

Business Plan for Strategic Human Resources - March 2012 to 30 September 2013

1. Introduction

1.1 The Service's key responsibilities are to:

- Design & deliver people and organisational development related strategy and policy to assist the Council in transforming to its new business operating model, with a workforce that is flexible and adaptable to on-going change and has the competence and confidence to deliver business priorities
- Commission and quality assure corporate learning and development activities in line with identified needs from the workforce development service
- Provide professional advisory services in all aspects of the employment relationship that enables managers to fulfil their people management responsibilities efficiently and effectively whilst maintaining compliance with statutory obligations under employment law
- Act as the interface on employee relations matters with recognised trade unions to ensure that the relationship between staff and the council is managed appropriately, within the law and promotes positive staff engagement
- Provide professional advisory services to assist the Council in maintaining a practical approach to a healthy and safe working environment whilst meeting statutory obligations under health, safety and welfare legislation
- Provide professional advisory services that facility equality and diversity considerations being fully embedded into daily working practices and which underpin the council in meeting its statutory obligations under the Equality Act 2010

1.2 Context

The Strategic Human Resource Service has an integral role to play in the delivery of all the council's stated corporate priorities, but specifically those which relate to the delivery of budget savings through changed service provision by acting in the capacity as a business partner on matters relating to service re-design, organisational development/cultural change; people resourcing & talent management; performance and reward; employee relations; employee engagement and workforce planning. The council has a People Strategy which sets out 5 key priorities for people resourcing; people management; compliance with statutory obligations; organisational development and workforce planning.

For the period 1 April 2012 – 30 September 2013, the council will see the transition of services to alternative models of delivery which will involve the TUPE transfer of staff. As a result of an unsuccessful regional bid to secure a new provider of occupational health and employee assistance services, it will be necessary for the service to consider its options and procure new contractual arrangements. Following re-structure and reduction in staffing numbers within the strategic HR service during

2011, there is a continuing need to develop new approaches to service delivery, increase efficiency in processes and facilitate a self-service approach to basic enquiries for managers in carrying out their people management responsibilities. One particular area where there is a specific need as identified through a safer recruitment audit is that of improving recruitment and selection practice.

As a result of significant organisational change, the considerations of workforce planning, talent management, succession planning, leadership and management development and the development of workforce skills will become an important focus. A follow on requirement from the completed terms and conditions review is the need to embark on a job evaluation scheme review.

All people management practice is affected by employment legislation, case law and other Central Government and European Directives. In addition, there is the provision of specific advice and guidance to managers in the application of employment policy and formal procedures. This is an important aspect to minimise the risks to the council of reputational damage as a result of poor management practice and time consuming, potentially costly litigation that results from the awarding of costs and damages unnecessarily through disputes taken to employment tribunal.

Affecting people management policy and practice during 2012/13 are a number of current Government consultations which were launched in 2011. These include: introducing a new system of flexible parental leave; extending the right to request flexible working to all employees; amending the Working Time Regulations in regard to annual leave and sickness absence (now determined by case law) and the awarding of compulsory equal pay audits for employers who are found by an employment tribunal to have discriminated on grounds of sex in relation to pay. The outcomes of these may affect legislation in 2012 and beyond.

In addition, the Government announced a 'radical' reform of employment legislation following consultation on employment disputes and the results of the 'Red Tape Challenge' review and a funding review of trade union facility time in the public sector. The proposals to reform employment tribunal processes includes considerations of early conciliation, tribunal process reform, introducing fees for claimants and discretionary fines on employers who lose cases. The government has also been collecting evidence on the effectiveness of the Transfer of Undertakings (Protection of Employment) Regulations 2006 and in particular, whether the rules are unnecessarily 'gold-plated' and bureaucratic.

Further evidence has been collected on the statutory obligation for employers to consult about collective redundancies and, in particular, whether the 90-day minimum consultation period should be reduced. Furthermore the government is considering an intention to close a 'loophole' in the Public Interest Disclosure Act 1998 on whistleblowing that allows employees to claim that blowing the whistle about a breach of their own employment contract is a protected disclosure. From October 2012 employers will be required to automatically enroll all eligible employees who are not already part of a workplace pension

scheme into a qualifying workplace pension or the National Employment Savings Trust pension scheme.

The service belongs to the CIPFA benchmarking club which enables costs/performance comparisons to be made. Other benchmarking activities are also undertaken within regional and national networks to monitor and evaluate service, policy and people management practice in comparison with other local authorities. The council has a number of organisational health indicators which provide a source of information to monitor the strength of the council's employment relationship and the impact of strategy, policy and practice initiatives to secure improvements in staff engagement, productivity and wellbeing.

All the above activities are carried out with due consideration being given to the nine protected characteristics under the Equality Act 2010 (which are age; disability; gender reassignment; marriage/civil partnership; pregnancy/maternity; race; religion/belief; sex and sexual orientation). This is undertaken in accordance with the public sector duty in the exercise of its functions to give due regard to the need to eliminate discrimination, harassment, victimisation and any other prohibited conduct; advance the equality of opportunity and to foster good relations between people. For changes to strategy, policy or service delivery/redesign, equality impact assessment will be undertaken.

Total Number of Employees:

| Service Function | Job Roles | Number of Staff |
|----------------------------|---|------------------------|
| Service Management | Head of Human Resources Strategic Lead for People Management & Advisory Services Service Administrator & PA | 3 |
| Advisory Services | Senior Human Resource Advisor 6 x Human Resource Advisors (1.5 funded by schools service level agreement) | 7 |
| Health & Safety | Lead Officer for Health, Safety & Welfare 2 x Health, Safety & Welfare Advisors (1.8 funded by schools service level agreement) 1 Health, Safety & Welfare Assistant (fixed term) | 4 |
| Equality & Diversity | Lead Officer for Equality & Diversity (funded by schools service level agreement) | 1 |
| Organisational Development | Lead Officer for People Resourcing Workforce Planning Officer | 2 |
| Job Evaluation Project | Interim Strategic HR Manager Employment Lawyer (18.5 hrs) (Fixed term from April 2012 to September 2013 and funded from Reserves) | 2 |
| TOTAL | | 19 |

2. Key Business Objectives

| Number | Business Objective | Link to Corporate Priority or Directorate Plan Objective |
|--------|---|--|
| 1 | Employing the right people with the right skills at the right time to deliver our business priorities | Delivery of budget savings through changed service provision Raising educational standards Keeping children safe Highways PFI scheme Supporting older and vulnerable residents Housing and homelessness Regeneration and the economy Waste strategy |
| 2 | Being an organisation that is flexible and adaptable to change | Delivery of budget savings through changed service provision Raising educational standards Keeping children safe Highways PFI scheme Supporting older and vulnerable residents Housing and homelessness Regeneration and the economy Waste strategy |
| 3 | A legally compliant organisation through proactive and effective management of diversity, health, safety and welfare responsibilities | Delivery of budget savings through changed service provision Raising educational standards Keeping children safe Highways PFI scheme Supporting older and vulnerable residents Housing and homelessness Regeneration and the economy Waste strategy |

| | | |
|---|---|--|
| 4 | Maintaining an attractive employment offer, whilst acting responsibly in the face of economic downturn and a reducing financial base | Delivery of budget savings through changed service provision Raising educational standards Keeping children safe Highways PFI scheme Supporting older and vulnerable residents Housing and homelessness Regeneration and the economy Waste strategy |
| 5 | Providing efficient and cost effective human resource services that enable managers to carry out their people management responsibilities effectively | Delivery of budget savings through changed service provision Highways PFI scheme Supporting older and vulnerable residents Raising educational standards Keeping children safe Housing and homelessness Regeneration and the economy Waste strategy |

3. Key Business Objectives Details:

Key Business Objective 1: Employing the right people with the right skills at the right time to deliver our business priorities

| Key Activities to support the objective | Success Factors | % Complete | Target/Completion Date |
|--|---|------------|------------------------|
| 1. Further develop our workforce strategy and approach to workforce planning to identify and plan for future staffing requirements | 1. Approved workforce plan in place which from data analysis identifies the capacity, skills and competency gaps and the agreed action plans necessary to address them. 2. Service plans incorporate workforce planning considerations and actions as a result of the guidance available to managers | 0 | 30 March 2013 |

Risks

Insufficient staffing capacity and skills

Insufficient capacity and skills within strategic HR

Performance Measures

Reduction in employee numbers (excluding schools)

Net decrease in the number of FTE posts (excluding schools)

Whole Council - Percentage (%) of black and ethnic minority employees (cumulative)

Whole Council - Percentage (%) of employees declaring they meet the definition of disability under the Equality Act

Percentage (%) of applications made by people from black and ethnic minority groups

Percentage (%) of applications made by people declaring they meet the definition of disability under the Equality Act

Number of successful redeployments as a percentage (%) of redundancy cases

Percentage (%) reduction in spend on agency staff

Key Business Objective 2: Being an organisation that is flexible and adaptable to change

| Key Activities to support the objective | Success Factors | % Complete | Target/Completion Date |
|--|---|------------|------------------------|
| 1. Delivery of a revised Organisational Development Strategy | 1. Staff report that they feel more confident in carrying out their duties and new ways of working as a result of participation in learning and development activities that have been commissioned and delivered. | 10% | 31 March 2014 |
| | 2. Staff survey results identify an improvement in staff engagement | 10% | 31 March 2013 |
| | 3. There has been a reduction in the number of errors made in carrying out business processes for employee related transactions | 30% | 30 September 2013 |

| Risks |
|---|
| Insufficient staffing capacity and skills |
| Workforce development programmes are not fit for purpose and do not fulfil the needs of the services to deliver required organisational changes |
| Insufficient capacity and skills within strategic HR |

| Performance Measures |
|---|
| Cost of learning and development as a percentage (%) of the total pay bill |
| Average number of days per full-time employee per year invested in learning and development |
| Percentage (%) completion of 2012/13 PDRs (according to SAP) |
| Number of successful e-learning modules completed per employment |
| Percentage (%) of staff who have participated in at least one training or development opportunity per quarter |

Key Business Objective 3: A legally compliant and cost effective organisation through pro-active and effective management of diversity, health, safety and welfare responsibilities

| Key Activities to support the objective | Success Factors | % Complete | Target/Completion Date |
|--|--|--------------------------------------|--|
| 1. Ensure that managers are enabled to address attendance management and employee wellbeing concerns through good quality advisory services. | 1. New contractual arrangements for the provision of occupational health and employee assistance provision in place. 2. Delivery of planned wellbeing surveys in identified priority service areas and appropriate service based action plans in place to secure improvements 3. Further improvement and reduction in sickness absence in line with agreed target set by Employment Committee 4. Improvements are made in the timescales within which attendance management/wellbeing concerns are resolved | 20% 50% 10% 10% | 31 March 2013 31 March 2013 31 March 2013 31 march 2013 |
| 2. Improved compliance with the requirements of the Equality Act 2010 | 1. Through service level agreement, schools report increased confidence in the meeting of their statutory obligations 2. The annual review of the Council's equality objectives demonstrate improvements secured in line with the timescales identified in the action plans | 5% 5% | 31 March 2013 31 March 2013 |

| Key Activities to support the objective | Success Factors | % Complete | Target/Completion Date |
|--|---|-------------------|-------------------------------|
| 3. Continue to raise employee and management awareness of responsibilities and accountabilities in relation to health and safety | 1. Delivery of agreed work plan as determined by the Health & Safety Board | 10% | 31 March 2013 |
| | 2. Team capacity to deliver against identified needs and priorities has been reviewed and future staffing compliment determined and agreed. | 0% | 30 June 2012 |

| Risks |
|---|
| Failure to meet statutory obligations under health and safety legislation |
| Failure to meet statutory obligations under equality legislation |
| Failure to commission and secure services which are relevant to the Isle of Wight community's needs |
| Insufficient capacity and skills within strategic HR |

| Performance Measures |
|---|
| Whole Council - Number of reported accidents (cumulative) |
| Whole Council - Number of reported incidents of violence and aggression to staff (cumulative) |
| Whole Council – Average number of days lost due to sickness per permanent employee (cumulative) |
| Average days lost due to sickness per permanent employee (excluding schools, directorates) |
| Number of absences less than or equal to 6 weeks excluding schools |
| Number of absences greater than 6 weeks excluding schools |

Key Business Objective 4: Maintaining an attractive employment offer, whilst acting responsibly in the face of economic downturn and a reducing financial base

| Key Activities to support the objective | Success Factors | % Complete | Target/Completion Date |
|--|--|------------|------------------------|
| 1. Improving the efficiency and effectiveness of recruitment practices in line with the safeguarding audit action plan | 1. Safeguarding audit actions implemented and improvements demonstrated in compliance with recruitment policy requirements | 0% | 30 September 2013 |
| 2. Delivery and implementation of the People Resourcing Strategy | 1. A talent pool identified, talent management and succession planning initiatives introduced with internal appointments being secured for those individuals | 0% | 31 March 2013 |
| | 2. Critical roles and occupation groups identified and plans in place to ensure that the potential to recruit in these areas are increased and which see a reduction in the need for use of agency staff | 5% | 31 March 2013 |
| | 3. The number of work experience/ apprenticeship opportunities available to young people have increased | 5% | 31 March 2013 |
| 3. Introduction of a new pay structure and job evaluation scheme to modernise our reward system (pay structure, pay progression and grades) within the existing pay envelope, and to meet our obligations and commitment to equal pay legislation. | 1. New job evaluation scheme in place and re-evaluation of posts completed in accordance with agreed project scope and plan. | 5% | 30 September 2013 |
| | 2. A career development structure is in place | 0% | 30 September 2013 |

| Key Activities to support the objective | Success Factors | % Complete | Target/Completion Date |
|---|--|------------|------------------------|
| | 3. A modern, flexible pay structure is established that is sustainable for the future and underpins our performance management culture | 0% | 30 September 2013 |
| 4. Assist with the maintenance and promotion of a positive staff engagement culture | 1. Staff survey outcomes show demonstrable improvements have been made on the key issues identified by staff. | | |

| Risks |
|---|
| Failure to establish and monitor a framework for effective employee engagement |
| Inability to demonstrate compliance with equal pay obligations |
| Insufficient staffing capacity and skills |
| Failure to identify and effectively manage situations where vulnerable children and adults are subject to abuse |
| Insufficient capacity and skills within strategic HR |

| Performance Measures |
|---|
| Percentage (%) reduction in staff turnover |
| Percentage (%) of leavers with less than one year's service |

Key Business Objective 5: Providing efficient and cost effective human resource services that enable managers to carry out their people management responsibilities effectively

| Key Activities to support the objective | Success Factors | % Complete | Target/Completion Date |
|--|--|------------|------------------------|
| 1. Maintain an effective employee relations environment. | 1. Review of funding for facilities time against our statutory duty undertaken and future arrangements agreed. | 0 | 30 September 2012 |
| 2. Develop and implement a People Management Strategy further improve the efficiency and timeliness in which staffing issues are dealt with. | 1. Introduction of a service level agreement with the HR Shared Services team that sets out the expectations and responsibilities of strategic and transactional functions | 20% | 30 September 2013 |
| | 2. Further improvements secured in the Strategic HR Service model through self service, FAQs and improved on-line resources | 50% | 31 March 2013 |
| | 3. Further improvements secured in the robust management of the staffing establishment | 40% | 31 March 2013 |
| | 4. A reduction in HR Advisory Service caseload and time periods in which cases are dealt with. | 50% | 30 September 2013 |
| | 5. Better time allocation system in place that allows us to enhance our understanding of our costs and how they can be reduced | 0% | 30 June 2012 |

| Key Activities to support the objective | Success Factors | % Complete | Target/Completion Date |
|---|---|------------|------------------------|
| | 6. Further review of staffing requirements for the next three years undertaken against emerging and future business needs and changes to ensure that the service is appropriately resourced but continues to demonstrate cost effectiveness | 0% | 30 September 2013 |
| | 7. Managers report they are more confident and competent in handling their performance management responsibilities and have less reliance on HR services. | 5% | 30 September 2013 |

| Risks |
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| Failure to maintain the required level of data quality needed to provide confidence in accuracy of employee records and information |
| Failure to appropriately commission and regulate required employee transactional processes |
| Insufficient capacity and skills within strategic HR |

| Performance Measures |
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| Whole Council - Number of harassment & bullying reports (cumulative) |
| Whole Council - Number of grievance cases (cumulative) |
| Whole Council - Number of disciplinary cases (cumulative) |
| Whole Council - Number of capability cases (cumulative) |
| Percentage (%) of staff who receive (at least) an annual face to face performance appraisal |