Quarterly Performance Report – Human Resources & Organisation Design

Report Author   Helen Stappleton
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Introduction

The report is produced on a quarterly basis and provided to Executive 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 is continuing to be achieved across the service and organisation in relation to modernising working practices for people management transactions, improving the skills and tools to lead and manage change effectively, the delivery of effective workforce development programmes, implementation of Single Status and an Equal Pay settlement strategy and redesigning HR and OD services to ensure that the roles, expertise and service delivery is fit for purpose to meet the Council's needs both now and in the future.

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:

Customer	The iTrent People Manager (manager self service) has continued to be rolled out across the Directorates. All managers have access to online training and an ongoing campaign to raise awareness of the functions available and benefits from using the system is continuing. Additional features will be available within manager self service over the coming year. Progress continues to be made in the HR and OD redesign. A revised implementation date has been agreed of July 2012. The structure has received approval from Corporate Management Team (CMT) and members, the content of the jobs is to be finalised. Good progress is being made in the redesign of processes within the HR service centre.
Change	The new Organisation Design principles have been piloted in two service areas, this has allowed a focus on reducing management layers. A full adoption of the principles and the development of management guides in using these methods will gain more focus from September 2012. This revised timetable is to align with the completion of Single Status.
Capacity	Workforce planning tools continue to be developed. There is a continued requirement for annual appraisals for all employees. Quarterly reviews within each Directorate are in place to assess the number of appraisals being completed.
Consolidation	Within Single Status, three critical work streams have been completed:- • finalising the 'rank order' of all jobs • verifying the posts in scope of the project were now included • ensuring that the budget for those posts reconciles with the Council's pay budgets Pay modelling and the design of a new pay and grading structure will begin in May 2012. Negotiations with trades unions to achieve a Collective Agreement will commence in May 2012 with completion and implementation of a new Single Status Agreement still on track for November 2012.
Collaboration	The new partnership agreement between Flintshire's Occupational Health Service and Wrexham County Borough Council (WCBC) continues to operate effectively. Performance indicators for service delivery to WCBC have been met and customer feedback continues to indicate high satisfaction levels.

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	Nov 2012	A	A	Please see paragraph 3A – Exception Reporting
3.2 Negotiate an Equal Pay Settlement	Nov 2012	A	A	Please see paragraph 3A – Exception Reporting
3.3 To complete the review of human resources policies as a modern employer	Sept 2012	G	G	On track to complete by Sept 2012 Please see paragraph 3A – Exception Reporting

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	A	A	Nov 12
CG11 Terms and Conditions of Employment	A	A	Nov 12
CG16 Workforce and Succession Planning	A	A	Nov 12

2.3.1 Performance Indicators and Outcome Measures

Key

R	**Target missed**
A	**Target missed but within an acceptable level**
G	**Target achieved or exceeded**

The status of the indicators are summarised for year end below:

R 0   **A** 2   **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	Current Quarter Target (Q4)	Current Quarter Outturn (Q4)	Previous Annual Outturn	Annual Target	Annual Outturn (2011/ 12)	RAG	Change e.g. Improved / Downturned
*CHR/002 – (NI24) The number of working days/shifts per full time equivalent (FTE) local authority employee lost due to sickness absence	2.90 days	**3.24 days**	10.36 days	10 days	**10.57 days**	A	Downturned Please see paragraph 3B below

Indicator	Current Quarter Target (Q4)	Current Quarter Outturn (Q4)	Previous Annual Outturn	Annual Target	Annual Outturn (2011/ 12)	RAG	Change e.g. Improved / Downturned
*REM3 - The percentage of employees receiving an annual appraisal with Individual Development Plan	N/A	N/A	Not Reported	100%	**Not Reported**	N/A	Not Applicable Please see paragraph 3B below
Appraisals – (HRL1)	N/A	N/A	Not Applicable	100%	93%	G	New starters to receive appraisal within first quarter of 2012 / 13

2.3.2 Improvement Target Action Plan Monitoring

Key - ✓ on track, ✗ behind schedule, **C** completed

Ref	Action & Planned Completion date	Progress
*CHR/002	There is a continued programme of attendance management reporting and action planning across each Directorate. Absence reporting containing trigger reports produced on a monthly basis are issued to managers and with the support of the HR team, focus is made on frequent, short term absences, return to work interviews with employees to understand any underlying issues affecting attendance at work. Where necessary capability measures are taken including first stage disciplinary to address poor attendance. Further work is being undertaken in partnership with the Occupational Health service to proactively reduce levels of sickness absence.	✓
*REM3	Managers are regularly reminded that all employees must have an annual appraisal with an accompanying development plan. In future the capturing of this data is the responsibility of Managers and will be recorded directly onto iTrent via Self Service.	✗ See Section 3b below

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		
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.	✓	New HR and OD Service Review to be implemented in July 2012 as per revised People Strategy Action Plan – following full consultation with customers to assess their requirements. Phase III of iTrent – Employee and Manager Self Service project is progressing well.
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 to be developed as part of Flintshire Futures Programme. Lean review work, re-engineering of processes and implementation of agile working styles is contributing to the modernisation of service delivery.
To create and design a framework for managing change effectively	✓	New guide on Organisation Design Guide under development by
To promote a culture whereby employees and teams understand and participate in organisational change	✓	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.
Capacity		
To promote desired behaviours, in line with the 'Flintshire Competency Dictionary' across the organisation	✗	Objective / project has been deferred as per revised People Strategy Action Plan. To be reviewed as part of Flintshire Futures Programme priorities – see section 3C – Exception Reporting

		for further detail.
To remodel the workforce as part of corporate and service planning to ensure we have the right people with the right skills, in the right place at the right time	✓	Workforce Planning framework is under development as per the revised People Strategy Action Plan.
To promote succession and continuity planning; identifying the potential and nurturing talent at every level of the organisation	✗	Appraisal process to be revised to identify talent and further development. Timescale - December 2012. See section 3C – Exception Reporting for further detail.
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.
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 Trade Unions
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.
To promote mobility across the public sector to achieve workforce planning, protect recruitment and retention and develop talent	✓	Every effort is made to promote mobility where possible in relation to regional collaborative projects and joint working across local authorities and public

		sector.
New People Strategy Action Plan for 2011 / 12		
CUS/003 Design and implement new HR and OD services	✓	Completion is planned for the end of July 2012
CAP/003 Adapt Appraisal system (as part of the workforce planning model) to identify talent and provide development opportunities.	✗	Target date was completion by March 2012 but will now be completed by December 2012. See section 3C – Exception Reporting for further detail.
CON/001 Implement Single Status,	✓	An implementation date of November 2012 has been agreed. All parties have committed to delivering the project on time.
CON/009 Review and implement attendance management strategy.	✓	The review has been completed ongoing monitoring and the inclusion of Occupational Health service to develop early interventions jointly between HR, Occupational Health and managers are being developed.

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 should 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
Wales Audit Office / Auditor General for Wales	Annual Improvement Report 2011	Full report completed – see paragraph 3D – Exception Reporting.

3. Exception Reporting

3A - Improvement Plan Monitoring

3.1 Achieve a legal, acceptable and affordable Single Status Agreement (Amber RAG status – comment / position remains unchanged from Quarter 3). Whilst all three parties (Members, Senior Management and Trade Unions) are all fully committed to delivering the project, there are still a number of risks within the project and key milestones where delays may occur and over which we have limited control (for example, the outcome of the Trade Union Ballot). The attainment of the three elements of legal, acceptable and affordable will be subject to funding availability, successful negotiation with the Trade Unions, Senior Management 'sign off' and Member approval and implementation by November 2012 will be dependent on a successful outcome from the Trade Union Ballot.

This project is being carefully managed and monitored to mitigate these risks and to avoid delays occurring. At this stage, the project is 'on track'.

3.2 Negotiate an Equal Pay Settlement (Amber RAG status – comment / position remains unchanged from Quarter 3). This project has clear inter-dependencies with the Single Status project. The Council's intention to settle Equal Pay claims within a similar timeframe to Single Status and this 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. At this stage the project is 'on track'.

3.3 To complete the review of human resources policies as a modern employer
The completion timescale has been revised from June 2012 to Sept 2012 to allow for alignment with the timetable for the Agile Working Project on the Workforce Workstream of the Flintshire Futures Programme.

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. Absence reporting containing trigger reports produced on a monthly basis are issued to managers and with the support of the HR team, focus is made on frequent, short term absences, return to work interviews with employees to understand any underlying issues affecting attendance at work. Where necessary capability measures are taken including first stage disciplinary to address poor attendance. 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.

*REM3 - The percentage of employees receiving an annual appraisal with Individual Development Plan
It has not been possible to collect the data for this year. Appraisal Data is now being collected via iTrent Self Service. The introduction of this module is still in its early stages and, therefore, the statistics are incomplete and not yet fully reliable. This will be rectified in good time to report for next year's data.

3C - Service Plan Monitoring

The People Strategy Action Plan, which is incorporated into the HR and OD Service Plan, was reviewed in October 2012 to better reflect the organisation's key priorities. The project / action *- To promote desired behaviours, in line with the 'Flintshire Competency Dictionary' across the organisation'* was deferred to allow the organisation to manage and deliver more pressing priorities such as Single Status and Equal Pay. This project is still viewed to be relevant and important and will be reconsidered in the context of the Flintshire Futures Programme over the coming weeks.

CAP/003 - Target date was completion by March 2012 but will now be completed by December 2012 because of significant competing priorities (Single Status and Equal Pay). A new Performance development model has been designed for North Wales Councils, this is to be adapted for use within Flintshire County Council.

3D - Internal and External Regulatory Reports

Auditor General's Annual Improvement Report
The Annual Improvement Report 2011, see above, sets out a Formal Recommendation in relation to the People Strategy and Single Status as follows:

- The Council should report more fully and regularly to the Executive Board on progress in delivering the Human Resources (HR) Strategy and Single Status Agreement and ensure capacity and capability are available to achieve intended outcomes and timetables.

As stated in the Quarter 3 report, the Executive has recently received a full review of the People Strategy, has re-set the priorities within it and has reviewed the resourcing of the strategy. Quarterly review reports will be made to the Executive; the progress of the key work streams within the Strategy will continue to be reported to Overview and Scrutiny within this quarterly performance report for the HR and OD Division as is current practice.

The Single Status project plan, objectives, timelines and decision making steps are well defined and as a major workforce project, regular reports will be submitted at key milestone stages to Executive and Overview and Scrutiny as appropriate. The newly elected Council are recommended to allocate significant time to building member knowledge, understanding and commitment to reach an Agreement during this calendar year (2012) through both formal and informal meetings and briefings.