

## **Registers of Scotland**

### **RoS Board**

**13 December 2022**

## **Strategic Workforce Planning Update**

### **Purpose**

1. This paper provides an update on the progress of the strategic workforce planning (SWP) project. Financial projections and examples of modelling will be included in the performance and corporate plan agenda items.

### **Recommendation**

2. RoS Board are invited to note the contents of the paper, consider the impact major change will have on the business and offer any feedback.

### **Background**

3. The project has completed a considerable amount of work looking at internal and external factors that impact the business and what affect that will have on the workforce.

4. This has uncovered some findings that will require further consideration before a future iteration of the workforce plan (WP) can be fully costed and presented to the board in alignment with the development of the 2024/29 corporate plan.

5. They include the potential for a new Executive level leadership team, a new operating model and as a result, a new structure, all during the period of the next five-year corporate plan.

6. An interim SWP is being developed to cover the next 2/3 years. We are confident from the more detailed work we have done at the operational level, that within that time scale, the size and shape of the workforce will remain roughly similar to what it is today, and that any significant reduction in headcount will not take place until the end of the current corporate plan (2023/2027).

7. As a result, the previously intimated budget profile, showing a reduction in salary cost, will not appear until later in the plan.

### **Additional SWP Scenarios**

8. In the previous papers, we detailed our assumption that we would create capacity through automation and reskill colleagues to help address our stocks. We used the modelling for the five-year corporate plan (CP) to inform these assumptions and created a high-level timeline based on the four scenarios which the CP project outlined.

9. Given the current economic and political fragility, in addition to these four scenarios, we have completed further modelling of our operations considering the below:

- Market crash impact on workforce
- Reappropriation of some of the digital improvements budget to operations
- Reduction in headcount – colleagues will be released rather than reskilled
- Headcount/roles needed to reduce open casework more quickly

10. The financial implications of a market crash were modelled as part of the Q2 review. We also considered what the impact of this would be in on our workforce. In this scenario, resource would be released from our upfront services (DWs, FR upfront and intakes) at a faster rate and a higher number than through automation and optimisation. This would be at our AO and EO grades. They could be reskilled to support longstanding open casework and then move back to the other services once the market improved, creating a more flexible workforce.

11. We hypothesised that were we to pause some of the SAT improvement work it would release some funds that could be converted to resource to work on open casework. The modelling showed that the impact this would make is negligible, resulting in only a small number of additional salaries and little impact on stocks.

12. We looked at the option of releasing colleagues when capacity is created through automation and optimisation. Whilst this scenario did reduce our spend on resource, it also showed that they would generate more income by being moved to open casework than we would save by releasing them. It is worth noting this scenario did not account for the cost of either voluntary or potential exit mechanisms which would increase our expenditure.

13. The fourth scenario showed that if we wanted to meet our intakes and focus on reducing our stocks, we would need additional HEO resource. Whilst we require less AO skills throughout the lifecycle of the CP 2022/27, we need additional HEO skills to enable us to eradicate open casework and maintain our intakes. This is assuming a mid-market rate and optimised outputs and is based on current work rates and ways of working. It is expected that changes to ways of working will impact the mix of skills and grades required and the market will influence the pace at which capacity is released.

14. Considering these scenarios, we have continued to assume we will be reskilling colleagues to work on our longstanding open casework once we have made capacity gains in other services. We understand the levers associated with the scenarios and were EMT to decide they wanted to go down one of these alternative routes, we would amend our SWP accordingly.

15. Owing to the amount of current political and economic uncertainty, we have been focusing our workforce planning activity on the next 12-18 months. However, we have not lost sight of the view beyond 2024.

## SWP - Now

16. At the June board we outlined our progress in terms of our assumptions tested with EMT about what we know now. We have previously explained that whilst we do not anticipate much change in the numbers, there will be movement across the grades and services. This work is now having an impact and we will learn over the coming months how quickly we can scale this across the areas in Registration.

17. We have articulated some of the assumptions below:

- Registration & Policy: automation and optimisation will create capacity in our upfront services, enabling us to divert resource to our older cases. The first capacity created will be in our DWs service.
- Corporate Services: relatively static headcount but a driver is, where possible, to reduce the risk and cost associated with our dependence on contingent workers, in particular in our Digital areas, where converting these roles into substantive posts would make savings. In HROD we will ensure we have the capability to deliver the SWP and support the organisation as it evolves.
- Customer & Product: whilst changes to how our customers engage with us (eg pre-payment portal and trace my case) may reduce the number of contacts we receive, we are also taking on more registers and working to improve our products and services meaning the headcount in this directorate will also remain static.
- Data, Finance, Procurement & Estates: skills and capabilities in these areas continue to be required to throughout the lifecycle of the Corporate Plan to support business needs.
- EMT & Secretariat: there will be changes to our senior management team during the CP 2022/27, but at this time, we are not predicting a reduction in headcount.

18. We have started the work to understand the impact automation will have on capacity and how quickly we can free up resource to work on longstanding open casework.

19. Owing to the competitive talent market, skills, especially in the digital space, are becoming scarce, leading potentially to increased costs and delivery implications and we are looking at options to reduce the risk and cost to the business.

20. The gaps we had in some key supporting roles are being filled and we are working on integrating WP in the business planning process, aligned to financial management and the corporate plan.

21. Workforce plans for the key risk areas have been developed and actions identified. An example can be seen at Annex A.

## **Next**

22. For the remainder of this five-year CP, it is expected substantial pieces of work that underpin our strategic objectives will start to materialise. This is likely to result in changes to our operational model and the structure of the business.

23. Improvements described earlier will be consolidated, resulting in a much more flexible workforce capable of taking on work regardless of the economic environment and the property market.

24. The workforce will be better skilled to adapt and work on new applications as well as clearing long standing open casework. How and who does the work within the teams will be less of a barrier as the structure flattens. This will have implications for grading which will be addressed.

25. Although there are several unknowns, modelling will be based on 'roughly right' assumptions which we will continue to refine as things become clearer.

## **Later - Future RoS**

26. The next layer of change, and the most exciting for the future of the business, is what RoS looks like once the current strategic objectives have been achieved.

27. By then we will be further advanced in how we provide and engage with our customers and stakeholders and will have eradicated or be well on the way to clearing the long-standing open casework.

28. The business will have a new operating model, there will be a new executive leadership structure and a new culture.

29. Until some of the thinking is done on these key changes it is more challenging to predict what the workforce requirements will be, but work has started on this with discussions taking place at EMT and board level.

## **Next Steps**

30. We will continue to refine the work done in our DWs, HROD and digital areas, and the necessary interventions needed to support the changing shape of their workforces before moving to the other parts of the business.

31. Align with development of the long-term vision for RoS and the organisational structure being explored, including what the senior management team and directorate structure will look like in future and what this may mean for our workforce.

32. It is our intention to include SWP on the agenda for the long-term planning and risk workshop in January.

33. Following the workshop, we will complete some discovery work to help define a holistic SWP cycle and process at RoS, considering what support will be needed for

managers to conduct this effectively, and determine how best to publish and communicate the high-level plan.

34. We will do more work to understand the skills required within the key supporting areas to ensure they are focused on the right things.

35. We will continue to develop the interim SWP in Q4, and in parallel work on a fully costed WP to be presented to the board in 2023 aligned with the development of the 2024/29 corporate plan

### **Conclusion**

36. The Board is invited to note the progress of the SWP project.

**SWP Project Board**  
**29 November 2022**