

PAY AND WORKFORCE DEVELOPMENT STRATEGY 2005-08

PORTFOLIO RESPONSIBILITY: CORPORATE AND CUSTOMER SERVICES AND HUMAN RESOURCES

CABINET

13TH JULY, 2006

Wards Affected

None

Purpose

To provide an outturn report on the Council's Pay and Workforce Development Strategy operating plan for 2005-06 (following the report to Cabinet on 26th January 2006).

To provide an update on planned activities in the operating plan for 2006-7.

Key Decision

This is not a key decision.

Recommendations

THAT progress against the Strategy, and key actions for 2006-07, be noted.

Reasons

The report is being presented as part of performance management arrangements for the Pay and Workforce Development Strategy.

Considerations

1. The Council's Pay and Workforce Development Strategy 2005-8 was agreed by Cabinet on 9th June 2005. It adopted the Employers' Organisation for Local Government five themes as key areas Pay and Rewards, Developing Leadership Capacity, Resourcing, Developing the Skills and Capacity of the Workforce, and Developing the Organisation. There was an added emphasis in the Council's Strategy on ensuring workable pay, reward and recognition structures to help recruit, motivate, and retain employees following Job Evaluation and Single Status implementation. It was envisaged that this would remain a key focus for several years.
2. The Strategy was 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

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

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 changes, changes in society, and emerging technology;

- meets 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 recruitment activity.

Key achievements from the Operational Plan 2005-06, and work of Human Resources Service during the year are set out below, followed by key activities planned, for 2006-7:

Pay, Reward and Recognition

- Reduced numbers in receipt of pay protection by 43% (from 838 at 31st March 2005, to 475 at 1st April 2006). Evaluation appeals have been concluded and Single Status implemented. Post Job Evaluation support was provided for employees on protection including Jobs & Careers intranet site (and physical site at Castle Green), *Your Career, Your Life, Your Future* events and List of Vacancies, offering early view of job opportunities to those on protection. Established requirement for a generic skills and career framework.
- Revised Employment Policies including Disciplinary Policy and Procedure, Honoraria Payments Policy and Procedure, and Market Forces Supplements. New employment policies introduced were Termination of Contracts, Probationary Period Procedure. Policies were updated to take account of Civil Partnership Act.
- Implemented framework for corporate consultation, including improved Directorate consultation mechanisms, and Joint employment policy workshops for managers and Trades Unions.
- Completed first phase in the project to develop generic skills and careers pathways linked to pay progression throughout the Council.

Resourcing

- Identified Social Work as a key resourcing issue. Response to the Joint Area Review contains detailed actions aimed at improved recruitment and retention in Social Work. The current campaign resulted in 41 applications sent, 17 returned, 8 shortlisted, 2 appointments made. A drop in session showcasing careers and jobs in Social Work attended by over 100 people, with one appointment.
- Modernised recruitment processes to deliver improvements and savings. A Central Recruitment Team was established; and a recruitment partnership with Shropshire and Staffordshire Councils regarding agency worker and senior management procurement.
- Introduced of New Deal – 11 placements; 2 people employed permanently.
- Reduced employee turnover to just under 8% for 2005-6, compared with a target of 9%. and a median average for Unitary Councils of 16.5%.
- Set in place market forces supplements mechanism. Begun to promote the comprehensive employment package both internally and externally.

Developing Leadership Capacity

- Reviewed management development provision, improvement proposals being progressed by the Senior Management Team.
- Introduced Certificate in Leadership and Management for first line managers with

University College Worcester.

- Won a Regional Award for the Leadership Development Programme commissioned and developed in partnership with the seven Worcestershire Councils.
- Supported the establishment and development of Corporate Management Board and Senior Management Team.

workforce

- Expanded Social Care National Vocational Qualification (NVQ) Centre to become corporate Skills for Work Centre to better support the Council's drive to improve customer services.
- Carried out Light Touch assessment against the Investor in People Standard to identify areas for improvement.
- Delivered minimum qualifications and skills for social care workforce across Herefordshire, and Post Qualifying and Practice Assessor programmes in partnership with Bournemouth University.
- Improved Staff Review and Development completion from 72% to 76%. The SRD process is firmly linked to the Council's performance management cycle.
- Supplied 2,000 places on corporate training events based around needs identified from Staff Review and Development discussions.

Organisational Development

- Set in place a programme of tailored Diversity awareness. A voluntary language register for employees was established. Introduced mandatory Diversity and Equality half day induction for new employees.
- Achieved 10.5 FTE days lost per employee per year to sickness absence, against target of 10 days for 2005-6 and a median average of 10.2 days for local government. The long-term sickness absence rate was significantly reduced. A series of events to focus on employee well being were held and well attended.
- Improved response rate to Staff Opinion Survey – 40% in 2005 against 38% in 2004, and introduced an on line completion option.

Key Actions for 2006-7 include:

Pay, Reward and Recognition – a formal approach for recognition developed and in place, review contractual documentation, progress the generic skills and careers pathways project.

Resourcing – embed Recruitment Centre approach, including improvements to use of Agency Workers, develop a workforce planning system including targeted activity to address identified shortage areas, e.g. Children's Social Work, Youth Service. Remove known barriers to employment.

Developing Leadership Capacity - implement review of management development findings including succession management, aspiring manager development, and induction of new managers.

Developing the skills and capacity of the workforce - Develop workforce development plan for social care workforce including Skills for Care and Children's Workforce Development Council requirements, address workforce planning, skills and development, career pathway requirements in Children's and Young People's Service and Adults and Community Services. Set timeline and critical steps for Investor in People assessment accreditation.

Organisational Development - meet an absence target of no more than 9 dys per FTE per year. Continue Equality and Diversity training and awareness, to support Equality

Impact Assessments.

3. Leavers from the Council's employment continue to be surveyed for their reasons for leaving. The full year Survey for 2005-6 shows the most common primary reason for leaving is change in domestic circumstances. Main attractors to a new organisation were career progression (cited by 28% of respondents), and pay (cited by 24% of respondents). Both these issues are addressed in the Pay and Workforce Development Strategy, through action to develop a Generic Skills and Careers Pathway, Pay, Reward and Recognition and Resourcing elements, including to ensure market forces supplements are in place where appropriate, and the comprehensive employment package is promoted both internally and externally.
4. The 2006 Employee Opinion Survey commenced during July, based on a simplified format to further improve the response rate. Results will be reported to Cabinet when available.

Risk Management

The risks with mitigating actions are contained in the Pay and Workforce Development Strategy.

Alternative Options

There are no alternative options.

Consultees

N/A.

Background Papers

Employers' Organisation Pay and Workforce Development Strategy, and People Skills Scoreboard 2004 both available from www.lg-employers.gov.uk