

Wolverhampton City Council

OPEN INFORMATION ITEM

Audit Committee

Date **16 APRIL 2012**

Originating Service Group(s) **DELIVERY**

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Title/Subject Matter **HR IMPROVEMENT PLAN**

SUMMARY

Members are asked to note the progress in restructuring the Council's Human Resources service and the project management methodology, workstreams, timeframe and high level milestones for the Human Resources Improvement Plan.

1. Context

- 1.1 At the Audit Committee meeting of 29.09.11 Members requested that in 6 month's time it receives an update of progress made towards implementing the Human Resources (HR) Improvement Plan. Also, at Audit Committee of 12.03.12 Members received a report identifying the HR Improvement Plan as a high level risk in the Delivery Directorate, and identified actions to be taken to control this risk.
- 1.2 This report provides the update requested together with an outline of timescales and milestones for implementing the HR Improvement Plan and the project management methodology being employed to mitigate and manage risks.

2. HR IMPROVEMENT PROGRAMME

- 2.1 The HR Improvement Programme has a level 3 Major Programmes and Projects ranking, alongside other major projects such as Single Status and BSF. Progress is monitored by the Corporate Programme Office using a corporate highlight report regime to demonstrate achievement of milestones, risks and issues, Red, Amber and Green status, achievements and to ensure accountability, reporting to the Senior Executive Board on a regular basis. A table illustrating the workstreams, timescales and high level milestones is provided at Appendix A.
- 2.2 The Programme has established an interim officer Board, chaired by the Director of Delivery and including the Section 151 Officer, which reports to Strategic Executive Board and Corporate Delivery Board. The Programme will also seek approval from Cabinet on 11.04.12 for the establishment of a Member Reference Group, using the same membership as for Single Status and Equal Pay, to ensure appropriate Member oversight. This will include reports to Performance Governance and Support Services Scrutiny Panel. Further detailed information on some of the workstreams is provided below.

3. Employee Terms and Conditions Review Project

- 3.1 A fundamental review of employee Terms and Conditions of Employment is currently underway. These changes will impact on a substantial number of the Council's current HR policies and procedures. The Terms and Conditions review project and subsequent policy changes are being managed through a project management approach with timescales, milestones and formal Member approvals.
- 3.2 Governance arrangements for the Terms and Conditions Review Project have been agreed by Strategic Executive Board, including the establishment of a Member Reference Group to oversee the work and endorse the proposed changes and timescales prior to approval by Cabinet and Council. The proposed Governance arrangements will be submitted to Cabinet on 11.04.12 for approval.

- 3.3 The Terms and Conditions Review is also addressing the requirements of the Single Status Programme regarding Part 3 allowances. The scope of Part 3 terms and conditions will be presented to Cabinet on 11.04.12 for approval in subsequent Single Status negotiations and inclusion in the Local Implementation Agreement.
- 3.4 It should be noted however that the scope of the Terms and Conditions Project is much wider than Single Status, potentially including all terms and all employee groups, so it is envisaged that the timescales will continue beyond the anticipated end date for Single Status implementation.

4. HR Policy Review Workstream

- 4.1 An initial review of HR policies and procedures has been undertaken in order to establish the priority order for policy reviews. Over the lifetime of the HR Improvement Programme all policies will be subject to review, phased in order of priority.

The first tranche of policies to be reviewed are:

	Timescale for Review
1. Management of Attendance	Consultation on draft policy commences February 2012
2. Discipline & Grievance	Consultation on draft policy commences March 2012
3. Bullying and Harassment	Draft policy presented to Bullying & Harassment Review Panel in March 2012

- 4.2 The approach to be adopted when drafting new HR policies, supervised by the Project Board, was reported to PGSS on 2.02.12 and will be as follows:
- Initial drafts prepared by the HR Policy & Strategy Team based on best practice guidance, current legislation and professional standards
 - HR Operations colleagues consulted
 - Lead Assistant Directors consulted followed by Corporate Delivery Board and Strategic Executive Board
 - Cabinet Member for Organisation, People & Performance consulted
 - Trade Unions consulted through the Joint Consultative Panel
 - Proposals reported to PGSS Scrutiny Panel for pre-decision scrutiny
 - Outcome reported to Cabinet (Resources) Panel for approval

A diagram illustrating this very inclusive approval route can be found at Appendix B.

5. HR Restructure

- 5.1 The HR Restructure which began with the ‘Leading for a Stronger City’ report to Cabinet in March 2011 is now nearing completion. The aim of the restructure is to provide a modernised, fit for purpose HR service which can effectively support both the strategic

requirements of large programmes such as Single Status and the HR Improvement Plan, and also meet the day to day requirements of the organisation.

- 5.2 An entirely new establishment, with new job descriptions and person specifications, was drawn up to enable this transformation to take place. Following an intensive period of recruitment all internal recruitment to ring-fenced posts is expected to be complete by early April 2012. Further internal recruitment through the Council's redeployment procedures is now underway, to be followed if necessary by external recruitment into any unfilled posts. The new service is expected to be complete by mid May 2012.

6. HR Service Desk

- 6.1 Work has also begun on configuring the HR Service Desk. This will play a key role in the new service enabling workloads to be measured accurately and providing a mechanism for ensuring continuous improvement in service delivery. Performance management information collected using service desk technology will enable the development of Service Level Agreements against which performance can be monitored. The service desk is to be the first point of contact between HR and its customers. It will aim at providing a high first time fix for customers and where this is not possible ensure that work is channelled correctly to ensure an accurate and timely response. Work undertaken to date includes:

- Establishment of a Project Team and project plan
- Costing of the project and confirmation of funding
- Approval of the project by the Technical Design Authority within ICTS
- Identification of a system supplier

7. Workforce Development

- 7.1 This area has previously been a neglected part of the Council's HR service. Workforce development is important because it can derive added value from the existing workforce by improving and shaping its skill base to better meet corporate priorities, and by using performance management procedures to ensure employees are achieving their potential and any failures are being properly addressed. A Strategic Workforce Development Manager is now in post and a Workforce Development Team is now being recruited. Some of this Team's key pieces of work are described below:

- 7.2 A **competency framework** will be developed in order to grow and nurture the organisation's skills, knowledge and behaviours to deliver excellent services to the citizens of Wolverhampton by:
- Strengthening the organisational culture as defined by Strategic Executive Board and Elected Members.
 - Providing employees with clear expectations about what is required in their roles

- Equipping the organisation to assess transferable skills and identify required behaviours
- Align individual objectives to Council direction
- Promote continuous improvement in the workplace

These will enable employees to meet commitments to customers more effectively

7.3 An approach to **succession planning** will be developed in order to meet the organisation's immediate and longer term priorities in terms of skills and knowledge.

7.4 A new **performance management system** will be developed which will directly link to the competency framework and will provide an objective measure of individual employee performance and behaviours and will enable the organisation to deal with under performance in a robust, timely and efficient manner. Senior Managers are currently being consulted on a short-term replacement for the EPRS system, to enable staff appraisal to continue while the new system is developed.

8. **Legal Implications**

Whilst the Employee Terms and Conditions Project will ultimately have legal implications, there are no direct legal implications arising from this report.

[MW/02042012/V]

9. **Financial Implications**

The cost of progressing the HR Improvement Plan will be met from within existing budgets.

[GE/02042012/E]

10. **Equality Implications**

The recommendations contained in this report have no direct equality implications; however, the review and development of some of the policies and procedures featured will improve equality across the workforce.


Background Papers

Report to Performance Governance & Support Services: 2 February 2012
 Report to Performance Governance & Support Services: 17 November 2011
 Report to Audit Committee: 29 September 2011


HR IMPROVEMENT PROGRAMME: WORKSTREAMS AND HIGH LEVEL MILESTONES FOR AUDIT COMMITTEE 16.04.12

Milestone: "A significant event in a plan's schedule, such as completion of Work Packages, a technical stage, or a management stage" (OGC PRINCE2 manual)

	Jan-Mar 2012	Apr-Jun 2012	Jul-Sep 2012	Oct-Dec 2012	Jan-Mar 2013	Apr-Jun 2013	Jul-Sep 2013	Oct-Dec 2013
1.1 Restructure	Re-structure approved and implemented.	New structure complete.						
1.2 Service Desk	Solution designed and tested.	Pilot successfully implemented						
1.3 On-line Management of Absence	Solution identified and designed.	Solution tested in pilot areas.	On-line MOA system implemented.					
1.4 Policy Reviews	Consultation and negotiation approach identified. First Review commences .	First review completed: 1. Management of Attendance 2. Discipline & Grievance 3. Bullying & Harassment	Revised policies implemented Second Review commences.	4. Performance Management 5. Recruitment & Retention 6. Induction 7. Exit Policies eg redundancy 8. Working Time 9. Social Networking Second review completed:	Revised policies implemented. Third review commences	10. Pay & Reward policies 11. Leave Policy e.g. unpaid leave, flexi, etc 12. Dispute Resolution policies 13. Coaching & Mentoring Third review completed:	Revised policies implemented Evaluation of policy changes	Review of remaining policy changes On-going policy updates/refresh to capture legislative and best practice changes

	Jan-Mar 2012	Apr-Jun 2012	Jul-Sep 2012	Oct-Dec 2012	Jan-Mar 2013	Apr-Jun 2013	Jul-Sep 2013	Oct-Dec 2013
1.5 Terms & Conditions Review	<p>Consultation and negotiation approach formulated.</p> <p>Identification of allowances subsumed into the new pay and grading scheme.</p>	<p>Negotiation process with unions, leading to first review changes approved for NJC staff:</p> <ol style="list-style-type: none"> 1. Part 3 t & c's 2. Premium payments 3. Standby 4. Sleeping-in payments 5. Overtime 6. Shift allowance 7. Unsocial hours 8. Car-related allowances 9. Mobility/ disruption allowance 	<p>Review of all t & c's of non-NJC employees.</p>	<p>Identification of potential savings and consultation on options.</p>	<p>On-going rolling review of remaining terms and conditions and associated policies.</p> 			
Workforce Development								
1.6 Competency Framework	<p>Strategic Workforce Development Manager appointed</p>	<p>Project Team established</p>	<p>High level principles agreed</p>	<p>Sign-off of agreed competencies</p>	<p>Communicate and launch competency framework</p>	<p>Evaluation of framework to ensure management compliance is linking with new performance management</p>		

	Jan-Mar 2012	Apr-Jun 2012	Jul-Sep 2012	Oct-Dec 2012	Jan-Mar 2013	Apr-Jun 2013	Jul-Sep 2013	Oct-Dec 2013
						scheme.		
1.7 Performance Management (EPRS) Scheme		Interim staff appraisal system implemented	Consultation with managers on successor to EPRS.	Development of successor to EPRS.	Testing of new EPRS scheme in pilot areas.	Launch of new scheme with monitoring to ensure management compliance	Evaluation of new scheme and adjustments made where needed.	
1.8 Workforce Development Strategy		Strategy approved	Policies reviewed and updated.	Policies launched: 1. Succession planning 2. Management & Leadership development	3. Talent Management policy launched	4. E-learning strategy policy launched		
1.9 Apprenticeship Framework	Framework agreed. Pilot cohort recruited	Roll out of apprenticeship framework	Recruit first cohort	Evaluate scheme	Second cohort recruited.	Evaluation of scheme	On-going recruitment and monitoring of outcomes of apprenticeship scheme	
1.10 Corporate Parenting	High level principles agreed. Implementation plan developed	Further strategy development to provide support to LAC leaving Council care	Implementation of agreed positive actions eg: Recruitment strategy, apprenticeship					

	Jan-Mar 2012	Apr-Jun 2012	Jul-Sep 2012	Oct-Dec 2012	Jan-Mar 2013	Apr-Jun 2013	Jul-Sep 2013	Oct-Dec 2013
Interdependent Programmes								
2.2 Single Status	Equality analysis of part 3 T & Cs	Pay model complete	Unions consulted	Employees notified.				
2.3 Equal Pay	Strategy defined and agreed	Strategy implemented	Evaluation of project					
2.4 Pay and Reward Strategy (post-Single Status Implementation)							Strategy Review approved	New Strategy approved
2.5 Shared Services Transition Successor	Potential suppliers identified	Business requirements confirmed	Suppliers shortlisted	Procurement commences conforming to EU requirements				

Appendix B

HR Improvement Programme Policy Proposal Approval Route approved by PGSS 2.02.12

