National Institute for Health and Care Excellence

Annual People Report

The attached paper provides a summary of the workforce profile on 31 March 2021, together with an update on key and future developments

The Board is asked to receive this report.

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Summary

The annual people report includes a range of key human resource indicators that profile the NICE workforce. The workforce data is either a snapshot (as of 31 March 2021) or average for the financial year (1 April 2020 - 31 March 2021).

This report is to give the Executive Team and the Board greater detail about the makeup of the workforce, how it has changed during 2020/21 and the key events that have affected it. This is set in the context of the unprecedented challenges faced during 2020/21. Below is a summary of the headline figures.

Workforce size

The average whole time equivalent (WTE) workforce in 2020/2021 was 672 (compared to 641 in 2019/20). The total headcount on 31 March 2021 was 730 (compared to 686 on 31 March 2020).

Vacancy rates

The average vacancy rate increased in 2020/21. There was an average of 63 budgeted vacancies in year, compared to 32 in 2019/20 and 64 in 2018/19.

Staff turnover

Total turnover was 8.6%, which is lower than the previous year (9.7% in 2019/20). Voluntary turnover (staff resigning or retiring rather than being made redundant or leaving due to the end of their fixed-term contract) was also lower, at 7.15% (compared to 8.6% in 2019/20). Staff turnover specifically relates to individuals leaving NICE. While it does not include internal promotions or moves, the increase in the number of unique job advertisements (paragraph 32) infers we are actively backfilling the vacancies created by these internal changes.

Flexible working

During the COVID pandemic, the carer’s leave policy was suspended, and our colleagues were offered increased flexibility options to work their hours differently, to enable a blended approach of working from home while looking after children.

Equalities profile

The overall profile of our workforce remained similar to the previous year:

* The proportion of females remained the same at 71% as of 31 March 2021 (71% in 2020).
* The proportion of staff aged under 40 is 51%, which is a slight reduction to last year (54% in 2019/20).

Overall, there has been an increase in the percentage of our black, Asian and minority ethnic colleagues at band 7 and above to 13.35% in 2020/21, compared with 11.4% in 2019/20.

Sickness absence

Sickness absence has decreased to 1.8% (from 2.3% in 2020).

Future Workforce Developments

Our key focus for 2021/22 is to build on our learnings from 2020/21 and implement new, creative, and flexible ways of working, aligned to our desired new operating model, to enable NICE to become an employer of choice and maximise our ability to recruit, retain and motivate our staff. Additional objectives relate to workforce planning, recruitment, talent management, health and wellbeing, equality, diversity, and inclusion, and bringing our values and behaviours to life. We will progress this activity alongside the implementation of the recommendations from the recent organisational design and development review.

Introduction

2020/21 was an exceptional year, due to the significant challenges experienced because of the pandemic. Our workforce remained relatively stable during the year; however, as we see an upturn in the market, we may potentially experience an increase in turnover with employees seeking new opportunities or improved work-life balance. 13% of leavers cited work-life balance as a reason for leaving in 2020/21, compared to 5% in 2019/20 and external reports talk of a ‘mental health timebomb’ caused by the pandemic

The annual workforce report provides a detailed account of NICE’s workforce. The report is presented in 4 sections:

* Workforce profile – this provides information about the size, grade, and composition of the workforce
* Equality profile – this summarises the equality information for the employed workforce, applicants, and appointees.
* Key workforce developments – this identifies the key internal and external factors that have affected the workforce in 2020/21.
* Future workforce developments – this provides a high-level overview of planned activity for 2021/22.

Where available, comparisons will be drawn with information provided in the 2019/20 workforce report.

As the report is based on the period 1 April 2020 – 31 March 2021, the report reflects changes and activities resulting from the Covid-19 pandemic.

Workforce profile

Chart 1: Actual workforce compared to budget

Cost and size of the workforce

Chart 1 shows two different types of data. The columns show the total budgeted workforce size over the past nine years read against the left axis. The analysis of each column shows how this was made up of staff in post on the payroll, from agencies, contractors, and the remaining unfilled vacancies. The staff numbers are the average for the financial year rather than a point in time. The lines on the chart show two types of financial information read against the right axis, the total expenditure on pay in each year in £m and the average cost per whole time equivalent (WTE) in £000s.

There was an average of 63 budgeted vacancies in year (9% vacancy rate), which is higher than 2019/20 (32 budgeted vacancies, 5% vacancy rate). The increase in the average number of vacancies in 2020/21 was primarily due to phased recruitment activity, starting with senior level appointments, following organisational changes, including newly added posts across the CHTE and DIT directorates and the Transformation team.

The total cost of the workforce in 2020/21 was £43m (inclusive of employer on-costs). This is a 10% increase from 2019/20 where the costs for the workforce totalled £39m and this is due to the increase in the average headcount across the year.

There was an average 7 WTE agency or contractors in post in 2020/21, which is a reduction of 2 WTE from 2019/20. The expenditure on contractors and agency workers, however, increased by 13%, to £0.74m in 2020/21. The increase in spend primarily relates to the Finance Strategy and Transformation directorate and includes roles such as Chief of Staff, the Stratford move project manager and the interim strategy lead, as well as general agency cover to support the HR and Corporate Office teams.

As part of the Government’s initiative to increase the number of apprenticeships, a 0.5% levy on employer’s pay bills more than £3m was introduced in April 2017. The levy is managed through an online government portal and is collected through Pay as You Earn (PAYE). This levy can be drawn back down as funding to support the training and development of apprentices both newly recruited and existing staff. NICE paid £145,878 into the levy pot in 2020/21 based on our pay bill and we utilised £130,138 of this to fund apprenticeship training and development costs.

Turnover

Employee turnover for 2020/21 is 8.60%, which is lower than 2019/20 (9.7%). When leavers for reasons of redundancy and the end of fixed term contracts are removed from the figures, the employee turnover is 7.15%, compared to 8.6% in 2019/20. There were 60 WTE leavers in 2020/21, which is a decrease from 68 WTE leavers in 2019/20.

Chart 2: Percentage turnover in each band

Chart 2 shows how leavers were distributed as a percentage across the grades. The chart shows total turnover, which comprises all turnover, including fixed-term contracts and redundancies, as well as voluntary turnover where staff have resigned or retired. The trend line shows average total turnover.

There was high turnover in band 9 employees, in proportion to the total number of staff at this level, with 4 leavers, all of which were voluntary. This was an unusual occurrence at this band, with 2 of the 4 leavers leaving due to retirement. The high turnover at band 2 is due to one leaver out of two staff at this level and is the same as last year.

Chart 3a: Voluntary turnover by directorate

Chart 3a shows the voluntary staff turnover in each directorate, with the trend line showing the overall turnover rate. Voluntary staff turnover does not include where fixed-term contracts come to an end as these are deemed as involuntary. FST had the highest level of voluntary staff turnover, with the majority citing the reasons as ‘other’ or career progression. No 2019/20 data is available for the Science, Evidence and Analytics (SEA) directorate as this was created during 2020/21.Please see the [Organisational Changes’ section](#_Organisational_change) below for further details.

Chart 3b: Reasons for leaving by directorate

Chart 3b above shows that voluntary resignation continues to be the most significant reason for leaving. Most of our fixed-term contracts were related to a limited-term project or a training contract (apprenticeship or graduate placement).

Chart 4: leavers by length of service

Chart 4 shows that the proportion of leavers with 5 years or more service has increased to 32% from 23% in 2019/20. Voluntary Resignation – Promotion (external to NICE) is the most common reason for leaving for this group.

Chart 5: Length of service of staff

Chart 5 shows that 23% of staff have less than two years' service, 23% have 2-5 years of service, and the majority, 54%, have been with NICE for 5 years or more. There has been no change since last year.

Chart 6: Exit interview Analysis – Reasons for Leaving

Chart 6 shows the reasons for leaving as expressed in completed exit interview documentation in 2019/20 and 2020/21. Respondents can select multiple reasons for leaving, as applicable. Career progression continues to be a common reason for leaving NICE, with 25% of leavers citing this reason (compared to 22% last year). We have also seen an increase in the number of leavers citing work-life balance as a reason for leaving (13% this year, compared to 5% last year).

The analysis of exit interview data commenced in January 2021, with a review of all data received prior to this. The number of returned exit interviews remains low, 25% of leavers completed an exit interview despite several requests/reminders. HR is currently developing a more robust system to generate an increased return rate, which will provide valuable trend data to inform our policies, processes, and practices.

Trends are analysed by the HR team and discussed with directorate leaders as appropriate. This data will also form part of our quarterly directorate reports.

Recruitment

In 2020/21 we replaced our existing Applicant Tracking System, Hirelab, with Trac, through the Midlands and Lancashire Commissioning Support Unit (MLCSU).

Together with MLCSU, we can now more effectively manage recruitment-related activities and support NICE’s recruitment needs.

The number of unique job advertisements in 2020/21 increased to 164, from 146 in 2019/20 and 152 in 2018/19.

The total number of applicants, both internal and external, for all roles, was 5,265 in 2020/21 (compared to 5,294 in 2019/20 and 6,643 in 2018/19). 12% of candidates were invited to interview, which is similar to 2019/20 and 2018/19 where 13.3% of candidates were invited to interview in both years.

The average number of applicants per vacancy in 2020/21 was 32 (compared to 36 in 2019/20 and 43 in 2018/19). Whilst the true reasons for this decrease are not known, it is possible that this is partly due to potential candidates in stable jobs being less likely to be open to new opportunities, due to the uncertain economy.

Temporary staffing

On 31 March 2021, a total of 2 staff were employed on the temporary staff bank. This has remained the same compared to last year. The level of appointments fluctuates throughout the year, and bank posts are typically used as short-term backfill for vacant posts. NICE is committed to treating bank workers fairly and only utilises the bank as intended for ad hoc assignments. Where it is considered more appropriate, roles are converted to formal fixed term contracts. Bank staff are employed on non-exclusive zero hours contracts. There is currently work in progress to increase the resource available within, and use of, our Bank.

In addition to bank staff, we employed an average of 7 contractors and agency staff in 2020/21, which is a reduction of 2 WTE from 2019/20.

Grade Profile

Chart 7: Grade Profile

Chart 7 above shows the grade profile on 31st March in 2019, 2020 and 2021 by percentage of the total workforce. The consultant category includes medically qualified senior managers, and other advisors and managers employed on medical terms and conditions. We have recently analysed this data at a more granular level and have identified that we are experiencing grade drift in certain types of roles. One notable area is technical roles, where there is a tendency for hiring managers to want more higher-level technical advisors and in the last 3 years, the headcount of band 8b’s has seen the greatest increase, with an additional 13 posts, a 22% increase.

Flexible working

To support with caring responsibilities whilst schools and nurseries were closed and following the temporary suspension of the carer’s leave policy, colleagues were encouraged to work in partnership with their line manager, to find creative, flexible, and workable solutions for the individual and the business. It was recognised and appreciated that colleagues would do what they could during this difficult and unprecedented time. Detailed guidance and frequently asked questions were provided, and 8 HR surgeries held, which were open to all colleagues.

Equalities profile

This section provides a summary of the workforce profile by equality category, as of 31 March 2021. It includes some comparison to previous years to highlight notable changes and where possible, is compared with the latest available Office of National Statistics data. There is also a summary of the equality profiles of job applicants throughout the year and of those who were successful in obtaining a role.

This information is held in the Electronic Staff Record (ESR) system. When candidates apply for a post through the NHS jobs online system, they are asked to complete an equalities questionnaire. This information is retained and, if the application is successful, transfers into the payroll data held by ESR. In the categories relating to disability, religious belief and sexuality, a large proportion of staff and applicants have chosen not to disclose this information; this is not uncharacteristic of many organisations in this type of data collection exercise.

Age

Chart 8: Age profile as a percentage of workforce

Chart 8 shows the age profile on 31 March 2021. 51% of NICE’s workforce were aged 40 or under. This is similar to last year (54%).

Gender

Chart 9: Gender mix by grade on 31 March 2021

Chart 9 shows the proportion of males and females in each grade on 31 March 2021. Our data is captured by our ESR system, which currently only has two categories for gender (male and female). Along with many other organisations, we have asked for this to be addressed.

The overall gender split has not changed significantly over time. The biggest percentage changes as of 31 March 2021 were in:

* Band 5: the percentage of female staff increased from 76% to 86%.
* Band 9: the percentage of female staff increased from 69% to 79%.

Gender pay analysis

NICE produced a gender pay gap report in line with legislation as of 31 March 2020 and the findings are currently being updated on our website. Our mean gender pay gap is 9.26%, compared with the national average of 15.5%. Our median gender pay gap is 1.87%. Chart 10, below, shows the distribution of gender across the pay quartiles. There has been little movement from the position as of 31st March 2019, except for the upward trajectory of females in the first and third quartiles.

Chart 10: Distribution of gender across pay quartiles as of 31 March 2020

Disability

Staff are encouraged to declare any disabilities, which may include learning disabilities or difficulties, long-standing illness, mental health conditions, physical impairment, and sensory impairment. 43 (5.9%) staff declared a disability. This is an increase to the previous year (31 staff, or 4.5%). Reasonable adjustments are made for staff with disabilities.

NICE currently holds Disability Confident “Employer” status, which demonstrates and ensures that disabled people and those with long term health conditions can fulfil their potential and realise their aspirations in the workplace.

Religion and belief

Chart 11: Religion and belief

Chart 11 shows the religious faith or beliefs that staff disclosed compared with the latest Office of National Statistics working age population data. Our profile is similar to the previous year. The largest group was Christianity (35%) followed by Atheism (27%). Atheism is included in None + Not Stated in the ONS data.

Sexual orientation

Chart 12: Sexual orientation

Chart 12 shows the sexual orientation data for the workforce compared with the latest Office of National Statistics working age population data. The combined non-disclosure and non-specified rate was lower in 2020/21 at 14% (16% in 2019/20).

Ethnicity

Chart 13: Ethnicity profile

Chart 13 shows the ethnicity profiles of the overall workforce compared with the latest Census working age population data.

The Census data shows black, Asian and minority ethnicity in the working age population as 14.9%, which is identical to that at NICE.

Chart 14: Distribution of Black, Asian and Minority staff across grades

Chart 14 shows the distribution of black, Asian and minority ethnic staff across the pay bands on 31 March 2021.

The percentage of black, Asian and minority ethnic staff at Band 7 and above has increased to 13.35% in 2020/21 from 11.37% in 2019/20. The number of disclosed black, Asian and minority ethnic staff in these bands has also increased to 75 in 2020/21 from 59 in 2019/20; however, there continues to be under-representation in the more senior levels.

Job applications from a diverse range of candidates continue to be encouraged. We broadened our recruitment marketing efforts utilising paid, promotional advertisements on social media, specialist websites and journals for our hard-to-fill vacancies. We also invested in a LinkedIn licence to allow us to proactively source candidates of interest.

We are committed to continuing to promote opportunities to potential candidates and existing staff, by building networks with other public sector bodies and promoting development opportunities, some of which are of particular benefit or interest to staff from underrepresented groups.

Since 2019, NICE has participated in the NHS Workforce Race Equality Standard (WRES); in 2020, we also participated in the NHS Workforce Disability Standard (WDES) for the first time. We are using the data from both standards to ensure our black, Asian and minority ethnic and disabled staff have equal access to career opportunities and receive fair treatment in the workplace. Our 2019-20 WRES and WDES data was included in the NICE Annual Equality Report 2019-2020 and has helped to shape both our organisational workforce Equality Objectives 2020-24, and our Annual EDI Action Plan. We are now awaiting a publication date for both the WRES and WDES national reports, which in both cases delayed due to the Covid-19 pandemic.

Employment applicants and appointees

Data on employment applicants and appointees is gathered via the equality profile of individuals when they complete their application, which is automatically transferred to the ESR system when applicants are appointed. Staff now have access to update their diversity data, along with other personal information and emergency contacts, via ESR. A key priority within our year one equality, diversity and inclusion action plan is to encourage staff to disclose and update their equalities data on the system, which will provide us with a richer profile of our workforce.

There was a total of 5265 applications for 164 advertised roles in 2020/21. Some of these advertisements were for multiple posts. 12% of applicants were invited to interview.

Charts 15-19 below show the relationship between the profiles of the total applicants, NICE staff and successful applicants in year for a range of equalities areas, including race, gender, and religious belief. Our current reporting system includes all candidates in the reports, including applicants who do not have the right to live and work in the UK.

* Gender – This year we appointed 65 men (31% of filled vacancies) and 146 women (69% of filled vacancies), compared to 2019/20 when we hired 41 men (28% of filled vacancies) and 105 women (71% of filled vacancies).
* Disability – In 2020/21, 267 applicants (5% of total applicants) disclosed having a disability, and of those, we appointed 14 (6.6% of those appointed). In 2019/20, 5.7% of total applicants disclosed having a disability, and 6.85% of those appointed declared a disability.
* Ethnicity - In 2020/21:

52% of all applicants and 77% of appointed candidates were white, compared to 51% and 85% respectively in 2019/20.

13.5% of all applicants and 2% of appointed candidates were black or black British, compared to 15% and 3% respectively in 2019/20.

22% of all applicants and 11% of appointed candidates were from an Asian or Asian British background, compared to 23% and 5% respectively in 2019/20.

4% of all applicants and 3.8% of appointed candidates did not disclose this information. In 2019/20, the figures were 4% and 1% respectively.

* Sexual orientation – 4.4% of all applicants and 5.7% of appointed candidates disclosed they were gay or lesbian, compared to 3.6% and 3.2% respectively in 2019/20. 2.6% of all applicants and 4.3% of appointed candidates disclosed they were bisexual. In 2019/20, the figures were 2.3% and 5.5% respectively.
* No data on age could be extracted from the HireLab recruitment system; however, this data will be available from Trac for the next annual people report.

Charts 15 – 19 Applications, interviews, appointments compared with all NICE staff

|  |  |  |
| --- | --- | --- |
| 15. Disability | 16. Gender | 17. Ethnicity |
| 18. Sexual orientation | 19. Religion and belief |

Key Workforce Developments

Organisational change

In April 2020, Professor Gillian Leng replaced NICE’s first Chief Executive, Sir Andrew Dillon, along with the departure of the Programme Director for system engagement, this created a gap in the senior leadership in the HSC Directorate. Interim changes were introduced, resulting in some realignment of teams. From 1 September 2020, the Business Planning and Resources Directorate changed its name to Finance, Strategy and Transformation. There has been 1 significant restructure of teams this year, with the creation of the Digital, Information and Technology (DIT) Directorate, which came into effect on 1st September 2020. This resulted in 1 post being made redundant in March 2021.

A new team was created within the Centre for Guidelines directorate, bringing resources together to produce easily accessible guidance that helps people make the right decisions during the Covid-19 pandemic. From 1st November 2020, the Editorial and Publishing and Medicines and Prescribing Teams moved to the Centre for Guidelines Directorate.

Job evaluation

Job evaluation determines the value of a job in relation to other jobs in an organisation, to establish a rational pay structure. It is a key part of the pay system that covers NHS staff on the 2018 terms and conditions of service (Agenda for Change).

A total of 107 job evaluations were carried out in 2020/21, compared to 72 in 2019/20. These comprised of 65 new posts, 38 updated job descriptions and 4 regrade requests.

The increase in evaluations primarily relates to new roles created as part of the formation of the new DIT and SEA directorates, and the growth in transformation-related activity.

Employee relations activity

Table 1 provides data relating to the formal employee relations activities in 2020/21. The table does not include informal activity, including early interventions and preventative conversations with staff and line managers. The HR team have informally managed 67 out of 81 total employee relations cases over the last year.

There were 14 formal employee relations cases, including failed probationary periods, contract issues, grievances, and 1 disciplinary case. This has increased slightly from 12 in 2019/20. We note a small increase in the number of formal grievances towards the end of the reporting year, this is within normal variation and no obvious trends are apparent, but we are monitoring closely. We have now started to record the time taken to manage employee relations cases and this will be provided in the next reporting period. An Employment Tribunal Claim was submitted in November 2020, however, the preliminary hearing scheduled in April 2021 was postponed by the Court.

Table 1: Employee relations case work figures

| Case type | Number |
| --- | --- |
| Disciplinary | 1 |
| Grievance (including bullying and harassment) | 5 |
| Employment tribunals | 1 |
| Performance management (including probation) | 3 |
| Sickness absence | 4 |

Health and wellbeing

NICE recognises the importance of supporting and promoting the health and wellbeing of all our employees.

The health and wellbeing strategy group continue to meet on a regular basis and are responsible for developing, implementing, and evaluating an employee health and wellbeing action plan.

Our flagship event, Healthy Work Week, was held in January 2021, and was positively received. 70% felt the delivery of the sessions was excellent, 82% felt their knowledge and confidence had improved after they had attended a session and 78% felt they gained what they had hoped from the session.

The Mental Health First Aid network continues to run successfully and is regularly promoted via the health and wellbeing support plan for staff.

The health and wellbeing pages on NICE Space had an average of 199 page views per month in the 2020/21 financial year. This is a big increase on the 2019-20 financial year, where they had an average of 130 page views per month. This increase in visitors is likely due to the ongoing pandemic, as staff and managers continued to use the materials designed to support them during COVID-19 and the move to homeworking.

We have also been active participants of a health and wellbeing special interest group, which brings together DHSC arms-length bodies to share ideas and resources. This has been useful throughout the Covid-19 pandemic and has been an efficient way to share relevant resources to provide staff with a range of support through these unprecedented times.

Sickness absence

The annual report and accounts give a figure of 1.8% for the sickness rate during the 2020 calendar year compared to a rate of 2.3% for the previous year. The DHSC requires sickness absence rates to be calculated based on a 365-day year rather than actual days available for work. A 1.8% rate equates to an average of 4.7 days per WTE. The data is obtained from the ESR system, and its accuracy relies on accurate inputting of sickness in line with the sickness absence policy, and the completion of return-to-work discussions between managers and staff.

Chart 20: Sickness reasons at NICE compared to ONS data

Chart 20 compares NICE’s sickness absence data against data from the ONS. Minor illnesses counted for the highest number of absence occurrences, although there has been a decrease of 12.4% from 2019/20, followed by headaches and migraines. There has been an increase in the percentage of absences related to stress, depression, anxiety, or psychiatric illness (from 8.8% last year to 16% this year).

Table 2 shows that long term sickness accounted for almost two thirds of all sickness absence in 2020/21, and the long-term and short-term sickness percentage splits are similar to last year.

Table 2: Split of long and short-term sickness, based on WTE days lost

| Type of sickness | Sickness absence 2019/20 | Sickness absence 2020/21 |
| --- | --- | --- |
| Long term sickness | 61.5% | 62.92% |
| Short term sickness | 38.5% | 37.08% |

In 2020/21, a total of 52 referrals were made to our occupational health service. This is an increase from 2019/20 (44) but is similar to 2018/19 (54).

In 2020/21, we had a total of 77 mental health first aiders across all directorates as part of our ongoing commitment to support our staff with their mental wellbeing. St John Ambulance recommends that an organisation has as many first aiders for mental health as they do for physical health. We currently have 18 physical first aiders, which is aligned with HSE recommendations, with a few more due to undertake refresher training shortly.

Chart 21: Number of mental health first aiders across bands

Chart 21 shows the percentage of staff at NICE who are mental health first aiders across each band. We have designed the scheme to have a broad representation of mental health first aiders across the organisation, so that all staff are likely to know a MHFA that they would feel comfortable talking to. However, capacity challenges are making it difficult for some of our MHFAs to commit sufficient time to mental health related activities, including running mental wellbeing check-in sessions, and we are therefore conducting a review.

We have previously offered the options of flu vouchers, or of having an on-site flu vaccination; however, due to Covid, the latter was unavailable this time. 149 vouchers were issued compared to a combined voucher and on-site vaccination total of 308 in 2019/20. As colleagues were working from home during 2020/21, many may have chosen to attend their GP practice for their flu vaccinations.

Performance and talent management and succession planning

Our new employee-led appraisal process, ‘My Contribution’ was launched at the start of 2020/21 in readiness for the annual appraisal cycle. A series of staff engagement workshops were held, and colleagues’ contributions helped to inform the design of the paperwork, supporting guidance and training.

To build on these performance management and career conversations, a new framework for talent management and succession planning for our executive team and their direct reports has been developed. The 9-box grid tool, which is aligned to NICE’s values and behaviours, has been introduced for use during the current appraisal season, supported through communications and one-to-one briefings. We also arranged training and development for our senior leadership cohort on providing meaningful feedback, to support appraisal and career discussions.

Learning and development

A broad range of learning and development was provided during 2020/21, through a blend of external training, apprenticeships for new recruits and existing colleagues; and internal training, engagement sessions and listening events. Training-related metrics are captured for these as outlined in this report.

In addition, staff access significant, additional learning and development that is co-ordinated at a local level. This includes continuous professional development and informal learning hours, such as mentoring, webinars and job shadowing.

During 2020/21 the total spent on external training activities was £122k. This figure excludes travel, subsistence, and staff time. It also excludes training costs that are met through the apprenticeship levy. 143 external training applications were approved in 2020/21, compared to 204 in 2019/20.

The decrease in the number of approved training applications is partly due to the increase in group applications submitted throughout the year. The training panels were able to identify development areas for multiple staff, which proved a more cost-effective way to maximise the training budget. Group sessions included facilitation skills, accessibility training and change management. The DIT directorate also reinvested a large proportion of their training budget on licences for the online training platform Udemy.

49% of the available training budget was used throughout 2020/21, compared to 92% in the previous year. Some of our usual higher cost external courses around technical analytical skills (analysis, health economics, statistics, critical evaluation, and appraisal) were cancelled or postponed. Another contributing factor to the underspend was the cancellation of international conferences, including the Guidelines International Network (GIN) and Health Technology Assessment International (HTAI).

External training throughout 2020/21 encompassed a wide range of topics, including some technical analytical skills activity, virtual facilitation, chairing skills, change management, project management, Adobe, and InDesign.

The HR team has been involved in several special interest groups with other DHSC arms-length bodies, including Talent Management and Leadership and HR Professional Development, which has enabled us to share resources and ideas.

HR continued to provide a range of internal training, engagement sessions and listening events. A total of 282 staff booked onto internal events in the following areas:

* Allyship workshops - introducing the concept of allyship and how staff can take action to support underrepresented groups and be a more effective ally in the workplace.
* Assertiveness workshops
* Equality, diversity, and inclusion listening events
* Foundations line management programme
* Manager support circles
* Recruitment process training
* Values and behaviours workshops

An additional 5 team development sessions took place using Myers Briggs Type Indicator (MBTI) and Affina Real Team Profile Plus (AFTP).

In 2020/21, a refresh of corporate induction took place with the delivery of a monthly virtual induction session for new starters. The session includes a welcome from the Executive Team and provides the opportunity for new starters to meet other new colleagues. Contributors to the corporate induction session include Finance, Human Resources, Transformation, Information Governance and Public Involvement.

We did not conduct a full staff survey in 2020/21, due to the pandemic and instead, focused on a series of timelier ‘pulse’ surveys. However, our staff survey leads forum, made up of representatives from each directorate tasked with developing and cascading directorate-specific action plans, continued to meet, and review progress. This forum is currently being refreshed in readiness for the headline results from this year’s annual survey.

NICE supported staff members with funding towards the achievement of professional qualifications including HR, accountancy, health economics, genomic medicine, and project management. Where possible, the apprenticeship levy was used for professional qualifications, which provides a rich and practical learning experience whilst minimising the impact on the training budget.

In 2020/21 £4.2k was spent on international conference attendance (ISPOR) compared to £37k in 2019/20. This figure excludes travel and subsistence. 14 staff attended the ISPOR virtual conference in November 2020.

Apprentices

NICE spent £130,138 of the actual levy cost of £145,878 to the organisation in 2020/21 and the unspent amount will be carried forward to next year.

The apprenticeship scheme is continuing to grow and develop. NICE has a public sector apprenticeship target of 2.3% of the workforce, which roughly equates to 15 new apprenticeship starts each year. In 2020/21, 20 learners started a new apprenticeship with NICE.

During the height of the COVID-19 pandemic, the recruitment of ‘new to role’ apprentices through our Future Talent scheme for school and college leavers was paused whilst the workforce adjusted to working from home. This was due to concerns around the level of support that could be provided to young people joining the organisation and working in a completely virtual setting. Plans are underway to offer more apprenticeship opportunities to external candidates in 2021/22.

Of the new apprenticeships starts in 2020/21, 1 was recruited to NICE as a ‘new to role’ apprentice, 4 were progressions of existing apprentices to a higher-level qualification and 15 were permanent, existing members of staff using the apprenticeship route as a development opportunity.

Of the new apprenticeship starts in 2020/21, 17 were based in our Manchester office, 2 in London and 1 was a permanent home worker.

Qualifications made available to staff through the apprenticeship levy in 2020/21 included business administration, finance, digital, procurement, and leadership and management.

In March 2020/21, NICE started a second cohort of 12 leadership and management apprentices in partnership with Aspire Development. The Aspire apprenticeship scheme aims to provide managers with the skills, knowledge, and strategies to make a positive difference to their and their team’s performance, working relationships and results. The apprenticeships also aim to lift participants out of day-to-day management and look strategically at their area of responsibility and the wider organisational priorities.

We have actively participated in discussions about the future of apprenticeships with organisations such as Greater Manchester Public Sector Apprenticeship Network and we will continue to collaborate with groups like this.

Chart 22: Apprentices next steps

In 2020/21 we had 9 successful completions of apprenticeship qualifications and 2 non-completions. Those that achieved their qualification included 1 permanent staff member who remained in post and 4 individuals who progressed to their second apprenticeship with NICE. 3 apprentices completed their qualification and gained fixed term roles within NICE and 1 learner on a fixed term contract completed their qualification and subsequently left NICE. The 2 non-completions were both permanent members of staff who left NICE before finishing the qualification.

Future Workforce Developments

Our future workforce developments have been informed by the findings from our annual people report, together with other information gathered throughout 2020/21. This includes the regular all-staff pulse surveys, which replaced the annual staff survey in 2020/21, HR data from the quarterly directorate reports and the organisational design survey and diagnostics.

As we move towards our new operating model, we will need to adopt agile, flexible, hybrid and collaborative ways of working and integrate these into our contractual documentation and people policies, processes, and practices. We will be working in collaboration with the consultants who undertook the organisational design and development review, and in partnership with our Trades Union, to implement the recommendations, alongside our business-as-usual activity.

In addition, we have commissioned an external review of the future world of work, to obtain recommendations and advice on how we might best harness technology, workspace planning and people management to find the right balance of homeworking and office-based activities that work for us.

To address the challenge with our high number of budgeted vacancies, there will be an increased emphasis on workforce planning in 2021/22. We are recruiting a workforce planning business partner to work with directorates to ensure our workforce has the right skills in the right place to support the organisation’s vision for the future and to optimise the flexibility of the workforce. A senior recruitment campaign manager is also being brought in, as we recognise that our managers require recruitment support, particularly around shortlisting activity for senior roles where high volumes of applications are received.

We also have a continuous need for technical roles and previously have tried to manage this through individual, external recruitment campaigns as vacancies arise. It is recognised that a more proactive approach is required, and we are introducing a flexible and peripatetic resource pool of 10 trainee technical analysts. They will undertake a comprehensive development programme, providing an internal talent pipeline. The current recruitment of 6 graduates in CHTE and a renewed commitment to increasing the number of external apprentice hires will complement our ambition to growing our own.

A skills-mapping exercise will be conducted with our colleagues across the 4 pillars of NICE’s 5-year Strategy, to identify skills and capability gaps. We acknowledge that there are 'known unknowns' and to comprehensively understand the skills that we need to be successful in the new areas of our Strategy, we will commission external expertise from visionary thinkers on the new world of work and the skills of the future appropriate to our organisation.

We will also review colleagues’ performance development plans following the annual appraisal cycle and with this information, we will enhance our current offer and implement a curriculum of learning and development. This will also encompass the commissioning of a comprehensive leadership and management development programme, to equip our leaders to drive and support our people through organisational transformation.

Our current People Strategy was developed in 2018 and we have an interim Organisational Development plan, which is monitored regularly, with priority actions to develop our culture, workforce, structure, connections, and high-performance organisation. In 2021/22, we will integrate this into the development of our refreshed, forward-looking, and ambitious transformational People Strategy.

Through the new integrated performance report, Board will receive regular updates on our progress against key people metrics and performance indicators.

Our Values have been integrated into our induction, appraisal and recognition approaches and we will continue, working closely with our Values Champion network, to embed these into all our people processes, including recruitment. We will also develop underpinning behavioural competencies.

We recently launched our first phase of our new talent management approach and from this, we will develop succession plans, identify further development opportunities for our existing talent and attract new talent to the organisation. This will include the roll out of 360 feedback tools. We will implement our second phase ahead of the 2022/23 appraisal season and ensure our process is fully aligned to our equality, diversity, and inclusion strategy.

To provide a clear roadmap for delivery of our organisational workforce equality objectives, we will develop a new four-year Equality, Diversity, and Inclusion (EDI) Strategy. This will be aligned to NICE’s new 5 Year Strategy and broader workforce/transformation objectives, as well as to our values. The statistics within this report highlight that we have much more to do on the EDI agenda and working closely with our staff networks, we will implement our EDI 2021/22 Action Plan, which is focused on recruitment, development, and colleague data.

We will develop a Health and Wellbeing strategy, working with our health and wellbeing and health and safety groups and incorporating feedback from the organisational design and annual staff surveys.

A new recruitment system has been implemented and a recruitment provider procured to assist with all recruitment administration. Following the streamlining of processes, the focus is now on developing recruitment training, standardising advertising, developing NICE’s profile on social media recruitment, and supporting our line managers to plan and recruit better in 2021/2022.

A priority for 2021/22 and beyond is to work with the organisation to develop a “new normal” as we embrace the opportunities presented by changes due to Covid 19, such as homeworking and technology, which will undoubtedly bring benefits, including increased flexibility, cross-team working, collaboration and the reduction of silos.

We are already adapting our policies and processes to facilitate operating in an increasingly virtual world, including induction. Increased flexibility will enable us to attract and recruit talent nationwide, rather than being limited to those living in, or prepared to relocate to, Manchester or London. We will continue to work with the Executive Team, senior leaders, and Unison to change our ways of working and use our office space in new ways.

Conclusion

The Board is asked to receive this report and note the workforce profile on 31st March 2021, the key developments during 2020/21 and planned/future activity.

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