

Quarterly Performance Report – Human Resources & Organisation Design

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Introduction

The report is produced on a quarterly basis and provided to Cabinet members for review and assurance and will be available for Overview and Scrutiny Committees as part of their Forward Work Programmes.

The report consists of an overview of the key messages to highlight across all work streams Human Resources and Organisation Design, which is followed by highlights from each service area. Parts 2 and 3 of the report include an assessment of performance in the quarter from the following sources:

- Improvement Plan Monitoring
- Strategic Assessment of Risks and Challenges
- Performance Indicators and Outcome Measures
- Improvement Target Action Plan Monitoring
- Key Actions from Service Plan Monitoring
- Internal and external regulatory reports
- Customer satisfaction and feedback
- Awards and accreditations
- Resource Management (HR, ICT, Finance, Assets)

1. Foreword

Progress continues to be made on the key projects for the service including Single Status, the development of an Equal Pay Settlement Strategy for the Council, self service for employees and managers on the iTrent system and the HR and OD Service Review.

The People Strategy and HR and OD's Service Plan are based on five key themes (the 5 C's) as set out below. The highlights and achievements under the five themes are as follows:

<p>Customer</p>	<p>Within the implementation of Phase II of HRMIS (iTrent) the Manager Self Service is complete to all IT users and all users can view basic payslips on-line. All managers now have access to their employees' data. The expenses module to Corporate Services is complete and the next phase of roll out to nominated service areas will commence from the middle of November 2012. The Learning Administration module will be implemented in early 2013.</p> <p>Progress continues to be made on the HR and OD review. JE questionnaires have been completed and have been job evaluated. The JE scores and interim grades will be communicated to the HR and OD team in January 2013.</p>
<p>Change</p>	<p>Preparation work is continuing to take place on developing guidance for managers on Organisational Design principles and in managing change successfully.</p> <p>To support Managers in the delivery of effective service reviews, there is ongoing work to design and deliver a coaching and development programme focusing on organisation design and change. The design of the programme is scheduled to be complete in March 2013.</p>
<p>Capacity</p>	<p>The current appraisal process has been reviewed by a working group of managers and team leaders and the draft is completed. The Council's Competency framework has been redesigned and the appraisal process incorporates these new competencies. The proposed framework and approach to appraisals will be reviewed by the Corporate Management and Leadership teams early in 2013.</p>
<p>Consolidation</p>	<p>Single Status is progressing and the Council is at the closing stages of drafting a Single Status Collective Agreement. The design of a new pay and grading structure and the completion of Part III negotiations are imminent and will be concluded early in 2013.</p>
<p>Collaboration</p>	<p>There are a number of collaborative approaches across North Wales including the development of a commissioning model for learning and development. A North Wales coaching framework is in place and effectively delivering Institute of Leadership and Management (ILM) Level 5 coaching programmes.</p> <p>The partnerships with Deeside College for delivering the Council's Leadership and Management Development Programmes and the partnership with Wrexham County Borough Council for Occupational Health services continue to operate successfully.</p>

2. Performance Summary

2.1 Improvement Plan Monitoring

The following table summarises the progress made to date and the progress against the desired outcome of the Council Improvement Priorities on which the HR&OD Service lead.







KEYS

Progress RAG

R	Limited Progress - delay in scheduled activity; not on track
A	Satisfactory Progress - some delay in scheduled activity, but broadly on track
G	Good Progress - activities completed on schedule, on track

Outcome RAG

R	Low - lower level of confidence in the achievement of outcome(s)
A	Medium - uncertain level of confidence in the achievement of the outcome(s)
G	High - full confidence in the achievement of the outcome(s)







Council Priority	Target Date	Progress RAG	Outcome RAG	Commentary
3. To be a modern, caring and flexible employer with fair and equal terms and conditions of employment under a Single Status Agreement				
3.1 Achieve a legal, acceptable and affordable Single Status Agreement	'effective' date by June 2013			Project Plan revised to reflect new timeframes – Please see paragraph 3a
3.2 Negotiate an Equal Pay Settlement	June 2013			Project Plan revised to reflect new timeframes - Please see paragraph 3a
3.3 To complete the review of human resources policies as a modern employer	On-going			The review of HR policies is an on-going process

2.2 Strategic Assessment of Risks and Challenges (SARC)

The table below summarises the position of SARCS at the end of the reporting period.

Commentary is included in section 3 for those SARCS: -

- that are showing a Red RAG status
- where the RAG status has changed since the last reporting period
- where the Green Predictive Date has changed since the last reporting period
- where there has been considerable change or additions of secondary risks and activity


SARC	Previous RAG Status	Current RAG Status	Green Predictive
CG10 People Strategy			Mar 13
CG11 Terms and Conditions of Employment			Jun 13
CG16 Workforce and Succession Planning			Mar 13

2.3.1 Performance Indicators and Outcome Measures

The status of the indicators are summarised for this quarter below:

 **R** 0  **A** 1  **G** 0

Graphs and / or commentary are included in section 3 for those indicators shown with a RAG status of either Amber or Red. An asterisk (*) indicates that the indicator is an *improvement target*.

Indicator	Annual Target	Previous Quarter Outturn	Current Quarter Target	Current Quarter Outturn	RAG	Change e.g. Improved / Downturned
* CHR/002 - The number of working days/shifts per full time equivalent (FTE) local authority employee lost due to sickness absence	9.8 FTE Days Lost	2.13	2.50	3.3		Downturned (Please see Section 3)

2.3.2 Improvement Target Action Plan Monitoring

Ref	Action & Planned Completion date	Progress
CHR/002	There is a continued programme of attendance management reporting and action planning across each Directorate. Absences reporting, containing trigger reports, produced on a monthly basis are issued to managers. With the support of the HR team focus is made on frequent, short term absences, long term absences and return to work interviews, with employees, to understand any underlying issues affecting attendance at work.	✓

	<p>Where necessary, capability measures are taken to address poor attendance. This includes first stage disciplinary through to dismissal.</p> <p>The review of the Attendance Management Strategy has been completed and focused work is being undertaken between HR / Occupational Health and Directorate Management Teams to implement early interventions to reduce levels of sickness absence, e.g. Environment and Community Services. The Physiotherapy pilot in Streetscene has commenced but it is too early at this stage to evaluate the impact.</p>	
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2.4 Key Actions from Service Plan Monitoring

The following table shows the progress made against key areas of improvement/actions in the HR & OD service plan. A ✖ indicates those areas which have incurred slippage or have been subject to a revised timetable and references the page number where commentary can be found to further explain the slippage/revised timescales: -

Key - ✓ on track, ✖ behind schedule, C completed

Improvement Area	On-track?	Commentary
Customer		
<p>To provide the tools and development to meet the requirements of our customers, ensuring that our structures are shaped with the primary aim of delivering excellent customer services.</p>	<p>✓</p>	<p>The new HR and OD Service Structure has a revised implementation date of March 2013 as per the revised People Strategy Action Plan. The job evaluation questionnaires have been evaluated and the new interim grades will be available for communicating to affected employees in HR and OD in early 2013.</p> <p>iTrent Self Service modules has now been implemented for employees and managers, allowing changes to personal details and on-line access to pay information.</p> <p>The efficiency benefits from this project will be realised through the Cross Organisational Administration Review (e.g. automation of e-expenses, e-payslips etc) in the re-design of posts within that review and the reduction in headcount, together with evidence of improved management capability to manage teams and performance remotely, supported by clear performance and workforce data.</p> <p>The following has already been achieved:</p> <ul style="list-style-type: none"> • All Employees (Non Schools) have IT access to Employee Self Service and can view basic payslips

		<ul style="list-style-type: none"> All Managers (Non schools) with IT access have access to their employees' person and position data via Manager Self Service The roll out of automated expenses to all employees within corporate Services is complete and is now progressing into Environment and Lifelong Learning. <p>The following is currently being progressed:</p> <ul style="list-style-type: none"> Corporate Training module fully developed and tested. Learning Events to be available through Employee Self Service to all Employees (non Schools) by April 1st 2013 <p>This project will carry forward into the new 2013 – 2016 People Strategy.</p>
To develop a 'world class' HR service; supporting the facilitation of change; developing and retaining talent in the organisation	✓	See above
To support the delivery of strategic objectives and the provision of responsive transactional HR services to achieve customer excellence	✓	See above
Change		
To ensure that managers are confident and competent in being able to lead and manage change effectively	C	Regional 'Managing Change Effectively' programme in place with managers from Flintshire attending. Further work is required to embed improved practice.
To achieve planned organisational change and on going modernisation of service delivery	✓	Next phase of change is being scoped as part of Flintshire Futures Programme which will be more fundamental, focusing on the whole Council and reviewing service delivery models, support costs and overheads and organisational layers and spans of control. Lean review work, re-engineering of processes and implementation of agile working styles will continue to contribute to the modernisation of service delivery.
To create and design a framework for managing change effectively	✓	The timescale for the development of a new guide on Organisation Design has been adjusted as per the People Strategy Action Plan. The timescale has been amended so that the appropriate capacity can be directed at the Single Status project. This work is on track for completion.

<p>To promote a culture whereby employees and teams understand and participate in organisational change</p>	<p>✓</p>	<p>Managers developing effective skills on managing change following regional development programme. The implementation of tools and techniques such as 'lean' and greater involvement of employees in Job Design activities and through improved consultation practice demonstrates a positive shift in culture in relation to participation in Change Programmes. The implementation of a new competency framework, that defines 'desired' behaviours in relation to 'change' will also support the promotion of a culture where employees understand and participate in organisational change. This work will carry forward into the new 2013 – 2016 People Strategy.</p>
<p>Capacity</p>		
<p>To promote desired behaviours, in line with the 'Flintshire Competency Dictionary' across the organisation</p>	<p>✓</p>	<p>This project has also been integrated with the development of a new competency based Appraisal system under the Council's People Strategy / Workforce Worksteam (Flintshire Futures Programme). See 3c</p> <p>This project is progressing well with a new set of behavioural competencies having been mapped across into regional and FCC's original competency dictionary.</p> <p>The following has been achieved</p> <ul style="list-style-type: none"> • A new set of FCC behavioural competencies have been designed. • Consultation is on going with Leadership group, Managers, Trade Unions and employees (including those with protected characteristics) <p>The following progression will be implemented following consultation.</p> <ul style="list-style-type: none"> • Publication and communication of the final FCC Competency dictionary <p>Implementation of this project will carry forward into the new 2013 – 2016 People Strategy and be completed in the early part of the plan.</p>
<p>To remodel the workforce as part of corporate and service planning to ensure we have the right people with</p>	<p>✓</p>	<p>Workforce Planning framework is under development as per the revised People Strategy Action Plan. This will be</p>

<p>the right skills, in the right place at the right time</p>		<p>incorporated into a 'People Plan' which will be built into the service planning process – by February 2013. Workforce planning principles will also be followed during the organisation design process as part of the next phase of organisational change.</p> <p>This work will carry forward into the new 2013 – 2016 People Strategy.</p>
<p>To promote succession and continuity planning; identifying the potential and nurturing talent at every level of the organisation</p>	<p>✓</p>	<p>This project has been integrated with the development of a new set of behavioural competencies.</p> <p>The following has been achieved:</p> <ul style="list-style-type: none"> • A new competency based Appraisal process has been drafted. • Consultation is on going with Leadership Group, Managers, Trade Unions and Employees (including those with protected characteristics) • A new Competency based development framework has been designed. The framework aligns to all four levels of competency and links to the Appraisal process. This will enable staff and managers to plan and nurture talent at every level • The new competency based Development Framework has been created with our partners in Deeside College and TUC Wales - incorporating nationally recognised qualifications and the Essential skills agenda. <p>The following progression will be implemented following consultation.</p> <ul style="list-style-type: none"> • Publication and communication of a Competency based Appraisal scheme • Incorporation of the new Performance development model, designed for North Wales • Promotion and communication of the competency based development framework <p>Implementation of this project will carry forward into the new 2013 – 2016 People Strategy.</p>

To develop key skills, experience and knowledge for employees to support the delivery of services now and in the future	✓	Development programmes in place - People Development Framework
Consolidation - and reward the contribution of employees and to support the organisation in recruitment and retention		
To enhance Flintshire's reputation as a 'modern employer of first choice' to attract and retain talent within a highly competitive labour market	✓	The Council is working towards Single Status which will modernise its pay and reward arrangements. The current phasing in of Flexible and agile working styles and the underpinning HR policies and procedures will further enhance the Council's reputation as a modern employer. The underpinning HR policy framework to support Agile has been developed, together with a suite of policies to support the effective implementation of Single Status, e.g. Workload Management, Annualised Hours, Working Time policies – all are positive in the promotion of Flintshire as a 'modern employer of first choice'.
To ensure we set and meet high standards in organisational, team and individual performance through sound people management practice, with specific priorities in applying consistent practice in attendance management, performance appraisals and recruitment	✓	Review of standards and levels of service being undertaken as part of HR and OD service review.
To provide and maintain a fair and equitable reward strategy to recognise and reward the contributions of employees and to support the organisation in recruitment and retention	✓	Linked to achievement of Single Status and new pay and grading structure and the development of a Reward Strategy.
Collaboration		
To continue to develop and maintain a positive employee relations culture by promoting open and effective partnership working with trades unions	✓	Effective partnership working in place with TUs
To lead collaborative working innovative and responsive Human Resources shared solutions across the North Wales region	✓	Full participation in Collaborative working – e.g. sharing and co-development of HR policy and Outplacement services. Work has taken place to identify the policies that will be developed collaboratively. The Occupational Health partnership with Wrexham County Borough Council and

		<p>partnership with Deeside College to deliver Leadership and Management Development programmes continue to operate effectively</p> <p>This work will carry forward into the new 2013 – 2016 People Strategy.</p>
To develop good practice principles and capacity to lead and participate effectively in collaborative working projects	✓	<p>Development and implementation of a Human Resources Toolkit for Collaboration and Integration Projects is under development.</p> <p>This toolkit will be further developed for wider use across North Wales. For example Schools Improvement Project and the North Wales Support Services Review.</p>
To promote mobility across the public sector to achieve workforce planning, protect recruitment and retention and develop talent	✓	<p>Every effort is made to promote mobility where possible in relation to regional collaborative projects and joint working across local authorities and public sector.</p>

2.5 Internal & External Regulatory Reports

The following internal or external audit/regulatory work has been completed during the quarter and the outcome of the work can be summarised as follows. Negative outcomes are discussed in more detail in section 3 and page numbers are referenced in the table below.

Undertaken By	Title & Date Report Received	Overall Report Status
Internal Audit	No reports have been received during this quarter	N/A

3. Exception Reporting

3a - Improvement Plan Monitoring

3.1. Achieve a legal, acceptable and affordable Single Status Agreement (Amber RAG status). The original target date for full implementation was set at November 2012 and will not be achieved, although the Council is entering the closing stages of the project. The Council has reviewed the Project Plan and a full report was submitted to Cabinet in November 2012 to set out the new timeframe and key milestones to be completed. The Council is making good progress and aims to complete the pay modelling (the output of which will be a new Pay and Grading Structure) and negotiations on Part 3 (terms and conditions of employment) by the end of February 2013. The target 'effective' date will be no later than June 2013. Further details can be found in the November 2012 Single Status Project Update Cabinet report.

3.2 Negotiate an Equal Pay Settlement (Amber RAG status – comment / position remains unchanged from end of year reporting). This project has clear inter-dependencies with the Single Status project. The Council's intention to settle Equal Pay claims (without prejudice) within a similar timeframe to Single Status will increase the complexity of both projects and requires careful consideration of the legal context with the need to protect the Council from future liabilities wherever possible. Given that this project is directly linked to achieving a Single Status Collective Agreement, the negotiations of an Equal Pay Settlement Strategy has to coincide with the new target effective date for Single Status of June 2013. It should be noted that implementing the settlement strategy will only take place once Single Status is implemented later in 2013. The settlement strategy is likely to be developed ready for negotiation with the Trade Unions by March 2013.

3b - Performance Indicators and Outcome Measures (Amber RAG status).

***CHR/002 – (NI24) The number of working days/shifts per full time equivalent (FTE) local authority employee lost due to sickness absence (Amber RAG status).**

There is a continued programme of attendance management reporting and action planning across each Directorate. Absences reporting, containing trigger reports, produced on a monthly basis are issued to managers. With the support of the HR team focus is made on frequent, short term absences, long term absences and return to work interviews, with employees, to understand any underlying issues affecting attendance at work.

Where necessary, capability measures are taken to address poor attendance. This includes first stage disciplinary through to dismissal. Further work is being undertaken in partnership with the Occupational Health service to proactively reduce levels of sickness absence with the introduction of physiotherapy service pilots within key services such as Streetscene.

The downturn in performance for CHR/002 focuses on each Directorate and the actions being taken to improve performance is as follows:

Community Services

The Community Services Directorate Management Team continues to carry out the actions within the Attendance Management Strategy. This includes monitoring attendance on a quarterly basis at DMT and identifying priority areas for Departmental Attendance Reviews to be carried out. These reviews supported by Human Resources continue to take place across key services to identify if Council policy is being applied consistently and to provide support to Managers particularly where they have individual problematic cases.

Long term absence continues to have the most significant impact across all services. Senior Managers and HR are meeting shortly to discuss how we can improve attendance across the Directorate. One of the proposals to be discussed is the development of a pathway to enable employees to return to the workplace as soon as possible. This pathway will involve early intervention by managers to identify alternative work opportunities where employees are temporarily unable to return to their substantive role for health reasons. These supportive measures should result in employees returning to work much sooner.

Corporate Services

Absence continues to be pro-actively managed by respective DMT's in line with the Attendance Management policy. Days lost are marginally down on a like for like basis with 2011/12 for the 3rd quarter in a row. There is no complacency and attendance remains high on respective agenda's.

Environment

Absence levels have increased in 4 out of the 6 service areas in Quarter 3 compared to Quarter 2. Short-term, recurring absences continue to be a priority with interventions including dismissal taking place across the respective service areas. Long-term absences have also increased and Management Teams are working with HR and Occupational Health colleagues to establish the long-term prognosis of those cases in order to expedite ill-health dismissals where appropriate.

Lifelong Learning

There has been an increase in the absence levels in Lifelong Learning in quarter 3 compared to quarter 2, although this does reflect last year's trend. Monthly meetings to monitor sickness absence and the actions being undertaken within service areas continue. A further dismissal was made on grounds of ill health capability this quarter.

3c - Service Plan Monitoring.

As previously reported, the People Strategy Action Plan was reviewed in September 2012 to better reflect the organisation's priorities. The project relating to competencies has been incorporated into the development of a new competency based Appraisal system. The competency framework has been developed to meet the challenges of the future. The new competency framework and Appraisal system will be ready to commence implementation in the first part of 2013.