

TITLE OF REPORT: PEOPLE STRATEGY UPDATE

REPORT OF THE CORPORATE HUMAN RESOURCES MANAGER

1. SUMMARY

- 1.1 To present the People Strategy 2015 – 2020 which also incorporates the Councils Workforce Development Plan and to update the Joint Staff Consultative Committee on the progress made in the first quarter of the new People Strategy.

2. RECOMMENDATIONS

- 2.1 To note that the new People Strategy is now in place for the period 2015 – 2020 and to note the progress made in the last quarter June 2015 to September 2015 on a number of HR Projects and work streams.

3. REASONS FOR RECOMMENDATIONS

- 3.1 The People Strategy supports the achievement of the Authority's key objectives.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Not applicable.

5. CONSULTATION WITH EXTERNAL ORGANISATIONS AND WARD MEMBERS

- 5.1 No consultation has been carried out because the People Strategy is focused on employee and organisational related projects.

6. FORWARD PLAN

- 6.1 This report does not contain a recommendation on a key decision and has not been referred to in the Forward Plan.

7. BACKGROUND

- 7.1 Progress against the People Strategy is reported to all quarterly JSCC Meetings.

- 7.2 Attached at Appendix B is the HR work plan for 2015/16 and a separate Appendix is the People Strategy for 2015 - 2020.
- 7.3 The terms of reference for the Joint Staff Consultative Committee are to be the corporate interface with employees on major Human Resource issues and to be the Strategic HR Forum for NHDC Members.
- 7.4 HR projects do require support from other support services such as IT, Finance, Legal Services and others.

8. **ISSUES**

- 8.1 Over the last quarter the focus for the team among other busy work and projects has been the development of the 2015 – 2020 People Strategy including HR meetings with all the other services to discuss workforce needs over the next 5 years. The prevailing outlook is ongoing austerity in local government coupled with pay restraint and economic recovery elsewhere. Organisational change, new skills such as thinking and working commercially as Local Government faces the possibility of becoming independent of government grants and the potential for huge change in the form of devolution deals.
- 8.2 The full People Strategy is attached at Appendix C and the work plans will be refreshed annually with progress against the delivery of the People Strategy and HR Service work plans which will be reviewed quarterly by the Joint Staff Consultative Committee.
- 8.3 The HR team continue to have some structure pressures with one HR manager on maternity leave and a second due to commence maternity leave from December onwards. Work is underway to ensure adequate cover is maintained in the small team. A recent increase in turnover has resulted in an increase in recruitment activity which is administered by the HR team.
- 8.4 The recent project highlights since the last JSCC in June 2015 are listed below and show what a busy time it's been for the team.
- 8.5 The Apprentice scheme is still running extremely well. We currently have apprentices in Customer Service Centre, Careline, HR, MSU, Revenues & Benefits, Environmental Health and Property Services. Eight of our original apprentices are still with us in new roles. Such is the success of the scheme that demand has outweighed supply and the Property Services Apprentice is the last we can take on until spring 2016.
- 8.6 The new salary sacrifice scheme for cars launched in December has not generated any orders as yet and will be published again through Team talk and the intranet. We are at a very early stage of considering a salary sacrifice scheme for Smart-phones.
- 8.7 The Child Care Voucher scheme continues to be popular with an average of 21 employees accessing the scheme every month. In total over the past four months just over £17,000 worth of vouchers have been ordered and NHDC's employers' NI savings in the same period will be between £1,711 and £2,349 depending on the rate of NI paid. The commission charged on the vouchers ordered is 1% plus VAT and much of the administration is carried out by Serco as part of the standard Payroll contract. This means the scheme, which is much valued by employees, more than pays for itself. The government's new Tax-Free Childcare scheme, which was due to come into effect in October 2015, is to be delayed by more than a year until early 2017 following a legal challenge in the Supreme Court by childcare voucher companies. The Court ruled that

the Government has acted legally, but the case has resulted in a delaying in the new scheme's implementation date.

- 8.8 The HR team have continued to actively manage the long term absence case load and by mid August there were no cases.
- 8.9 Following the introduction of shared parental leave with effect from 1st April 2015, the HR team have developed a new policy, as well as procedures and guidance on this complex statutory entitlement, which are available on the intranet. To date there have been no requests from staff for this leave.
- 8.10 We are working with IT on Phase 2 of the online recruitment project to modify the 'back end' process for managers once applications have been submitted for shortlisting, and review the reporting facility for HR. The aim is for managers to have electronic access to applications for shortlisting purposes, and to further develop the reporting facility as well as improving the shortlisting process.
- 8.11 The vacancy control process has been reviewed following an audit recommendation that this is done. A limited number of managers were consulted and they felt the process had become bureaucratic so the process has been redesigned and will go to the Senior Management team meeting and SCF before being introduced in the Autumn.
- 8.12 Analysis has commenced on the raw data for the biannual Equal Pay Audit. This review requires significant HR resources.
- 8.13 The annual appraisal cycle has returned our usual high completion level. Work has also started on reviewing our appraisal form and processes, the current ones have been in use for a very long period and a review is thought to be timely.
- 8.14 The review of the use of agency temporary workers within the Council has progressed. Two possible Framework Agreements, both with the same supplier, are being explored to decide which best meets our needs in respect of procuring the type and quality of worker required by the Council at beneficial rates. The small number of agency temporary workers used by the Council means that suppliers have to give careful consideration to the rates offered.
- 8.15 As in the previous two years, NHDC are offering staff the opportunity to have a Seasonal Flu vaccination via a number of lunchtime clinics held at DCO. Those not able to attend the clinics onsite can opt for a voucher instead which can be redeemed at any local Superdrug pharmacy. The cost of the vaccination is expected to be around £7.00 per person and is paid for by NHDC. This has a number of benefits; for individuals with long term health conditions, those who have caring responsibilities for young or elderly relatives, as well as for the Council in ensuring a flu epidemic does not compromise availability of sufficient staff to keep services running at a time of high demand.

9. MEASURING THE SUCCESS OF THE STRATEGY

- 9.1 Balanced Scorecard measures will continue to be collated to measure the success of the People Strategy Key measures are as follows:-
- Number of days lost to sick absence per employee
 - Turnover
 - Percentage of staff that have completed an appraisal

10. LEGAL IMPLICATIONS

10.1 The People Strategy enables the Council to meet its legal obligations to employees.

11. FINANCIAL IMPLICATIONS

11.1 Implementation of the strategy will be contained within existing budgets with the exception of the paragraph. Any additional costs arising from the recommended actions in the action plan will also be contained within existing budget provision.

11.2 The Apprenticeship Scheme commenced in January 2013 with total budget provision of £424k made available to fund the first two years of the scheme. The approved investment proposal in the 2015/16 Corporate Business planning process was to continue to provide apprenticeship/ internship opportunities to NHDC residents, with eight apprentice posts incorporated into the staffing establishment. However the scheme remains subject to annual review, with recommendation on its continuation made as part of the annual budget-setting process.

12. RISK IMPLICATIONS

12.1 The Top Risk of Workforce planning identified the following as key risks:

- Loss of key staff or temporary absence due to pressure of on-going change, with risk highest for loss of those in professional roles and senior manager positions
- Loss of staff with key skills and knowledge due the age profile of the workforce
- Failure to have sufficient turnover to bring new ideas and processes to the Council
- Failure to have succession planning
- Failing to plan the future workforce needs of NHDC sufficiently.
- Delivery of a People Strategy is key to reducing the identified risks.

13. EQUALITIES IMPLICATIONS

13.1 The Equality Act 2010 came into force on the 1st October 2010, a major piece of legislation. The Act also created a new Public Sector Equality Duty, which came into force on the 5th April 2011. There is a General duty, described in 13.2, that public bodies must meet, underpinned by more specific duties which are designed to help meet them.

13.2 In line with the Public Sector Equality Duty, public bodies must, in the exercise of its functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.

13.3 Part of the work contained in the People Strategy is to train our staff to understand their role in complying with the Public Sector Equality Duty by eliminating unlawful discrimination, harassment and victimisation and fostering good relations with

colleagues and as officers of the council with our service users. The provision of employee benefits such as childcare vouchers, salary sacrifice car schemes and flu jabs help to ensure that the authority attract and, at a time when turnover has increased slightly, retain the best possible staff to take the organisation forward.

14. SOCIAL VALUE IMPLICATIONS

- 14.1 As the recommendations made in this report do not constitute a public service contract, the measurement of 'social value' as required by the Public Services (Social Value) Act 2012 need not be applied, although equalities implications and opportunities are identified in the relevant section at paragraphs 13.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 The HR implications are detailed in the main report.

16. APPENDICES

- 16.1 Appendix A – Key Performance Measures
16.2 Appendix B – HR People Strategy Work Plan for 2015/16
16.3 Appendix C -

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18. BACKGROUND PAPERS

People Strategy 2015 - 2020

Key Performance Measures

Appraisal Completion

Date	% Received at Target Date
30 June 2005	29.73%
30 June 2006	36.12%
31 July 2007	99.18%
31 July 2008	100%
31 July 2009	99.5%
31 July 2010	98.67%
31 July 2011	97.76
31 July 2012	93.72
31 July 2013	98.7%
31 July 2014	96.7%
31 July 2015	93%

Turnover

Turnover	
Target 9.8%	
2008/9	8.57%
2009/10	10.20%
2010/11	10.63%
2011/12	14.45%
2012/13	15.24%
2013/14	10.07%
2014/15	12.58%

Absence

Headcount (June 2015 Figures) 327 – Full Time Equivalent (FTE) 285.7

Absence Rates 2014/15 rolling year - Days Lost Per FTE By Month		
	Long Term	Short Term
July	0.25	0.25
August	0.29	0.17
September	0.15	0.24
October	0.28	0.17
November	0.21	0.30
December	0.20	0.22
January 2015	0.06	0.31
February	0.06	0.30

March	0.07	0.31
April	0.00	0.16
May	0.07	0.28
June	0.23	0.14
Total	1.87	2.85

- Latest figures show long term absence cases falling back to zero in August.
- The target to achieve 3.5 days or less short term absence is still doing well.
- Absence rates per FTE for the first quarter of 2015 are lowest in the Customer Services Directorate and highest in the Planning Housing & Enterprise Directorate.

**APPENDIX B People Strategy Action Plan
2015/16**

Action Title	Priority	Description of the Action	Desired Outcome	Sub-Action	Milestones	Planned Start Date	Due Date
Organisational Development							
Shared Parental Leave Policy Implementation	Living within our means	Introduction of Policy and procedures to ensure meet statutory requirement and best practice	New policy and procedures introduced	Consultation process followed	Revised Policy issued for consultation, reviewed, agreed and published Policy, procedures, guidance and standard letters published on the intranet.	01/01/15	01/05/15 Completed
Senior Manager/Organisation Restructure 2015/16	Living within our means	HR support for the 2015 Senior Management Restructure during autumn 2015/16	Staff are well informed and supported through change	Communications, Consultations, informal, group TU and individual. Paperwork, administration, advice and support redundancy cases including any appeals. Outplacement activities and any recruitment.	CEX announces restructure plans and communicates rationale with staff. Reports to Cabinet, Council and holds staff briefings. Consultation opens, consultation closes, feedback final outcome and changes implemented	Majority of projects expected to match the Corporate Business Planning timetable	Corporate Business Planning timetable
Create an Employee Engagement Work Plan	Living within our means	Create an Employee Engagement Plan which reflects what we already offer and additional activities	Employee Engagement activities are aligned and embedded	Meet with relevant stakeholders. Launch work plan Sept 2015	Meetings, communications, intranet pages, work planned in delivery of employee engagement initiatives	01/06/15	31/03/16
Plan for Investors in People (IIP) interim review	Living within our means	Investors in People status must be reassessed every 3 years, an interim review is due December 2015	Retain Investors in People status	Meet with assessors to conduct interim review in Dec 2015	Review taking place Dec 2015	03/08/15	31/12/15
Corporate Business Planning, supporting any service restructures JSCC (30.9.15)	Living within our means	Supporting Organisational Restructure during 2015/16	Staff are well supported through change	Restructure reports, staff briefings, consultation opens, consultation closes, feedback final outcome, changes implemented	Restructure reports, consultation and implementation	Majority of projects expected to match the Corporate Business Planning timetable	31/03/16

Action Title	Priority	Description of the Action	Desired Outcome	Sub-Action	Milestones	Planned Start Date	Due Date
Prepare for 2016 Staff Survey	Living within our means	2016 Staff Survey	Survey completed and analysed	Staff survey results reported and communicated. Action plan created	Staff survey launched, staff survey closed, headlines results, corporate results, service results, full report published and action plans created	01/01/16	01/09/16
Support Shared Services or other means of changes to service delivery	Living within our means	HR support and advice on a complex mixture of TUPE, Redundancy, Selection, Terms & Conditions, Change, Consultation, Communications, Employment Law, Policies, Equalities, People Management, Training & Development & Outplacement support.	Staff are well supported through change	Meetings, communications, consultation informal, group TU and individual, paperwork and administration, advice and support, redundancy, TUPE cases including any appeals	To be programmed once shared service projects are identified	01/04/15	31/03/16
Phase 2 Online Recruitment Project	Living within our means	Extend access for recruiting managers to electronic application form (with equalities data and names removed)	Improved recruitment process and reduction in administration time	HR/IT to review online application form in use since October 2014 and plan and develop implementation of Phase 2 manager access	Recruiting Manager access to electronic application forms	27/04/15	31/10/15
Herts Civil Service Shared Support Services	Living within our means	Work with the HR Partnership to explore partnership services for HR and to support the possibility of shared Finance, Legal Services and Facilities through the same partnership	Efficient cost effective services provided during any planning, transition and onwards	Attend regular meetings of the HR Partnership Group to maintain watching brief. Contribute to work required and support HR and others teams through the uncertainty of potential change	Preparation of high level then detailed business cases and planning of pilot/big bang implementation	01/04/15	31/03/2016 & onwards

Action Title	Priority	Description of the Action	Desired Outcome	Sub-Action	Milestones	Planned Start Date	Due Date
Review of Dignity at Work Arrangements	Living within our means	Review of policy and procedures to ensure best practice is met. Refresh of supporter list and training. Review of material used for staff workshop	Updated policy and procedure	Send details out to partner networks and other contacts to see if there is nay interest. Meet with any people expressing an interest i.e. a secondment. Finalise details, advertise post, appoint, handover period, cover	Revised Policy issued for consultation, reviewed, agreed and published. Refreshed workshop available	31/05/15	31/12/15
Pay and Rewards							
Careline Staff Discounts	Promoting sustainable growth	Determine if discount on Careline Services would be a valuable addition to the staff benefits package	Introduction of a discounted Careline Service to staff	Survey staff to determine interest. Promote scheme to staff	Outcome of survey decision to proceed or not. Communicate discounts Discount scheme launched 1.5.2015.	01/02/15	01/05/2015 Complete
Pay Policy Statement	Working with our communities	Compliance with Government Transparency Code 2014 and consideration of DCLG severance/off payroll arrangements guidance	Publication to comply with Section 40 of the Localism Act & the Local Government Transparency Code 2014	Use of Guidance, drafting report to Council, Council approval, final amendments and publication	Council approval and publication on the Council's website	01/01/15	09/04/15 Complete
Equal Pay Audit	Living within our means	Undertake audit of salaries across the Council with respect to gender differentiation	Audit complete and action plan formulated	Produce and analyse salary data, produce report and determine any required actions	Data and conclusions produced and discuss with Union. Report and action plan published		Equal Pay Audit At data analysis stage
Epaycheck	Living within our means	Introduce Epaycheck system, our jobs to the catalogue, in salary and allowance data, reports as and when required.	To enable us to have robust market data for the East of England, which will support our recruitment process and ensure our salaries are benchmarked appropriately.	To enable us to have robust market data for the East of England, which will support our recruitment process and ensure our salaries are benchmarked appropriately.		01/07/15	Project underway

Payroll Service Contract Management	Living within our means	To effectively manage the Serco outsourced Payroll Service contract through the HSS Shared Managed Service Framework	Cost effective satisfactory service running	Monitor and feedback on contract performance, quarterly performance meetings with Serco, weekly errors log, fortnightly issues log, issues reaching completion, Payroll Audit outcomes	Performance reports, issues log completion, Payroll Audit outcomes	01/04/15	
Plan & Implement Learning & Employee Engagement Manager Maternity Cover	Living within our means		Continuous Learning & Development Service is maintain and for internal customers	Send details out to our partner networks and other contacts to see if there is any interest. Meet with any people expressing an interest i.e. a secondment. Finalise details, advertise the post, appoint, handover period, cover commences	Appointment, handover, commencement of cover - Completed	01/06/15	
Payroll Audits 2015/16	Living within our means	Annual Payroll Audit - Outcome Substantial level of Assurance and Payroll Contract Management Audit - Outcome Substantial Level of Assurance	Completed Audit action plans with outcomes achieved	Agree final audit plan and implement and review actions to ensure recommendations are implemented and embedded	Audit coping, fieldwork, draft audit action plan, audit actions planned, completed and embedded	31/03/15	Last two Audits were given a substantial level of assurance
Recruitment and Retention							
Apprentice & Intern Scheme JSCC (30.9.15)	Living within our means	Continue the scheme into 2015/16 and onwards	Some Apprentice and Intern retention and, improve demographic age profile	Complete review of scheme, secure ongoing funding, expressions of interest form, services recruitment of Apprentices and Interns. Transition in to permanent or other temporary position or manage	App placements, App recruited, Apprentice works & learns, App completed, redeployments or outplacement	01/04/15	31/03/16

				termination of contract with outplacement support to help them obtain another job			
Agency Temporary Staff Framework	Living within our means	Proceed with use of Framework Agreement for effective ongoing management of agency temporary workers use at the Council	Effective arrangements in place	Effective ongoing management of agency temporary workers at the Council	Framework Agreement established. New arrangements effectively communicated	01/04/15	31.12.15
Phase 2 Online Recruitment Project	Living within our means	Extend access for recruiting managers to electronic application form (with equalities data and names removed)	Improved recruitment process and reduction in administration time	HR/IT to review online application form in use since October 2014 and plan and develop implementation of Phase 2 manager access	Recruiting Manager access to electronic application forms	27/04/15	31/10/15
Review of Vacancy Control Form and Process	Living within our means	Redesign of form and process as per audit action/outcomes and associated financial control requirements	Updated fit for purpose to suit managers and finance and workforce planning purpose	Corporate Board discussion redraft form/process Corporate Board to consider, implement and communicate	New form and process, approval for launch	01/03/15	30/06/15 Complete new process to be launched in the autumn
Review of selection process	Living within our means	Redesign process to improve effectiveness and reduce managerial time	Streamline process whilst managing risks	Manager feedback, research and HR input to design new process, implement, communicate	Process established. New process agreed and communicated effectively.	1/6/15	31/10/15

Providing a Human Resources Service

Refresh People Strategy for period 2015 to 2020	Living within our means	Create a People Strategy to reflect the current demands on Local Government, the Economy and the impact on the Council going through continual change	To be able to respond to the needs to the business within our means	Meet with relevant stakeholders. Use outputs from Challenge Board, Research and planning draft People Strategy and Workforce Development Plan and communicate the updated plan. Launch the 2015 - 2020 Strategy	Progress on the work from the People Strategy and any completed projects are reviewed quarterly at JSCC meetings	01/03/15	31/08/15
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