PERSONNEL COMMITTEE

Tuesday, 9th September, 2014

2.00 pm

Wantsum Room, Sessions House, County Hall, Maidstone

Kent County Council
kent.gov.uk

AGENDA

PERSONNEL COMMITTEE

Tuesday, 9th September, 2014, at 2.00 pm   Ask for: **Denise Fitch**
Wantsum Room, Sessions House, County   Telephone   **01622 694269**
Hall, Maidstone

Tea/Coffee will be available 15 minutes before the start of the meeting

Membership (9)

Conservative (5):   Mr P B Carter, CBE   (Chairman),   Mr G Cooke   (Vice-Chairman),
                       Mr J D Simmonds, MBE, Mrs P A V Stockell and Mr B J Sweetland

UKIP (2)   Mr N J Bond and Mr L Burgess

Labour (1)   Ms A Harrison

Liberal Democrat (1):   Mrs T Dean, MBE

UNRESTRICTED ITEMS
(During these items the meeting is likely to be open to the public)

A. COMMITTEE BUSINESS

1.   Substitutes

2.   Declarations of Interests by Members in items on the Agenda for this meeting.

3.   Minutes of the meetings held on 17 July 2014 (Pages 5 - 6)

4.   Retention Policy (Pages 7 - 14)

5.   Employment Value Proposition (Pages 15 - 24)

6.   Employment Policy Update (Pages 25 - 36)

7.   Discretionary Payments (Pages 37 - 42)

8.   Facing the Challenge - HR Implications & Policies (Pages 43 - 50)

B - MOTION TO EXCLUDE THE PRESS AND PUBLIC

That under Section 100A of the Local Government Act 1972 the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 and 2 of Part 1 of Schedule 12A of the Act.

EXEMPT ITEMS

(During these items the meeting is likely NOT to be open to the press and public)

1.   Deferred Redundancy (Pages 51 - 54)

Peter Sass
Head of Democratic Services
(01622) 694002

Monday, 1 September 2014

KENT COUNTY COUNCIL

PERSONNEL COMMITTEE

MINUTES of a meeting of the Personnel Committee held in the Wantsum Room, Sessions House, County Hall, Maidstone on Thursday, 17 July 2014.

PRESENT: Mr P B Carter, CBE   (Chairman),   Mr N J Bond,   Mrs T Dean, MBE, Ms A Harrison, Mr P J Oakford (Substitute for Mr G Cooke), Mr J D Simmonds, MBE, Mrs P A V Stockell and Mr B J Sweetland.

IN ATTENDANCE: Ms D Fitch (Democratic Services Manager (Council)), Mrs A Beer (Corporate Director Human Resources), Mr B Watts (Group Leader - Litigation and Social Welfare) and Mr A Ireland (Corporate Director, Social Care, Health & Wellbeing).

UNRESTRICTED ITEMS

22. **Chairman**
(Item)

As the Chairman had been delayed and the Vice-Chairman had given his apologies, Mr J D Simmonds, MBE was nominated to take the Chair until the arrival of the Chairman.

23. **Minutes - 4 and 19 June 2014**
(Item A3)

RESOLVED that the minutes of the meetings of the Committee held on 4 and 19 June 2014 were as a correct record and signed by the Chairman.

24. **Urgent business**

The Chairman informed the Committee that he had decided to take the reports for items B1 and B2, which were not available when the agenda was published, as urgent reports as on both issues new information was arising on a daily basis which had to be checked and included to ensure members of the Committee were given as much written information as possible to consider in advance of the discussion today. He confirmed that he was of the view that it was not possible to delay consideration of these reports as both these issues have significant business and individual impact if left unresolved over the summer period.

25. **Chairman**

Mr P B Carter CBE, the Chairman of the Committee, joined the meeting and too the Chair for the remainder of the business.

<div align="center">**EXEMPT ITEMS**</div>

26. **Motion to Exclude the Press and Public**

RESOLVED that under Section 100A of the Local Government Act 1972 the press and public be excluded from the meeting for the following business on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 1, 2 and 4 of part 1 of Schedule 12A of the Act.

27. **Kent Code**
(Item B1)

(1)   Mrs Beer referred to the report to the meeting of the Committee of 4 June 2014 which advised the Committee of a review that was being conducted into alleged potential breaches of the Kent Code. She updated the Committee on this review and the actions undertaken.

(2)   Members discussed some of the issues raised by the complainant but agreed that no external disciplinary investigation was required. Mr Carter and Ms Dean confirmed that they had discussed some issues relating to this item that were not for the business of this Committee and that they would be taking these forward outside the meeting.

(3)   RESOLVED that the Committee notes that the complaints concerning the conduct of senior officers had been subject to a review against the standards set out in the Kent Code and that it agrees with the conclusion of the review that no disciplinary action should be considered.

28. **Senior Officer Conduct**
(Item B2)

(Mr Ireland joined the meeting for this item)

(1)   Mrs Beer introduced a report on the conduct of a senior officer and the need to resolve the situation. She provided a verbal update on discussion that had been held. Mr Ireland set out the background to the situation for the Committee.

(2)   RESOLVED that the action proposed in scenario 2, as set out in the Appendix to the report, be agreed.

By: Gary Cooke – Cabinet Member for Corporate & Democratic Services
Amanda Beer – Corporate Director Human Resources

To: Personnel Committee   **Date:** 9 September 2014

Subject: Retention Strategy

Classification: Unrestricted

Summary: The retention of employees with the right skills, knowledge and attitudes is critical to the transformation of KCC and the continued delivery of excellent services. This report outlines the information being gathered and the tools and techniques available for managers to help them retain staff.

1. Background

1.1 Following consideration at Personnel Committee on 4 June 2014 of the Annual Workforce Profile report, Members of the committee were keen to understand more about the reasons employees leave KCC categorised in the report under 'resignation' (51.4%) and 'other' (25.8%), which includes the end of fixed term, temporary and casual contracts. This report outlines KCC's retention strategy and how it is informed by understanding why some people choose to leave KCC.

2. Context

2.1 The organisation is contracting and therefore some turnover is due to managed redundancies. As alternative service delivery models are introduced, it is very likely that the KCC workforce will decline further as a result of future policy decisions. This report focuses on resignations as despite a managed redu7ction in KCC workforce, it is crucially important that we retain the best people to provide our services, particularly in key areas.

2.2 It is important to know what factors may cause employees to leave so we can understand the key risks of losing employees we would like to retain. As noted at Personnel Committee on 4 June 2014, we have moved away from using exit surveys to new joiner surveys. The weakness of exit surveys is that this information is collected when it is too late to take action. In addition exit surveys are among the least reliable of employee surveys. New joiner surveys (known as on-boarder), which are more reliable, have been piloted and will be introduced more widely in the autumn. Crucially these surveys identify staff at risk of leaving when there is still time to do something about it rather than at the time of leaving.

2.3 Managers need to retain the right people in the right roles with the right knowledge, skills and attitudes, who will enable transformation and deliver services differently. We need to know where these staff are and the critical roles for the future. We are equipping managers to do this through workforce

planning. There are also key areas where we need to retain staff such as Specialist Children's Services and detailed work is being undertaken with these managers.

3. Turnover

3.1 Turnover and retention rates are continually monitored and published in the Quarterly Performance Report. Turnover increased slightly in the last quarter (June 2014) to 12.9% but is well below the March 2013 peak of 18.3% (which was due to Commercial Services moving to an arms-length organisation). Importantly voluntary leavers are currently running at 7.5%, marginally higher than previous periods but still within acceptable margins. KCC currently has the lowest turnover for both "all employees" and "voluntary leavers" compared to Councils in the Southern England Regional Benchmarking Group. Further details, including resignation rates, are contained in Appendix A.

4. New Joiner 'On-boarder' Pilot – what the data is telling us

4.1 During October to December 2013 employees who started work during the first half of 2013 and had been in employment for at least 6 months were surveyed. 276 employees responded to the survey, a 55% response rate. The key findings are:

- 23% were at risk of leaving
- 72% were engaged and not at risk of leaving
- 5% were leaving already (for reasons such as temporary contract).

4.2 The top turnover driver for those employees who are at risk of leaving was the perceived lack of potential for progression through the organisation and this report addresses this issue in particular. The pay and benefits package, the nature of the work, and the match between expectations and reality also featured. Further details including all turnover factors the 'at risk' group have identified and the retention drivers for the 'engaged' group are contained in Appendix B.

5. Workforce Planning – enabling managers to retain the right people in the right roles

5.1 Work is well underway to support managers to workforce plan. An approach with managers has been piloted and tools developed that work for the business. These tools have been launched and HR is now working with Services on a planned basis. In addition to the business benefits this work provides further opportunities and potential for employees to progress. There are currently two key strands of this work.

5.1.1 Succession Planning
Managers are being supported to identify their critical roles – 'roles that are critical to the delivery of the business *and* are difficult to fill' - identify potential successors who will be developed to undertake these roles.

5.1.2   Talent Management
HR is also working with managers to identify the future skills, knowledge and attitudes that are required now and in the future to deliver their services differently, often through alternative delivery models. We are supporting managers to identify employees that have, or have the potential to develop these skills, knowledge and attitudes.

5.2   Fundamental to succession planning and talent management is the need for managers to understand the talents of their staff, how to develop them further and empower staff to be innovative and creative to deliver the best possible services at the lowest cost.

6.   Retention Toolkit

6.1   A managers' toolkit has been produced with tips on ways of increasing retention. The toolkit includes recognising and rewarding staff (financial and non-financial), bringing new employees on board quickly through effective induction, ways to develop staff, providing effective performance feedback, and involving staff in change. As well as providing this support, the toolkit contains the model below to help guide managers on what elements of the retention toolkit are most likely to be effective.
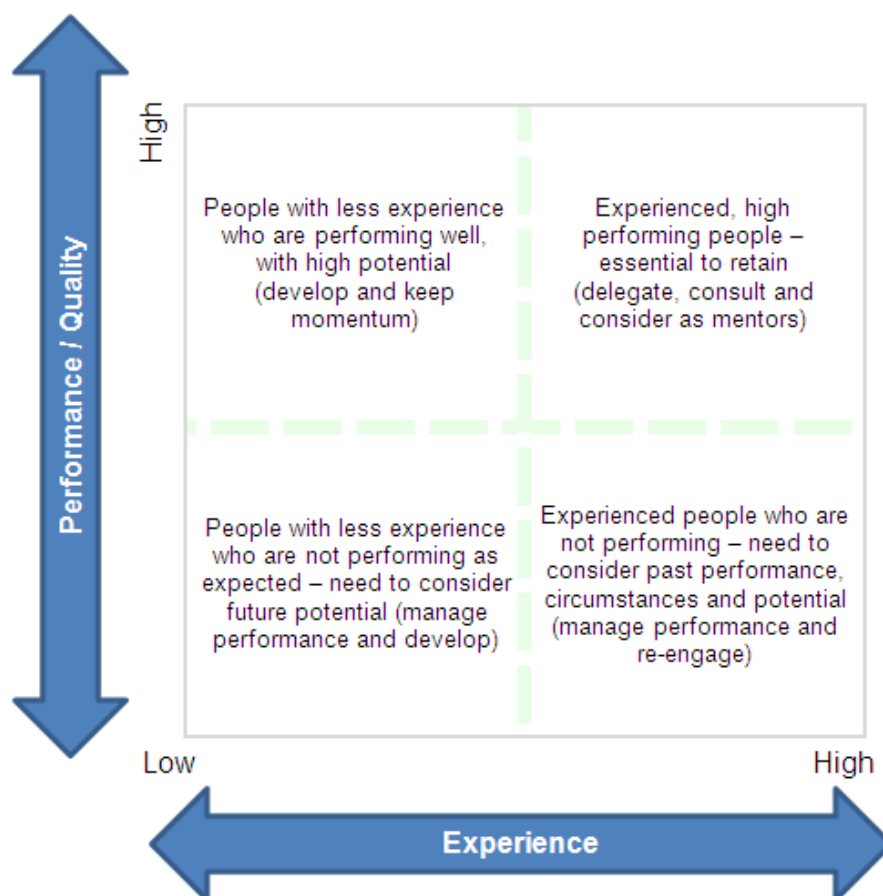
7.   Resilience and Retention

7.1 A resilient and motivated workforce that is comfortable with and welcomes change is fundamentally important to the future success of the Authority. It is important that employees are supported to remain resilient and healthy and a range of interventions, including an online tool to assess and increase resilience, health promotion activities and development to increase personal effectiveness, resilience and wellbeing are in place.

8. Developing our Employees

8.1 An important part of any retention strategy is investment in the development of our employees for the future. Key elements include the Future Managers Programme, the Staff Development Framework, and continuing professional development for professional staff including social workers.

9. Conclusion

9.1 Voluntary turnover is healthy in the context of continued transformation but there are key areas where the Authority needs to retain staff. Detailed work is being undertaken with the relevant managers. HR will continue to develop the retention strategy working with managers in the business.

10. Recommendation

10.1 Personnel Committee is asked to note and endorse the strategy and to indicate whether there are further ways in which Members would like the strategy developed.
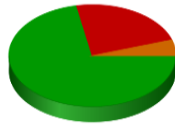
**KCC Non-Schools Turnover
Percentage of staff leaving as a percentage of headcount**
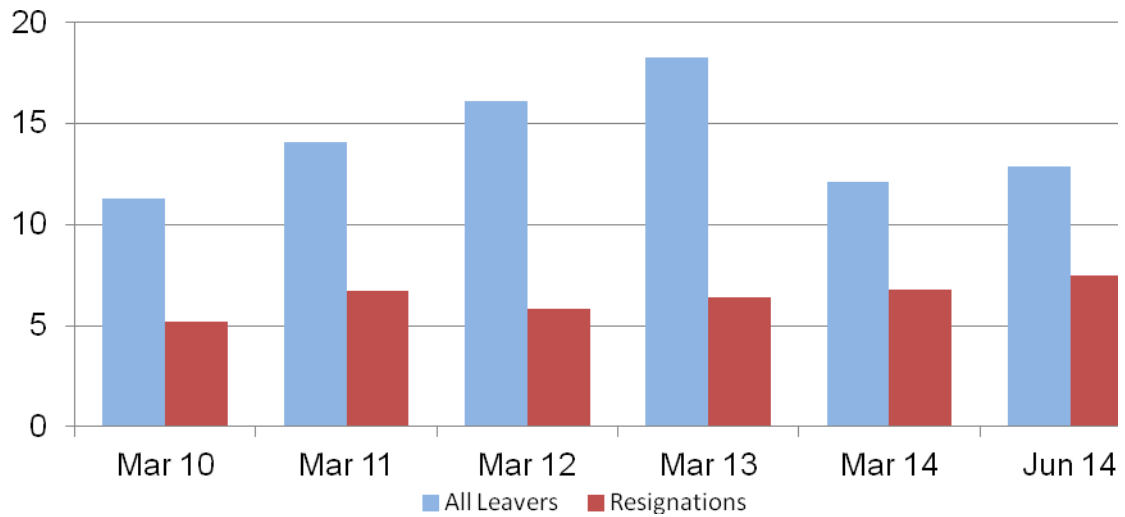
	Mar 10	Mar 11	Mar 12	Mar 13	Mar 14	Jun 14
All Leavers (exc. CRSS)	11.3%	14.1%	16.1%	18.3%	12.1%	12.9%
Resignations (exc. CRSS)	5.2%	6.7%	5.8%	6.4%	6.8%	7.5%

New Joiner 'On-boarder' Survey Results

At risk of leaving   23%
Leaving already 5%
Engaged 72%

The Top Turnover Drivers for 'At Risk of Leaving' Employees (all answers above 25%)
- Potential for progression through the organisation – **45%**
- The pay & benefits package – **38%**
- The nature of the work itself – **28%**
- The match between your expectations and reality – **27%**

The Top Retention Drivers for 'Engaged' Employees (all answers above 75%)

The nature of the work itself – **77%**
Relationships with your colleagues – **80%**

Note: Employees who joined during the first half of the year were surveyed during November and December 2013 once they had been employed for at least 6 months.
286 Completed surveys (55% response rate)

Turnover Factors and Retention Drivers

The following table summarises the Turnover Factors that the 'At Risk' group have identified and the Retention Drivers for the 'Engaged' group.

	Factor	Turnover Factor %	Retention Driver %
1	The pay and benefits package	37.5	54.8
2	Potential for progression through the Organisation	45.3	65.8
3	Training and development opportunities	20.3	59.8
4	Work-life balance	20.3	59.8
5	Relationships with your colleagues	6.3	79.9
6	The nature of the work itself	28.1	76.9
7	Confidence in the organisation	21.9	42.2
8	The physical working environment	10.9	23.1
9	Relationship between employees and management	18.8	41.2
10	What we do as an organisation	7.8	49.7
11	The degree of autonomy in your role	9.4	37.2
12	Relationship with your line manager	17.2	53.3
13	The match between your expectations and reality	26.6	N/A
14	Harassment / bullying	1.6	N/A
15	Your vocational choice (made a mistake)	1.6	N/A

■ Score above 25%

■ Score above 75%

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By:	Gary Cooke – Cabinet Member for Corporate & Democratic Services
	Amanda Beer – Corporate Director Human Resources
To:	Personnel Committee
Date:	9 September 2014
Subject:	Employment Value Proposition
Classification:	**Unrestricted**

SUMMARY: An executive summary of the findings of the 2014 Employment Value Proposition survey outlining key improvements in the levels of employee engagement.

1. INTRODUCTION

1.1 In June and September 2013 the Personnel Committee was presented with the results of the Employee Engagement Survey conducted that year. A further survey has been undertaken in 2014 to measure the levels of employee engagement in the Authority. This paper presents a summary of the survey's findings and highlights comparisons with the results from the 2013 survey.

2. EMPLOYEE ENGAGEMENT

2.1 Organisations which engender high levels of employee engagement experience improvements in performance, find it significantly easier to embrace change, innovate more effectively and deliver a quality customer experience. Ultimately employee engagement is about effective performance management.

2.2 Personnel Committee has shown that it recognised the importance of engagement in driving up levels of employee performance in the organisation. The Authority's Engagement Strategy supports this perspective and sets out its approach to achieving levels of engagement and staff motivation that make significant differences to the performance of the Council.

2.3 The Strategy cannot be delivered in isolation of other initiatives and strategies within the Authority. The strategy very clearly corresponds to elements of the Workforce & Organisation Development Plan and also links to Kent County Council's Customers Services Strategy, Internal Communications Strategy, Diversity & Inclusion and the Kent Values and Behaviours.

2.4 The employee engagement survey provides the Council with an understanding of how employees see their level of engagement and motivation. Alongside the survey results there are other indicators of organisational health in terms of employee engagement. For example KCC has again seen a further reduction in the level of sickness absence. There has also been a shift in the levels of performance recognised through TCP with more staff receiving "above achieving" and "outstanding" ratings than before.

3. EMPLOYMENT VALUE PROPOSITION

3.1 The Authority has previously surveyed staff to see how they feel about working in Kent County Council. This information has been used to inform approaches to employee relations and the management of staff. The Employment Value Proposition (EVP) survey was conducted in 2014, which is the third year that it has been used by the Council, in order to build on the data that it has available to determine how engaged employees are and where improvements are required.

3.2 EVP introduces a means of presenting and understanding how the 'deal' offered by an employer is set against what is expected from employees in return. This deal should be viewed in the context of the overall employee relations climate in the Authority as it is reflects how the organisation and managers engage with and support employees, as much as it is about terms and conditions of service. The value and perception the employees place on that employment experience, and the contributions expected by the employees, inform how staff engage and perform. This survey very much looks at what employees are telling us about their experience of the organisation.

3.3 The survey was sent out to approximately 2,500 staff in Kent County Council. Each of the Directorates had groups of staff surveyed from specific targeted services or divisions (list at Appendix 1), rather than the sample being spread across the whole directorate. If services had been surveyed in the previous two years they were not included in 2014 (although there is the possibility of them being able to participate in a "pulse" check in the autumn). Services that had been surveyed for the first time in 2013, and were still viable following the structural realignment of the Council in April 2014, were surveyed again. Some services that had not participated before were also surveyed. The response rate to the survey was c.52% (which is significantly higher than the norm for similar types of surveys) exceeding the response rate of c.50% the Council achieved last year. The management teams received service specific feedback on their results in July.

3.4   The key findings of the 2014 survey are:

a) Despite the level of change the organisation has been facing there has been a small improvement in levels of employee engagement in the Council, compared to 2013.
b) Kent County Council has a committed workforce which invests time, energies and concentration in their jobs and feels a sense of pride in doing so.
c) Results for organisational level engagement have improved significantly showing increased levels of loyalty, affinity and advocacy toward the Council than employees show towards the services they work in.
d) Employees perceive their contribution to the 'deal' as outweighing that provided by KCC (ideally this should be a balance between the employee and employer). How the balance is perceived by the employee has stayed the same as 2013.

3.5   The EVP survey has demonstrated that the level of employee engagement in Kent County Council is moving in the right direction. It is important, however, that the Council continues to develop and build on the initiatives it has introduced but also to explore other ways to determine how levels of engagement can be improved. Managers play a significant role in building trust relationships with the rest of the organisation and it is critical that they continue to be supported to ensure that employees are engaged at all levels. The survey also shows that with the right amount of focus and input an organisation can maintain its levels of engagement. These results are not only a testament to the role managers have played in this but also to how staff have responded to the challenges faced by them.

4.   THE SURVEY RESULTS

4.1   EVP introduces a means of presenting and understanding how the 'deal' offered by an employer is set against what is expected from employees in return. This deal should be viewed in the context of the overall employee relations climate in the Authority as it is reflects how the organisation and managers engage with and support employees, as much as it is about terms and conditions of service. The value and perception the employees place on that employment experience, and the contributions expected by the employees, inform how staff engage and perform.

4.2   The questions asked by the survey are structured in a way that encourages employees to rate their experiences against certain categories. Other questions provide staff with opportunity to provide free text answers.

Using these questions EVP measures three elements of engagement:

- Balance of the deal
- Conversational practice
- Personification of the Council

Kent County Council also received detailed analysis of responses to free text questions.

<u>Balance of the Deal</u>

4.3   This element of the survey looks at what staff feel about the contribution made by the organisation to the employment relationship compared with what the employees feel they bring. There will always be a difference between the two and this works well in terms of levels of employee engagement when the balance is not significantly in favour of one party to the deal.

4.4   The Employer Contribution is made up of:

- **The Contract** – this consists of the employees' perspective on such things as terms and conditions of service, development opportunities, working environment and whether the employer delivers on its promises in relation to the contract
- **Organisational Support** – how employees see their organisation valuing their contribution and caring about their well being

4.5   The Employee Contribution is made up of:

- **Job Engagement** – how committed and engaged employees are with their job role and the service they work in
- **Efficacy** – this element reflects on the level of confidence and competence the individual and their team displays in their job role
- **Organisation Engagement** – the level of staff commitment to the organisation and the level of behaviours championing the organisation's aims

4.6   The balance of the deal results for KCC in 2013 and 2014 were:

	2013	**2014**
The Contract	54	57
Perceived Organisational Support	52	52
Employer Contribution	**53**	**55**
Job Engagement	80	81
Efficacy	79	79
Organisational Engagement	58	67
Employee Contribution	**75**	**77**

Note: Scores of over 70 are considered good and scores below 50 are poor.

4.7   The table shows that the Council's level of engagement has been sustained over the last year. Overall the balance of the deal is seen as being in favour of the employer. This is shown by the difference between the employer and employee contribution (in 2014 this was -22, with individual service scores ranging from -19 to -34). If the employer contribution score was higher this would help redress the balance. However, of particular note is the employee's

perception of the how they engage with the organisation and are prepared to trust it and advocate on its behalf has increased prominently (organisational engagement score).

4.8 Levels of engagement within the service people work in remain high and have marginally increased since last year (job engagement score). The results also show that there have been improvements in levels of engagement across groupings of staff by grade. The levels of engagement tend to increase with seniority although the scores for how all managers feel supported by the organisation have dropped slightly.

The survey also returns a score for the employees' overall satisfaction with the employment deal. KCC's score comes out at 63. Individual service scores range from 50 to 73.

Overall the improvement is positive but more work needs to be done on addressing the imbalance in the deal as the level it is at will jeopardise future optimum organisational performance.

Conversational Practice

4.9 This element of the survey measures the quality of conversations between managers and staff to see how employees are engaged by their managers in meeting their job role. It also reflects on the context within which those conversations are had.

4.10 The survey measures:

- **Solutions focused conversations** – problem solving conversations
- **Performance focused conversations** – discussions about how solutions and services will be delivered
- **Job Pressure** – a measure of the level of perceived excessive workload
- **Workplace tensions** – measures competing pressures on staff such as delivering more with less and the impact of timescales

4.11 The conversational practice results for KCC in 2013 and 2014 were:

	2013	2014
Overall score	**69**	**70**
Solution focused	73	71
Performance focused	66	70
Workplace tensions	64	64
Job pressure	65	62

Note: Scores of over 70 are considered good for the conversation scores but too high for the tensions and pressures scores.

4.12 This table shows that there has been an improvement in the efficacy of the engagement managers have with their employees. Compared to the 2012/2013 results the gap between the quality of the solutions focused

discussions and that of the performance focused conversations has reduced considerably (from -7 to -1). This suggests an improvement in how staff see their involvement in making suggestions and finding solutions for developing the way services are delivered and these actually being made a reality by management.

4.13   The workplace tensions score has stayed at its 2013 level and job pressure score has fallen slightly but both are still high. This suggests that despite this context management are managing to engage and motivate staff to a degree through the interface they have with them on a regular basis.

Personification

4.14   This part of the EVP survey asks employees to score the organisation against certain traits which then shows how, in the employees' eyes, the organisation presents itself. This shows how staff view the type of organisation they work in.

4.15   The "traits" that are measured are:

- Supportive
- Directive
- Trust
- Competence
- Innovation
- Conversational

4.16   The personification results for KCC in 2013 and 2014 were:
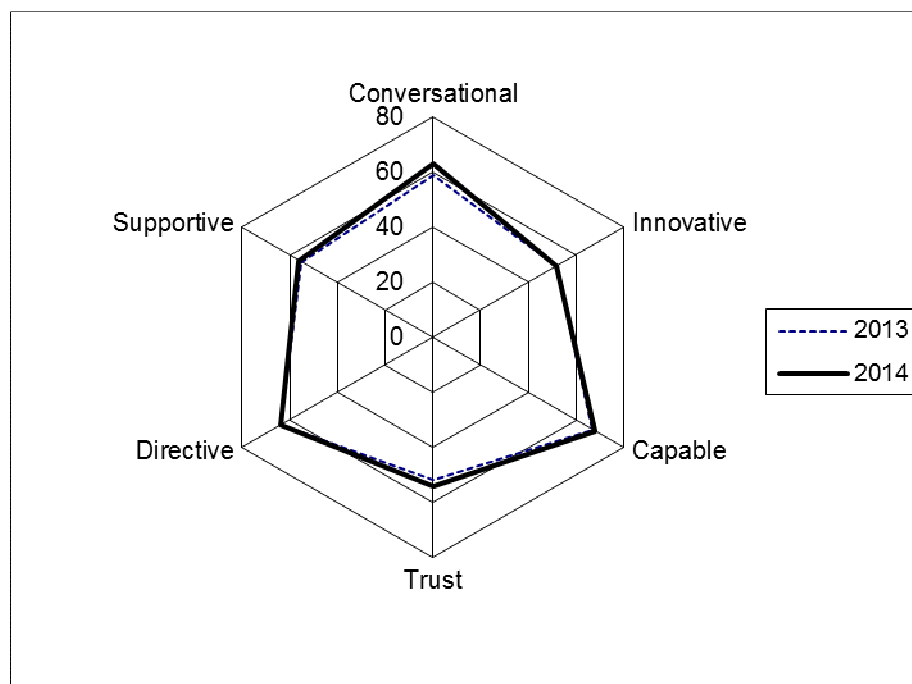
4.17 The main changes were in the conversational score and the trust score, both increasing. These results show that staff now see the organisation as being more respectful of them, likely to listen more and that the levels of trust in the organisation are moving in the right direction. These outcomes are supported by the changes in organisational engagement score and the conversational practice scores.

Free Text Analysis

4.18 The free text questions focused on what is best about working in the organisation, what works well for people in the organisation and the workplace tensions that employees face. This information was analysed to represent the numbers of times certain elements were written about and the type of sentiment expressed about those subjects.

4.19 Job satisfaction, interesting work and the opportunities available in the organisation were identified as areas that people really value and spoke positively about their experience. Working in teams, pay and benefits and making a difference were all areas that employees rated as good things about working in the organisation but the language they used was not overly positive. This would suggest that these are things that people value but the organisation needs to do more to employ them as drivers to support employee engagement. These results were similar to 2013.

4.20 The positive aspects of working with line managers that employees described were feeling trusted, new methods of work, exploring new ideas and being supported by them. Those areas the employees were more neutral about were the touch points with managers such as regular meetings, team meetings and supervision.

4.21 The main workplace tensions that people identified were volumes of work, pressure, restructures, lack of resources, staff cuts, job security and management. Again these are similar to 2013 and most of them can be seen reflected in the high workplace tension and job pressure scores under conversational practice and will increasingly influence the context in which managers in the organisation will need to keep employee engagement high and corresponding performance levels.

5. CONCLUSION

5.1 These results continue to show that despite challenging times in relation to available resources and changes in the way services will be delivered the Council continues to maintain an effective degree of employee engagement. However, the levels of good will, motivation and performance that the organisation currently experiences will dissipate if the organisation and managers sit on their laurels and do not continue to strive for improvements in this area.

5.2 Managers of the divisions and services that participated in the survey will be following up with their management and staff teams, having received

feedback on the areas where they need to focus attention, as will directorate management teams. Human Resources will also be using the results to inform activity it needs to initiate to address areas of concern. HR will also use the information when talking to managers about change (including the Service Change Managers) to help their understanding about how to engage with staff and harness this for best effect.

5.3   This report demonstrates that the Council has a good base to increasingly develop the important elements of the employment deal that its employees spoke about in the free text element of the survey. It also gives a platform to continue the engagement with staff through the conversations we have with them corporately about change but also those the managers have that translate the organisation's objectives into reality for their employees. This will continue to improve sustainable contributions from employees and can act as a catalyst to promote the development of the formalised deal clearly setting out what is offered by Kent for the contributions staff give in return. All this will help ensure staff are more resilient through change, will continue to perform and ensure the Council's customers receive a good service.

6.   RECOMMENDATIONS

a)   Personnel Committee is invited to note the EVP survey results and the improvements in levels of employee engagement.

Ian Allwright
Employment Policy Manager
Ext 4418

Services which participated in KCC's EVP Survey 2014

Education & Young People's Services

Community Learning & Skills

Early Years & Childcare

Skills & Employability

SEN Assessment & Placement

Standards & School Improvement

Social Care, Health & Wellbeing

Specialist Children's Services – East Kent

Strategic Commissioning

Strategic & Corporate Services

Business Intelligence

Customer Relationship

External Communications

Finance & Procurement

Policy & Strategic Relationships

Growth, Environment & Transport

Regulatory Services

Economic Development

Highways, Transportation & Waste

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| **By:** | Gary Cooke – Cabinet Member for Corporate & Democratic Services |
| | Amanda Beer – Corporate Director Human Resources |

To: Personnel Committee

Date: 9 September 2014

Subject: Employment Policy Update

Classification: **Unrestricted**

SUMMARY: A policy update focusing on:

   1) Kent Scheme Terms and Conditions of Service
   2) Managing Change.

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1.   INTRODUCTION

1.1   The Personnel Committee receives, as a minimum, an annual report on updates to Kent County Council's employment policies and procedures.

1.2   This paper provides the Personnel Committee with an update on two items. The Committee is invited to note for information revisions to the Kent Scheme Terms and Conditions of Service and guidance to support change management in the Authority.

2.   KENT SCHEME TERMS & CONDITIONS OF SERVICE

2.1   Some 24 years ago, in April 1990, Kent County Council introduced the Kent Scheme Terms and Conditions which underpinned the move from NJC national bargaining to locally determined terms. Since that time there have been a number of changes to the contents of the document which describes the Kent Scheme and the way it looks, not least the move from a printed book to it being on line which made it more readily available to the Council's staff and more cost effective to produce.

2.2   This report outlines more fundamental recent changes made to the Kent Scheme's structure and style, as opposed to the particular terms and conditions contained within it. Given the degree of transformation occurring in the Authority, the requirement for managers and staff to work differently, changes to the structure of KNet and the requirements of the Doing More for Ourselves initiative it was apposite to review what was included in the Kent Scheme, how it was used and how it was structured.

2.3   In preparation for any changes a sample of managers were engaged in order to understand what they liked about how the Kent Scheme document was structured and how they used it. This information was also used alongside comments from people within Human Resources and the trades unions were also engaged regarding any changes.

The Changes

2.4   The new Kent Scheme, which can be found on KNet, KELSI (for schools based staff) and www.kent.gov.uk is now about a fifth (20%) of the size of the version that preceded it. This is because the review found that the contents of the Kent Scheme were a mixture of terms and conditions of service, policies, procedure and guidance. Many of the documents in the Kent Scheme were also found on KNet and many people went there, rather than the Kent Scheme, to find what they were looking for. Therefore, the new Kent Scheme is focused on detailing employees' terms and conditions of service. Documents that support the implementation and management of those are signposted in the Scheme but can be found on KNet. This has made the Kent Scheme more succinct and easier to navigate. It also means that Kent now has a very clear statement of its offer to current and prospective employees.

2.5   Wherever possible, the language used has been simplified and the approach to the contents and layout is more consistent than before. Also, the new version of the Kent Scheme is corporately branded.

3.   MANAGING CHANGE

3.1   As part of HR's project to support Facing the Challenge there was a workstream that looked at and reviewed the policies and guidance available to support the management of change in the Authority. As part of this review consideration was given to the wider range of change that managers may be required to undertake, ranging from realigning a team or service, managing redundancies, TUPE transfers to setting up alternative service delivery vehicles. As a result a number of changes were made to the information and guidance available to managers and staff.

3.2   *Managing Restructures and Redundancies – Guidance for Managers* came out of this review. As a starting point it took the managing change guidance that previously existed and the contents of the Managing Change section of the Kent Scheme. The pre-existing guidance was very much of its time and had not necessarily moved with practice within the organisation. The Kent Scheme review also provided an opportunity to translate elements of what was previously in the document into this guide. Therefore the new document needed to ensure it was relevant and captured all the information managers needed.

3.3   The key changes from the previous managing change document are:

-       a focus on restructure and redundancies (other documents cover other types of change)

- less prescription about how change should be managed and how structures will be populated providing a framework for managers rather than a rigid formula to follow. This is in recognition of the increasing move away, over the last decade, from an employment stability approach to restructure (i.e. ensuring as many displaced people as possible retained jobs) to one where it is vital to ensure that the right people with the right skills and behaviours work in a service.
- More prominent promotion of early engagement with trades unions over restructures and redundancies
- Reflection of changes to the approach to the redeployment of staff.
- Introduction of the deferred redundancy policy.

3.4   The Council's **TUPE guidance** has also been revised. One reason for this revision was to take account of key statutory changes that were made following the government's review of the law governing TUPE transfers. However, it was also reviewed to ensure that the advice given was commensurate with the requirements to move to alternative delivery models. The key changes that were eventually made were the incorporation of the new legal elements but, equally importantly, it was rewritten with the manager in mind. The previous version explored significant elements of the legal position regarding TUPE but the new version is more focused on supporting managers through the management of a transfer.

3.5   Human Resources also contributed to the **Management Guide on Alternative Service Delivery Models** developed by Audit and available on KNet. One section written by HR (Appendix 1) explored the challenges and barriers that managers might face in developing different types of service delivery models, the possible impacts of them and suggestions for how they may be mitigated. The other document developed by HR for the Guide is guidance for managers and staff on the issues that may be faced when implementing social enterprises. The issues covered range from managing employee relations to guidance on what types of data/information can be used to conflicts of interest to some of the HR considerations that need to be taken into account when setting the organisation up.

3.6   The documents described are key in supporting managers and staff through change but are not produced in isolation of other initiatives that HR have delivered and are working on to support transformation in the authority. These include, but is not an exhaustive list, the wide range of workforce development activity that supports managers to develop the skills they need to manage change, organisation design principles, the advice and support for managers from the HR Advisory Team, workforce planning tools, initiatives to help staff be more resilient, positive pressure management, risk assessment and the continued integration of the Council's values and behaviours. Also, HR will continue to review its procedures and guidance, and the need for new ones, to ensure the support provided continues to be relevant, that complacency is avoided regarding the type of support provided and to ensure that managers are best placed and equipped to manage and deliver change.

4. RECOMMENDATIONS

a) Personnel Committee notes the changes to the Kent Scheme Terms and Conditions of Service.

b) Personnel Committee notes the revised and new guidance introduced to support change management in the Authority.

Ian Allwright
Employment Policy Manager
Ext 4418

Alternative Service Delivery Models (ASDM)
Human Resources- related considerations

Challenges which relate to services remaining in-house:

Challenge/barrier	Potential impact	Mitigation
Lack of awareness and understanding amongst staff group regarding the drivers for proposed changes to how the service will be delivered	Apathy or more overt resistance to discussions on the proposed changes to how the service will be delivered	Early engagement with staff and the trade unions to provide information
Staff anxiety and uncertainty regarding the proposals to change the way the service will be delivered	• Detrimental effect on individual and team/service performance • Increased instances of sickness absence • Conduct issues within the workplace • Grievances and other low level employee relations issues	• Open and honest communication regarding the proposal and what this may mean for the staff group – myth busting • Seek the involvement/contribution of staff in the development of the proposal • Staff advised of the requirement to ensure 'business as usual' approach to the delivery of the service • Specific issues (performance, absence and conduct) will, where necessary, be addressed formally.

Challenges which relate to the outsourcing of services and to the transfer of staff to a KCC-owned organisation:

Challenge/barrier	Potential impact	Mitigation
Lack of awareness and understanding amongst staff group regarding the drivers for proposal to outsource a service or transfer to a new organisation owned by KCC	Apathy or more overt resistance to discussions on the proposal	Early engagement with staff and the trade unions Identifying the basic provisions of TUPE* and what this will mean for staff *** TUPE is likely to apply where the new KCC owned organisation is set up as a separate legal entity**
Staff anxiety and uncertainty regarding the proposals to change the way the service will be delivered	• Detrimental effect on individual and team/service performance • Increased instances of sickness absence • Conduct issues within the workplace • Grievances and other low level employee relations issues	• Open and honest communication regarding the proposal and what this may mean for the staff group – myth busting • Seek the involvement/contribution of staff in the development of the proposal • Staff advised of the requirement to ensure 'business as usual' approach to the delivery of the service • Specific issues (performance, absence and conduct) will, where necessary, be addressed formally
Transfer of staff to the new organisation	• Uncertainty and anxiety regarding the impact on pay and terms and conditions arising from transfer from KCC to the new organisation delivering the service	Engagement and formal consultation with staff and the trade unions

Challenge/barrier	Potential Impact	Mitigation
Staff not wishing to transfer	• Employee relations issues – including attendance, performance and conduct	• Further engagement with the individuals regarding their concerns relating to the proposed transfer • Explanation of the consequences of not transferring to the new organisation, i.e. this will be deemed a resignation and there will be no entitlement to a redundancy payment
Requirement for changes to be made to terms and conditions post transfer - where there is an economic, technical or organisational (ETO) reason for this	• Redundancy dismissals may occur as a result of the new organisation needing to relocate to new premises • Redundancy dismissals arising from a need for the new organisation to reduce its workforce	KCC can give agreement to allow the new organisation to engage in pre-transfer consultation arrangements with the staff group affected by the proposed changes

Challenges which relate to the spinning out of services:

Challenge/barrier	Potential Impact	Mitigation
Lack of awareness and understanding amongst staff group regarding the drivers for proposal to spin out the service	Apathy or more overt resistance to discussions on the proposed spinning out of a service	Early engagement with staff and the trade unions to provide information For proposals involving the creation of an employee-led organisation (mutual, social enterprise etc.) the engagement process should cover matters such as: • Possible ownership models and legal structures for the new organisation (include advantages and disadvantages for each of these) • Potential benefits and risks of moving to a an employee-led organisation • Identifying the basic provisions of TUPE and what this will mean for staff • Establishing the level of support for the proposed employee-led organisation

Challenge/barrier	Potential Impact	Mitigation
Staff anxiety and uncertainty regarding the proposal to spin out the service	• Detrimental effect on individual and team/service performance • Increased instances of sickness absence • Conduct issues within the workplace • Grievances and other low level employee relations issues	• Open and honest communication regarding the proposal and what this may mean for the staff group – myth busting • Seek the involvement/contribution of staff in the development of the proposal • Staff advised of the requirement to ensure 'business as usual' approach to the delivery of the service • Specific issues (performance, absence and conduct) will, where necessary, be addressed formally
Financial viability of an organisation created following the spinning out of a service	Ability for the new organisation to be able to meet the financial demands of: • Staffing costs (salaries + on-costs, maintaining KCC terms and conditions and funding future pay awards) • Pension provisions ('broadly comparable' to LGPS or seeking admitted body status) • Other legal costs associated with setting up the new organisation	• Seeking appropriate independent legal, financial and HR advice at an early stage in the development of the proposal • Seek specific legal advice on whether TUPE will apply to the transfer of staff to the proposed new organisation • KCC can provide information (HR, Finance and Payroll) to help support the development of the proposed new organisation

Challenge/barrier	Potential Impact	Mitigation
Conduct and/or performance issues relating to staff involvement in the development of a proposal for an employee-led organisation created through the spinning out of a service	• Misuse of KCC equipment and resources • Inappropriate and/or unauthorised access and use of data collected and stored by KCC – including sensitive personal data of service users • Breaches of the Kent Code • Conflict of interest between involvement in the proposed new organisation and KCC duties and responsibilities • Work on the proposal interfering with the performance of normal day to day duties	• Managers and staff will be advised of the expected standards of conduct and performance • Copies of the guidance on social enterprises, mutuals etc. will be provided • Serious or repeated breaches of the expected standards will be addressed formally
Transfer of staff to a new organisation created following the spinning out of a service	• Uncertainty and anxiety regarding the impact on pay and terms and conditions arising from transfer from KCC to the new organisation delivering the service	Engagement and formal consultation with staff and the trade unions
Provision of back office functions (HR, payroll, finance and ICT) in a new organisation created following the spinning out of a service	• Failure to achieve a seamless transition between organisations at the point of transfer which could impact on: - staff payments (salaries, expenses etc.) - payments to other organisations - the functioning of business systems - continuity of managing employee liabilities	Effective planning on how back office functions will be delivered in the new organisation – this includes ensuring that the back office arrangements are in place to work prior to the transfer so that seamless transition can occur. KCC can provide information (HR, Finance and Payroll) to assist with this

Challenge/barrier	Potential Impact	Mitigation
Requirement for changes to be made to terms and conditions post transfer - where there is an economic, technical or organisational (ETO) reason for this	• Redundancy dismissals may occur as a result of the new organisation needing to relocate to new premises • Redundancy dismissals arising from a need for the new organisation to reduce its workforce	KCC can give agreement to allow the new organisation to engage in pre-transfer consultation arrangements with the staff group affected by the proposed changes
Skills and knowledge to run the new employee-led organisation	• The managers in the new organisation are not fully equipped in terms of knowledge and skills to ensure the effective running of the service in a more commercial environment • The gaps in the skills and knowledge of management has an adverse effect on the organisation's ability to deliver high quality services in a cost-effective manner	Commercial skills and business acumen are being incorporated in management and leadership workshops.
Governance arrangements in the employee-led organisation for determining pay and terms and conditions of employment	• Poor employee relations climate and a lack of employee engagement which can adversely affect service delivery in KCC • More adversarial and time consuming process of determining pay awards and developing terms and conditions in the new organisation	Effective engagement with employees and the trade unions prior to transfer to seek to agreement on matters such as: - trade unions recognition & facilities - collective agreements - pay bargaining arrangements

Challenge/barrier	Potential Impact	Mitigation
People with key skills which are for the employee-led organisation leave prior to the transfer	The gap in skills and knowledge caused by key members of staff leaving ahead of the transfer has an adverse effect in the short term on service delivery	- Effective management of requests for voluntary redundancy - Examine the possibility of experienced staff from similar services (or those where staff have transferrable skills) being seconded from KCC to the new organisation to plug gaps whilst permanent replacements are being recruited

By: Gary Cooke – Cabinet Member for Corporate &
                 Democratic Services
                 Amanda Beer – Corporate Director Human Resources

To: Personnel Committee   **Date:** 9 September 2014

Subject: Discretionary Payments

Classification: Unrestricted

Summary: This annual report outlines payments made to staff where the Authority can exercise discretion.

1.   Market Premium Payments

1.1   The Market Premium Policy gives KCC more flexibility where there are areas of particular difficulty to attract and retain staff. For recruitment purposes, payments made under this policy apply to posts which have been previously advertised without successful appointment, and for retention, payments will only be made in exceptional circumstances where difficulties in retaining staff will cause skills shortages that will prevent effective business operations.

1.2   Specifically, the Market Premium Policy was introduced to enable KCC to make payments in 3 areas:

- Secure acceptance by an applicant to conclude a recruitment process
- Provide a mechanism to pay a supplement where the particular grade for a job does not compete with the wider market remuneration
- Give managers the ability to retain staff when a period of business continuity or critical delivery is paramount by way of a deferred lump sum.

1.3   These payments will be in addition to the individual's normal salary and will be subject to the normal income deductions and the Market Pay Premium is pensionable. The agreement of the relevant Director in consultation with the appropriate HR Manager is needed.

1.4   From its introduction, the policy was intended to be used only in exceptional circumstances. The table below summarises the payments for 2013/14 where people are still in post and receiving a market premium payment.

Table 1. Summary of Market premium payments 2013/14

Directorate / Previous Directorate	Roles	Amount (£)
BSS	Head of Financial Services	3,151
	Head of Procurement	20,000
	Finance Business Partner – F&SC	20,000
	ASYE Practice Educator	1,365
	Snr/Occupational Health Advisors	4,787
	Occupational Health Business Unit Manager	2,401
	Head of Property Development and Capital Projects	9,005
	ICT	Special Skills Supplement
CC	Sports and Physical Activity Service Manager	5,862
	Governing Body Support Manager	4,125
	Business Development Manager	1,887
EE	Director Highways and Transportation	6,000
	Head of Waste Management	409
ELS	Director of Education Quality and Standards	7,009
	Corporate Director - Education, Learning and Skills	7,070
FSC	Specialist Children's Services (SCS) staff Recruitment/Retention payments. Senior Practitioners/Social Workers Newly Qualified Social Workers	2,000/3,000 per annum 2,000 one-off payment
	SCS staff Travel Allowance Market Premium	410
	SCS staff for use of Extended Lease Car scheme	1,460
	Independent Child Protection Conference Chairs (total)	5,235
	Independent Reviewing Officers (total)	6,429
	Director SCS	14,100
	Assistant Director – SCS	29,159
	Assistant Director – SCS	36,860
	Assistant Director – SCS	3,079
	Assistant Director – SCS	14,159
	Assistant Director – SCS	7,731

1.5 Evidence shows the policy meets business need effectively. Where there are acute problems with recruitment, primarily in Children's Specialist Services, the market premium and other payments are kept under regular review.

1.6 The changes to enhancements as outlined in the Terms and Conditions Review, Personnel Committee 18 January 2013, recommended taking a broader market premium based approach as already successfully established with the Market Premium Policy. This approach helps ensure greater consistency to the payment of enhancements which are

primarily applied to frontline service delivery roles. A summary of approved business cases is given below:

Table 2. Summary of business cases for pay enhancements.

Directorate / Previous Directorate	Implementation date	Service	Enhancement (T = Time)
E&E	1 June 2013	Highway Operations	Overtime for emergency procedures, works as standby and outside of shift patterns
BSS	1 June 2013	ICT Operational Teams	Overtime as T+1/2 after 10pm and Saturday, Sunday Tx2
FSC	1 October 2013	OPPD KEaH	Overtime during weekends to be T+1/2, T+1/3 nights and weekend nights
FSC	1 April 2014	OPPD KEaH Careline admin	30% enhancement for additional and overtime hours after 8pm
FSC	1 October 2013	OPPD Provision Modernisation Team (Senior Careworkers, Careworkers, Activity Co-ordinators, Assistant Cooks, Cooks, Handypersons, Domestic Assistants, Kitchen Assistants)	T+1/3 for weekend days and nights, T+1/3 w/e nights
	1 October 2013	OPPD Provision Modernisation Team (Team Leaders)	T+1/3 weekend days and w/e nights
	1 October 2013	OPPD Provision Modernisation Team Admin Officers at Broadmeadow	T+1/3 weekend days and w/e nights
FSC	1 October 2013	Children's Residential/Respite (Night Careworkers)	T+1/3 nights and w/e nights, enhancements to be paid during annual leave for staff contracted to work nights only
FSC	1 October 2013	Children's Residential/Respite (Domestics, Cooks, Handypersons)	T+1/3 at weekends
FSC	1 October 2013	LD In-house Respite (Ancillary staff in all units and Team Leaders)	T+1/3 for weekend days and nights, T+1/3 w/e nights
FSC	1 October 2013	LD In-house Respite Careworkers in Southfields, Meadowside and Osborne Court	T+1/3 for weekend days and nights, T+1/3 w/e nights
FSC	1 October 2013	LD In-house Respite	T+1/3 for weekend days and

		Team Leaders in Southfields, Meadowside and Osborne Court	nights
FSC	1 October 2013	LD Supported living (Jubilee House)	T+1/3 for waking nights
FSC	1 October 2013	Specialist Children's Services OOH Service Managers & Team Managers	30% enhancement for night work, 5% on-call
FSC	1 October 2013	Specialist Children's Services OOH Senior Practitioners, Social Workers, Social Work Assistants, Hospital Case Managers and Assessment Officers	30% enhancement for night work, 5% on-call
FSC	1 October 2013	Hospital Case Managers	30% enhancement for night work
FSC	1 October 2013	Specialist Children's Services OOH Business Administrator and Administration Assistants	10% enhancement for night work
FSC	1 October 2013	Approved Mental Health Practitioners	T+1/3 for weekend days and nights
FSC	1 October 2013	Crisis Team - Mental Health STR Worker	15% salary enhancement for all weekday evening hours worked after 5pm 15% on all weekend hours (day & evening)
FSC	1 October 2013	OP Units Children's Short Break Residential Units LD Respite Units LD ILS Out of Hours Night staff and OOH staff	Enhancements to be paid during annual leave for staff contracted to work nights only or unsocial hours only (OOH staff)
FSC	December 2013	OPPD – Co-ordination and Assessment & Enablement Teams	30% enhancement for weekend days and nights
C&C	1 October 2013	Contact Point	10% enhancement on all hours worked for Out of Hours Advisers and Supervisors

2. Enhancement to pension payments

2.1 The Local Government Pension Scheme (LGPS) requires the Authority to have a written policy for the discretionary enhancement for pension provisions. In the past this has been significant in terms of added years and early release of benefits. 'Added years' years have not been part of LGPS regulations since 2008. 'Additional pension' or 'additional pension scheme membership' may be awarded instead. Although KCC

maintains its discretionary ability within LGPS regulations to award early release of pension benefits, there has only been one case in the last year, as reported to Personnel Committee on 17 July 2014.

2.2   Given the size of the organisation, these figures indicate that KCC is not currently spending a significant amount of money through the use of the enhancement discretions available and demonstrates that the principle of only making payments on an exceptional basis is being adhered to.

3.   Recommendation

3.1   Personnel Committee are invited to note and comment on the figures.

Colin Miller
Reward Manager
Ext 6056

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By: Gary Cooke – Cabinet Member for Corporate &
             Democratic Services
             Amanda Beer – Corporate Director Human Resources

To: Personnel Committee   **Date:** 9 September 2014

Subject: Facing the Challenge – HR Implications & Policies

Classification: Unrestricted

Summary: This paper highlights the immediate and planned impact that Facing the Challenge has driven in HR policy and practice.

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1. **BACKGROUND**

1.1   KCC has demonstrated an established and highly competent practice in managing traditional change of its workforce. The pace, magnitude and breadth of the transformation now being undertaken has required a shift in HR policy and practice.

1.2   Traditionally our change management and organisational design approach has been based upon top-down restructures and employment stability. This is not sustainable or in the best interests of the organisation going forward. The success of a more contemporary approach will be subject to a change in understanding, behaviour and application from managers. The following report highlights some of the changes the HR Division has made to the context and framework within which this takes place.

2. **HR POLICY – MANAGING CHANGE**

2.1   Our change management policy has been in place for some time, and proved to be suitable and appropriate for the challenges and changes of the past. However such is the pace, magnitude and breadth of change planned that this has been fundamentally reviewed.

2.2   More of the detail is outlined in the Policy Update report, submitted to the Committee today under a separate agenda item. In summary we have shifted from a traditional and increasingly unachievable continuous employment approach to a more realistic one. It provides greater flexibility in the way in which changes can be undertaken, emphasises the need for good and early engagement with trades unions and staff as well as a more pragmatic approach to redeployment opportunities.

3.   ORGANISATION DESIGN

3.1   Whether we directly employ, indirectly employ or even remotely direct the people running our services, the deployment of staff or workers, systems and processes are critical to organisational performance.

3.2   There are a range of models in Organisation Design and we have looked at models from Chartered Institute of Personnel & Development, 'LEAN', Decision Making Accountability, Kelly Sears Consulting Group and Birmingham City Council – we have sought to use the best of others and not reinvent.

3.3   Organisation design is defined as the alignment of people, structure, processes, information, rewards and leadership, with the strategy of the business to create an effective organisation capable of achieving the business' objectives.

It is therefore far more comprehensive than merely hierarchical structures.

3.4   Outcomes and the customer are at the heart of effective organisation design rather than internal structures/roles. It encourages managers to consider the best model of service delivery; defines where resources need to be deployed and what our priorities are; assists in changing culture and builds managerial capacity. Despite the undoubted organisational benefits, to be successful the design and its associated tools should and would be of benefit to individual managers.

3.5   An illustration of the KCC model is attached in Appendix 1. It clearly highlights the need to consider 4 aspects:

1. People – workforce planning, workforce development, employment, reward etc.
2. Work – service delivery model, tasks/activities, statutory duties, processes and systems
3. Style – leadership, engagement, values/behaviours
4. Structure – layers, spans, capacity, flexibility, relationship with "non-employees"

3.6   Having this Kent approach will encourage redesigns to consider how services are delivered, i.e. Alternative Service Delivery Models (ASDEMs), before changing structures, and is compatible with the project/programme management expectations.

3.7   The KCC Organisation Design principles included in Bold Steps for Kent aimed to achieve a maximum of six layers in the organization and an average span of control for managers of 7. The new design approach will enable managers to meet this target more consistently and will enhance this with a bottom up, customer experience starting point. There will be no 1 on 1 reporting; clear and distinct differences in

managerial accountability and expectation; and all service designs will be aligned to Facing the Challenge transformation principles.

3.8 Attached in Appendix 2 is an illustration of the methodology on a single page. This shows the key stages, along with the activities associated with each stage and an indication of the tools, related documentation and guidance. The document is intended to operate with electronic links available on our KNet site. Support, development and advice has been produced.

4. TUPE (Transfer of Undertakings Protection of Employment)

4.1 The legal position is relatively clear on the transfer of staff and our interpretation and application of TUPE over the past 10 years has been excellent and without successful challenge. However with the range of employment models currently proposed, and, more importantly, the potential stages of transition a more sophisticated understanding and application of the relevant legislation is required.

4.2 We have received internal and external legal advice and are confident in our ability to recognise, define and assist the construction of new employment arrangements.

5. WELLBEING

5.1 Delivering this scale of transformation requires managers and staff to be resilient, healthy and enable to innovate and welcome change. A range of support is available to all staff including an online tool to assess and increase resilience; training on how to recognise and help people showing signs of mental health issues; a health kiosk that staff use to check their health with advice on how to improve it; and management development to increase personal effectiveness, resilience and well-being.

5.2 Our health promotion strategy supports physical and mental wellbeing, helping to minimise sickness absence, and enabling resilience and higher levels of staff motivation and effectiveness.
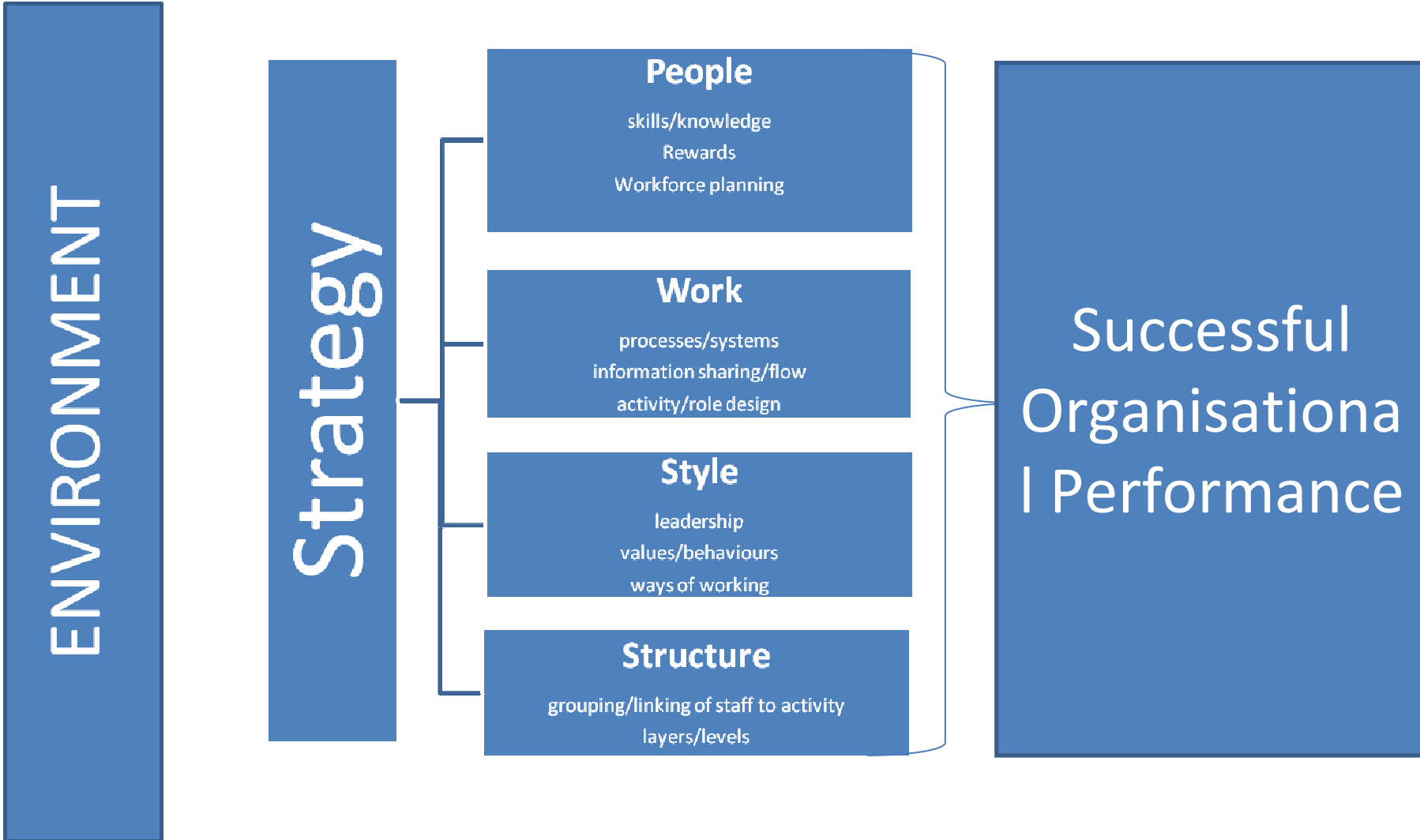
6. CONCLUSION

6.1 Effective HR policy and practice makes a significant difference to the transformation programme. Enabling managers to have the right people in the right place at the right time is at the core of successful HR practice. We continue to develop knowledge, systems and practice that increases flexibility and the speed with which this can be achieved.

6.2 The HR offer needs to continue to develop to provide new arrangements with support that adds value. We are developing the HR function's understanding of the options for content and delivery, working closely with external experts in the relevant HR fields and colleagues in other Divisions and the Facing the Challenge team.

7. **RECOMMENDATION**

7.1 Personnel Committee is asked to note and endorse the changes made and direction proposed for HR Policy and practice.

Paul Royel
Head of Employment Strategy
Ext 4608

KCC ORGANISATIONAL DESIGN MODEL

ENVIRONMENT

Strategy

People

skills/knowledge

Rewards

Workforce planning

Work

processes/systems

information sharing/flow

activity/role design

Style

leadership

values/behaviours

ways of working

Structure

grouping/linking of staff to activity

layers/levels

Successful Organisational Performance

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How to do Organisational Design – Method on a page

1. Analysis

a. Understand and assess

- Establish and understand the driver for the change and/or new business strategy
- Assess the current environment (internal and external) and how the service/team currently operates "As Is"

Ask HR for Advice

Access Org Design Information – Knet and Management Guide

Access Management Guide 9

Access Management Guide 4

Access Org Design Analysis Tools

b. Define

- Define how the service/team needs to operate "To Be"
- Consider ASDM's (if appropriate)
- Prepare a business case for design stage

2. Design

- Design - new people elements/work elements/style elements and structure
- Test the design where appropriate

Ask HR for Advice

Access Org Design Information – Knet and Management Guide

Access Org Design design tools

3. Implement and Embed

- Create an implementation/transition plan
- Create a communications strategy
- Keep work streams aligned
- Maintain day-to-day operational performance

Ask HR for Advice

Access Org Design Information – Knet and Management Guide Information

Access Org Design Implementation and Evaluation tools

Evaluate

- Review project immediately after implementation – lessons learnt

6 months – 12 months later

1. Evaluate whether required outcomes have been achieved
2. Report on any recommendations for further change

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By virtue of paragraph(s) 1, 2 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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