

## JOINT STAFF CONSULTATIVE COMMITTEE

27 June 2018

### PART 1 – PUBLIC DOCUMENT

#### **TITLE OF INFORMATION NOTE: PEOPLE STRATEGY UPDATE**

INFORMATION NOTE 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. STEPS TO DATE**

- 2.1 The People Strategy Information Note contains the 2018/19 HR Service Work Plan.

#### **3. INFORMATION TO NOTE**

- 3.1 Progress against the People Strategy is reported to all quarterly JSCC Meetings. Attached at Appendix B is the HR service work plan, taken from the HR Service Plan for 2018/19. The terms of reference for the Joint Staff Consultative Committee are to be the corporate interface with employees on major Human Resources 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.

##### **3.2 Recruitment**

Feedback for a new improved shortlisting process has been positive and the process is now being used for the majority of vacancies.

##### **3.3 Apprentices**

We are proposing to continue with our successful current scheme, use apprentice training more widely for development of current staff and introduce some Higher Apprenticeships for career development purposes. A number of apprentice places are agreed for recruitment, including some higher apprenticeships.

##### **3.4 Equal Pay and Equalities**

Mandatory gender pay gap reporting was introduced in the public sector from the end of March 2017 with the first set of data needing to be submitted by 30th March 2018. The Council's gender pay gap figures have been calculated and the narrative to accompany them, which includes an action plan to reduce the gap, has been submitted on line and published on the Council's website. The matter was discussed in some detail at the March JSCC

Work has commenced on the Equal Pay Review with the data having now been produced and analysed. The Report from this review will be available later this year.

### **3.5 Pay and Benefits**

#### **3.5.1 Pay**

The Pay Policy Statement for 2018/19 has been published on the Council's website due to the senior manager restructure and pay award the PPS will be updated during June. There has now been a pay agreement for Chief Officers and Chief Executives after 1% was rejected. The revised offer is 2%. The Pay Policy Statement will be updated with the new senior manager structure, new median pay differentials and new pay rates.

The current contract with Serco under a Framework Agreement which includes Payroll Services has been extended by HCC until March 2021. We have now received costings from Serco for the extension of our existing Call Off Agreement contract to provide the same services for the period 1 April 2019 until 31 March 2020. Costs will then be subject to indexation from 1 April 2020 for the year 1 April 2020 – 31 March 2021.

We have also been informed that our current HR and payroll system, SAP ECC6, is coming to the end of its commercial life and will begin to be de-supported in the early 2020s. This means that the Council will need to move to a new HR and payroll system within 3-5 years at the latest.

The need to consider a new HR and Payroll system within the timescale of 3-5 years gives an opportunity to review the current service provision for the Council to achieve an effective service which fully delivers the Council's complex payroll arrangements, whilst meeting the requirements of its users (employees, managers, Councillors, HR, Finance) and giving value for money.

The timescale for introducing a new payroll system is an absolute minimum of 12 months, preferably 18 months, to allow for the design and build/adaptation of a system to meet the Council's requirements and a number of parallel runs with the existing system to ensure correct monthly payments are being made in a sustained manner to meet the levels of accuracy that we require.

An information note was presented to the Senior Management Team and a contract extension was deemed to be right course of action for the reasons given in the paragraphs above. Although HCC have extended the shared managed services contract until March 2021, the extension sought for the contract between NHDC and Serco Limited is only for 1 year. This is because despite the fact the provision of the basic payroll service is acceptable, the response rate from Serco can be poor at times, the current SAP system was configured to specifically meet HCC needs rather than NHDC's, causing it to be inflexible, difficult, resource intensive, slow and expensive to change to meet our requirements and the working relationship with Serco has begun to break down, making it challenging to maintain an effective relationship for the full period until March 2021.

#### **3.5.2 Benefits**

The current contracts for the provision of EAP and OH services to the Council expire on 31<sup>st</sup> March 2019. A review is being undertaken as to how these services will be provided to NHDC from that date and a number of options are under consideration. HCC are currently procuring a Framework Agreement for the provision of both OH and EAP services and have invited NHDC to be named in this. This will allow the Council to draw down from this Framework once it has been established but does not commit NHDC to using the services on offer.

### 3.6 **Learning and Development**

The Councils Learning Management system known as the Grow zone continues to be developed with new content being regularly added e.g. eLearning modules covering GDPR.

Learning and Development are currently working on clarifying the need for a leadership development programme for the new Senior Management Team which will be followed by design and procurement. The programme will commence in the autumn.

NHDC are hosting a 3 day First line and Team Leader course commencing at the end of June. This will meet the need of the organisation to develop Team Leader skills to support current needs and future leadership capability and is part of our overall management development approach.

An interim review of the Council against the Investors in People standard is currently being undertaken. This is designed to measure progress against our action plan following accreditation last year.

### 3.7 **Regular Performance Review**

The current round of Regular Performance Reviews is due to be completed by the end of June. Further work is required in the coming year to develop RPR so that it fully integrates with the process of regular one to one discussions. From the 2019 cycle of meetings the RPR process will be on-line via the GROW zone.

### 3.8 **Organisational Restructures**

The HR team are currently supporting the conclusion of the senior management restructure in addition to the usual absence management and employee relations case work.

The Learning and Development team are continuing to develop activities that support organisational change under the heading of 'Meeting the Challenge'. A Change Management workshop was recently run for SMG and training workshops have been arranged to develop commercial awareness and skills. Further workshops designed to support staff through organisational change are planned for 2018/19.

### 3.9 **Policies**

The following HR policies are currently under review:

- Special Leave, Dependant and Parental Leave
- Right to Request Flexible Working and Unpaid Time Off for Training
- Long Service Awards
- Reorganisation
- DBS Checks
- Wellbeing
- Religious Observance

### 3.10 **Absence**

Absence rates were higher in 2017/18 with more long term absence and a number of staff with serious health problems. Short term absence has also increased with the harsh winter and a rise in severe cold and flu related absences. We ended 6.15 days per FTE and 0.42 above the PI target of 3.5 days FTE for short term absence.

### **3.11 Balanced Scorecard**

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 their Regular Performance Review (RPR)

## **4.0 NEXT STEPS**

- 4.1 Progress against the People Strategy and the annual work plan will be reported to all quarterly JSCC Meetings and an annual report presented to the December meetings.

## **5.0 APPENDICES**

- 5.1 Appendix A – Key Performance Measures
- 5.2 Appendix B – HR People Strategy Work Plan for 2018/19

## **6.0 CONTACT OFFICERS**

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## **7.0 BACKGROUND PAPERS**

- 7.1 People Strategy 2015 – 2020

## Key Performance Measures

### Appraisal (now RPR) 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%
31 July 2017	95%

### Turnover

Year (1 April – 31 March)	%
2008/09	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%
2016/17	9.74%
2017/18	12.97%

(Turnover figures exclude redundancies and end of fixed term contracts)

## Absence Rates

May 2017 to April 2018 rolling year - Days Lost Per FTE By Month.

The Headcount figure at end April 2018 was 320 staff and a full time equivalent (FTE) of 281.28

	Long Term	Short Term
May 2017	0.15	0.16
Jun 2017	0.08	0.23
Jul 2017	0.13	0.19
Aug 2017	0.08	0.30
Sept 2017	0.08	0.36
Oct 2017	0.08	0.42
Nov 2017	0.27	0.36
Dec 2017	0.48	0.36
Jan 2018	0.52	0.66
Feb 2018	0.20	0.39
Mar 2018	0.21	0.45
Apr 2018	0.21	0.30
<b>Total</b>	<b>2.49</b>	<b>4.18</b>

## APPENDIX B

### 2018/19 HR Service Work Plan

#### Organisational Development

Action Title	Objective	Description of the Action	Desired Outcome	Sub-Action	Milestones	Assigned To	Planned Start Date	Due Date
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.	Kerry Shorrocks/Victoria Jobling	18/01/2018	31/3/2019
Support OA decant and DCO refurbishment and return with communications 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.	Return to DCO	Keith Crampton	02/01/2018	30/06/2018
Support implementation of senior manager and subsequent organisation wide changes to create planned changes to meet Council budgets	Responsive & Efficient	Provide HR support for senior manager and other organisational restructure	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	CEX announces restructure plans and communicates rationale with staff. Reports to Cabinet and Council and holds staff briefings. Consultation opens, consultation closes, feedback is provided on the	Kerry Shorrocks and HR team	02/01/2018	31/08/2018 Restructure underway with appointment of new D/CEX post/senior management

				activities and any recruitment	final outcome and the changes are implemented.			
Develop use of coaching	Responsive & Efficient	Continue to develop the Councils use of coaching as a development tool and to support the pool of coaches in their professional development.	Demonstrable increasing uptake of coaching as a development option by all staff.	Arrange regular coaching supervision sessions and regularly promote coaching benefits.	In house coaching group report increased coaching activity both formal and informal coaching.	Keith Crampton	Underway	Ongoing
Support Organisational Change/Well-Being	Responsive & Efficient	Provide Learning and Employee Engagement activities that proactively support the challenges of change faced by the organisation in the coming years.	Managers and staff feel equipped with the skills, knowledge and attitudes needed to achieve positive change outcomes.	Resource and run development activities that support organisational change in line with revised organisational values. Develop the use of 'Meeting the Challenge' branding.	Programmes and workshops run throughout the year both strategically and in response to specific requests.	Keith Crampton	Underway	Ongoing
LMS (Grow Zone)	Responsive & Efficient	The GROW ZONE fully functional and developing to meet organisational needs for the next 5 years.	A Learning Management System or alternative that meets the needs of the organisation for the next 5 years.			Helen Bylett	02/01/2018	31/03/2019



Acting on liP recommendations	Responsive & Efficient	Manage liP recommendations	Respond to action plan in order to develop the organisation and improve it's capacity to meet strategic and operational goals.			Keith Crampton	02/01/2018	01/04/2019
Management and leadership 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.	Completion of 1st line manager/supervisor training programme by end of 2017. Design, commissioning and initiation of Leadership Development programme for senior managers by end of financial year.		Ongoing	31/03/19
Embed competency framework and expand its use	Responsive & Efficient	Revised competency framework has been approved by Corporate Board together with guidance regarding use. Communication and development is now needed to embed there use .	New framework being used for RPR, talent/succession planning and recruitment.			Keith Crampton	08/01/2018	01/04/2019

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
Move to paperless HR	Responsive & Efficient	Service more suited to remote working and to cut down on manual document storing and HR scanning work				HR Managers	08/01/2018	31/03/2019

#### Recruitment and Retention

Action Title	Objective	Description of the Action	Desired Outcome	Sub-Action	Milestones	Assigned To	Planned Start Date	Due Date
Talent/succession planning	Responsive & Efficient	Develop a strategy for identifying and developing potential 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.	HR managers to collaborate on the development and approval of a strategy building on the use of the revised competency framework.	Initial HR managers meeting to assign responsibilities and way forward in developing the strategy.	HR Team with L&EE lead	08/01/2018	31/12/2018

**Providing a HR Service**

Action Title	Objective	Description of the Action	Desired Outcome	Sub-Action	Milestones	Assigned To	Planned Start Date	Due Date
Support services going through Shared services or outsourcing/TUPE changes	Responsive & Efficient	Provide HR support for managers during restructures and TUPE negotiations.	Staff are well supported through change.	HR Business Partners to support and advise managers through periods of change management.	Consultation process successfully concluded.	Rebeca Webb/ ER Team	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.	HR Team	Ongoing	Ongoing
Update of Statements of Particulars	Responsive & Efficient	Update statements of particulars	Statements of particulars to reflect current model standard practice	Benchmark current local authority practice. Review and update standard templates	New standard templates agreed. New SOPs issued.	HR Managers	01/06/18	30/12/2018
Gender pay gap reporting	Responsive & Efficient	Ensure statutory requirements are met.	Provision of accurate information in relation to reporting requirements.	Determination of who is in scope of requirements. Compile a report to cover relevant workers. Ensure any required revisions to SAP are undertaken.	Correct workers and report run on required date. Submission of data by required date and in the required manner.	Maggie Williams/Kate Hogan	01/07/18	30/3/2019

Gender pay gap action plan	Responsive & Efficient	Analysis of gender pay gap and action plan derived	Gender pay gap narrows.	Determination of what actions will achieve a reduction in the gap.	Action undertaken to reduce gap.	Kerry Shorrocks/Maggie Williams	01/04/18	30/3/2019
Equal Pay Review	Responsive & Efficient	Production of Equal Pay Report	Council is aware of it's position in respect of equal pay for employees and applicants.	Analysis of data and production of Equal Pay Report and Action Plan.	Data production and analysis. Report prepared and conclusions reached. Action Plan prepared to address any issues.	Maggie Williams/Kate Hogan	1/12/2017	30/9/2018
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.	Rebecca Webb/ER team	Ongoing	Ongoing

## Pay and Rewards

Action Title	Objective	Description of the Action	Desired Outcome	Sub-Action	Milestones	Assigned To	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.	Kerry Shorrocks	08/01/18	01/04/18 Complete
Finalising new 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. Present findings to Corporate Board/Councillors and determine a way forward.	Engage an external consultant to support review once data from E-paycheck. Monitor progress and outcome of national pay scales review.	Kerry Shorrocks	01/04/18	31/12/2018
Review implications of childcare voucher scheme resulting from introduction of government tax free childcare scheme	Responsive & Efficient	Review existing options for childcare voucher scheme	Staff continue to have access to tax efficient childcare provision.	Implementation changes in childcare voucher scheme following introduction of government tax free childcare scheme	Implementation of cut off date for childcare vouchers	Maggie Williams	01/01/2018	01/10/2018

Review of salary sacrifice car lease scheme.	Responsive & Efficient	Scheme closed.	Scheme closed to new applicants and closed after current contracts expire for those with a vehicle.	Maintain scheme in accordance with statutory requirements	Manage and implement closure of scheme.	Maggie Williams	08/01/18	31/12/2020
Review provision of salary sacrifice cycle to work scheme and employee discount scheme	Responsive & Efficient	Review existing options for salary sacrifice cycle to work scheme and employee discount scheme	Staff continue to have access to tax efficient cycle to work provision and to an attractive discount scheme.	Consider options and implement new scheme if required	New/revised schemes implemented	Maggie Williams	01/06/2018	31/12/2018
Renewal of Payroll Contract for 2019 and 2021	Responsive & Efficient	Renew the Payroll service contract	Provision of an efficient payroll and management information system which gives the Council value for money.	Consider options available for contract for 1/4/2019-31/3/2021 to determine best value option. Determine payroll provision from 2021 onwards	Successful implementation of new payroll contract in 2019. Successful implementation of new payroll arrangements from 2021 onwards.	Kerry Shorrocks and the HR team	01/11/2017	31/3/2021
Re-procurement of EAP	Responsive & Efficient	New EAP contract in place	Determine new arrangements	Review of the scheme and consideration of options.	Successful continuation of EAP provision from 1/4/2019.	Maggie Williams	1/11/2017	31/3/2019
Re-procurement of OH	Responsive & Efficient	New OH in place	Review provision under current contract and determine new arrangements	Review of the scheme and consideration of options	Successful implementation of OH provision from 1/4/2019	Maggie Williams	1/11/2017	31/3/2019

Review of Council's long service reward scheme	Responsive & Efficient	Review of long service award scheme in response to comments on Staff survey.	Provision of a cost efficient scheme valued by staff.	Review of scheme within NHDC. Benchmarking with other local authorities.	Prepare report on options going forward. Implementation of revised scheme.	Maggie Williams	01/04/17	31/08/2018
Review of Shared Parental Leave provision	Responsive & Efficient	Review current SPL scheme after a period of operation.	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.	Maggie Williams	01/01/18	30/12/2018
Review of Pension Scheme discretions	Living within our means	Review of current pensions discretions in the light of revisions to the LGPS Scheme.	Pensions discretions are current.	Review current arrangements.	Await outcome of latest pension scheme change discussions.	Maggie Williams	01/04/18	31/12/2018