

# **PAY AND WORKFORCE DEVELOPMENT STRATEGY**

**Report By: Head of Human Resources**

## **Wards Affected**

None

## **Purpose**

1. To consider progress against the Council's Pay and Workforce Development Strategy, and provide comment to Cabinet.

## **Background**

2. The Council's Pay and Workforce Development Strategy 2005-8 was agreed by Cabinet on 9<sup>th</sup> June 2005. The five areas identified for priority action were Pay and Rewards, Developing Leadership Capacity, Resourcing, Developing the Skills and Capacity of the Workforce, and Developing the Organisation.
3. Activities within each key theme act in support of each other and have been designed to help support delivery of the Corporate Plan, so that the Council:
  - has the right people in the right places, with the right skills, to deliver the agenda and priorities set out in the Corporate Plan (improved services with greater efficiency and better customer focus) and is well-placed to respond to environmental and societal changes, and emerging technology;
  - meets its statutory obligations, and where possible exceeds those to demonstrate best and leading edge practice as the largest local employer;
  - becomes an employer of choice amongst those seeking employment and career opportunities. The Strategy includes a major focus on improvements to resourcing activity.

## **Considerations**

4. Key achievements from the Strategy to date during 2006-7, and challenges for the coming year are set out below under each of the key theme headings.

### **Pay, Reward and Recognition**

- Reduced numbers in receipt of pay protection from 838 at 31<sup>st</sup> March 2005, to 305 at end October 2006;
- A formal approach to achievement has been set in place with ceremonies to recognise success in gaining qualifications. Two events were held for employees gaining generic and professional (social care) qualifications;
- Updating of employment policies has continued. Policies currently being drafted include managing change, managing attendance and flexible working;
- Ensured compliance with Age Discrimination legislation effective from 1 October 06;

---

Further information on the subject of this report is available from  
Human Resources on 01432 383055

- Reduced timescales for referrals to Occupational Health and reduced pre-employment documentation processing time.

Key challenges for 2007 include:

- a formal response to the statutory consultation on proposals for changes to the Local Government Pension Scheme;
- Implement equal pay reviews using a comprehensive analysis of pay data in order to ensure the maintenance of a fair pay and grading structure.

## Resourcing

- Social Work recruitment was identified as a key issue. The national picture shows Social Work recruitment as top out of the ten most hard to fill occupations (closely followed by Occupational Therapist, Environmental Health and Trading Standards, Planners, Building Control, Educational Psychologists, Teachers, Librarians). Capacity around permanently employed social workers has increased - 13 employed since April 2006. This has led to a reduced reliance on temporary and agency workers. Improvements to the use of agency workers have included the establishment of a Preferred Supplier list (PSL) of social work staffing agencies, resulting in making permanent appointments and a faster response to satisfying temporary needs;
- The Recruitment Centre approach has been embedded. The first two full quarters performance of the Central Recruitment Team to end September 2006 showed time to recruit at 54 days and 39 days respectively, against a target of 62 days (down from 72 days in 2005-6);
- Actions are in place to deliver a Master Vendor Agency solution to agency worker requirements by April 2007, in order to reduce the cost of, and over-reliance on, agency workers. The Central Recruitment Team (CRT) has set in place a diversity action plan to reduce barriers to employment – this included improvements to address the impact of Age legislation;
- Youth Work recruitment was identified as a key issue. A local event held at Job Centre Plus offices resulted in 10 applications for Youth Workers, 5 for Senior Youth Worker, and 3 volunteers;
- Since the Council began its New Deal placement partnership with Job Centre Plus, 15 placements have been made with 2 people employed permanently;
- Employee turnover remains stable at 7.31% (as at end November 2006) compared with a target of 9% and a median average for Unitary Councils of 16.5%;
- A process for Market Forces Supplements has been developed and is being utilised to recruit to hard to fill vacancies where appropriate.

Key challenges for 2007 include:

- Development of a resourcing strategy for Social Workers;
- Embedding the recruitment centre and agency worker approach;
- Setting an establishment for the Council and further targeted action on shortage areas;
- Development of a resourcing and retention strategy for ICT services.

## Developing Leadership Capacity

- Following the review of management development provision, roll-out of the improved provision has commenced. Provision includes competency assessment, improved succession management, aspiring manager development, and improved induction of new managers, and the introduction of internally delivered core modules for managers.

Three have been delivered already - Recruitment and Selection, Managing Attendance (Sickness Absence) and Performance Improvement (SRD);

- Continuing participation in the joint Herefordshire and Worcestershire Leadership programme funded by regional capacity building funding. Four participants have completed, four are on a current programme, two more will start in January 2007; and two in May 2007;
- A 'Common Purpose' leadership development programme has been agreed by Corporate Management Board, and Herefordshire Partnership Board. It will be launched in 2007;
- Work to improve induction for managers (and others) starts in January 2007.

Key challenges for 2007 include:

- Embedding the revised management development provision

### **Developing the skills and capacity of the workforce**

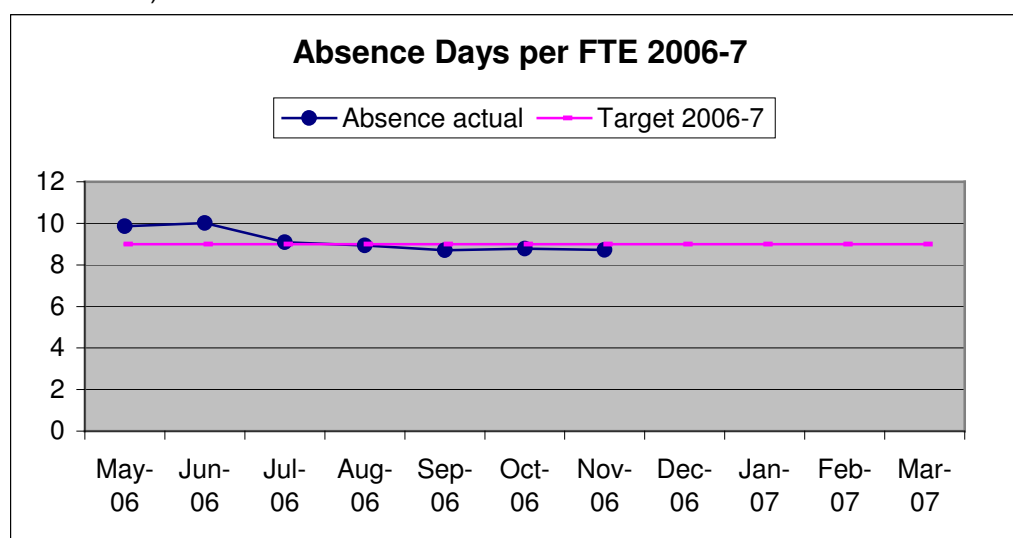
- The Social Care National Vocational Qualification (NVQ) Centre became corporate Skills for Work Centre to better support the Council's drive to improve customer services, and continues to deliver NVQ's in Customer Service. The Centre achieved 'A' grade assessment for delivering NVQ's in Care in a recent external inspection;
- Work in progress to accredit Corporate training courses against National Occupational Standards;
- Worked in collaboration to acquire regional funding to provide level 2 City and Guilds awards in literacy, numeracy and ITC;
- Secured agreement for Council-wide assessment against the Investor in People Standard in October 2007, and now working with Heads of Service to identify areas for improvement to work to the Standard;
- Delivered minimum qualifications and skills for social care workforce across Herefordshire, and Post Qualifying and Practice Assessor programmes in partnership with Bournemouth, Birmingham, Bristol, Gloucester and Worcester Universities;
- Work is currently underway on developing multi-agency Adult Services and Children's Services workforce strategies. The Children's Strategy is to be completed and submitted to the Children and Young People partnership Board by May 2007. Implementation plan to be launched in June 2007. The Adults' services strategy framework is being developed, to be completed by January 2007;
- Work on career progression paths has commenced, to be continued in line with skills sector standards, qualification targets and recommendations in Options for Excellence paper (Department of Health, October 2006);
- Work to deliver Common Induction Standards has continued in all areas that offer direct services to Children and Young People or Adults;
- Development opportunities continue to be offered to the Voluntary and independent sector in Herefordshire, including mandatory training, LDAF training, NVQ's Social work Practice Learning support and active support to the work of the Association of Care Training in the region.

Key challenges for 2007 include:

- Implementation of the Adult Services and Children's Services workforce strategies;
- Supporting the Council's transformation programme in respect of skills development.

### Organisational Development

- A programme of tailored Diversity awareness has been rolled out and is continuing, over 600 managers and teams have attended training. A voluntary language register is in place and is being utilised;
- Agreement secured to work to the Investor in People standard. Human Resources are working with the Performance Management Head of Service Group to lead the improvement work needed;
- Core module for managers on Managing Attendance - Sickness Absence, introduced.
- Absence rate at end November 2006 was 8.72 days FTE (10.5 FTE days in 2005-6), against a target of 9 days, and a median average of 10.2 days for local government. An analysis of absences over winter and summer months shows generally increased levels of absence over winter months (see Appendix 1). Levels of absence coming into the winter 2006-7 months are reducing and have been below target since September (see chart below).



- The Human Resources Management Information systems (CHRIS) is being used to produce absence management information on a monthly basis. HR Officers are in regular dialogue with Directorate Management Teams regarding management interventions and compliance with policy and guidance. Comprehensive revisions have been made to the Managing Attendance course for managers, giving them the tools and confidence to manage and reduce absence levels.
- Improved response rate to Staff Opinion Survey – 48.4% against 40% in 2005 and 38% in 2004. Just under a quarter responding used the on line completion option. Response to the Employee Opinion Survey was the best to date. Managers have been asked to commit to actions to address 5 key points from the results, identified for corporate action (via Leadership Forum and News and Views).

Key challenges for 2007 include:

- Achievement of the Investors in People award;
  - Achievement of top quartile performance for sickness absence.
5. Leavers from the Council's employment continue to be surveyed for their reasons for leaving in order to generate improvements. The latest survey data (July-Sept 06) shows
- The main attractors to a new organisation were 'career progression', cited by 21% of respondents. "Other" reasons were cited by 26% of respondents, and

covered a range of issues, including 'promotion' In 2005-6 'career progression', and 'pay' were cited as the main attractors.

- 69% of respondents in the recent survey felt their work either satisfying or very satisfying.

Action to address identified issues is contained in the Pay and Workforce Development Strategy, in particular through Pay, Reward and Recognition, Resourcing, and Developing Skills and Capacity as highlighted above. The Leaver Survey process will be reviewed in 2007 to ensure it fully meets the Council's requirements.

6. The impact of the Pay and Workforce Development Strategy is reflected in the 2006 Employee Opinion Survey, where responses have improved over a range of areas. Highlights were reported September 2006.

During November and December 2006, Council Directorates are reviewing results for their areas and building improvement actions into service and Directorate plans. Council-wide improvement actions will form part of the Pay and Workforce Development Strategy for 2007 onwards.

### **Financial Implications**

7. None.

### **RECOMMENDATION**

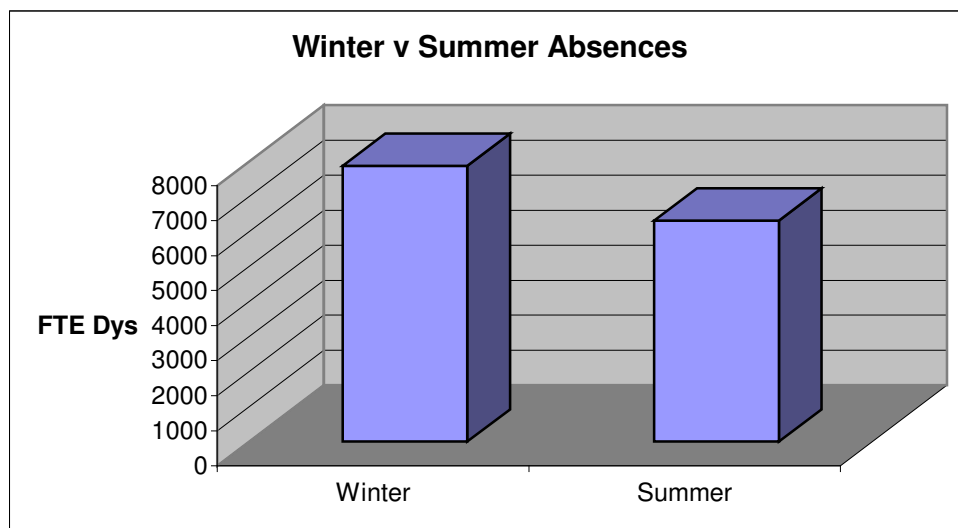
**THAT progress identified in the report be noted, subject to any comments tht the Committee would wish Cabinet to consider.**

### **Background Papers**

- None identified

**ABSENCE WINTER/SUMMER**

From sickness reporting within the Council, it is confirmed that there is more absence recorded in the winter period compared to summer months (see graphs below). Primarily this is accounted for by more instances of viral infections - this includes colds and influenza - consistent with national trends and statistics. Information reported by the Royal College of General Practitioners (RCGP) indicates seasonal activity related to viral/flu infections peaks throughout the winter months. The Council's Occupational Health Service advise that there are generally more instances of viral infections (includes colds/flu etc) during the winter months than in the summer months.



Winter Period : 01/10/05 - 31/03/06

Summer Period : 01/04/06 - 30/09/06

Sources: <http://www.dti.gov.uk/files/file11503.pdf> RCGP weekly consultation rate ILI (Influenza like Illness) seasonal activity