CabinetOffice

The Public Sector Workforce

Matching higher education to new roles
22 June 2009

Making government work better

David Amos
Public Service Workforce Reform

PROMOTING JOBS AND SKILLS DURING THE ECONOMIC DOWNTURN

- What are the prospects and opportunities facing the public sector workforce?
- How’s the NHS workforce and what’s the plan?
- What can be done to promote jobs and skills?

THE PUBLIC SECTOR WORKFORCE

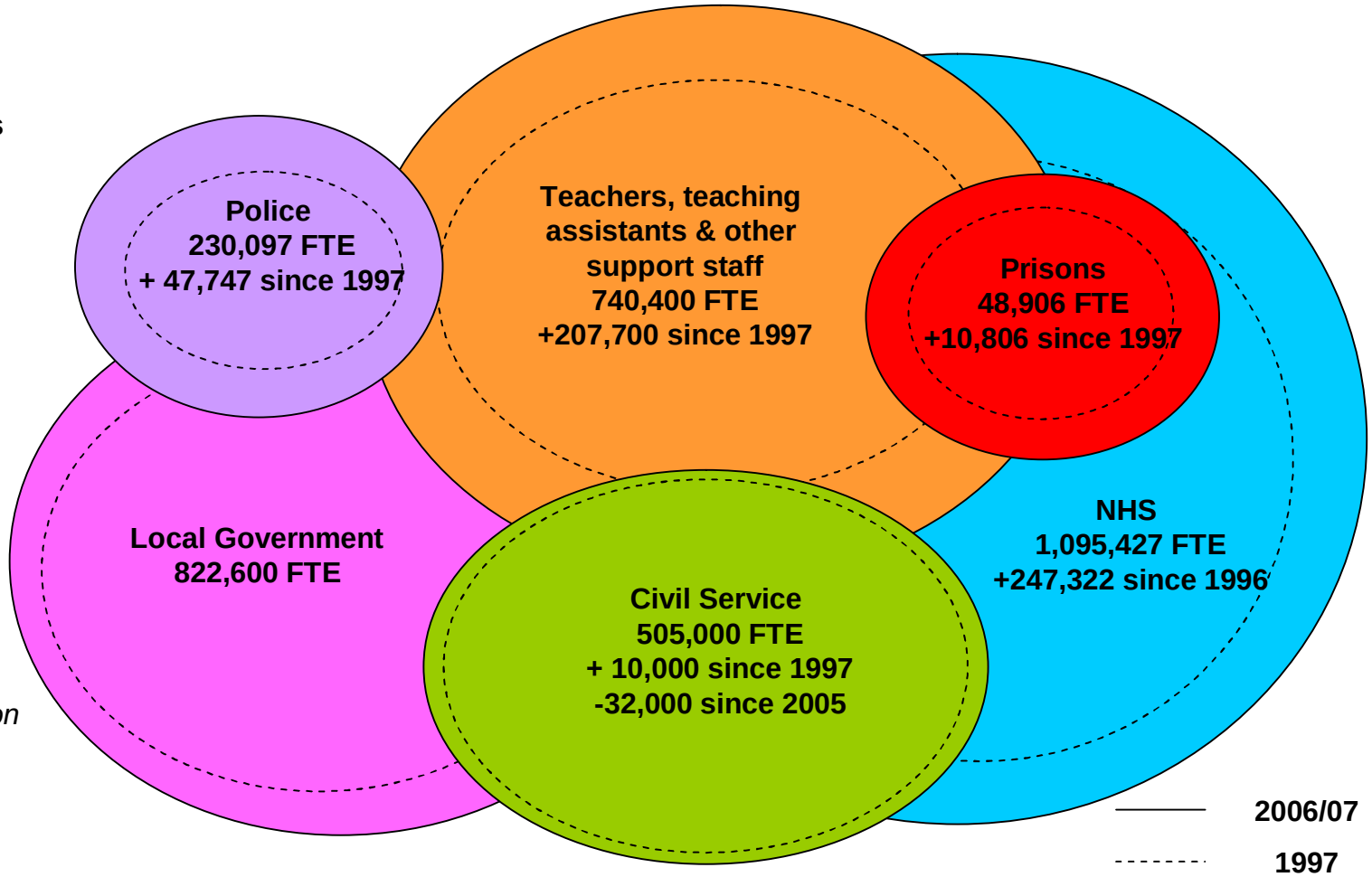
MAIN GATE TO WORKS.

UK public service workforce

Almost 6 million;
0.5 million Civil Servants

- This amounts to 1 in 5 of the total workforce
- 64.6% of public sector workers are female *(45.7%)*
- 8.4% are from ethnic minority backgrounds *(9.5%)*
- 11.7% have some degree of disability *(10.9%)*

(Brackets = comparison to economically active population as a whole)



[source: ONS, quarter 3, 2007]

The civil service, and public sector growth

Civil Service

Size and organisation

- 487,000 civil servants – the lowest number for almost a decade (highest ever: 1.1m in 1944)
- 2% of UK employment and around 9% of public sector employment
- Almost three-quarters of civil servants work outside of London and the South East
- Seven out of ten work in operational delivery roles; only 5.3% in policy delivery and 1.8% in strategy.
- Majority (60%) of full-time permanent civil servants earn less than £25,000
- Almost three-quarters of permanent civil servants work at one of the four largest departments (Department for Work and Pensions, Ministry of Defence, Ministry of Justice, HMRC)

Since 1997 there has been increased investment in frontline services, and a decrease in traditional civil service roles:

	Workforce numbers
NHS	+365,000
Education	+259,000
Police / criminal justice	+43,000
Work and pensions	-30,000
HM Revenue and Customs	-13,100

The NHS workforce

1979	1m – UK wide
1998	1,071,562 – England only
2008	1,368,186 – England only

By staff group

Doctors and dentists	133,662	(2.8%)
Nurses and midwives	408,160	(2.4%)
Scientist, therapeutic and technical1	42,558	(3.6%)
Ambulance	17,451	(1.7%)
Support to clinical	355,010	(2.1%)
NHS infrastructure	219,064	(2.7%)
GP practice staff	92,436	(1.2%)

% in bracket is the annual change between 1998 and 2008

How is the downturn affecting the public sector workforce?

- Private sector originally

- Unemployment lines:
  - Long term unemployed
  - Education leavers
  - Newly-unemployed in collapsing industries

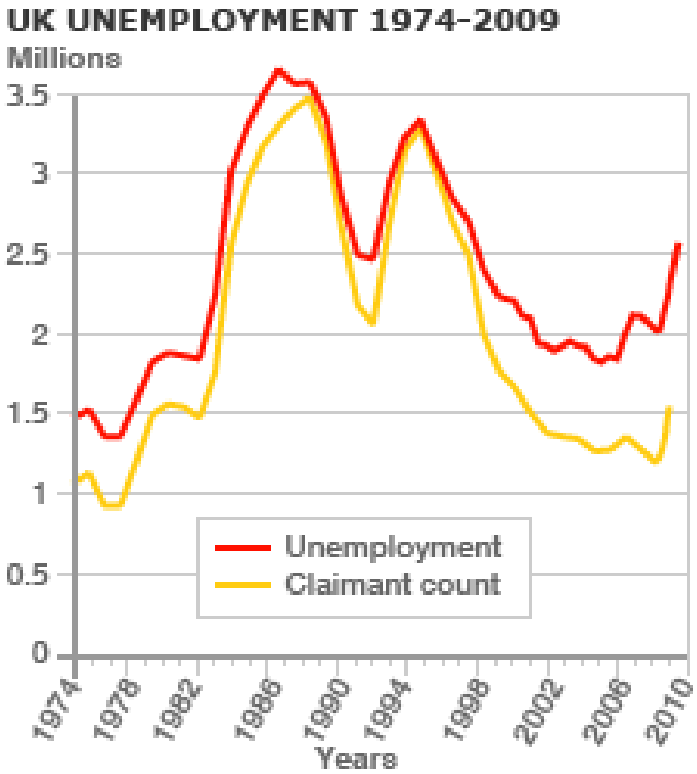
- UK unemployment = 2.261m (7.2%) at April 2009 (highest level since Nov 1996). 271k quarterly drop in workforce (highest since 1971)

- Vacancies = 659k ► 424k since May 2008

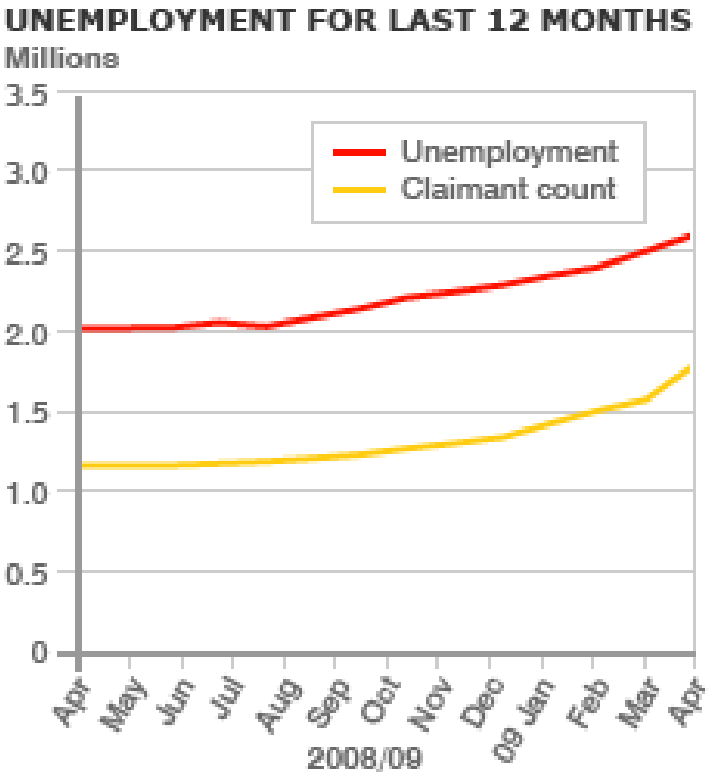
- Youth unemployment (18-24) = 16.6%

Unemployment

April 2009: better than feared



All data seasonally adjusted



SOURCE: Labour Force Survey and claimant count

Local extremes

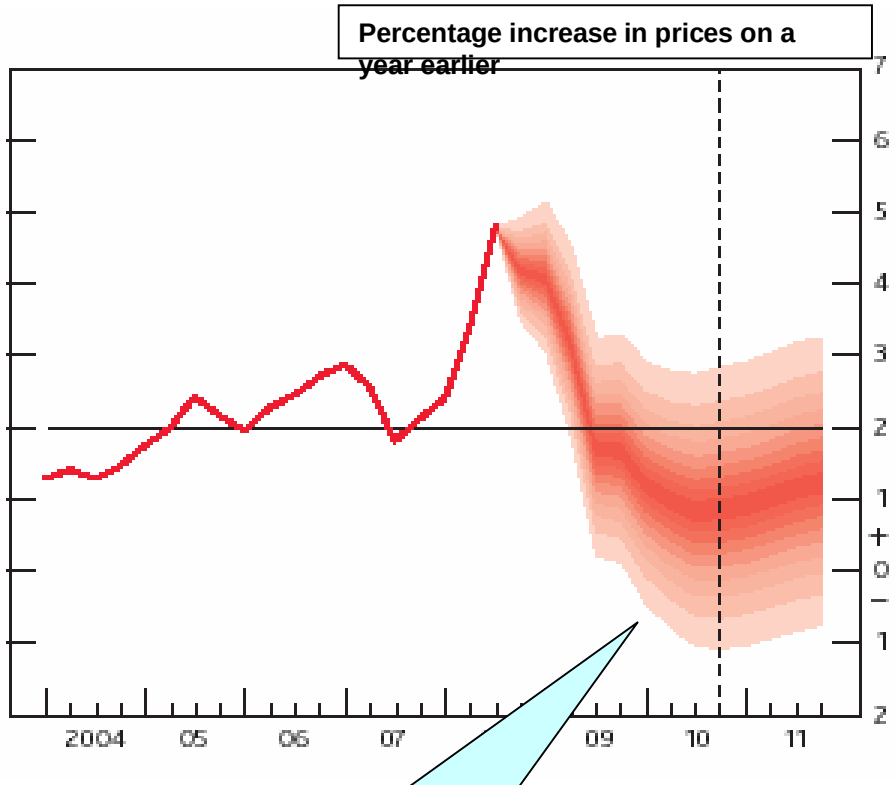
The BBC “Recession” Tracker

5 worst affected areas of unemployment:

Birmingham Ladywood	11.3%
Birmingham Hodge Hill	10.2%
Birmingham Sparkbrook	9.4%
Birmingham Erdington	9.2%
Wolverhampton SE	8.8%

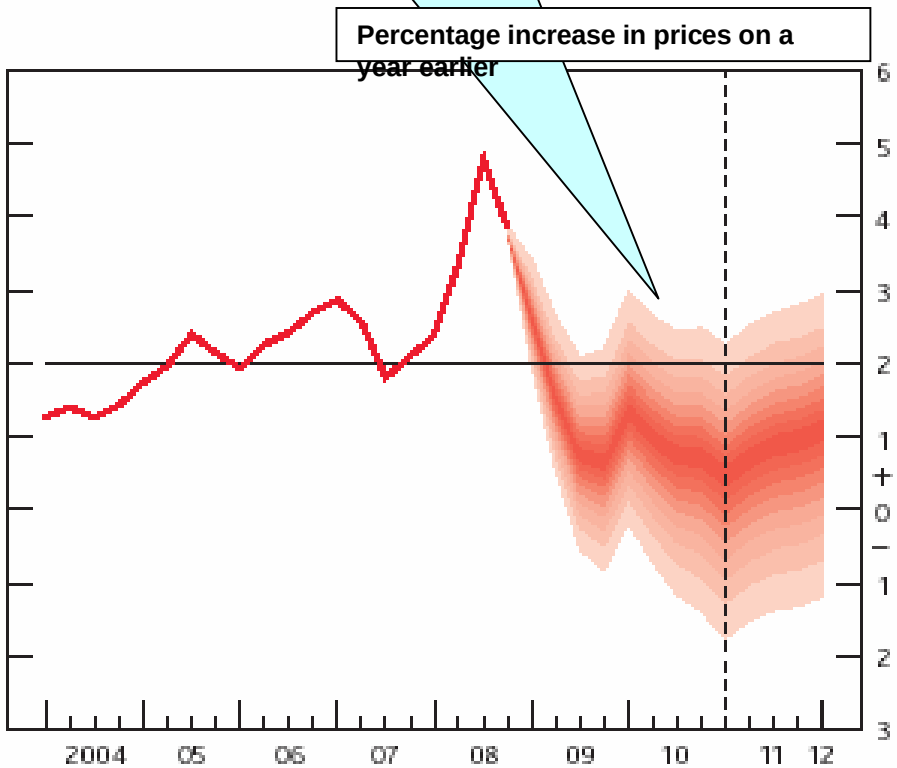
….and 6th Liverpool Walton 8.7%

Inflation



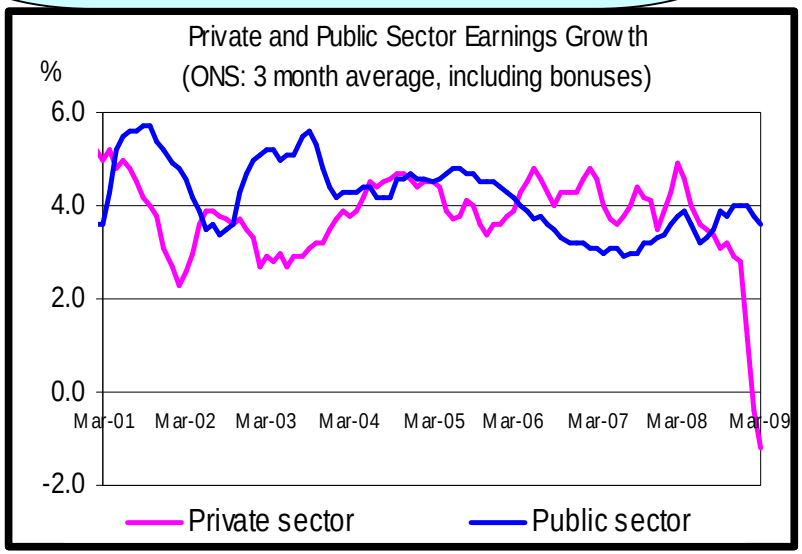
Bank of England November 08 inflation forecast

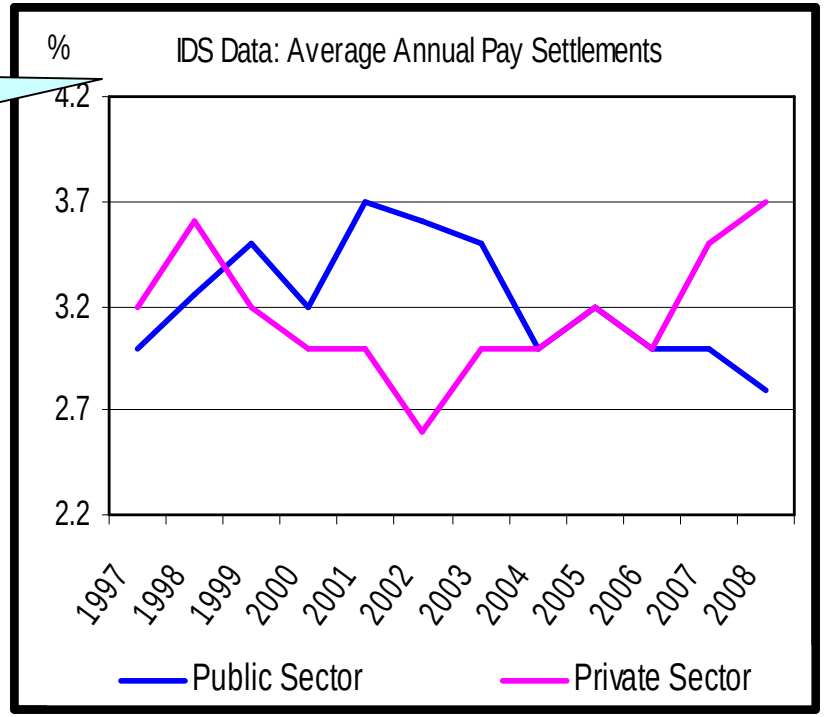
Bank of England February 09 inflation forecast



Public sector and private sector pay

Important to understand the difference between average earnings (AEI) and settlements. AEI includes **progression** and **drift**. Public sector earnings therefore compare favourably to private sector earnings.

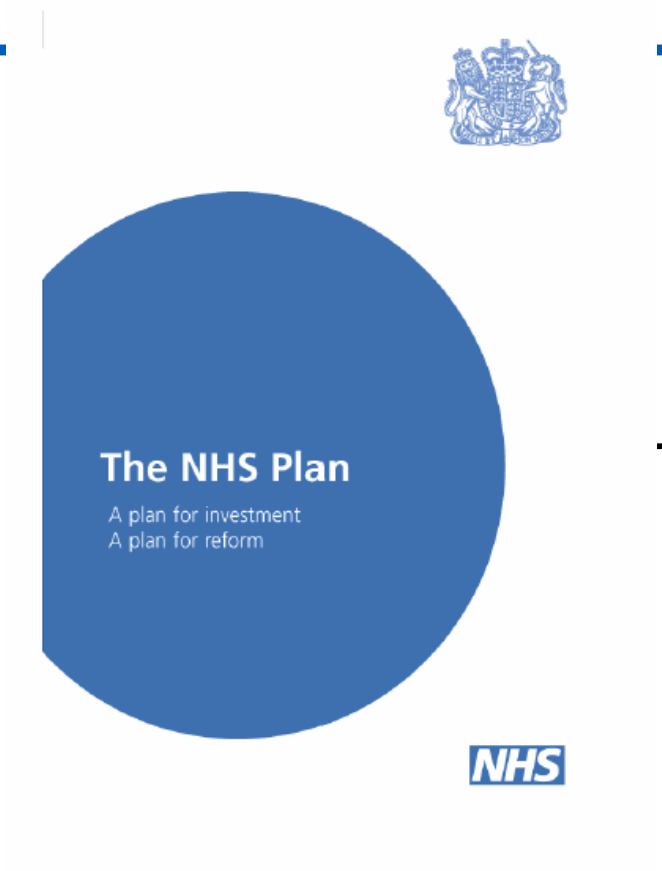




Royal Commission on the NHS [1979]

- 1,003,000 whole time equivalents
- “major problem getting right number of nurses in the right places”
- “curiously patchy distribution of low morale”
- “impossible to say how many workers needed and no accepted staffing standards”

“To meet…changes, staffing structures need to be flexible and so must be the attitude NHS workers adopt to their roles…prepared to take on new work, if necessary with additional training, and be given incentives to do so.”

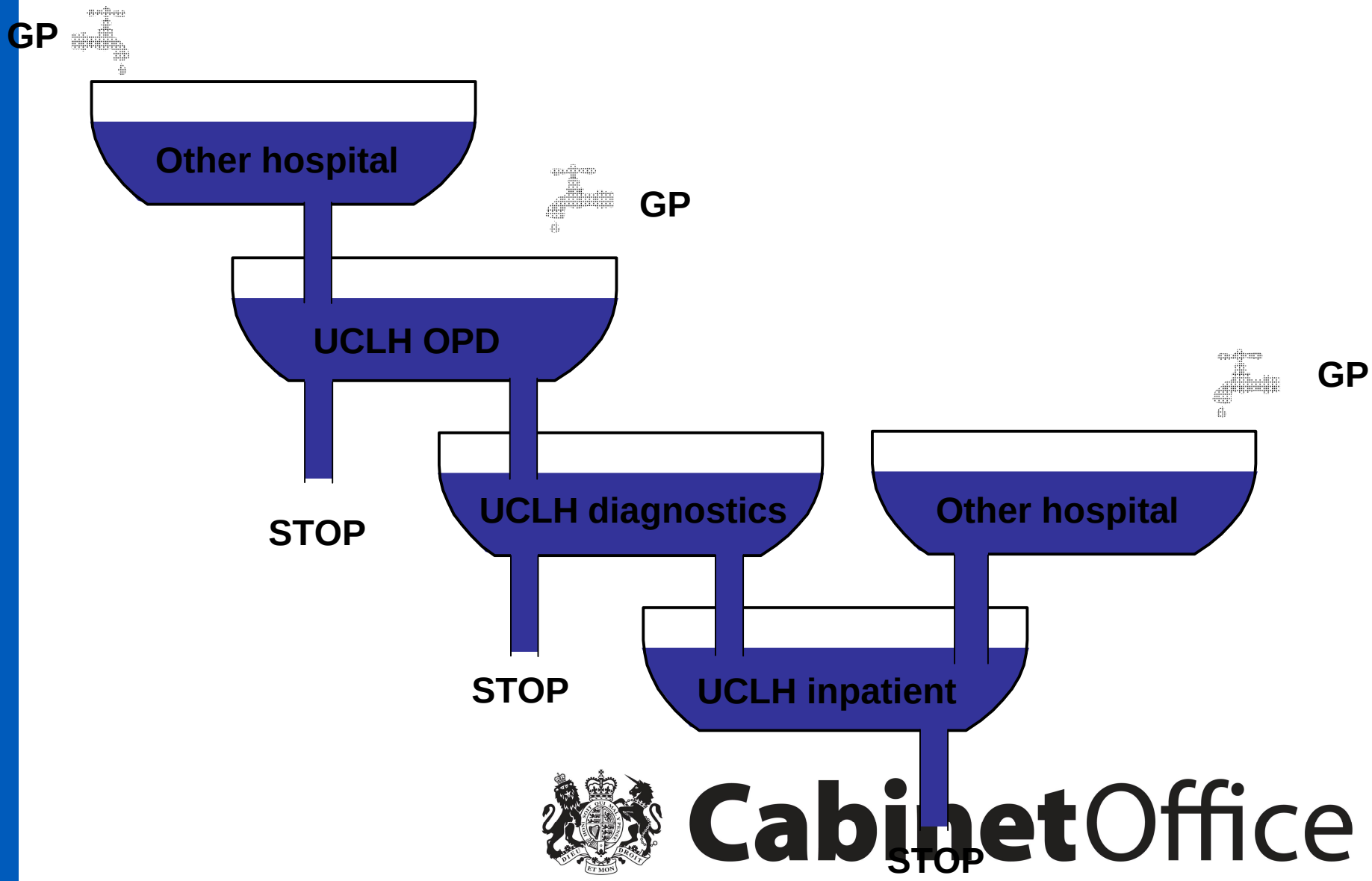


Re-engineering NHS jobs around patient Pathways

Increasing staff numbers

Opening of new UCH, 2005

Multiple routes of entry to multiple ‘baths’ at UCLH



Cabinet Office

‘A Health Service of all the Talents’

“Longstanding concerns about the way in which the NHS educates, trains and uses its staff” [April 2000]

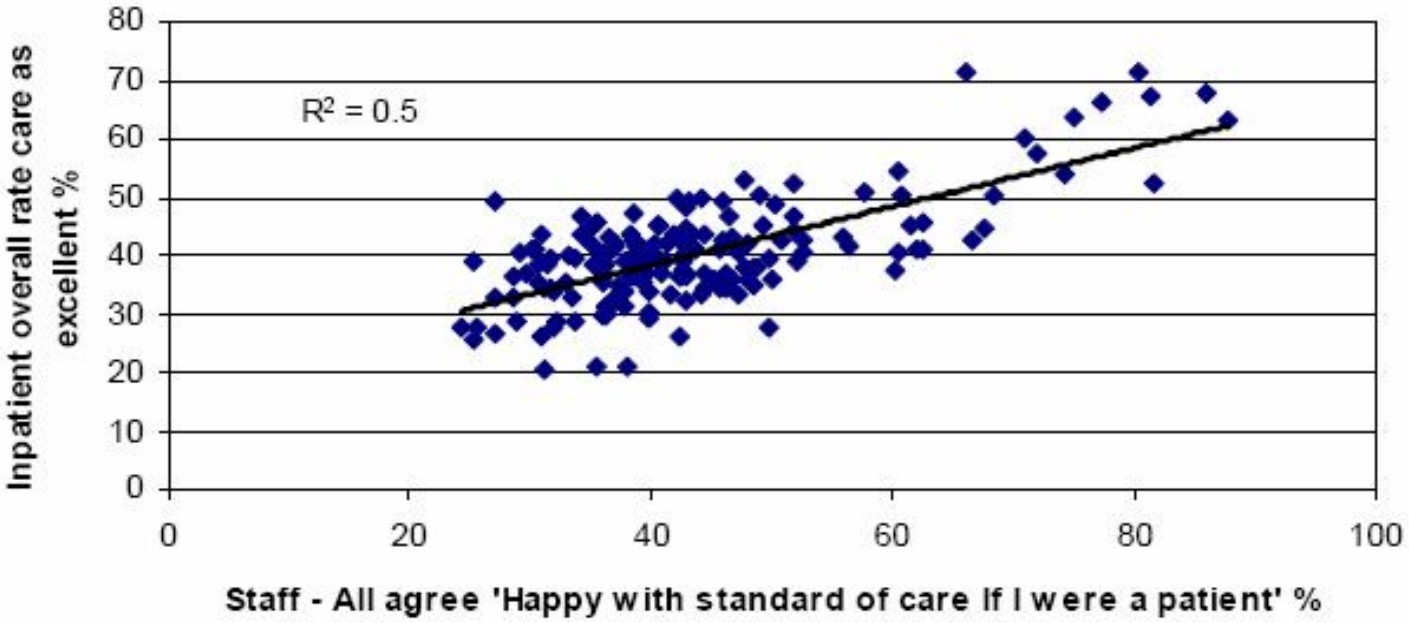
Called for emphasis on:

- *Team working* across professional and organisational boundaries
- *Flexible working*; making best use of knowledge and skills
- *Streamlined workforce planning* and development – stemming from needs of patients not professionals
- *Maximum contribution* of all at staff – removing barriers
- *Modernising education and training* to equip staff for complex, changing NHS
- Develop *new, more flexible, careers* for staff of all professions and none
- *Expanding the workforce* to meet future demands

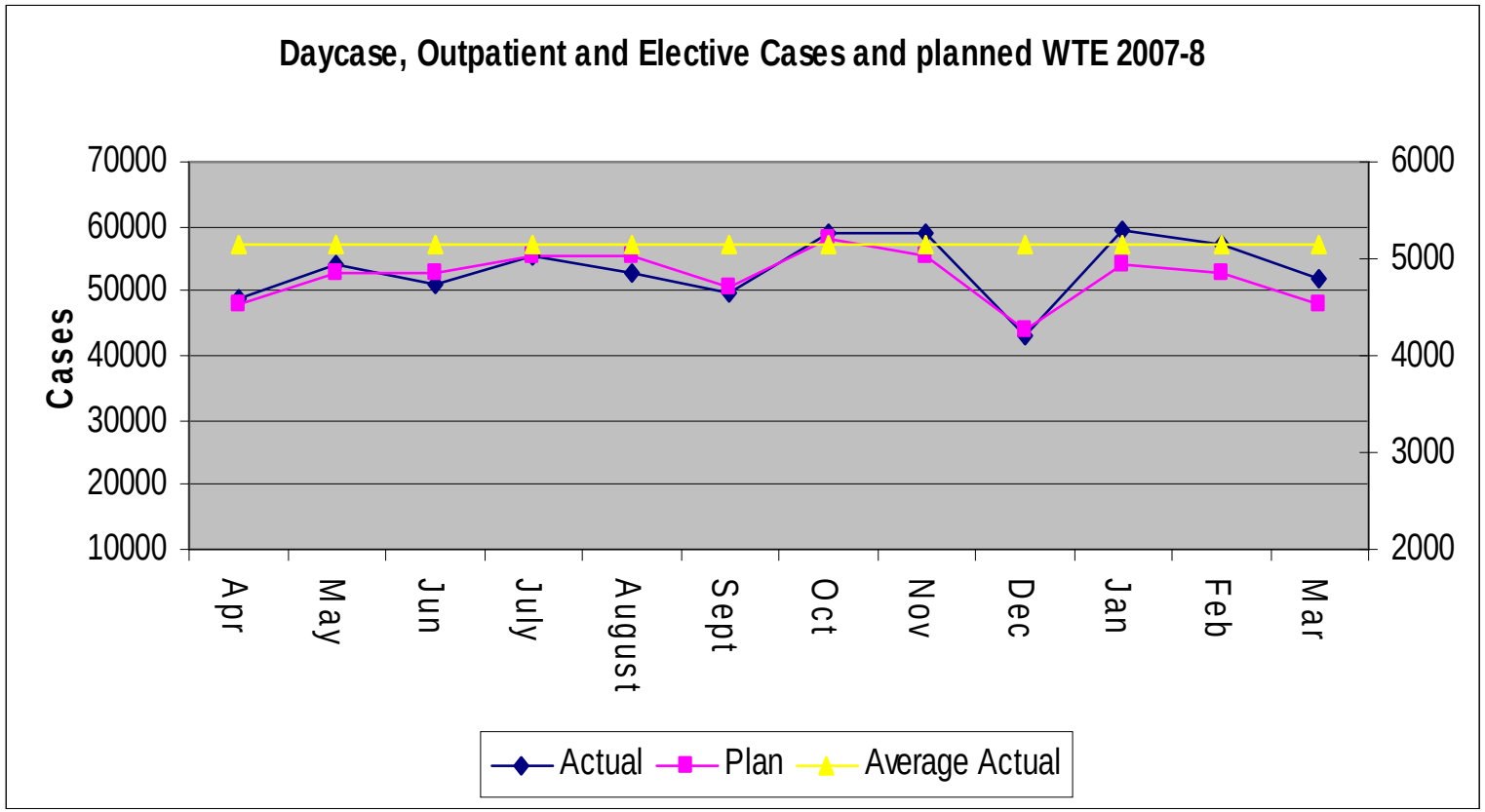
Ipsos MORI

The views of staff and the public

*If I were a patient of this trust, I would be happy with the standard of care provided (**Staff**) vs. Overall how would you rate the care you received (**Inpatient**)*



Contingent workforce



THE JOBS AND SKILLS AGENDA

Investing in skills is harder and more important during an economic downturn

Leitch review of skills (2006) named skills as the **single key lever for prosperity and fairness**. Its recommendations included:

- **Increase adult skills across all levels.**
- **Increase employer engagement and investment in skills**
- **Increase people's aspirations and awareness of the value of skills to them and their families**
- **Strengthen employer voice by creating a new Commission for Employment and Skills**
- **Ask employers to voluntarily pledge to train all eligible employees up to Level 2 in the workplace**

Policy framework to deliver **world class skills**

The Government's Public Services Forum has responded with a **Learning and Skills Task Group**. Its report tells us:

- **Good quality skills will produce good quality public services**
- **Government has made some good progress in skills across the UK as a whole**
- **Public services should be leading by example**
- **Where public services could be doing more with its partners – employers, trade unions and beyond – to deliver real progress together**

Adult social care - example of **skills pressures.** The L&S task group commissioning study of **learning and skills in adult social care**

The Department of Health has also produced an **Adult Social Care Workforce Strategy**, to help the sector respond to new challenges such as personalisation.

Quality skills, quality services

Recommendations and actions:

1. The importance of investment during the tough times
2. Procurement and commissioning of services from employers committed to training
3. Promoting the “Skills Pledge” and “Train to Gain”
4. Apprenticeships
5. Leadership and management on the front-line

Frances O’Grady (TUC) and David Amos
Public Services Forum
January 2009

Workforce planning during the downturn

- Employers (and educators) up front – commissiong and planning together
- Minimising the negative impact on working lives
- Preparing people for the upturn
- Promote vacancies and training posts widely
- Workforce mobility
- Participate in Local Employment Partnerships [LEPs]
- Job security, job safety and job availability

Job prospects