

## **FLINTSHIRE COUNTY COUNCIL**

**REPORT TO:** CORPORATE RESOURCES OVERVIEW & SCRUTINY COMMITTEE

**DATE:** THURSDAY, 14 FEBRUARY 2013

**REPORT BY:** HEAD OF HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT

**SUBJECT:** WORKFORCE AS A FLINTSHIRE FUTURES WORKSTREAM

### **1.00 PURPOSE OF REPORT**

1.01 To provide members with an overview of the Workforce Workstream within the Flintshire Futures Programme and provide a progress report.

### **2.00 BACKGROUND**

2.01 The Council has developed the Flintshire Futures Programme as its corporate programme for modernising and transforming the organisation and to make best use of its resources and to secure efficiencies. Within this programme, there are five specific workstreams, Workforce being one.

2.02 This report provides information on the projects within the workstream, main objectives of each project and progress achieved to date.

### **3.00 CONSIDERATIONS**

#### **3.01 Organisation Design and Development**

**The key objectives are:**

- To design and implement lean and cost effective service structures and service delivery models to enable the delivery of quality customer services at reduced cost, including:
  1. Review of alternative models of service delivery where appropriate,
  2. Review of priorities and service standards,
  3. Review of management and supervision – organisational layers and spans of control, including business unit and organisational structure integration,
  4. Review of support service costs and overheads.

- To transform working practices through the introduction of new technology, self service and agile working styles.

### 3.02 **Progress to Date for Organisation Design and Development:**

We have already made major changes to the organisation with significant changes to the senior management / leadership structure and a large number of service reviews. To date, this has delivered in excess of £4m in savings.

3.03 Service reviews have looked at services vertically but we now need to look horizontally across the organisation at support functions and eliminate duplication wherever possible. For example, the administrative review for Corporate Services reduced costs by 29% delivering £138k savings, resulting in only one redundancy.

3.04 Our next phase of change will focus on the potential integration of business units and organisational structures across the Council, a fundamental review of the various models of service delivery and a cross-Council review of organisational layers and spans of control, reducing management costs to reinvest in front line services. Options for collaboration and partnership opportunities will also be actively explored.

3.05 This is one of the largest projects under the Flintshire Futures Programme and will have a major impact across the Council. The programme will challenge structures in terms of hierarchies and management roles and responsibilities. As part of the implementation of the programme, working practices will be transformed, focusing on customer requirements and delivering 'value for money'.

3.06 The Chief Executive is leading the scoping of this programme, focusing on the development of a shared understanding of the political philosophy and direction for organisational design and change. The scope for the programme is currently being developed, with input from the broader officer leadership team, following which the scope and underpinning plans will need to gain the support of Members prior to implementation.

### 3.07 **Readiness for Change**

#### **The key objectives are:**

- To challenge and change existing culture and "norms" through positive organisational behaviours, management skills and an ethos of customer service excellence as the organisation's primary driver.

3.08 The Flintshire Futures Programme is a vast programme that will rely on managers across the organisation to deliver and lead on

challenging change projects. This project has been developed to enable managers to grow the skills, competence and confidence in managing the delivery of these projects effectively, but also to provide the Council with the framework for changing the culture to one where all employees recognise the need for change and take responsibility for contributing to the delivery of Council's objectives.

### **3.09 Progress To Date for Readiness for Change**

For management development and leading change, the Council has already delivered a three day programme on a regional basis (in partnership with Academi Wales and North Wales Councils) aimed at Heads of Service and Service Managers. The programme content is currently being reviewed for in-house delivery to Flintshire managers, targeted to those who are responsible for delivering significant change over the coming months, as a priority group.

3.10 Our behavioural competencies for the organisation have been re-drafted as part of a wide consultation process with key stakeholders (leadership team, managers and trade unions) to define the competencies required for employees at every level of the organisation to meet the organisational challenges of the future. These competencies have been 'mapped across' the existing Management Development Programmes. The appraisal process for the Council has been re-drafted to incorporate the newly proposed competency framework. The approach to be taken for implementation of the new competencies and the appraisal process is currently being considered by the leadership team and Workforce Workstream Board.

### **3.11 Phase II of iTrent – Manager and Employee Self Service**

**The key objectives are:**

- To implement Self Service and People Manager modules to optimise the benefits including modernised ways of working and accuracy of employment data and allow opportunities for further efficiencies.

### **3.12 Progress To Date for Phase II of iTrent**

Considerable progress has been made in implementing self service for employees and managers, allowing changes to personal details, on-line access to pay information, electronic expenses and electronic establishment changes. We need to ensure that these facilities are used across the organisation to streamline the processes, improve the quality and timeliness of information and deliver the associated efficiencies.

3.13 The efficiency benefits from this project will be realised through the Cross Organisational Administration Review (e.g. automation of e-

expenses, e-payslips etc) as a result of the re-design and reduction of posts realised initially through early measures such as vacancy management. Efficiencies will also be identified through improved management capability to manage teams and performance remotely, supported by clear performance and workforce data.

The following has already been achieved:

- All Employees (Non Schools) have IT access to Employee Self Service and can view basic payslips
- All Managers (Non schools) with IT access have access to their employees' person and position data via Manager Self Service
- The roll out of manager (Non schools) and employees with IT access to submit and authorise expenses via Manager/Employee Self Service has been implemented in Corporate Services and is now progressing into Environment and Lifelong Learning.

The following are currently being progressed:

- Corporate Training events to be available through Employee Self Service to all employees
- The completion of Recruitment & Web Recruitment module scoping and the development of a plan for implementation.

### **Consultants, Interims & Agency – Procurement and Expenditure**

3.14

**The key objectives are:**

- To reduce the use, dependency and costs of consultants, interims and agency workers through more effective resourcing and procurement arrangements.

### **Progress To Date for Consultants, Interims and Agency**

3.15

The Consultants, Interims and Agency projects within this workstream will aim to reduce the use, dependency and costs of consultants and interims through more effective resourcing and procurement arrangements. The work is aligned to a review of the Council's Contract Procedure Rules and is aiming to have recommendations in relation to future arrangements and controls.

3.16

A target for efficiency benefits and the methodology to realise the efficiencies will be agreed once the baseline data is established. These are the actions that have been undertaken so far:

- "Consultants, Interims and Agency" guidance for managers has been developed and is in the process of being published on the Council's Infonet.
- A review of all interims is currently underway. Interims are defined

*as: "Interims usually work at a management or professional level and are used to fill temporary gaps in the establishment which may occur during times of managing change such as during a restructure, a prolonged recruitment/selection process and when skills / expertise or capacity are not available within the Council".*

- Having exhausted internal or external recruitment methods, an Interim will usually be supplied as an Agency Worker through the Matrix contract. Alternatively, an Interim may be supplied as a Consultant in accordance with the Council's Contract Procedure Rules, using a "Contract for Services".
- HR and Finance have been working with Service Managers / Heads of Service to agree plans to reduce and / or transition to an alternative resourcing solution, where appropriate. Early indications are that in a number of cases, exit plans have been implemented or are progressing.
- A thorough piece of work to provide baseline data on annual consultancy spend to advise the Corporate Management Team and Directorates is underway to allow a target reduction figure to be and facilitate subsequent effective monitoring by Directorates to meet the overall project goal of reducing "influenceable" spend. This baseline work should be completed by the end of February.
- Linked to the baseline data work above is a review of the classification and categorisation of "consultants". This is underway and is designed to support better accuracy of data and coding for expenditure for the future.
- The review of the Contract Procedure Rules is expected to be completed in February and will support the overall goals of the project.
- The intention is to start up a working group during February to undertake an options appraisal to identify the most effective means for procuring and managing consultants in the future. Targets and efficiencies will be identified and realised from April 2013 onwards.

3.17

With the whole Flintshire Futures approach there are clear linkages to the Medium Term Financial Plan (MTFP) and efficiencies generated through this particular workstream, and others, will contribute to the overall level of efficiencies within the Council's budget setting process.

#### **4.00 RECOMMENDATIONS**

4.01 That Members note the report.

## **5.00 FINANCIAL IMPLICATIONS**

5.01 The specific targets for efficiencies will be defined following the scoping and planning of the Organisation Design and Development Programme and the completion of the first phase of the Consultants, Interims and Agency project when the baseline is established. The other projects under the workstream are 'key enablers' for modernising working practices, leading and implementing change effectively and changing the culture through positive organisational behaviours. Efficiencies for these projects will be realised through other Flintshire Futures projects, e.g. the Cross-Organisational Administrative Review.

## **6.00 ANTI POVERTY IMPACT**

6.01 Not as a direct result of this report.

## **7.00 ENVIRONMENTAL IMPACT**

7.01 Not as a direct result of this report.

## **8.00 EQUALITIES IMPACT**

8.01 Not as a direct result of this report although all the projects under this workstream will have an Equalities Impact Assessment.

## **9.00 PERSONNEL IMPLICATIONS**

9.01 Not as a direct result of this report.

## **10.00 CONSULTATION REQUIRED**

10.01 On-going activity with key stakeholders including Members, managers, employees and Trade Unions.

## **11.00 CONSULTATION UNDERTAKEN**

11.01 Report to Overview and Scrutiny on 11 October 2012.

## **12.00 APPENDICES**

12.01 None.

## **LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985 BACKGROUND DOCUMENTS**

None included.

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