

# PAY AND WORKFORCE DEVELOPMENT STRATEGY

Report By: Head of Human Resources

## Wards Affected

None

## Purpose

To note the Council's Pay and Workforce Development Strategy 2005-8, and operating plan for 2005-6.

## Background

1. In order to meet the public service targets over the next few years, the Employers Organisation, in conjunction with the Office of the Deputy Prime Minister set out a challenging agenda for local government in the shape of a national Pay and Workforce Strategy for Local Government focusing on five key priority areas. This Strategy challenged local authorities to develop local workforce development plans to be in place by March 2005. The national Strategy's five key themes are:
  - Developing leadership capacity – *among both officers and members, including attracting effective leaders from outside the sector;*
  - Developing the skills and capacity of the workforce – *across the corporate centre of authorities, specific services, management and front line workforce;*
  - Developing the organisation, including equality and diversity issues – *to achieve excellence in people and performance management, partnership working, and efficient delivery of services;*
  - Resourcing local government – *ensuring authorities recruit, train and retain the employees they need;*
  - Pay and Rewards – *having pay and reward structures that attract, retain and develop a skilled and flexible workforce, while achieving value for money in service delivery.*
2. The Council's Pay and Workforce Development Strategy 2005-8 was agreed by Cabinet on 9<sup>th</sup> June 2005. It adopts the EO's themes as key areas, with an added emphasis on ensuring workable pay, reward and recognition structures to help recruit, motivate, and retain the employees the Council needs to deliver its services in the aftermath of Job Evaluation and Single Status implementation. This is likely to remain a key focus for several years.
3. The Strategy has been developed in conjunction with the development of the Council's Corporate Plan. Activities within each key theme are interlinked and have been designed to help support delivery of the Corporate Plan. The Strategy aims to ensure 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 as an employer, (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 recruitment activity. Initial changes already implemented have led to efficiency savings. For example the introduction of a word limit on composite adverts has led to costs savings of £133.70 per individual advert. The average cost per advert has fallen from £434 to £301. Further improving recruitment will aim to reduce the need for temporary and/or agency employees. See the Appendix for detailed proposals for recruitment improvement.
4. Progress against this Strategy will be reported to Cabinet, and Strategic Monitoring Committee twice annually.
5. The Strategy replaces the former Strategy for Developing and Improving Human Resources 2002-5 which set the human resources agenda for the past three years. 79% of planned actions in that Strategy were completed, with 10% no longer relevant, 11% to be carried forward as part of the Pay and Workforce Development Strategy for 2005-8 (including development of career pathways). Highlights from that Strategy include:
- Job Evaluation and Single Status implemented;
  - Development of a robust reporting and recording framework to effectively manage and reduce sickness absence;
  - Improved numbers of females in top 5% of wage earners – 42.4% in 2004 against 22.7% in 2001;
  - Reduced turnover –10.6% in 2004 against 13% in 2001;
  - Improved Staff Review and Development completion – 71% in 2004 against 52% in 2001;
  - Improved attendance at induction – 73% in 2004 against 21% in 2001;
  - Establishment of a graduate trainee scheme;
  - Management competencies developed and implementation begun with an e-enabled 360 degree assessment process for the Council's Key Managers.

## RECOMMENDATION

**THAT the Pay and Workforce Development Strategy 2005-8 and Operational Plan 2005-6 be noted, subject to any comments which the Committee wishes to make.**

**APPENDICES**

- Pay and Workforce Development Strategy 2005-8, and Operating Plan 2005-6.
- Recruitment Improvement briefing

**BACKGROUND PAPERS**

- Employers' Organisation Pay and Workforce Development Strategy, and People Skills Scoreboard 2004 both available from [www.lg-employers.gov.uk](http://www.lg-employers.gov.uk)