

*PART 1 – PUBLIC DOCUMENT	AGENDA ITEM No.  <b>6</b>
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TITLE OF REPORT: **PEOPLE STRATEGY UPDATE**

REPORT OF THE CORPORATE HUMAN RESOURCES MANAGER

**1. SUMMARY**

1.1 To update the Joint Staff Consultative Committee on the progress made in the last quarter on the People Strategy 2015 - 2020 which covers the Workforce Development needs.

**2. RECOMMENDATIONS**

2.1 To note the progress made in the last quarter, July to September 2016 on a number of HR Projects and work streams as part of the People Strategy for the period 2015 – 2020.

**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. Attached at Appendix B is the HR work plan, taken from the HR Service plan for 16/17. 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. 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, recruitment has continued to be very busy due to turnover, departmental restructures and recruitment of new apprentices.
- 8.2 The HR Service plan project highlights show the progress made since the last JSCC in July 2016.
- 8.3. There are major changes coming forward for how Apprenticeships will be run in the future with a new apprentice training levy and public sector targets to employ apprentices coming in 2017. Details on the Levy have recently been published and we are closely following developments to prepare for the changes. The current scheme is running extremely well and we are recruiting more apprentices now.
- 8.4 We are following a number of Government Consultations that will require changes to pay and benefits. A round up these is included as an information note on the Agenda of the September JSCC.
- 8.5 The bi-annual Staff Survey report has been published with overall staff satisfaction having gone up by 8% to 86% with many people responding positively to the questions in the survey. Some questions identified areas for improvement and an action plan has been created which includes a review of internal communications and a review of long service awards. Service results have been sent out and actions at service level will be captured along side service plans.
- 8.6 Feedback for a new improved shortlisting process has been good and the process is now being used for the majority of vacancies. Initial discussions around online shortlisting have taken place with IT, and an outline process has been drawn up. HR will meet with IT again in September to specify requirements in order for IT to commence building the system.
- 8.7 The Equal Pay Review was finished in the last quarter. Preparatory work is now underway in respect of the mandatory gender pay gap reporting requirements due to be introduced in April 2017.
- 8.8 The new Regular Performance Review (RPR) has been used for its first cycle this spring/summer. Final collection and collation of RPR documents is being undertaken. The updated policy and guidance notes are available on the intranet. Feedback is being considered for any improvements that can be made. A revised competency framework is being developed for use with the RPR process and to support other management and HR activities such as recruitment.
- 8.9 Following the success of the Well Being workshops last year the sessions have been updated and another session is planned for October. They will also now carry the 'facing the challenge' label which gives a context to our development activities. In addition a workshop is being developed to be run in October focussed on skills of Managing Change and Transition.
- 8.10 An Institute of Leadership and Management level 5 programme has been completed and when assignments have been successfully submitted participants will receive their certificates. The L and D team will investigate the need for further training of this type.

- 8.11 Essential learning both through the Learning Management System and training sessions has been reviewed which will ensure the most effective use of time and resources. This includes changes to the induction process and the first day welcome.
- 8.12 Corporate Board have agreed that the organisation continue to be assessed against the Investor in People Standard. The standards have been updated and NHDC will be assessed against these new criteria in July 2017. Work has commenced to create an action plan prior to assessment. This will draw on the staff survey results.
- 8.13 Work is ongoing in exploring a further framework for agency temporary workers and in the meantime a review of the Council's Register of Temporary Workers has been undertaken to increase its effectiveness in producing a pool of suitable temporary staff for managers to draw on when required.
- 8.14 The team are currently supporting a number of service restructures, and a TUPE proposal in addition to the usual employee relations case work.
- 8.15 A further application has now been received for the Council's salary sacrifice car scheme. This is only the third since the scheme's introduction in December 2014. A recently announced Government consultation on salary sacrifice schemes proposes the removal of existing tax and NI advantages from such schemes, with the exception of childcare provision and cycle to work schemes, and if this proceeds, it will be necessary to consider a review of the Just drive scheme.
- 8.16 HR are currently planning the 2016 round of flu vaccinations for staff in order to have them ready for the September period to get vaccinations done in time for the late autumn and winter. This benefit has been well received by staff over the last 3 years with around 100 staff opting for either a vaccination at DCO, or a pre-paid voucher to be used at a local pharmacy.

## **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 and 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. The investment bid to make permanent budget provision for the Apprenticeship Scheme was approved in the process of setting the budget for 2016/17.

## **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 1<sup>st</sup> October 2010, a major piece of legislation. The Act also created a new Public Sector Equality Duty, which came into force on the 5<sup>th</sup> 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

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## **18. BACKGROUND PAPERS**

18.1 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%
31 July 2016	94%

### Turnover

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%
2015/16	15.14%

<b>Absence Rates Aug 2015 to July 16 rolling year - Days Lost Per FTE By Month</b>		
	Long Term	Short Term
August	0.00	0.14
September	0.03	0.29
October	0.17	0.13
November	0.19	0.21
December	0.32	0.30
2016 January	0.14	0.36
February	0.05	0.47
March	0.00	0.40
April	0.11	0.19
May	0.27	0.23
June	0.16	0.26
July	0.15	0.35
<b>Total</b>	<b>1.59</b>	<b>3.33</b>

The Short Term absence target is 3.5 days. It's looking at the rate during this last 12 months absence is only just under target. Absence is highest in Planning Housing and Enterprise and this has been highlighted to the service to look into it. Long term absence is also higher this year than in 15/16.

The Headcount figure at April 2016 was 323 and the Full Time Equivalent (FTE) figure was 282.73

2016/17 HR Service Work Plan

Organisational Development

Action Title	Objective	Description of the Action	Desired Outcome	Sub-Action	Milestones	Planned Start Date	Due Date
Review of Visa and work permit checking process	Responsive & Efficient	Current checking process is reviewed, including number of staff affected	Employee visa's and work permits are reviewed in a timely manner	Team have a thorough understanding of new process and what is required.	Agree any changes to process and update the HR team	01/04/16	31/07/16
Regular Performance Review	Responsive & Efficient	Introduce a new performance management and review process updating the current appraisal scheme.	Regular Performance Review fully implemented across the organisation.	Conduct briefing sessions for all staff and managers	First round of RPR discussions completed by 31st July and reviewed by of September 2016	April 1st 2016	April 1st 2016
Support OA decant and DCO refurb and return with comms and engagement initiatives	Responsive & Efficient	Ensure effective engagement, training and coaching activities to facilitate a smooth transition between buildings.	Staff movement between sites achieved with minimum disruption and maintaining staff morale and motivation.	Review after move to Town Lodge and again after move back to DCO. Ensure any lessons learnt are captured.	Decant from DCO. Return to DCO.	Throughout 2016	Ongoing

Support Organisation wide changes to create planned changes to meet council budgets	Responsive & Efficient	Provide HR support for senior manager and other organisational restructure during spring / summer 2016	Staff are well supported through change	Communications, Consultation including informal, group, TU/SCF and individual. Paperwork, administration advice and support for any redundancy including appeals Outplacement activities and any recruitment	CEX announces restructure plans and communicates rational with Staff. Reports to Cabinet and Council and holds staff briefings. Consultation opens, consultation closes, feedback is provided on the final outcome and the changes are implemented.	Spring 2016	01/12/16
Support services going through Shared services or outsourcing/ TUPE changes	Responsive & Efficient	Provide HR support for managers during restructures and TUPE negotiations	Staff well supported through change	HR Business Partners to support and advise managers through periods of change management	Consultation process successfully concluded	Ongoing	Ongoing
Policy Reviews	Responsive & Efficient	Follow a planned and regular review schedule for existing policies, introduce new policies as required and respond to changes in legislation and good practice.	Clear, fair and consistent policies which cover all required aspects of the employment relationship.	Regular policy reviews and monitoring of developments	All policies regularly reviewed as required and new policies introduced to meet any deadlines imposed.	Ongoing	Ongoing
Absence Management	Responsive & Efficient	Support managers to effectively manage staff absence. Aim to reduce organisational cost of absences and ensure NHDC provides an efficient service for our customers and stakeholders	Reduction in sickness absence, effective service delivery to customers and stakeholders	HR Business Partners to review absences and advise and support managers to deal with absence effectively and consistently across the organisation	Continue to reduce short term absence figures	Ongoing	Ongoing

LMS	Responsive & Efficient	Review existing LMS and elearning arrangements to improve functionality and ease of use and to make recommendation for the best system for 2017/18 and beyond.	A Learning Management System that meets the needs of the organisation for the next 5 years.	Conduct research and benchmarking to understand fully the options and possibilities available.	End of December 2016 - Decision as to renewal of the existing subscription arrangements or procurement of new approach.	Ongoing	31st March 2017
Essential Learning	Responsive & Efficient	Review existing essential learning arrangements for all staff and managers.	All staff and managers provided with essential skills and knowledge within first 6 months of employment and refresher training as required.	Consider in relation to first day welcome and induction arrangements.	New arrangements be recommended, piloted and amended by 31st July 2016	Underway	31st October 2016
Management Development Programmes	Responsive & Efficient	To design and implement/deliver management and team leader training to equip managers to perform effectively and meet future challenges.	Skilled and effective managers with qualifications as appropriate.	Build on existing provision to develop a menu of options based on core skills, qualifications and a range of modules to support the needs of managers in a changing organisation.	ILM course completed in May and evaluated. Range of options available April 2016.	Ongoing	Ongoing
Develop competency framework	Responsive & Efficient	To review existing Management and Staff competency frameworks and revise to reflect current and future organisational needs.	New framework in place and being used for RPR and talent/succession planning.	Conduct consultation and research/benchmarking to establish the most ideal NHDC framework	Clear direction on format and presentation of competency framework.	Underway	September 30th 2016
Developing staff to meet challenge of change/wellbeing	Responsive & Efficient	Provide a range of learning and development opportunities including workshops and coaching to support staff in meeting future challenges and building resilience.	A well motivated and resilient workforce with a range of support and tools available to them.	Results and report from February staff survey by end of May	Review activities undertaken and feedback received as at of October 2016.	Underway	Ongoing

Resource cost effective learning to meet needs	Responsive & Efficient	Support both corporate and departmental learning by sourcing cost effective learning solutions and looking for opportunities to generate income	Best value obtained from budgets available.	Explore opportunities to operate in a more commercial way and to work in partnership where this provides opportunities to achieve the desired outcome.	Regular reviews of all training budgets undertaken with group accountant on a monthly basis.	Underway	Ongoing
Maintain standards in preparation for IIP assessment	Responsive & Efficient	Ensure all Learning and Employee Engagement activity is in line with IIP standards	Maintaining IIP standards both as a means of developing organisational effectiveness and if appropriate to retain our IIP status and award	Report on changes to IIP standards and cost of assessments from April 2017. Recommend best way forward for organisation,	Report to Corporate Board in June 2016 to agree a strategy in relation to new standards and options regarding assessment.	Underway	01/04/17

#### Recruitment & Retention

Action Title	Objective	Description of the Action	Desired Outcome	Sub-Action	Milestones	Planned Start Date	Due Date
Completion of manager access to Online Recruitment	Responsive & Efficient	Deliver the next stage of the online recruitment project - manager access	Managers can access application forms and carry out short-listing online. Less HRSO involvement, saving time and resource	Test and trial manager access and provide guidance notes for managers. Spot-checking to be carried out to ensure accuracy.	Trial of new short-listing to be completed by 30/04/2016	01/04/16	31/07/16
Review ID checking process at recruitment with a view to transfer to CSC	Responsive & Efficient	Applicants attending interviews have their ID checked and copied by CSC staff rather	Applicants attending interviews have their ID checked and copied at CSC in advance of interview	Staff to be given training Guidance notes to be provided	Process and timescales to be agreed with CS Manager.	01/04/16	30/09/16
Agency Temporary worker provision	Responsive & Efficient	Revise the Policy and Procedures in respect of the procurement of temporary workers by the Council.	A clear cost effective means of providing the Council with the temporary worker resource it requires having regard to best value and the Go Local initiative.	Review of Temps Register. New arrangements for procuring agency workers.	Way forward agreed by CB. Revitalised Temps Register up and running. Working relationships with agencies established.	Ongoing	30.9.2016

Apprentices Scheme changes to align with new regulations	Responsive & Efficient	plan and implement changes to the NHDC scheme to fit with Government targets , the Apprentice training levy and new higher apprentice opportunities	A continued well regarded apprentice scheme that meets the needs of individuals and the organisation including improved demographic profile and talent management	Report to corporate board, plan and phase out current scheme changes and plan in new scheme changes to ensure they meet targets and regulations.	Way forward agreed by CB, Interns phased out, Higher apprentices phased in,	01/03/16	31/03/17
Talent/succession planning	Responsive & Efficient	Develop a strategy for identifying and developing individual and planning succession to meet future organisational requirements.	Strategy agreed and in place together with a framework which is successfully identifying and developing talent for future roles.	Links to the development of competency framework above. Ensure competencies work for RPR and talent planning.	General approach agreed and reported Sept/Oct 2016	April 1st 2016	March 31st 2017

#### Providing a HR service

Action Title	Objective	Description of the Action	Desired Outcome	Sub-Action	Milestones	Planned Start Date	Due Date
Update of all ESS/MSS user guides	Responsive & Efficient	Ensure all ESS/MSS guides are up to date and published.	Updated, clear and easy to use guides available on the intranet.	Review of each guide	Publishing of revised guides on the intranet	01/05/16	31/12/16
Equalities data review (on SAP)	Responsive & Efficient	Ensure equalities data is captured in a consistent manner and is as complete as possible.	Comprehensive equalities data is available on the SAP system.	Encourage staff to complete data via self service.	Equalities data produced for the next report is as complete as possible.	01/04/16	31/12/16

**Pay and Rewards**

Action Title	Objective	Description of the Action	Desired Outcome	Sub-Action	Milestones	Planned Start Date	Due Date
Annual Pay Policy Statement	Responsive & Efficient	Prepare the annual pay policy statement incorporating all recent changes in regulations and guidance	Publication to comply with Section 40 of the Localism Act & the Local Government Transparency Code 2014 and proposed changes arising from the Enterprise Bill	Use of Guidance, drafting report to Council, Council approval, final amendments and publication	Approval at full Council and Publication	01/01/16	01/04/16
Pay Scales and market rates review	Responsive & Efficient	Pay scales to be reviewed in comparison to other public sector employers	NHDC pay scales are representative of local employment market and staff are paid appropriately.	Review pay scales in line with local, regional and national pay information available from e-paycheck and market sources	Engage an external consultant to support review once data from E-paycheck	01/04/16	30/09/16
Review of childcare voucher scheme pending introduction of government tax free childcare scheme	Responsive & Efficient	Consider existing childcare voucher scheme in relation to new provision.	Staff continue to have access to tax efficient childcare provision.	Review existing scheme. Research new government scheme when published.	Prepare report on options going forward.	01/09/16	31/03/17
Review of Shared Parental Leave provision	Responsive & Efficient	Consider existing SPL scheme after one year of operation and NHDC experience.	Provision of shared parental leave in line with other comparable authorities.	Review of scheme within NHDC. Benchmarking with other local authorities	Report to Corporate Board to agree an approach to provision.	01/05/16	31/12/2016
Salary sacrifice mobile phone scheme	Responsive & Efficient	Consider the value of introducing a salary sacrifice mobile phone scheme	Increase in valued benefit package for staff	Review availability of suppliers. Benchmarking with other local authorities	Report to Corporate Board to decide whether to offer benefit.	Underway	31/12/16