

HEREFORDSHIRE COUNCIL AND NHS HEREFORDSHIRE

(WORKING IN DEEP PARTNERSHIP AS HEREFORDSHIRE PUBLIC SERVICES)

WORKFORCE STRATEGY 2009 – 12

1. PURPOSE OF STRATEGY

1.1 The overall purpose of the Workforce Strategy is to ensure that Herefordshire Council and NHS Herefordshire (Herefordshire Public Services) have sufficient numbers of staff with the appropriate capabilities to deliver high quality services for the people of Herefordshire. Members of staff should be working in an environment which supports and encourages high performance, provides a fair reward package and recognition for work, and has employment practices which encourage commitment and retention.

1.2 The specific aims of the Workforce Strategy are to:

- Ensure that Herefordshire Council and NHS Herefordshire are organisations where people choose to work , drawing high calibre applicants both from the local community and UK wide;
- Provide an environment in which talent management is an essential part of the way the two organisations work;
- Support retention through innovative and best practice people management at all levels of the organisations;
- Ensure that there is a strong ethos of training, leadership and management development, to develop the right levels of workforce capacity and capability for the future;
- Provide a strong infrastructure of HR support and workforce planning expertise for managers, to enable priorities within the strategy to be delivered.

1.3 The Workforce Strategy will operate alongside an Organisational Development Strategy for 2009-12, and both documents will be underpinned by specific action plans, including a comprehensive framework for recruitment and retention. Action plans will be monitored regularly through the Joint Management Team and reported as appropriate to Cabinet, the PCT Board and the Herefordshire Public Services Steering Group.

2. WORKFORCE CONTEXT

2.1 In relation to employment, there are a number of significant patterns in Herefordshire which impact upon the strategy:

- The county is sparsely populated, having the ninth lowest overall population density of all counties, with one third of the population living in Hereford City;
- 4% of the population is from an ethnic minority;
- The county has an older age structure than England and Wales generally, with a net outward migration of young adults and the population over 65 is expected to be 65% higher in 2026 than in 2007;
- GCSE attainment levels are good but there is a lack of higher education provision;
- The gross median weekly earnings in Herefordshire are the thirteenth lowest out of the fourteen West Midlands authorities (£384.40 compared to £430 in 2007) but there are low levels of unemployment. In January 2008, the levels of registered unemployed were 1.5% compared to 3.4% for the region;
- There are relatively few large employers, but many small to medium sized business and the rates for self-employment are higher than the national average;
- There is a shortage of affordable housing with the 4th highest ratio of house price to income in the West Midlands;
- Although it is too early to be able to give detailed objective evidence of the impact of the credit crunch on employment, this will need to be very carefully tracked over the coming months.

2.2 Together, Herefordshire Council and NHS Herefordshire employ a workforce of 5698 fte (Council) and 1178 fte (PCT). Each partner within Herefordshire Public Services is an employer in its own right with both the statutory obligations which arise from that and the obligations and contractual terms which accompany national negotiating frameworks.

2.3 Herefordshire Council and NHS Herefordshire face the same challenges as other local authorities and healthcare organisations in relation to national skills shortages in certain professions and occupational skills, including social workers, planning officers, IT and finance specialists, lawyers, environmental health officers, health visitors and district nurses. Overall turnover within the Council and PCT has been very similar over the last year, just under the 12% mark. Sickness levels (which reduce levels of productivity and increase costs) are currently 8.97% within the Council and 5% within the PCT. The overall figures for turnover and sickness both mask significant variation across departments and organisations, which are essential to understand in order to make future improvement. Work is being planned on a significant review of demographics, including age, amongst the workforce, to be better placed to respond to future requirements.

2.4 In terms of employment models, there are already models in existence where services are provided by external private agencies and the third sector, and these are likely to increase over the next few years as both front and back office functions are reviewed to ensure that services are offered to the highest quality and in the most streamlined manner possible.

2.5 As major employers, Herefordshire Council and NHS Herefordshire also have a responsibility to play an important role in terms of economic development and enterprise across the county. This includes providing a safe and healthy working environment for employees, rewarding employees fairly, providing opportunities for training and development, and reducing the carbon footprint created through commuting and business travel.

2.6 Some of the challenges which are created by this background and context to the Workforce Strategy are as follows:

- Maximising the attractiveness of a job and a career within Herefordshire Council and NHS Herefordshire for local people, whilst also developing a reputation as innovative employers at national level, in order to secure the right levels of talented people needed for the future;
- Ensuring that the two organisations reach out to minority groups, in order to ensure that staff are reflective of the population we service, and that there are excellent, proactive links with schools and colleges to attract young people to work within the Council and PCT, as well as flexible approaches to employment for older applicants;
- Providing the right level of recruitment and retention packages to provide fair remuneration and cope with highly competitive markets for certain roles and functions;
- Developing an approach to marketing (rather than purely advertising) to gain an excellent national profile amongst hard to recruit professions;
- Managing all changes to organisational services in the best possible way, working at an early stage with union and staff side partners, so that staff continue to feel motivated and committed to sustain high levels of service and care throughout periods of change;
- Regularly reviewing and understanding the dynamics and the detail of turnover and time lost due to sickness, so that all necessary actions can be taken to maximise retention and increase the level of productive time;
- Playing a leading role in terms of corporate social responsibility.

3. NATIONAL CONTEXT AND DRIVERS

3.1 There are a significant number of national drivers for workforce strategy arising from government policy, of which some of the main ones are set out below:

- The **Local Government and Public Involvement in Health Act 2007** sets out a strategy for the next decade, covering leaderships, neighbourhoods, citizen engagement, improving performance and partnerships. The **Strong and Prosperous Communities White Paper** redefines the relationship between central and local tiers of government.
- The **Children's Act 2004** and **Every Child Matters** make profound changes in models of service delivery and structures for young people, together with a statutory requirement to produce a children's workforce plan.
- **Putting People First** is producing fundamental change in adult social care, with increased focus on commissioning and reshaping services to focus upon choice, care planning and personalisation.
- The **NHS Next Stage Review (the 'Darzi' Review)** is leading to fundamental reform in the NHS, including approaches to commissioning, care pathways and workforce planning. Herefordshire PCT is actively involved in all local workstreams involved with implementation of the Review.
- The **NHS Operating Framework for 2009/10** sets out unchanged priorities for 2009/10, including improving cleanliness, reducing infections, improving access to primary and secondary care, keeping adults and children well, improving their health and reducing health inequalities, focusing on improving patient experience, satisfaction and engagement, and emergency preparedness.

3.2 In terms of national performance and inspection systems, Herefordshire Council and NHS Herefordshire need to be very well placed to perform at a high level in relation to the new regime for Comprehensive Area Assessment (Council), Use of Resources (Council and PCT), Healthcare Standards (NHS) and World Class Commissioning (PCT Commissioning arm).

3.3 In addition to the main statutory changes set out above, the workforce profile will also be profoundly affected by ongoing innovation in clinical technology, changing patient expectations of their relationship with healthcare professionals, changes in working time (affected by European legislation), the **Leitch** skills review and changes in professional regulation. Within local government, the most significant document is the **Local Government Workforce Strategy 2007**, which sets out 5 priority themes for action of organisational development, leadership development, skills development, recruitment and retention and pay and rewards. Within healthcare, there are significant national workstreams to modernise roles in all the major professions.

3.4 The Workforce Strategy for Herefordshire Council and NHS Herefordshire needs to be able to respond rapidly and effectively to all of these drivers.

4. LOCAL CONTEXT

4.1 Locally, there are a range of major drivers which impact upon the actions required to underpin the delivery of the Workforce Strategy. These include:

- Making the 'deep partnership' between Council and PCT a concrete reality for employees; not only employees working within integrated teams, but also employees in separate teams working alongside colleagues on key projects;
- Ensuring that the Provider Services Review informs the development of care pathways and the future provision of services, with potential consequent impact on workforce models of employment and deployment;
- The need to make the 'Provider Arm' of the PCT arms length by April 2009, with specific detailed workforce plans, whilst providing assurance to the PCT Board on their synergy with overall strategic direction;
- The impact of falling school rolls, impacting both on the future supply of local workforce and potential changes in provision;
- The pressure on financial resources in the light of spending round forecasts and the economic environment, necessitating detailed focus on lean systems and processes, and careful management of any changes affecting staff roles and structure;
- The promotion of a strong, healthy performance management culture within Herefordshire Council and NHS Herefordshire, which encourages strong challenge in a supportive environment.

4.2 The following sections set out the key strategic aims and actions which need to be taken to meet the 5 objectives set out in the Workforce Strategy.

5. OBJECTIVE 1: A PLACE WHERE PEOPLE CHOOSE TO WORK

5.1 It is vital that Herefordshire Council and NHS Herefordshire are seen as places where people aspire to work because of the strong employer brand at market level, the reputation as a good employer to work for, the fairness and competitiveness of the

reward package and the potential to develop a rewarding career, developing and learning new skills.

5.2 Costs associated with turnover and replacement are high, as are the costs of incorrect recruitment decisions, and it is therefore important to ensure that managers and HR staff are expert in recruitment and selection techniques. Expert HR advice must be available in relation to latest thinking and market developments in recruitment and selection.

5.3 Because of the importance of young people to our future workforce profile, the two organisations will work tirelessly with schools and colleges to raise awareness of careers and job opportunities, from primary school age onwards. Linkage into the new 14 – 19 diplomas and provision of work experience is key. It will also work with community organisations to maintain the reputation of the Council and PCT as attractive employers in the local community for all age groups, including older workers, using high quality public relations and communications advice on marketing.

5.4 At national level, a proactive marketing campaign needs to be developed with key national journals and professional or trade press, to raise awareness of Herefordshire Public Services and support recruitment into hard to recruit roles.

5.5 A compelling employer brand is essential for success in recruitment and this needs to be further developed for Herefordshire Council and NHS Herefordshire. This brand needs to be replicated in websites, literature, induction and orientation processes, and backed up by high quality handling of all applicants, to ensure a strong applicant experience.

5.6 Herefordshire Public Services will act as a responsible, ethical employer in relation to overseas recruitment campaigns.

5.7 There will be a detailed action plan on recruitment, accompanied by a supporting framework, to deliver this aspect of the Workforce Strategy, but the key components will include:

- ✓ Development of a compelling employer brand
- ✓ A strategy to develop a proactive profile in the market place nationally
- ✓ A strategy to work with the local community, including schools, colleges and community groups

- ✓ An analysis of high risk posts for recruitment, and recruitment approaches which have succeeded or not succeeded
- ✓ An analysis of service and workforce plans to produce an annual recruitment plan, including potential recruitment trajectories
- ✓ A review of further potential for lean processing and enhancement in quality in recruitment management
- ✓ Reporting systems which include assurance for Cabinet, PCT Board and Joint Management Team that all appropriate governance processes are in place for safe, effective recruitment, from initial contact through to issue of contract. This will include assurance on NHS Employers Standards for recruitment as well as legal requirements.
- ✓ Full usage of electronic recruitment reporting functionality, including analysis of spend and time to hire
- ✓ Keep in touch schemes for leavers to encourage future return
- ✓ Usage of temporary casual 'banks' where appropriate and tight control on agency spend
- ✓ A consistent approach to certain groups e.g. reservists
- ✓ Feedback on applicant experience (as part of induction questionnaires)

5.8 Within the overall performance management framework for Human Resources, success will be measured through regular review of the following indicators, and appropriate benchmarking:

- ❖ Vacancy rate, tracked monthly
- ❖ Cost per hire and time to appoint
- ❖ Fill rates for high risk posts and rate of meeting recruitment targets
- ❖ Representation of the local community at applicant, shortlisting and successful appointment stage
- ❖ (For PCT) the Healthcare Standards assessment for, and regular audits of (Council and PCT) recruitment governance
- ❖ Feedback on applicant experience

6. OBJECTIVE 2 – TALENT MANAGEMENT

6.1 With the workforce challenges facing us over the next three years, it is increasingly important for Herefordshire Council and NHS Herefordshire to develop talented people in a more systematic way, so that career paths start to open up, there are opportunities for both horizontal and vertical development, and training and development opportunities are more closely aligned to service needs. This will enable the organisations to plan with greater certainty for workforce profiles in the future, as well as providing staff with greater motivation and opportunities to use their skills.

6.2 Many private sector companies are highly developed in terms of talent management strategy and the two organisations will draw upon the very best, both nationally and internationally, in terms of their own approaches.

6.3 Talent management incorporates both internal development and spotting of key points in the future when external talent may need to be identified for critical roles.

6.4 There will be a detailed action plan on talent management, to deliver this aspect of the Workforce Strategy, but the key components will include:

- ✓ Analysis and agreement through Joint Management Team on best practice which will form the basis of the organisational approach to talent management
- ✓ Integration of talent management into high quality of appraisal practice and into all training on workforce planning, so that annual workforce plans are more robust
- ✓ Use of more diverse development methods, such as work shadowing, coaching and mentoring, to provide opportunities for 'experience' as well as 'development'
- ✓ Regular reviews between Divisional Management Teams (Council) and Service Teams (PCT) and the Assistant Chief Executive – HR and OD on the issues and development of a talent management approach

6.5 Within the overall performance management framework for Human Resources, success will be measured through regular review of the following indicators, (including demographic breakdown) and appropriate benchmarking:

- ❖ Success rate in filling key posts, first time
- ❖ Level of promotion and developmental/secondment opportunities as a proportion of overall staffing

- ❖ Indicator within the Staff Surveys (Council and PCT) on intention to remain working with the organisation in 12 months time and about views on opportunities for development.
- ❖ Appraisal coverage and quality

7. OBJECTIVE 3 – GOOD LEVELS OF RETENTION

7.1 Reasons for turnover can be many faceted but there is strongly grounded research to show that good job design, capable management, fair reward, the ability to achieve a work-life balance and a healthy working environment all contribute to higher levels of motivation and commitment within organisations. Research undertaken by the IDeA on CPA and Employee Attitudes (Local Government) and the findings in 'What matters to staff' (NHS) is particularly relevant. These factors are regularly tested through Staff Surveys (Council and PCT) and can therefore be reviewed year on year, and against comparator organisations.

7.2 Herefordshire Council and NHS Herefordshire must have a multi-faceted retention strategy and action plan which enables these varying aspects to be addressed effectively, as well as regularly analysing reasons for turnover in order to enhance or improve its plans. Corporate and directorate/service action plans arising from both the Council and PCT staff attitude surveys will be important in meeting staff expectations of responsiveness in relation to issues which are raised.

7.3 There will be a detailed action plan on retention, accompanied by a supporting framework, to deliver this aspect of the Workforce Strategy, but the key components will include:

- ✓ A consistent approach to all health and safety issues across Council and PCT, and a detailed plan on healthy workplaces, produced in conjunction with the Director of Public Health
- ✓ Managing legal requirements on reduction in working hours (medical staff within the PCT) in an effective manner)
- ✓ Having a fair and equitable employment policy framework across the two organisations whilst continuing to recognise any intrinsic differences as separate statutory employers; providing clear and simple communication of the key points in policies to all staff
- ✓ Pay and reward cannot be equalised as Herefordshire Council and NHS Herefordshire are two statutory employers. However, the integrity of grading and banding systems needs to be maintained and intention is to move to a 'total reward

package' approach, whereby both financial and non-financial benefits are promoted to staff

- ✓ Making significant improvement in the quality of appraisal carried out
- ✓ Having clear involvement strategies for involving staff in decision making and service development
- ✓ Providing opportunities for work-life balance to support the varying needs of young entrants, those in mid career and those approaching retirement
- ✓ Embedding equality and diversity into all operational people management practice
- ✓ Celebrating success and recognising individual and team accomplishments through internal events and publicity, and nominations for external awards
- ✓ Using exit questionnaires to inform future plans

7.4 Within the overall performance management framework for Human Resources, success will be measured through regular review of the following indicators, (including demographic breakdown) and appropriate benchmarking:

- ❖ Sickness rates, including long and short term sickness
- ❖ Achievement of the Working Time Directive 2009
- ❖ Indicators within the Staff Surveys (Council and PCT), including the organisation being good to work for and speaking highly of the organisation to others
- ❖ Indicators on coverage and quality of appraisal
- ❖ Exit questionnaire analysis

8. TRAINING, LEADERSHIP AND MANAGEMENT DEVELOPMENT

8.1 Training, leadership and management development, and overall career development are critical to good retention and development of workforce capacity, but will also be covered in the Organisational Development Strategy. At present, there is both duplication of effort and different approaches to training the same subject matter, which can be confusing for participants, as well as areas which are uncovered. A detailed review of all training and development provision is required over the next six months, followed by a full report and recommendations.

- 8.2 It is vital that training and development is seen as equitable and accessible to all, which may involve usage of different delivery mechanisms to support this, including an increase in e-learning and blended learning approaches.
- 8.3 Both Herefordshire Council and NHS Herefordshire must ensure that they have a clear matrix of mandatory and statutory training requirements and report regularly against this.
- 8.4 There must be a clear training planning process which links into the workforce planning process and hence into service planning, which draws together the core themes which will inform the annual corporate training plans, rather than individual needs which will be assessed in more detail at appraisal. This would be further supported if appraisal cycles across both Council and PCT were aligned.
- 8.5 The new joint induction process for all staff (supported by additional specific orientation into role and organisation) must deliver a really good employee experience, both in terms of coverage and applicability of content, but also in terms of standard of presentation and explanation of the organisational values and imperatives.
- 8.6 Herefordshire Public Services is signed up to the voluntary **Leitch Pledge**, which provides opportunities for employees without level 2 qualifications to gain them and also focuses on increasing the number of apprenticeship opportunities for internal and external candidates. The Council and PCT are committed to having robust plans to enable employees at all levels to acquire skills relevant to their role, the organisation's needs and possible career aspirations. This includes support for staff who may need further assistance with literacy and numeracy skills.
- 8.7 Over the coming twelve months, there will be significantly increased opportunities for leadership development (both individually, as well as in action learning groups) as well as access to core people management skills, such as managing change, communications, sickness absence and appraisal. The latter will be supported by simple toolkits, based on best practice nationally, and the eventual aim is to use the Intranet to enable managers to have a very clear resource on handling people management issues effectively.
- 8.8 All training programmes will have a clear evaluation mechanism so that impact of training as well as reaction to training can be measured more effectively, and reported.

8.9 There will be a detailed action plan on training and development, accompanied by a supporting framework, to deliver this aspect of the Workforce Strategy, but the key components will include:

- Review of all training and development activity (as set out above), followed by a report and recommendations;
- Development of matrix of mandatory and statutory training requirements;
- Review of potential for increase in e-learning provision;
- Development of a clear training planning system and production process for annual corporate plans;
- Review of first two months of new joint induction, to inform any changes and refinement;
- Agreement of project plan for Leitch Pledge (JMT December 2007) and rollout of plan;
- Leadership development plans (will be covered under Organisational Development Strategy);
- Implementation of toolkits on key people management topics and wide rollout;
- Agreement of evaluation mechanisms for all programmes.

8.10 Within the overall performance management framework for Human Resources, success will be measured through regular review of the following indicators, (including demographic breakdown) and appropriate benchmarking:

- Coverage of mandatory and statutory training (including any impact of e-learning);
- Feedback results from joint induction;
- Increase in number of modern apprenticeships and number of staff gaining level 2 qualifications;
- Indicator in Staff Surveys (Council and PCT) on access to, and views on training and development opportunities;
- (For NHS) Healthcare Standards assessment for training and development.

9. OBJECTIVE 5 – CREATING THE RIGHT INFRASTRUCTURE AND CAPABILITIES

- 9.1 This objective splits into two main areas: creating the right infrastructure and capabilities to support a really skilled workforce planning function across Herefordshire Public Services, and providing the right levels of skill set in the HR function to provide expert support to managers.
- 9.2 Forecasting future workforce requirements and building capacity to deliver this is vital to the success of Herefordshire Public Services. Internally, workforce planning needs to develop into a genuinely strategic function, delivering what is needed in terms of robust workforce plans for the two organisations, whilst working closely with the Integrated Commissioning Directorate who are leading on the wider workforce planning associated with commissioning decisions across the health community.
- 9.3 Workforce planning expertise is fragmented across the partnership, with a number of areas largely uncovered, and there is no dedicated resource currently within the Human Resources function, so the intention is for the Assistant Chief Executive – HR and OD to develop a core group who can assist in moving this agenda forward.
- 9.4 An initial priority will be to develop a consistent approach to workforce planning across Herefordshire Public Services and to ensure linkage into the overall corporate planning process.
- 9.5 The second priority is to build much greater knowledge of workforce planning amongst both managers and HR staff, probably through a series of sessions with Directorate and service teams. This approach will be underpinned by simple management guides to sustain knowledge over time.
- 9.6 The second part of building infrastructure and capacity to support the Workforce Strategy is to develop and target expert HR support where it is most needed, as well as ensuring that there is regular performance reporting to Strategic Monitoring Committee, PCT Board, Provider Board, JMT and Divisional/service teams.
- 9.7 A Head of HR Services will be appointed in the New Year and will support greater integration of approach across all HR teams. Specific Service Level Agreements will be put in place to provide identified HR support to the Provider Services Arm of the PCT, and to provide assurance mechanisms back to the main PCT Board.
- 9.8 The development of detailed action plans associated with the main objectives of the Workforce Strategy and the Organisational Development Strategy will enable HR input to be targeted where it will be most effective. There will be a strong emphasis on

supporting managers to manage more confidently on a day to day basis, through providing the necessary tools on an accessible basis, and hence using specific HR expertise to deal with more complex or specialist areas, rather than routine people management.

9.9 High quality performance reporting to Divisional Management Teams and Provider Board is essential to raising the profile of workforce issues at management level and the awareness of how to manage exceptions against performance target. ESR has the capability to provide good quality reporting already (PCT) although training and development data is held outside of the system. The new Agresso system for the Council will be a major improvement on current (fragmented) systems and is due to be implemented by October 2009. The implementation project will be a major initiative in the first part of 2009 and it will be critical to develop the right interfaces between ESR and Agresso to deliver the best possible quality of reporting for Herefordshire Public Services.

9.10 There will be a detailed action plan on capability and infrastructure, to deliver this aspect of the Workforce Strategy, but the key components will include:

- Identification of a clear process across the partnership for workforce planning;
- Setting up of core workforce planning group;
- Identification of development plan for managers and HR staff on workforce planning;
- Appoint Head of HR Services;
- Set up Service Level Agreements for Provider Services;
- Produce and implement plan for introduction of Agresso system;
- Define core workforce indicators, level of granularity, benchmarks etc. for all key committees.

9.11 Within the overall performance management framework for Human Resources, success will be measured through regular review of the following indicators, (including demographic breakdown) and appropriate benchmarking:

- Level of feedback on the Workforce Key Line of Enquiry (KLOE) in the Use of Resources annual review (Council) – informal in 2009, formal in 2010;
- Number of managers trained in workforce planning and number of HR staff with specific workforce planning expertise;

- Performance in annual customer satisfaction survey for HR.

10. DELIVERING THE STRATEGY

10.1 The Workforce Strategy is intended to ensure that both Council and PCT working together in a deep partnership as Herefordshire Public Services are able to plan their workforce effectively for the short, medium and longer term future. Everyone within Herefordshire Public Services – elected members, non-executive directors, directors, managers, staff representatives and staff members – all have a part to play in ensuring that this strategy is effective in supporting both the overall Community Strategy and the transformation of public service delivery in Herefordshire.

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