

Report to: Corporate Issues Scrutiny Committee

Date: 24th August 2009

Report of: Alan Eastwood, Director of Chief Executives

Report No:

Contact Officer: Chris Hyams, Assistant Director HR/OD

Tele No: Ext 1201

Report Title: **Workforce Issues in a VFM Environment**

**Confidential /
Non Confidential:**
(delete as approp)

(Non-Confidential) This report does **not** contain information which warrants its consideration in the absence of the press or members of the public

Purpose:

To update the Corporate Issues Scrutiny Committee on the strategies for retraining/ succession plan in a VFM environment

Recommendations:

For Members to comment on and make any recommendations to the Executive Member as appropriate.

Decision:

Background Doc(s):

(for use on Exec Rep)

Signed:

Leader / Executive Member

Monitoring Officer

Date:

Summary:

*(on its own page
with background docs)*

1. Background Information

1.1 The Corporate Issues Scrutiny Committee has asked for information about how we are managing workforce issues in a VFM environment. Clearly this is a significant issue for us as a Council. The VFM challenge means that we need to make significant savings and as a result we will need to look at downsizing our workforce, as a way of reducing costs. This will need to be in a way that is planned and retains our capacity to deliver. We have been committed to retaining existing staff where possible through service redesign and redeployment. However, we recognise that there will be difficulties in managing this over the coming years.

1.2 The report covers the following areas:

1. Context – The VFM position and impact on the workforce
2. HR support required to deliver and support the VFM programme
3. Performance, motivation and alignment of the workforce
4. Building future capacity

2. Context

Bolton Council, like other Councils, is facing considerable financial challenges. As a result of that there is a 'Value for Money' approach and specific Value for Money (VFM) reviews. The impact on the workforce is;

- Actual and potential redundancies
- Limited recruitment to enable redeployment and remodelling of jobs
- Service re-design, focussed on reviewed and identified priorities delivered with less staff
- Requirement for new and flexible ways of working

To deliver this, the Council needs to address the challenges of;

1. Cost – Delivering more with less – reducing workforce costs
2. Performance – ensuring the workforce delivers performance
3. Motivation and alignment – ensure that the workforce delivers services direct to Corporate objectives and continue to be motivated to deliver their best
4. Capacity – The Council ensures that we have the capacity to deliver current and future objectives

3. HR Support Required to Deliver and Support the VFM Programme

To support the delivery of VFM, there are a number strategies in place, or proposed to be delivered.

3.1 VFM HR Framework for Delivery

A framework for delivery has been drawn together to aim to deliver VFM reviews, restructures and service re-design is an effective way. The framework gives clear guidance on how the re-structures should be delivered, including consultation and transition processes. That framework is currently under consultation with the Trade Unions

3.2 HR Policy Framework

The challenging financial context requires us to review our HR Policy framework currently under review are the following Policies; Redundancy, Redeployment, and The Pensions Policy.

3.3 Change in Recruitment Practice

To minimise the impact of future downsizing, the Council has been working to limit recruitment. The process is:

- Challenge the need to fill the post
- Is this a redeployment opportunity?
- Can the post be filled internally, creating a potential saving?
- Fill on a temporary basis or with Agency staff?
- Only where necessary, external recruitment, signed off by the Director

This is shown diagrammatically at Appendix 1.

3.4 The Redeployment Process

The Redeployment procedure for those individuals whose jobs are made redundant, gives three months departmental redeployment and six months corporate redeployment. During this time, the individual receives the following support:

During redeployment, individuals will:

- Be provided with access to appropriate training, guidance and support to help them apply for alternative posts. Support to redeployees is co-ordinated by the departmental and corporate HR teams and will include a review meeting at the beginning and end of the departmental and corporate redeployment periods; access to guidance material to help redeployees apply for other posts and targeted skills development programmes according to the particular needs of individuals, for example interview skills and CV writing
- Receive priority notification of all vacant posts across the council. Internal vacancies will be released in the following priority order:
 1. Corporate redeployees
 2. Departmental redeployees
 3. Staff “at risk” of redundancy
 4. All internal staff
- Automatically be interviewed for a post at the same grade and level as their former substantive post where they meet the minimum essential requirements on the person specification and/or can demonstrate they have the potential to do so with appropriate training and support
- Have the opportunity to compete with other internal applicants for a higher graded post

If the Council identifies a suitable alternative post for a redeployee the individual is obliged to accept the role, subject to a 4 week trial period. If the substantive employment base is changed as a result of redeployment, excess travelling costs (not time) will be paid for a two year period. Progress during the trial period will be jointly monitored by the relevant service manager, employee and HR. At the end of the trial the employee may be offered the post or withdrawn from the role if there is agreement that the trial has not been successful. During any period of meaningful employment to a post on the council’s establishment, including during trial periods, the “clock stops” and redeployment timescale is suspended.

4. Ensuring Continued Performance, Motivation and Alignment to the Organisation

4.1 Performance Management

Bolton has a well established Performance Management process.

The big issues for the Council and departments are fed into Service Improvement Action Plans. This sets out the department's key objectives and how they will support the Council's main aims and themes.

Performance Development Reviews (PDR) set out the contribution of every individual in achieving the Council's main aims and priority themes. Through the PDR process, managers and individuals identify skills gaps and what development is needed to ensure that individual members of staff understand their role in meeting the organisation's objectives and are supported to achieve them.

Managers and individuals regularly review these development plans at 1:1 meetings. This encourages employees to stay focussed on their work plans and objectives.

4.2 Employee Recognition

For the past three years, Bolton has been running the Bolton's Best Staff Awards. The awards celebrate and reward staff for the excellent work they do to help us to deliver our objectives and achieve our vision.

The awards fall into a number of categories:

- * Best Team 2009
- * Best Team Worker 2009
- * Best Apprentice 2009 – new for this year
- * Best Manager 2009
- * Best Outcome 2009
- * Best Contribution to the Community 2009
- * Unsung Hero 2009
- * Lifetime Achievement 2009 – new for this year

The nominations can be made by any individual at the Council. The improvements over the past three years have been to add additional categories, improve the number of nominations and to increase the status of the awards. Future improvements may include external involvement via partners and other agencies.

4.3 Retention Benefits Package

Bolton Council are working on proposals to enhance the value of the total reward packages by the development of new benefits schemes. To build on current benefits of working for Bolton Council, we are proposing to evaluate those benefits and build on related proposals. The current benefits include:

- Pay
- Annual leave (more information to be provided following review)
- Local government final salary pension scheme
- Employee Occupational Health Unit (OHU)
- Sickness pay entitlement
- Training and development
- Flexible working options

Proposals may include improving access to current schemes available through partner agencies:

- Recognition
- Adult Education
- Family Friendly options
- Staff Travel
- Charitable donations
- Bolton Smart Card
- Financial Discounts and Insurance
- Healthcare
- Retail discounts _

Discussions are scheduled with HRPDG to take this proposal forward.

5. Building Future Capacity

A number of actions have been taken to support the aim of Transforming Services through the development of a workforce which is prepared to respond to the changing needs and services required by Bolton's residents.

5.1 Young People

One response to workforce planning concerns over the organisation's ageing workforce was to provide young people with employment opportunities through the apprenticeship scheme and work placement programmes.

Since May 2008, 29 new apprenticeship opportunities have been created in addition to the 37 already in existence in the organisation.

Currently, work is being done with Departmental Management Teams to identify new apprenticeship opportunities that align with Value for Money reviews and future occupational skills gaps.

The apprenticeship scheme forms part of an employment and skills ladder in which work placements form a crucial first step of development. The coordination of work placements has been improved to ensure that more work placements are offered to Bolton's young people in order to prepare them for the work place and to enable them to apply for onward employment or the apprenticeship scheme.

5.2 Succession Planning Programmes

Several succession planning initiatives have been piloted within departments.

The 'Learn to Lead' programme was launched in the Customer Services Division (CSD). This was in response to a shortage of internal candidates for team leader vacancies. The programme developed a pool of promising, aspiring team leaders through classroom training and mentoring generating an understanding and awareness of a Manager's role.

Since the implementation of this programme, 83% of those involved in the initial programme have been promoted to more senior roles in the CSD.

As part of the VFM reviews a number of services have given consideration to workforce development and succession planning. For example, in Waste Management and Vulnerable Person's Transport plans have been made for the skills development of employees to increase their capacity to develop the service. Furthermore, in Schools Catering the relatively high turnover

of Unit Managers has been addressed by the establishment of two 3 year apprenticeship posts that will develop young people into Unit Managers.

5.3 Leadership Development

To ensure that we develop leadership capacity, we have had in place for the past few years our Leadership Development Programme, built upon Bolton's leadership competencies. To create further capacity, a number of additional programmes have been developed:

- 'Aspiring managers' Programmes – to enable staff to move into fast line management positions.
- 'Rising Stars' Programme – for those Team Leaders working towards Senior Management positions.
- 'Step Up' programme – for those Senior Managers working towards Chief Officer Positions.

Each programme includes the following elements:

- 360° Feedback
- Workshops
- Organisational 'raids' across Bolton and Northwest Organisations
- Case studies
- Mentoring programme
- Input from The Chief Executive and Group Leaders
- Action Learning Sets

5.4 Skills development

To build the capacity of the workforce to manage Value for Money there is a requirement to develop the skills levels of employees. This forms part of our Skills Pledge, delivered via The Employment and Skills Strategy.

Through a series of Skills Audits, embedded in the Personal Development Review cycle, data is being gathered on the skills levels of the workforce. This information will be analysed and used to produce a set of action plans which will prescribe the development required to ensure that the workforce is fulfilling its true capacity.

Much of this development of work based skills will be achieved by working in partnership with Trade Union Learning Representatives on projects such as skills for life.

6. Conclusion

The report summarises a number of strategies that have been in place over the past years that have contributed significantly to the overall performance of Bolton Council. Those strategies have aimed to develop the performance, skills and capacity of the workforce to deliver objectives. As the VFM challenge continues and potentially increases we need to ensure that HR policies and processes are aligned to deliver changes in workforce requirements. At the same time we need continuously manage the performance and motivation of our staff so that excellent performance is achieved and real outcomes for the people of Bolton are delivered.

Interim recruitment advertising arrangements: March-May 2009

