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<b>REPORT TO:</b>	<b>FINANCE &amp; MANAGEMENT COMMITTEE</b>	<b>AGENDA ITEM:</b>
<b>DATE OF MEETING:</b>	<b>1<sup>st</sup> MAY 2008</b>	<b>CATEGORY: DELEGATED</b>
<b>REPORT FROM:</b>	<b>DIRECTOR OF CORPORATE SERVICES</b>	<b>OPEN</b>
<b>MEMBERS' CONTACT POINT:</b>	<b>DAVID CLAMP, HEAD OF ORGANISATIONAL DEVELOPMENT Ext 5729</b>	<b>DOC:</b>
<b>SUBJECT:</b>	<b>PEOPLE STRATEGY</b>	<b>REF:</b>
<b>WARD(S) AFFECTED:</b>	<b>NONE</b>	<b>pers/peoplestrategy TERMS OF REFERENCE: FM05</b>

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## **1.0 Recommendations**

- 1.1 That the refreshed People Strategy and supporting action plan are approved. These are available on the intranet – click on corporate services/people strategy.
- 1.2 That the framework for developing a Corporate Workforce Development Plan is approved as outlined in the People Strategy. Work is then completed to integrate both documents into a single workforce strategy for the Council.

## **2.0 Purpose of Report**

- 2.1 To provide an assessment of the Council's People Strategy and its development to ensure that it continues to provide the strategic link between the Council's vision and objectives with the development of the workforce.

## **3.0 Executive Summary**

### **Development**

- 3.1 The Council adopted a People Strategy in March 2006. This was developed through extensive consultation with a range of internal and external stakeholders along with an assessment of our key employment objectives to meet the stated vision and values of the Council.
- 3.2 Consideration was also given to key challenges facing Local Government and the services that are provided to the community of South Derbyshire. In line with the approach taken with other strategic documents a number of broad themes were used to set out how we would manage and develop our workforce.

The themes used were;

### **How we manage change**

What the Council intends to do and how employees will be involved

### **How we promote diversity**

Promoting equality of opportunity for all

**How we employ people**

Looks at terms and conditions of employment

**How we develop people**

Considers the options to provide learning and development resources

**How we communicate**

Informal and formal means to encourage discussion and feedback

**4.0 Detail****Action Plan**

- 4.1 A forward-looking action plan detailed the key actions that would be taken to achieve the themes outlined above. Progress on these have been reported quarterly in line with the Council's Performance Management framework with a further overview provided in the Human Resources Service Plan. Agreed changes to any timescales have been implemented.
- 4.2 Resources have been aligned to achieve the key priorities within the action plan. This includes the direction taken by the Human Resources Service and the allocation of budgets within this service.
- 4.3 An assessment of the action plan is shown in Appendix A. Progress has been made in a number of key priorities including the Council's Pay & Grading Review. This has been moved forward in line with amended timescales agreed with the Single Status Steering Group to reflect the complexity of the task and the resources available.

***Key achievements include;***

- Revised Sickness Absence Management Procedure that has continued to deliver a reduction in the average number of day's absence per employee. The outturn figure for 2006/07 was 8.85 days a reduction of 0.53 days per employee from the previous year. This provides non-cashable savings of approximately £18,000 per year.
- A preferred supplier of Agency Workers has been procured. This has enabled a standard approach across the Council towards the use of agency staff in support of the permanent workforce. Agreed contract rates are now used that provide savings of approximately £12,000 per year.
- The continued development of the Council's approach to recruitment through the use of IT has seen an increase in the number of applications submitted electronically. During 2006/07, 50% of applicants submitted their application forms electronically. It has been estimated that this provides non-cashable savings of around £25,000 per year. This approach is being further developed through joint partnering with other authorities in Derbyshire to provide a similar facility at a lower price for the Council.

- A framework has been adopted to manage the employment implications of any change programme. This has been ‘tried and tested’ at both a corporate and service level. All change programmes have been delivered in relation to the objectives and timescales proposed with no formal disputes being entered against the Council. Revised working arrangements and/or staffing structures have been put into place to enable improved level of services for the community of South Derbyshire.
- The Council's portfolio of employment policies has been developed to comply with legislation and best practice. The most recent addition is an Age Retirement Procedure and changes have been made to a number of policies following changes to the Local Government Pension Scheme.
- Leadership and Management Development Programmes have been established. A competency framework is now in place and programmes will be rolled out for managers at different levels within the organisation, including those looking to develop their careers.
- An increased range of learning options has been made available to all staff utilising the benefits of technology. This has been complemented by a focus on core skills training on issues such as health & safety and equality. An outcome from this has shown that each employee received an average of 2 days training during 06/07. This compares to a national average of around 1.8 days for the same period.

## **Looking forward**

- 4.4 It is important to reflect the continuing challenges facing local government and make sure that they are captured in a best-fit solution for South Derbyshire. The workforce has to be equipped with the necessary skills, knowledge and experience and be deployed in the right places to deliver the Council's vision. This will ensure that members of the Community receive the level and standards of service they require at a price that is viewed as offering best value.
- 4.5 Whilst the People Strategy clearly stated what the document was about, an increased emphasis is being placed on having a higher-level workforce development strategy. This would reflect work completed nationally on the local government workforce and would offer a natural progression for our current document. A framework Workforce Development Plan is included as part of the refreshed People Strategy.
- 4.6 The Workforce Development Plan is seen as the strategic overview of how the workforce is developed to meet the Council's corporate objectives. The framework therefore uses the headings from the Corporate Plan and key themes in the Government's Pay & Workforce Strategy to represent the key actions to be undertaken. Clearly this links directly into the People Strategy and it is therefore proposed to integrate both documents during the coming year. This will then provide a single source of reference to establish the ‘golden thread’ between corporate planning and employee development.

- 4.7 As the People Strategy was based on best practice and followed extensive consultation it is not proposed to complete a fundamental review at this moment in time. The outcomes highlighted earlier are evidence of the effectiveness of our approach. The action plan will be updated and the current themes will be retained.

### **Key priorities – 2008/09**

- 4.8 The key priorities in the People Strategy are;

- Completion of the Pay & Grading Review
- Progressing the Leadership & Management Development Programmes
- Supporting the implementation and actions outlined in the Corporate Equality & Fairness Scheme
- Completing a review of the Recruitment & Selection Procedure.
- Keep under review the approach taken to sickness absence management
- Developing our approach to learning and development
- Having a workforce that is more representative of the Community.
- Retention of Investor in People status.
- Development of an integrated workforce development strategy.

### **5.0 Financial Implications**

- 5.1 There are no direct implications arising from the implementation of the People Strategy
- 5.2 Specific projects within the action plan will be funded from existing budgets either held corporately or within the Organisational Development Unit. Any additional funding if required will be submitted for consideration in line with the Council's procedure.

### **6.0 Corporate Implications**

- 6.1 The People Strategy will support the delivery of all the Council's key themes set down in the Corporate Plan.
- 6.2 It will touch every part of the organisation and demonstrate a clear, ongoing commitment to the development and contribution made by all employees.

### **7.0 Community Implications**

- 7.1 The stated intention of the People Strategy is to support the objectives set down in the Council's Corporate Plan that are directly linked to the aims set down in the Community Strategy.

### **8.0 Conclusions**

- 8.1 The key achievements detailed in this report demonstrate the value of the approach taken and the impact of the People Strategy. A refreshed approach that includes the development of a Corporate Workforce Development Plan will continue the progress and ensure that link between strategic objectives and employee contributions are maintained.

### **9.0 Background Papers**

- 9.1 People Strategy March 2006 <http://www.barnet.gov.uk/corporate/peoplestrat/>

9.2 National Pay & Workforce Strategy 4<sup>th</sup> version 2007  
<http://www.lge.gov.uk/lge/core/page.do?pagelId=119977>

## Review of Action Plan

### Key Theme 1 – How we manage change

We will aim to be a Council that actively pursues change in partnership with employees, their representatives and other organisations by

- Being a good employer and looking after our people
- Adopting clear expectations resulting from any change programme
- Being open transparent and inclusive with the change being implemented
- Monitor the effects of change on the workforce

Objective	Progress	Corporate objectives
Complete Pay & Grading review	Framework developed and agreed with Trades Unions Regular meetings of Steering Group to monitor progress Job Evaluation of all posts and appeals has been completed. Work commenced on developing Pay model with the Trades Unions	All Themes
Adopt a formal procedure to manage change covering employment issues	Achieved. The procedure has been used to effectively manage the employment implications of a number of change programmes at a corporate and service level.	High Quality Services
Development of a Corporate Workforce Plan	Profile of workforce reported in Corporate Equality & Fairness Scheme. Framework has been developed and first plan included with the refreshed People Strategy 2008/09. Support provided for Skills for life Programme. Approach taken within Contact Centre has enabled transfer of skills and resources.	High Quality Services Prosperity for all
Managing the effects of change	Pilot has been completed in partnership with ACAS & HSE Stress Management Procedure has been reviewed.	Strong in the Region High Quality Services

## Key Theme 2 - How we promote diversity

We will value and embrace the diversity of our workforce by: -

- Harnessing the diversity of our employees to improve service delivery
- Ensuring the fair and consistent treatment of all our employees
- Using workforce profiles to identify any areas for positive action
- Providing continued learning events for all employees

Objective	Progress	Corporate Objectives
To work towards a workforce that is reflective of the Community	BVPI dated reported in line with performance management framework. Support provided for statutory schemes and corporate approach. Retained Two ticks disability symbol	Strong in the region
Undertake an annual analysis of our workforce	Provided in Corporate Equality & Fairness Scheme.	High Quality Services Strong in the Region
Review employment practices	Age Retirement Procedure complete. Review of compensation schemes complete. Ongoing review of employment portfolio in consultation with the Trades Union Initial Equality Impact Assessments completed on key HR policies.	High Quality Services Strong in the Region
Equality and Diversity Training	Refreshed programme in place and training provided including Elected members. Also part of Induction for new starters. Rolling programme of training in equality issues is provided.	High Quality Services Strong in the Region

## Key Theme 3 - How we employ people

We aim to provide a balanced approach to the employment of people by

- Enabling a range of flexible working options
- Raising our profile as an employer of choice
- Developing modern and fair employment practices

Objective	Progress	Corporate Objectives
Review Pay and Grading structure	Progress made in line with timescales set. Work commenced on developing Pay model with the Trades Unions.	High Quality Services Strong in the region
Provide opportunities for employees to have more choice regarding their working patterns	Procedure in place to enable consideration on individual basis. Requests have been granted in line with procedure. Consideration to be made as part of Pay & Grading review.	High Quality Services
Review arrangements to manage absence from work due to ill health	Revision of Sickness Absence Management Procedure has been completed and agreed with the Trades Unions. Training has been provided for Managers. Occupational Health Service contract has been procured with other public sector partners. Reduction in 06/07 absence rate from 9.38 days to 8.85 days	High Quality Services
Develop and sustain compliant employment practices	Review of Policies has been continued. Initial Equality Impact Assessments have been completed on key HR policies.	High Quality Services Strong in the Region
Progress review of other employee benefits through potential partnership	Benefits of potential partnership has been explored but not implemented. Salary Sacrifice scheme put in place for Childcare Vouchers.	High Quality Services Strong in the region
Consider options regarding the recruitment & selection of employees	Procured preferred supplier of Agency workers with annual savings of around £12,000 per annum. Review of recruitment procedure has been completed. Retention initiatives have been introduced for groups of professional posts.	High Quality Services Strong in the region



## Key Theme 4 - How we develop people

Objective	Actions	Corporate objectives
Develop Leadership and Management programme	Competency framework has been developed and agreed. Partner has been selected to support Programme. Programme for first line managers and middle manager has been developed. Leadership programme has commenced for senior officers.	High Quality Services
	Training has been provided for Elected Members and champions have been nominated.	High Quality Services Strong in the Region
Provide range of learning options	E-learning resources have been established and made available throughout the Council. Corporate Training Programme to include Health & Safety, Equalities and other core skills is under development.	High Quality Services
Demonstrate the effectiveness of investment in learning	Annual report on training actions has been completed. Action plan in relation to IIP re-accreditation to be developed. Development of IT system to capture management information in relation to training	High Quality Services
Provide and encourage opportunities to work across service areas	Learning shared at corporate groups – Corporate Improvement Group for example. Prince2 methodology established as preferred option for managing projects.	High Quality Services

## Key Theme 5 - How we communicate

Objective	Actions	Corporate objectives
Adopt a formal consultation framework with employee representatives	Trades Union Facilities Agreement has been adopted. Review of formal arrangements has been completed to comply with employment legislation.	High Quality Services
Regularly engage with the workforce	Employee survey to be completed 2008. Survey undertaken with employees in relation to HSE pilot. PDR's are completed with employees. Staff meetings have been arranged to discuss key projects – Pay & Grading. Team briefings are used to inform staff of changes in employment procedures and progress with key projects – e.g. Pay & Grading review.	High Quality Services
Review procedures centred on the employment cycle for employees	Induction has been reviewed with further development toward e-resources planned for 2008. Other actions outstanding and will be completed in 2008.	High Quality Services