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To: Cabinet

Date: 3 December 2007

Subject: STRATEGY FOR STAFF

Classification: Unrestricted

SUMMARY: This paper provides information on KCC's Strategy for Staff, charting progress, outlining the current key priorities and highlighting the major challenges to delivering the strategy going forward. It also shows how Strategy for Staff (S4S) is underpinned by a number of other major Personnel and Development policies and areas of activity. Cabinet Members are invited to comment on the present draft revision of S4S which is attached at Appendix 1 and on the key priorities identified.

1 Introduction

- 1.1 KCC aims to be a "great place to work" for all its staff. The organisation's commitment to this is enshrined in its Strategy for Staff. This aspirational Human Resources strategy provides a framework for setting Personnel and Development priorities for the organisation.
- 1.2 This corporate Strategy was first introduced in 1998 and has developed from a short list of tangible actions into the comprehensive strategy it is today.

2 Development of the Strategy

- 2.1 Strategy for Staff is an important part of KCC's determination to continuously improve its position as an employer of choice. It has been enhanced by a number of influences both internal and external, including the Staff Care package developed in Social Services.
- 2.2 The development of the latest version of Strategy for Staff has been the subject of consultation within the P&D function and with the Workforce Strategy Board, senior managers and Members.
- 2.3 A later draft will be shared with Trades Unions and Personnel Committee.
- 2.4 The draft document attached commits the organisation to some challenging objectives to demonstrate innovation, best practice and our commitment to our staff. These are felt to be essential if we are to ensure that KCC is a "great place to work".
- 2.5 The strategy identifies six key attributes which are essential to the provision of excellent services. These are:
 - An excellent workforce

- Continuous improvement
- Leadership and management
- Communication and engagement
- Employment and Reward
- A healthy organisation

2.6 The key priorities for meeting the commitments made under each heading are clearly spelt out in the document. The many achievements already made have benefited both the organisation and our people through enhancing the employment package, leading to effective recruitment, retention, motivation and performance. Paragraphs 4 to 10 of this paper deal with achievements and challenges under each S4S heading.

3. Key Achievements and Benefits

3.1 Strategy for Staff recognises that our success depends upon the passion, skill and motivation of our staff, so our commitment to recruiting, developing and retaining the very best people goes way beyond traditional boundaries. The benefits of our holistic approach to making KCC a great place to work are evidenced by our successful recruitment, retention rates, staff development opportunities and the level of staff satisfaction.

3.2 Vacancy rates, for example, among social workers have shown very significant improvements since the introduction of this approach. Before 1998 vacancy rates were around 25% rising to over 40% in some teams. These improved to 12.25% in 2000 and the current 6% average has been maintained since 2003. This compares to a national rate of 12%.

3.3 Turnover rates in KCC are currently under 13%. This healthy figure compares favourably to the information available on other similar organisations. For example, turnover in Bedfordshire County Council is 17%, and in Westminster, an excellent London Borough, it runs at 19%. Kent Adult Social Services turnover rates are 9.85%. This is exceptionally low for a social care directorate.

3.4 External benchmarks provide another example of success. KCC's successful reaccreditation against the new harder Investors in People (IIP) standard was a significant achievement for an organisation of this size and complexity. Ways to Success and the reward strategy have both attracted significant national attention and been on the short lists for achievements in excellence. We were ranked 37th of the top 100 employers for gay people in the Stonewall workplace equality index 2007 list and we have successfully retained the "Two Ticks" accreditation from job centre plus every year since 2002. We were shortlisted this year for the recruitment award by the Employer's Forum on Age.

3.5 The role of managers and first line supervisors is pivotal to our success. Their attitudes and performance are highly influential, determining how staff behave and perform. Their development is therefore at the core of S4S. The KCC management qualifications centre is a Centre of Excellence, awarded by the Chartered management Institute. Over the past two years 176 delegates have achieved a qualification and nearly 50 have completed a Diploma in coaching and mentoring. 220 Essential Skills programmes have been run for 2500 delegates over the same

period, with a further 194 managers completing open modular programmes. Our management development framework is attached as Appendix 2.

- 3.6 The completion of Single Status and the ongoing development of our innovative Reward Strategy are a major achievement. The decision to develop and implement the Single Status agreement well in advance of the vast majority of other local authorities was typically courageous and proactive. The benefits have been creation of a single Kent Scheme pay scale, the introduction of job families and role profiles and three years of constructive pay bargaining. The financial benefits of this timely response to nationally agreed requirements are outlined later in this paper and it should be noted that this proactivity has eradicated the very real risk of legal challenge currently facing many other Authorities across the country.
- 3.7 The outcomes from previous staff surveys prove that our people recognise the benefits of S4S. In the last staff survey more than half our employees felt their employment package compared favourably to the private sector and a very significant 73% felt it was better or the same as other public sector organisations. Between 2001 and 2004 there was a significant increase in staff advocacy. Nearly two thirds of our staff expressed satisfaction with their current job. This is nationally recognised as being a key indicator of high performing organisations.

4. Key Priorities and Challenges

- 4.1 A strong performance management culture is essential to excellent service delivery. Continuously improving our people management framework, giving managers the skills and confidence to tackle poor performance and recognise and reward good performance (and be able to objectively differentiate between the two) is a thread which runs through many of the priorities identified in the Strategy. We must value “people management” as a skill that needs to be developed and recognised as contributing to excellent service delivery as much as professional expertise.
- 4.2 A major contribution to a strong performance management culture is to further develop the reward strategy, strengthening the link between performance and reward. We will develop the “total reward” strategy to ensure our people are aware of the total value of their employment package. The major challenges in developing a more transparent link between individual performance and level of reward are financial constraints and the current incremental pay scales which limit flexibility. However embedding a performance culture is contingent on management competence.
- 4.3 KCC is committed to having a competent, high performing workforce which reflects the population it serves. There are clear action plans for our under-represented groups, with a strong emphasis through the Equality and Diversity agenda of improving the recruitment and retention of disabled people. The challenge is to turn excellent policy and process into reality across KCC. Tackling the issues presented by the current age profile of staff will see further work on attracting and retaining young people and on ensuring flexible work patterns and retirement options for our older staff. Many young people do not see local government as a

career of first choice, but Personnel and Development is working closely with the 14-24 unit, the Supporting Independence team and the Strategic Development unit to attract high quality young applicants to a range of career opportunities in the County.

- 4.4 Recruitment to and promotion within KCC is based on merit and ability and there is no place for prejudice against or subjective assumptions about any group at any level in the organisation. We will continue to develop the framework for the subsequent development and retention of excellent staff from all backgrounds.
- 4.5 Staff surveys will continue to be regular to ensure we measure people's perceptions of the organisation, the impact of the strategy and whether KCC feels like a "great place to work". The latest staff survey is scheduled for December with a telephone questionnaire being conducted with a random 10% of employees. Spring next year will see the first e-mail/written questionnaire being sent to all staff. Timely and effective follow up action planning is essential to ensure our staff believe we listen to their views.
- 4.6 Improving internal communications is an ongoing priority and the "First" newsletter and "team briefing" will be the subject of continuous review and refinement. The Chief Executive has commissioned a booklet, available to all staff and new starters from December, explaining Strategy for Staff to ensure our people know what they can expect from KCC as an employer.
- 4.7 Innovation and flexible ways of working (both in terms of use of technology and the changes ensuing from the office transformation project) must be encouraged and facilitated through our employment package, learning and development opportunities and work and wellbeing initiatives.
- 4.8 Learning and development opportunities must be even more closely aligned to overall business objectives and an effective model for measuring return on investment in training agreed and embedded across KCC. In addition KCC will work actively with higher education institutions in Kent to influence and help develop the content of professional and academic programmes relevant to County Council services.

5. Partnerships

- 5.1 Vision for Kent, Towards 2010 and the Kent Commitment all stress the importance of working in partnership to ensure the best possible outcomes for the people of Kent and secure a better tomorrow for them. Enshrined in Personnel and Development's approach to continuous improvement of S4S is an equally strong partnership working ethos.
- 5.2 Internally, the success of S4S and the business needs it must help meet are dependant on Personnel and Development working closely with the service directorates, other corporate support services, the Strategic Development Unit, Adult education on skills development, Supporting Independence Programme and the 14 to 24 Innovation Unit. We have also worked closely with the Public Health team on issues such as the smoking policy and obesity. The Trades Unions have played an important role in the development of the Reward Strategy and some key staff development

activity including the Go award. We have worked closely with staff groups on the development and monitoring of equality and diversity and employment policies. The introduction of the Workforce Strategy Board, now chaired by the Chief Executive, ensures that development of HR strategies that are innovative, professionally exemplars of best practice and firmly rooted in meeting business need.

- 5.3 We are increasingly working with HR partners in other public sector organisations to deliver workforce solutions for Kent, not just KCC. There are close links with the Kent PCTs co-operating on developing workforce strategies at both corporate and Directorate level. Discussions are on-going with Medway, Essex County council, Hertfordshire County Council and several Districts to encourage closer working – a member of HR staff has recently been seconded to cover the head of personnel at Tunbridge Wells District Council, we are looking at delivering payroll services to some Districts, several Districts are part of our recruitment advertising contract with Tribal Resourcing and our Employment Strategy manager chairs the Kent Personnel Officers Group where we are able to share our expertise in developing employment policies, give updates on employment law and share training opportunities.
- 5.4 Over the last 18 months KCC and the Health & Safety Executive (HSE) have been working closely together to help ensure that risks are sensibly managed on a day to day basis. As part of the partnership working initiative a joint six monthly newsletter is now produced. The partnership relationship continues to support developments across KCC and a more joined up approach, including input from our trades unions, ensures that health and safety performance is continually monitored and mutual priorities are recognised and promoted.
- 5.5 Personnel professionals from KCC participate in several national and regional bodies including:
- Chair of PPMA South East Region
 - Only public sector representative on the national CIPD Reward group
 - Active member of the Oracle users group which enables us to share our significant expertise in the development of Oracle HR and payroll with other public sector users.
 - County Council PPMA group
 - Panel member on Quality South East as part of Investors in People
- 5.6 Personnel and development launched innovative Work and Wellbeing and HR Conferences which were well attended the public and private sectors resulting in improved collaboration, networking and sharing of best practice. The Health and Safety team organised a Stress management seminar for local businesses providing information and support in this challenging area.
- 5.7 Our learning and development opportunities are marketed to the public and private sectors and the Kent Leadership programme and Power to Lead have been developed specifically to promote partnership working and engage participants in resolving Kent wide issues.

6. An Excellent Workforce

- 6.1 Strategy for Staff recognises that “An excellent organisation needs excellent staff. We want staff to be passionate about what they do, to fulfil their potential and have the skills, knowledge, tools and information to do their jobs effectively. We want people to feel part of KCC and enjoy coming to work.”
- 6.2 Key to achieving this aim is to ensure that we attract people from a range of backgrounds and develop them appropriately to enable them to reach their full potential. Our workforce is increasingly diverse, although we still do not fully reflect the population in Kent for some minority groups, including young people and disabled people.
- 6.3 Significant advances in achieving an excellent workforce have been made through the extensive development of the personal development, appraisal and total contribution pay frameworks all of which were recognised in the liP assessment.
- 6.4 Ways to Success enables staff and managers to recognise that the way a job is done is as important as the achievement of targets, particularly in relation to customer facing environments.
- 6.5 Feedback from the last staff survey showed clearly that our more junior staff felt they lacked learning and development opportunities which resulted in a whole new range of support staff training programmes and opportunities.
- 6.6 The coaching strategy has helped individuals (both coaches and coachees) realise their full potential.
- 6.7 The ongoing development of clear career pathways through career grades and the introduction of job families and role profiles encourages retention of able staff and helps break down organisational silos. The ongoing commitment in this area was reinforced by a common reason given for leaving KCC – that is a lack of career progression opportunities.
- 6.8 Last year saw the first KCC workforce development plan which provides an organisation wide set of agreed actions for developing our workforce, agreed by the Workforce Board. It is supplemented by specific workforce plans for the Adult Services and Children’s Services workforce, both of which extend beyond KCC employees.

7. Continuous Improvement

- 7.1 The commitment in this section of S4S reads “Staff who deliver services are best placed to improve them. We value innovation and will encourage and enable staff to initiate change, take personal accountability for their own development and the way they do their jobs”
- 7.2 Recent key achievements in making this a reality include:
- Development of a staff engagement strategy
 - The embedding of Quality Service Awards across KCC

- “Take 5” through which people were invited to put forward their ideas for improving the value for money of our services
- The assurance that feedback is an integral part of the new team briefing process
- Meetings between senior managers and staff now take place regularly in all KCC Directorates
- The Leader has attended a number of lunches with middle managers and feedback given to attendees
- Consultation on issues which impact on people is an integral part of managing change across KCC
- The Culture development action plan has staff involvement at its core communication and feedback on individual performance and development
- Staff surveys allow staff to “have their say” and feedback is an integral part of the follow up
- There is clear support and guidance in place to enable our managers to effectively manage change
- KCC’s successful re-accreditation against the new tougher liP standard offered an objective measure of our success in this area.

8. Leadership and Management

8.1 The commitment is “Inspirational leadership” and excellent people management are critical to our success. Our Members, managers and supervisors influence the performance and behaviour of staff and the relationships with our partners and customers. We want managers who can work effectively across traditional boundaries, work collaboratively and in partnership to provide direction, purpose and support and epitomise behaviour that reinforces our values.”

8.2 Key achievements in this area have been:

- Agreement to sign up for the Member charter
- Talent Management – KCC is one of the very few public sector organisations that has a clear and identifiable framework for developing leadership potential
- Flexibility in secondments and transfers. This has been developed as part of the talent management framework and as a way of bringing new people in to KCC (such as in corporate policy) and to encourage movement out of internal organisational silos
- Kent Leadership Programme
- People Management Handbook developed to provide clear advice to managers on people management issues
- Ways to Success successfully embedded as an integral part of the performance management, development and recruitment frameworks.
- Management Qualifications centre – the KCC Qualification centre is a Centre of Excellence, awarded by the Chartered Management Institute in recognition of the development of a range of programmes, the very high achievement results, the multi-faceted programme and the stringent assessment process.
- Coaching Strategy - KCC has 36 people who have taken professional coaching qualifications to enable them to nurture management potential in others
- Management Development Framework (attached at Appendix 2)

- “Speed Surgeries” for managers on people management issues
- Equality and Diversity agenda and training to ensure KCC develops a diverse range of people

9. Communication and Engagement

- 9.1 KCC recognises that “A climate of trust, honesty, respect and involvement enhances the performance of the organisation. We want every member of staff to feel engaged, to express their views and opinions freely and have their contributions recognised.”
- 9.2 P&D has made a strategic contribution to internal communications and developed both an internal communication strategy and an engagement strategy
- 9.3 Other achievements include:
- Team Briefing
 - Development of KNet, particularly staff zone and Safetynet
 - Updates to the Blue Book and People Management Handbook
 - Commitment to the Go Award and Learning Agreement
 - Improved Induction at all levels
 - Staff surveys and extensive follow up and feedback
 - Support for Staff groups - Level Playing Field; Greenhouse; Unite and Rainbow
 - Equality and diversity action planning including consultation on equality impact assessments.

10 Employment and Reward

- 10.1 “Our employment package aims to attract and retain high calibre people and reward them for their contribution. We want a flexible workforce that responds positively to meet the changing needs of the people of Kent.”
- 10.2 The implementation of Single Status in such a timely and consultative way has been a major success. By agreeing a phased implementation it was possible to get agreement to a way forward without the need for any back pay. This has saved the Authority about £90 million.
- 10.3 The development of a twenty first century reward package has included:
- Market premia payments which help recognise market value but avoid grade drift
 - Total contribution pay
 - Completion of the first Equal Pay Audit looking at base salaries (KCC is one of the very few organisations to have completed this)
 - The removal of an automatic right to augmented pension entitlements
 - “Total reward” package being explained and communicated to staff
 - Kent Rewards – staff discount scheme which has no match in the public sector
 - Tax efficient schemes enabling the purchase of phones, bicycles, home computers and child care vouchers
 - Cash and non cash awards to enable a quick and unbureaucratic mechanism for rewarding good performance
 - Buying and selling annual leave

- Carers leave introduced as part of the drive to reduce sickness absence
 - Staff club which offers discounted social activity to all our staff
- 10.4 Our employment policies are an integral part of the employment package and we have an ongoing programme to ensure these remain up to date and easy to access for managers and staff.
- 10.5 We have fostered an excellent employee relations climate which has enabled success in three years of local pay bargaining and in introducing a significant amount of change in terms of structures and working practices with no interruption to the delivery of excellent services.

11. A Healthy Organisation

- 11.1 KCC has at the heart of its people strategy the realisation that “Working for KCC is about more than just a job. We want a healthy, lively and vibrant organisation, where the physical environment, the nature of the job and the balance between home and work enable staff to work effectively, safely and have fun.”
- 11.2 Part of the realisation of this objective is enshrined in our approach to the management of health and safety policy and associated risk management. The Health and Safety Executive (HSE) have launched a Sensible Risk Management campaign, inviting Chief Executives from all local authorities to sign up to taking a sensible line on health and safety. The Chief Executive and Corporate Health and Safety Manager are keen to send out a public message of support for the drive to temper the over interpretation of health and safety law and will be inviting all Authorities in Kent to join in a collective sign up event. This will raise the profile of the national campaign and demonstrate support for the HSE’s initiative as part of our partnership working commitment. It is intended that the event will be hosted by KCC early in the New Year illustrating our commitment to delivering high quality services in a way that protects vulnerable groups or individuals to the real risks which need to be recognised and not reducing or inhibiting sensible, well-planned, creative activity.
- 11.3 There have been a number of achievements in fostering the sort of productive working environment aimed for, including:
- Health, wellbeing and attendance programme which brings together activities from across the Personnel and Development function to encourage attendance and minimise sickness absence
 - Improved incident/accident reporting which facilitates better management of absence and allows preventative measures to be targeted appropriately
 - Respect and dignity policy which incorporates our policy on violence at work
 - Ongoing provision of staff care services which is to be transferred from April next year to commercial Services to allow for income generation and business development
 - Development and ongoing review of policies to minimise the impact of harassment and bullying and monitoring of their effectiveness through the Equality and Diversity agenda and with input from our Trades Unions.

- Health and Wellbeing – Fit4health programme to encourage healthy lifestyles
- Ongoing Health check programme
- Stress management policy which is based on HSE standards

12 The Personnel and Development Framework

12.1 This paper has referenced a number of personnel and development strategies, policies and action plans which provide greater depth and clarity to the aspiration and overarching Strategy for Staff. Appendix 3 illustrates how these relate to S4S.

13 Recommendation

13.1 Cabinet is invited to note the achievements against Strategy for Staff objectives, and comment on the attached draft of the latest iteration of our Strategy for Staff and on the key priorities identified in paragraph 3 of the paper.

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