

Item No. 6.	Classification: Open	Date: 19 February 2018	Meeting Name: Audit, Governance and Standards Committee
Report title:		Governance Topic: Update on HR	
Ward(s) or groups affected		All wards	
From:		Head of Human Resources	

RECOMMENDATION

1. That the audit and governance committee notes the progress in delivery against the workforce strategy since the last update in March 2017 and the current areas of activity.

BACKGROUND

2. On 1 November 2016, Cabinet agreed a new workforce strategy for the Council as part of its modernisation programme. The strategy aims to develop the culture, skills, processes and management capability to support a productive, motivated and high performing workforce and identifies nine delivery areas in order to achieve our ambitions:
 - New ways of working
 - Recruitment and retention
 - Management and leadership
 - Learning and development
 - HR management and policies
 - Pay and reward
 - Equality and diversity
 - Job design and organisational structure
 - Wellbeing and engagement.
3. Since the introduction of the Modernise division, this work is jointly led by the human resources and organisation transformation teams, who have been developing a work programme to deliver against this ambitious strategy.
4. Through its governance framework the council can monitor performance and the achievement of strategic objectives. At its meeting in March 2017, the audit and governance committee received a report on human resources as a governance theme setting out achievements and future activities in line with the workforce strategy. The committee asked for a further update on progress in a year's time. A summary of activity against each area is set out below.

New ways of working

5. The council has a number of large scale projects underway to improve the office accommodation that houses services to some of our most vulnerable residents. In order to maximise the efficiency of our buildings, we are implementing new ways of working starting with Children's Social Care to look at making better use of our systems, using less paper, and improving digital skills.

6. The council has a well-established employee and manager self-service HR and Payroll system (SAP), which has now been upgraded, allowing opportunities for improvements. New processes will reduce duplicate activity such as rekeying of data and allow faster processing of payroll transactions.
7. Mobile working support has been delivered to councillors with all now having an iPad and iPhone to undertake their duties and access to tailored support.
8. We have started to pilot quarterly narrative HR workforce reports developing better skills in using an evidence base to inform workforce priorities.

Recruitment and retention

9. Following a review of recruitment, a detailed action plan has been developed and is currently being delivered. Improvements in the past year include a new look and feel jobs site (www.jobsatsouthwark.co.uk) and improvements to our recruitment system, allowing candidates to apply via any smart mobile device and managers to check and progress recruitment on the go via iPhone and iPad.
10. We are actively using the council's website and social media pages to improve the profile of the organisation as an employer by placing positive articles. The number of followers has increased and we can now create in-house microsites for campaigns, significantly reducing the cost of advertising for the council.
11. We continue to improve our approach to employment vetting and our recent DBS compliance check made recommendations aligned to our existing work programme around regulated activity. The recruitment system is being improved to assist in the assessment and scrutiny of the declaration of criminal convictions, DBS disclosures and disability declarations to ensure that those candidates recruited can fulfil the role and meet the organisation's requirements.
12. Our time to hire new recruits remains stable with data showing that the average time to hire is 26 days (below our target of within 30), including all safeguarding checks. 93% of recruitment campaigns resulted in a successful appointment, up from 72% last year.
13. A consistent, council-wide approach to apprenticeships has been agreed and communicated across the council, maximising our use of the government's apprenticeship levy. Training providers have been retendered under the new system and will be added to depending on demand. New higher apprenticeship schemes were introduced for graduate apprentices with first cohorts recruited.
14. We met our Council Plan target of 3% of the workforce being apprentices or first entry level in November 2017. Managers across the organisation have taken on a cumulative total over the year of 94 apprentices to end of January.
15. Southwark is the only London Borough on the national top 100 apprentice employers list and remains in the top quartile for apprentices at London Councils.

Management and leadership

16. Our recent staff survey showed that the view from staff about line managers is overwhelmingly positive; results showed that we are 16-32% above the CIPD benchmark on questions where we can compare ourselves to other organisations.
17. A Southwark manager programme is being implemented to cover behaviours, learning and development, pay and reward, performance management and equalities, with a clearly articulated toolkit to guide managers on each element.
18. All of our L&D activity has been grouped by staff member, manager and senior manager to support our managers in undertaking their responsibility. New courses include our leadership and management offer, e.g. managing change; managing a mobile workforce, courageous conversations and managing performance. Our Institute of Leadership and Management (ILM) Development Programme continues to have positive outcomes, with 86 employees starting the programme this year, at a variety of levels.

Learning and development (L&D)

19. A new structure within the L&D team has been implemented that increases the focus on business partnering across the organisation and brings in a dedicated digital learning partner.
20. Southwark council's new L&D plan has been launched, which establishes the principle of a 70:20:10 approach to learning at the council where 70% of learning is experiential, 20% is from exposure to networks, coaching and sharing experience and 10% comes from formal learning. Further initiatives to embed this within the council will take place in 2018.
21. A full L&D procurement programme has been completed and resulting courses implemented. This includes the roll out of information governance training across the council and the development and approval of the Adults and Children's safeguarding L&D plan.
22. A new Professional Qualification Scheme (PQS) application and approval process has been successfully launched. This has brought consistency in how the scheme is accessed and approved across the council, enabling staff and managers to make better L&D and budget decisions and ensure appropriate strategic oversight. This has improved equal access to professional qualifications within the council and increased transparency to how PQS decisions are made.
23. A new learning management system (LMS) was implemented on 22 January 2018. The system provides details of all learning interventions across the organisation, whether they are classroom based, e-learning modules, webinars or video clips. The LMS will keep records of Continuous Professional Development (CPD) and Personal Development Plans (PDP) for all users. Details of external courses attended and associated documentation such as completed assignments will also be captured on the system, providing a holistic record of learning for each user.

HR management and policies

24. Consultation with the recognised trade unions is underway across the key employee relations areas: disciplinary, grievance and capability (performance and absence), with a view to modernising our policies and procedures and ensuring they are short and easy to read, create consistency and promote a culture and framework for managers to take responsibility for managing their staff professionally and fairly.
25. We are working in collaboration with our trade union colleagues to develop guidance around gender identity and transition.
26. We are reviewing our approach to supporting parents with premature births.

Pay and reward

27. We are placing a strong focus on pay and performance. Our benefits packages need to ensure that the rewards of working for Southwark are attractive, modern, and relevant to the aspirations of our workforce. This will include making sure that our employment package is consistent where it needs to be, but offers flexibility to be tailored to meet different business or individual needs, while ensuring value for money in difficult financial times.
28. Our suite of benefits facilitates employment for parent-carers and addresses our ambitions for a greener borough through supporting sustainable travel e.g. season ticket loans, cycle scheme and childcare support.
29. A behaviours framework has been developed and will be implemented in March 2018. This sets out our expectations of staff and managers at Southwark to promote consistency and allow people to see the ways of working that they will need to demonstrate to progress in the council. This will help managers embed behaviourally based performance management across the council.
30. Changes were introduced in April 2017 to the tax legislation (IR35) which affect workers who choose to operate through a limited company vehicle. A project was carried out to review all consultants and agency workers to ensure compliance with the HMRC's checklist for employment status and taxation.

Equality and diversity

31. Our annual workforce report shows that the demographics of our workforce have remained stable over the past few years, despite the significant staffing reductions as a result of our financial challenges; for example 51% of our staff are female, 49% from a black or minority ethnic background, both of which are very similar to the percentages in the Southwark community. 3.3% have declared a disability.
32. New requirements for Gender Pay Gap reporting on pay and bonuses came into force this year and we published our data in accordance with statutory calculations as part of our annual workforce report to Cabinet. The data shows that the average pay for female staff is above the average pay for male staff. This is predominantly driven by the fact that we have a large in-house street cleaning service where roles are at the lower grades in our structure. The majority of that staff group is male. Bonuses are only in place within our traded

service, e.g. for electricians and plumbers. This is almost entirely a male staffed service and the average bonus pay is higher for men. This is influenced by the additional shifts they carry out which the legislation requires us to include. The scheme is under review.

33. We have successfully achieved stage one of Disability confident reaccreditation and have delivered training with an experienced barrister to our top 100 managers to help them to deliver their equalities responsibilities.
34. We are developing a workforce equality plan in consultation with recognised groups such as the Women's Network.

Job design and organisational structure

35. The organisational structure change within Modernise has been implemented creating a new change team within HR, and a new Organisation Transformation team covering learning and development, organisational development, business transformation and workplace planning.
36. HR have completed the retendering of our agency contract with a view to continuing to improve our approach to resource planning and reduce our reliance on agency workers in certain areas.
37. The enhanced voluntary redundancy (EVR) scheme ended in March 2017. Improvements to organisational change planning allow managers to better prepare for individuals leaving the Council, allowing for better knowledge transfer.

Wellbeing and engagement

38. We already hold the middle level of the London Healthy Workplace Charter in recognition of our employee health and well-being initiatives and will continue to work with our Health and Safety teams towards excellence.
39. Sickness absence stands at 6.3 days per employee, in the lowest quartile when compared with other London boroughs at 7.8 days. We are looking to refine our categorisation of sickness absence reasons to allow us to better target health and wellness initiatives for staff in partnership with our occupational health provider. We recently piloted some mental health sessions.
40. We refreshed our intranet to enable easier access to key information and launched a 'Fit for the future' manager email to update the top 500 managers on progress and new initiatives, encouraging them to cascade this to their staff.
41. The Top 100 leaders programme was launched to bring together senior managers across the council and improve information sharing and planning.
42. The staff survey results and action plan have been communicated across the council within senior management team meetings, department meetings and directorate conferences.
43. We continue to offer excellent flexible working arrangements with 13% of staff working part-time and many others able to work in less formal flexible ways such as home working and flexible start and finish times.

Policy implications

44. This update report is not considered to have direct policy implications.

Community impact statement

45. This update report is not considered to have a direct impact on local people and communities.

Resource implications

46. This update report is not considered to have any direct impact on resources.

Consultation

47. There has not been any consultation in relation the content of this update report.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

48. Not required.

BACKGROUND PAPERS

Background Papers	Held At	Contact
None		

APPENDICES

No	Title
None	

AUDIT TRAIL

Lead Officer	Julie Foy, Head of Human Resources	
Report Author	Julie Foy, Head of Human Resources	
Version	Final	
Dated	7 February 2018	
Key Decision?	No	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Finance and Governance	No	No
Director of Law and Democracy	No	No
Cabinet Member	No	No
Date final report sent to Constitutional Team	7 February 2017	