

**Open Report on behalf of Debbie Barnes,  
Executive Director responsible for People Management**

Report to:	<b>Value for Money Scrutiny Committee</b>
Date:	<b>22 November 2016</b>
Subject:	<b>Council Workforce Plan 2016-2017 - Update</b>

**Summary:**

The purpose of this report is to update Value for Money Committee on the progress made by the Council Workforce Plan 2016-2017, (previously People Strategy Plan,) and the main projects within it. The Workforce Plan identifies the Council's people management commitments to support delivery of the Council Business Plan and is overseen by the LCC People Management Service, in partnership with both the Serco People Management Service, the workforce planning and development leads in Director Areas, and Director Area Management Teams (DMT's).

The Workforce Plan sets out a framework to ensure we maximise the organisational capacity, performance and resilience to deliver the Council's objectives through people, which means :

- Having the right skills, in the right place, at the right time, to the required capacity to deliver the Council's priorities at the agreed standards
- Developing and supporting all of our employees to do their job well to deliver the Council's priorities for the benefit of our customers and communities
- Working as one Council and, through our partners, to deliver effective and efficient services

The Plan includes a continuation of some of the priority projects from the previous year and reflects continuous improvement to people management practices across the Council, in response to both existing and new challenges.

In summary, the Plan includes: Recruiting, retaining and developing the right skills; Continuing the development of leaders and managers; Embedding the Council's values and behaviours through key employment processes; Reviewing people management policies and procedures to ensure they are fit for purpose.

The planned benefits of the Council Workforce Plan are:

- Increased staff motivation and staff engagement
- Improved recruitment and retention of key skills
- Improved staff performance
- Reduced levels of sickness absence

- Effective leaders and managers
- Improved change management
- Improved workforce planning

Overall there has been good progress with key People Management projects delivered in partnership with Serco over the last period. Although not set out in detail in this report, it is acknowledged that People Management resources in Serco and the Council continue to be allocated the transformation of HR and payroll services, and the delivery of the benefits of increased self-service for key HR processes. Serco are also committed to deliver key improvements in the Council's recruitment process, as well as the starter, mover and leaver processes which will enable improvements leading up to data arriving in the payroll system. These are key projects which underpin the Workforce Plan and are essential for modernising how the Council manages its recruitment, performance management, resourcing and learning management processes.

Good progress has been made in enabling Managers to run a suite of HR Management information reports direct from Agresso, so they can monitor people related performance, for example, in relation to the management of sickness absence.

However there have been challenges with the production of the more complex corporate HR reports, such as, days lost per FTE due to sickness absence and employee turnover. There have also been key challenges for Managers in using Agresso. This has meant that the data recording the completion of appraisals over the period since Agresso was launched is not comprehensive. This issue is being addressed through both system improvements as well as arranging refresher training and guidance for Managers and employees in using the system.

In light of the ongoing work on Agresso and related processes to deliver improvements, reporting of performance information for the areas outlined above, to inform the Workforce Plan, will be at the end of quarter 1, 2017-18.

Benchmarking with similar councils and other employers will also re-commence, although in the meantime, there continues to be benchmarking of People Management policies and processes with other Shire Councils across the country.

Key points reflecting progress made at the half year review of the Workforce Plan include:

- A review of progress with CMB has been undertaken in October 2016 and a look ahead to 2017/18. Feedback from CMB reflects that the range of projects delivered are supporting leaders and managers to respond to challenges and implement change more effectively.
- There is effective partnership working between the LCC/Serco People Management Service and director area workforce leads/DMT's ensuring corporate approaches are aligned to be fit for purpose to meet specific business needs.
- The outcomes of the 2015 Employee Survey reflected positive employee engagement results from 52% of employees who responded. The key areas identified for improvement have informed the activities in the Corporate

Workforce Plan and other organisational policies.

- There has been a high demand for the new style Leadership Development Programme which commenced at the beginning of September 2016, focussing on developing middle managers.
- There has been an increasing usage of E-learning by employees, using the Council's Lincs2Learn platform, enabling value for money learning for both corporate and service specific programmes.
- Activities in the Recruitment & Resourcing workstream are progressing, with a commitment from Serco and resources in place to deliver key improvements by March 2017 to enable the delivery of excellent recruitment services as well as to improve starter, mover and leaver processes.

#### **Actions Required:**

Members of the Value for Money Scrutiny Committee are invited to note the contents of the report and highlight any recommendations or further actions for consideration.

- 1.1 The Commitment to Developing & Supporting Our Employees at Appendix A was produced following council-wide consultation with employees, managers and elected Members from Value for Money Scrutiny Committee before being signed off by the Corporate Management and the Executive in 2012. (The original document has recently been reviewed by Corporate Management Board, and other than minor updates, has not been changed as the principles continue to reflect the Council's ongoing commitment to developing and supporting its employees.)
- 1.2 Our future success in delivering our vision, purpose and values depends on the skills and commitment of our staff to deliver services for the benefit of our customers and communities. The Council Workforce Plan sets out our plan to deliver our commitment to continuous improvement by developing our employees. This is managed through three workstreams:
  - Leadership - enabling leaders to deliver organisational/workforce change
  - Workforce Planning (includes Resourcing and Recruitment)
  - Pay and Performance Culture

It is the responsibility of the Corporate Management Board to ensure the delivery of the Corporate Workforce Plan priorities and to review progress

- 1.3 Addressing recruitment, resourcing and learning and development needs within services areas are the responsibility of Director Area Management Teams (DMT's) for professional and technical (job specific) skills, supported by workforce planning and development leads. The Council's Workforce Plan overseen by the LCC People Management Service provides the overarching Council framework for recruitment, resourcing, employee development and organisational/workforce change.

## 2. Governance Structure

2.1 The governance framework for the Workforce Plan comprises of the following key elements:

- **Corporate Management Board** – to provide clear direction and strategic alignment with corporate requirements and priorities. The CMB Sponsor is the Executive Director for Children's Services and People Management.
- **Council Workforce Plan Delivery Group** – led by Service Manager – People, accountable for the planning and delivery of the work streams under the Corporate Workforce Plan and for agreeing how best to align delivery and resources from Serco and LCC.
- **Organisation Development Steering Group** – a forum to enable engagement with Workforce leads in Director Areas; to collaborate on key priority areas for workforce development; to provide assurance on key corporate projects and activities
- **Director Area Engagement** – through DMT's, to ensure director areas understand their role in implementing the changes through service levels actions

## 3. Workstream Summaries

3.1 **Leadership – Enabling Leaders to Deliver Organisational/Workforce Change**

3.1.1 ***Continuous improvement in how the Council manages change ensuring organisational capacity, performance and resilience in response to the changing environment.*** The following activities have either been delivered or are in development:

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- Provision of HR and OD advice relating to organisational restructures and transition in a range of Service Areas, to support changes to service operating models.
- Building on the Leadership Development Programmes delivered over 2012–15, the revised leadership development programme is now being delivered by the Organisational Development Team focusing on aspiring/new leaders/managers and middle managers as well as all leaders in areas with significant change occurring. This is not an exclusive approach and support/development activities is also provided for senior leaders as and when required.
- In line with the Coaching Strategy, we have continued to deliver Coaching Style of Leadership training for leaders at all levels and co-ordination of the Coaching Pool, helping to embed the coaching culture. This assists managers to set team and individual goals, and remains an important part of the overall

performance management approach, to be adopted as the approach underpinning the new appraisal scheme.

- Continuation of delivery of a tailored personal development programme for all levels of managers helping them to improve their leadership skills using 360 degree feedback and psychometric/personality tools.
- Continuation of delivery of Manager's Essentials programme of learning through e-learning on Lincs2Learn and face to face events..
- Project to improve the information on council-wide employee benefits and improved access to information for the existing workforce and for potential employees/job applicants, to be re-launched in November 2016
- Continuation of delivery of programme of health and well-being initiatives, including training in Mental Health Awareness for Line Managers; update of Absence Management Policy and training of managers; audits of sickness absence management in Children's and Adult Services; provision of flu jabs for key employees; development of new portal for employee health and wellbeing so all information can be accessed from one place on the Council's intranet. The effective partnership with the Council's occupational health provider continues to support the proactive absence management approach undertaken by our Managers.
- A review is being undertaken of the Occupational Health Contract in preparation for the re-tender in early 2017, working with the Procurement Team
- Priority actions from 2015 employee engagement survey are being fed into employment policy reviews and organisational strategies to help employees carry out their roles as effectively as possible.

### **3.2 Workforce Planning (Resourcing and Recruitment)**

**3.2.1 *To recruit and retain the required skilled workforce in a timely manner to deliver the Council's priorities*** the following activities have either been delivered or are in development:

- Planning for the introduction of the Apprenticeship Reforms in 2017. Through the Apprenticeship Group, plans are in place to implement the Council's long term goal to increase the number of apprentices employed in substantive roles year on year.
- Implementing our Youth Employment Strategy which includes objectives to increase the number of young people within the Council undertaking apprenticeships, graduate schemes and traineeships. This will be monitored and measured and reported through the Council's Business Plan.
- Implementing pilot projects in relation to the recruitment and retention of qualified social workers in Children's Services, which will be evaluated to identify any learning for other services in the Council, particularly regarding

hard to recruit and retain areas including Planners, Engineers, Legal and Procurement Officers, e.g. activities to support succession planning; recruitment branding for recruitment campaigns; use of LinkedIn for recruitment.

- Working with Serco, implementing improvements in the recruitment and resourcing service to Managers and Job Applicants to deliver a "Centre of Excellence." Serco are also undertaking a review of the end to end review of Employee Lifecycle processes, linked to improvements to the Agresso system.
- Reviewing the contract for the provision of agency workers in preparation for the re-tender in early 2017, working with the Procurement Team.

### **3.3 Pay and Performance Culture**

#### **3.3.1 *Following the Council's Collective Agreement, which amended some core terms and conditions from April 2015, we are progressing the second phase of the implementation. This includes:***

- The revision of the Performance Appraisal & Development policy and process in preparation for linking incremental pay progression directly to performance assessed from April 2018 onwards. Consultation on revised and procedure with Green Book Trade Unions and Managers completed during 2016. Training and information is currently being prepared on the new performance appraisal scheme.
- The Council's Core Values and Behaviours framework has been updated to enable easier use, and forms a central element, in the new performance assessment process. The framework reflects the generic skills and behavioural standards required in a high performance culture, e.g. Encouraging innovation; Working more collaboratively, building relationships and influencing others; Being future focussed and driving positive change; To consistently deliver results.

There have been a number of activities delivered relating to pensions and preparation for retirement:

- Completion of the 3 yearly Auto-enrolment exercise for the LGPS pensions scheme for the Council and schools in June 2016
- Retirement courses are being delivered throughout the year through the West Yorkshire/Affinity workshops.
- Workshops covering AVC's and the Council's Flexible Retirement scheme are also been delivered across the County.

## **4. Benefits Realisation**

- 4.1 The benefits are measured throughout the lifecycle of the Workforce Plan. Some benefits can be measured through the year, whilst others require more long term monitoring and will not be fully realised until after the end of 2016/17.

## 4.2 Staff Engagement and Commitment

- 4.2.1 The outcomes of the November 2015 Employee Survey reflected positive employee engagement results from 52% of employees who responded. Agency workers were encouraged to take part as many could give comparative views having worked for several other organisations.
- 4.2.2 Benchmarking data suggests that a 25% response rate would be considered good for a voluntary survey. Looking back at previous surveys, this is our best result to date. Our previous survey in 2013 had a response rate of 36%.
- 4.2.3 The response rate gave credibility to the results and confidence in using the information to shape our strategies to help employees to carry out their roles as effectively as possible. The results show a high degree of commitment and engagement from our employees. None of the responses showed a less than 50% agreement rating.
- 4.2.4 The areas with the most positive response rate included: having a clear sense of how what they do, contributes to the delivery of the Council's outcomes & vision; sense of pride working for the Council; taking responsibility for self-managing during periods of change; team support.
- 4.2.5 Areas identified to be improved included employee communication, employee consultation and the recognition of talent/skills.
- 4.2.6 Areas where employees fed back negative comments were as part of the free text question including for example, *'What one thing could improve your working environment'*. The key themes emerging were very specific to that point in time, relating to pay errors as well as a number of issues relating to internet speed/environment/property issues/facilities.
- 4.2.7 In relation to the delivery of payroll, Serco have delivered improvements since the survey in November 2015, Additionally, in November 2016, Serco will be issuing letters to all employees in the Council (and schools) providing a statement, either confirming there are no pay issues, or where there are issues provide a detailed breakdown of what they are and how they will be resolved.
- 4.2.8 In relation to network speed, improvements in network performance and stability have been implemented by Serco. There remain further investigations and activities underway whilst a more comprehensive redesign of the corporate network and replacement of equipment is planned. Some further improvements are expected, as work continues.
- 4.2.9 In relation to property issues, a number of responses to the survey highlighted local management issues with broken equipment and untidy work areas that could easily be resolved without intervention from the Corporate Property Team. Managers and employees have been reminded that they are

empowered to resolve these types of issues. Since November 2015 Corporate Property continues to deliver a rationalisation programme. This reduces the cost of expensive and surplus office accommodation across the County. This means that some Services are asked to move location; where this happens, the ambition of the Corporate Property Team is to provide a comfortable working environment for all employees.

### **4.3 Other HR Management Information**

- 4.3.1 In light of the ongoing work on Agresso and related processes to deliver improvements, as outlined in the main Summary of this report, information in relation to appraisal completion, days lost per FTE due to sickness absence and employee turnover, will be reported at the end of Quarter 1, 2017- 2018, to assist in the measurement of the benefits of the Workforce Plan.

### **4.4 Effective Leaders and Managers**

- 4.4.1 In relation to the Leadership and Management Programme completed in March 2016, the evaluation showed extremely positive feedback. Comments from participants on the Leadership Programme included:

*'It has allowed me the opportunity to meet with senior managers from other areas of the council, and to share their experiences of leadership. It has made me more aware of my own strengths, and of the areas of management I need to develop further'*

*'I think the most valuable part of the course was undertaking the training with a range of managers from different services and also the input from Democratic services was really helpful and political aspects we covered. The 360 appraisal was really good to actually analysis how you behave and impact you have on others and how you can make slight changes to function better'*

The new approach to leadership development has been taken up by 80 managers from across all Director areas starting with attendance at an Induction event, provision of a Mindtools licence and the opportunity to attend a number of masterclasses through the year. The first masterclass was delivered on 31 October on Leading through Change which 21 people attended, with future topics on Reflective Practice for Leaders, Leading in a Political Organisation and others to be determined by participants.

In addition, the OD team are supporting leaders and managers through coaching provision and action learning activities, with the intention that a number of Communities of Practice develop. Senior leaders are currently being identified to support with mentoring.

### **4.5 Workforce Planning**

- 4.5.1 The approach to workforce information and analysis to inform future demand for resources to better inform workforce planning is in development, linked to



improving management information reports through the Agresso Project. The information available, however, reflects key trends seen over the last few years, identifying key workforce planning challenges as a result of our ageing workforce. The need to focus on programmes such as the Youth Employment Strategy (including traineeships and graduate schemes) and the all age Apprenticeship Programme to critical to developing and retaining the key skills required for the future.

#### **4.6 Director Area Workforce Planning and Development**

- 4.6.1 Although the main focus of this report outlines council wide Workforce Plan project/activity updates, the DMT's and the workforce leads in director areas, both provide a key role in providing project assurance, as well as ensuring key people management policies and approaches are embedded in a manner which also delivers specific business needs.
- 4.6.2 In relation to each of the 3 Workstreams of the Council Workforce Plan, there is a clear alignment between the service specific workforce priority activities and the objectives of the Council Workforce Plan. However given the diversity of professional areas, determined by both professional and government requirements, there is often a tailored approach required to meet business needs. An example being the corporate appraisal framework and the Council's core values and behaviours framework, which need to fit with, for example, Fire and Rescue professional standards, the Public Health Skills and Knowledge Framework as well as with the proposed central government accreditation scheme for Social Workers.
- 4.6.3 Expertise and resources are shared by the People Management Service with Director Area leads. An example includes recruitment and retention, whereby expertise and knowledge of best practice is provided by the Service, working in partnership with the service leads to ensure that the solutions meet the specific challenges, such as in areas of professional skills, which are hard to recruit and/or retain.
- 4.6.4 Similarly, collaboration across the services is also important in the planning for programmes such as the government's Apprenticeship Reforms, with the Strategy Group ensuring a co-ordinated approach is taken so that the Council recoups its full levy payment, and so that each service areas maximises opportunities for workforce skill development through the accredited apprenticeship training programmes. There is also a co-ordinated approach in relation to either preventing or addressing workforce health and well-being and resilience issues, with specific additional activity in sickness hot spot areas.
- 4.6.5 The Organisation Development Steering Group provides the opportunity for collaboration and information sharing between service areas, informed by their quarterly updates progress on key activity and projects relating to the planning and development of professional and technical (job specific) skills.

## 5. Conclusion

- 5.1 Overall the projects within the Workforce Plan are being delivered on plan and evidence is being captured that supports the achievement of the planned benefits. In particular the close working with Director Area Leads ensures that knowledge and resources are shared, and that there is effective joined up working on projects such as the Apprenticeship Levy to meet both council objectives and service specific requirements.
- 5.2 In undertaking their review, the Corporate Management Board have determined that the existing projects relating to the embedding of the new Performance Appraisal process, the introduction of the Apprenticeship Reforms, Recruitment and Retention initiatives in hard to recruit and retain areas as well as supporting the Management Development programme, ongoing, will be required to continue into 2017-18. Ongoing priority will also be given to the transformation of HR systems and processes.

The detailed plan will be finalised, following consultation with DMT's, and the Organisation Development Steering Group.

## 6. Consultation

### a) Policy Proofing Actions Required

N/A

## 7. Appendices

These are listed below and attached at the back of the report	
Appendix A	Commitment to Supporting and Developing Our Employees

## 8. Background Papers

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

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