strange that we are still talking about some of those issues.

Fiona Whittaker: The Withers report is excellent and comprehensive, and it contains answers about the disconnect between the different entities that operate in that space. What it means for councils is the same as what it means for other employers operating in that sector, including large construction firms, which will tell you exactly the same thing as everyone else—it is a complex landscape to navigate, because of the qualifications and because what is on offer does not join up. That means that we cannot bring children out of school and put them on to a pathway, because the pathway is not joined up in terms of qualifications—there is a lack of availability or there are gaps between Scottish credit and qualifications framework levels or in provision.

The 1,140-hours policy, which has been referred to, is a good example of where things can be joined up. Like a number of local authorities, we now have a pathway for that. The availability of such apprenticeships was aligned to the Scottish Government's policy, but we can bring in staff— young people—at what I would call an entry level and they can follow a career pathway all the way up to a graduate qualification that allows them, for instance, to run a family learning centre, which is a well-paid job that requires a qualification at SCQF level 9 or 11, which is a degree-level qualification. Those pathways are critical and we need more of them; it just takes time to get all the pieces of the puzzle lined up to deliver that. That is the real challenge.

Mo Baines: We have done a lot of data work around skills shortages, and the figures for

Scotland are stark. Some 58 per cent of councils report shortages of heavy goods vehicle drivers and 41 per cent report shortages of all other drivers. In highways and street lighting, 47 per cent report shortages and, in construction, 39 per cent report shortages. Those stark figures show that councils are struggling to recruit, and the only way that they will be able to get people with the skills that they need is if they bring in people at apprenticeship levels and train those people themselves.

The complaints from our member authorities relate to the mismatch in the courses that are on offer in the traditional further education sector, and certainly in the university sector. That is not easily joined up. One member authority that will remain nameless was looking at training electric vehicle technicians and had to ask a private sector garage that had skilled people doing that work for help to develop its own course, because no such course was available as part of, for instance, a traditional mechanics training course at the local FE college. Councils are being innovative, but they struggle with the mismatch between what is on offer in current formal structures and what they need in terms of front-line service skills.

Councillor Short: Mo Baines said that that local authority would remain nameless, but it was Dundee—I will just show off about that.

We must remember that the young people who are coming through now are the Covid generation. That means that we have to ensure that we are preparing them sufficiently even to do things such as doing an apprenticeship in a college. I work on a board with young people, and there is a transition to trade opportunity. We are in what some people call a cost of living crisis but which, to some of our communities, is a cost of survival crisis. The last thing that someone in such a position has on their mind is getting up in the morning and going to college. We need to prepare young people through their second, third and fourth years to then go on to that next point.

Although we have to look at reports on shelves, we must also look at what is happening to the people who we want to take up such roles. The approach can be very academic but, at the end of the day, we are talking about communities. I go back to the fact that we know our communities, so we can report back on what is happening.

Gerry Cornes: I talked earlier about the work that is being done by city region partnerships, the careful consideration that is being given to the Withers report and the on-going work that is being done with the higher and further education sectors to identify skills gaps in city regions for all private businesses in order to stimulate economic growth and regeneration. We need to ensure that local authorities are part of that consideration because,

if we are not there to deliver some of those vital services, we are not going to get the desired economic growth. We need to ensure that local authorities' consideration of where their skills gaps are is part of the wider regional work to stimulate economic growth.

Miles Briggs: Thank you.

The Convener: That concludes our questions. This has been another rich panel discussion. It has worked well in getting more detail from your perspectives, so I thank you all for coming to share your thoughts with us.

As agreed at the start of the meeting, we will now move into private session.

12:43

Meeting continued in private until 12:50.

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