



Internal Audit Position Statement

Succession Planning Audit

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1 Introduction

- 1.1 Succession planning is the process by which an organisation recruits and develops employees to fill critical business roles. Succession planning helps to build resiliency by addressing continuity risk for critical positions while also increasing leadership capacity, employee engagement, retention, and productivity. Effective succession planning ensures there is a strong talent pool of personnel available with the corporate values and behaviours needed to lead the Council now and in the future.
- 1.2 The public sector has experienced huge change in recent years. Government funding reductions have continued alongside rising community expectations and increased demand on some services. This has made succession planning even more vital.
- 1.3 As at 21st January 2022 there were 572 staff employed by CDC. 29% of these employees are 55 or over and 4% of the total workforce have reached state pension age.

2 Scope

- 2.1 The scope of the work was to confirm that CDC has effective policies, procedures and practices in place to support effective succession planning.

3 Outcome

- 3.1 A review of the Intranet confirmed that CDC has a current succession planning strategy in place dated 2018.
- 3.2 The key objectives identified for CDC's succession planning strategy are:
 - To ensure the right skill mix to meet future organisational challenges.
 - To attract, develop and retain talent within the organisation.
 - To plan management and leadership needs in terms of skills, knowledge and experiences and ensure the capacity to achieve this.
 - To identify organisational risks in terms of people who may be at risk of leaving and the financial implications of both leavers (in terms of recruitment costs) and the lack of skills in order to deliver objectives.
- 3.3 A discussion was held with the Chief Executive regarding succession planning for Directors and Divisional Managers. There would appear to be sufficient training and development in place for DMs to replace a director should they leave.
- 3.4 Discussions with the Divisional Managers confirmed that they are aware of the importance of succession planning and keep this in mind when undertaking 121s, annual appraisals and identification of training for key staff.

- 3.5 CDC also has a Workforce Development Plan 2019 – 2022 and accompanying action plan which supports succession planning. The Workforce Development Plan is intended to help CDC make sure that staff are creative, flexible and have the right skills to respond positively to any challenges ahead. The plan sets out what CDC is already doing and how staffing issues will be addressed in order to meet the council's aspirations in the future. Specific issues affecting Chichester currently include an aging workforce, recruitment and retention, and developing skills to meet future demand. Statistics support that there is a trend to support concerns that there is an aging workforce. There is no evidence to support that COVID has had an impact on the turnover of staff, but one thing that COVID has done is make people re-evaluate what they want with their working lives and this has in certain cases lead to staff leaving the Council or transferring to other departments.
- 3.6 The action plan has objectives and actions under five main areas:
- Organisational development
 - Leadership development
 - Skills development
 - Recruitment and retention
 - Employee Performance Management
- 3.7 A detailed discussion was held with the HR Manager on the measures in place to help recruit staff and retain them. On the recruitment side there is a Market Supplements procedure in place to help to attract and retain staff. Jobs can also be advertised on a training grade which goes across 2 bands, this enables staff to obtain required qualifications and move up the salary band as qualification milestones are met. CDC has also been recruiting apprentices using the apprentice levy. In addition, one-off Recruitment Payments can be paid where necessary with half paid on completion of probation and half six months later with a two-year claw back period. A good relocation package is offered for all permanent professional officer and management posts with an enhanced package available.
- 3.8 The employment market is very supply led currently making recruitment and retention of staff much more challenging for employers. On the retention side there are numerous ways that CDC tries to retain staff: flexible working practices, including 9 day fortnights, job sharing and flexible retirement. CDC also has a number of policies in place to support the training and development of staff including a formal Training & Development policy, a High Potential Development Scheme and a Talent Management Policy. Coaching and mentoring also occurs across the Authority. The Council also offers loans for Cars or Travel passes, salary sacrifice schemes for various schemes including child care, ultra-low emissions cars and bikes.
- 3.9 HR with assistance from the Comms team have been in the process of reviewing all aspects of the recruitment process and making changes or recommendations to further promote CDC as the employer of choice. This

includes how and where posts are advertised such as maximising the use of social media (frequently “boosting” jobs via Linked-In and Facebook), reworking all employment marketing material, in particular how the employee benefits of working for CDC are “sold”, the use of promotional videos and piloting the initial acceptance of CVs with proposals to change the recruitment process to enable a hybrid CV / reduced job application form on-line process. HR and services are also rigorously using employment agencies to recruit to hard to fill posts where advertising has been unsuccessful.

- 3.10 A report was run from Trent showing all CDC staff (excluding members) and their ages. As at 21st January 2022 there were 572 on the report, 28 of which are 65 or over. A review of these 28 identified 5 roles that could be classed as business critical. Discussions with the relevant Divisional Managers confirmed that they were actively monitoring the situation and either had put succession plans in place or were in the process of doing so.
- 3.11 Overall, there appears to be an awareness of succession planning across the Authority with policies, procedures and practices in place to support effective succession planning.