



Service Plan for 2007/08 **(covering April 2007 – March 2010)**

Service Plan for: Human Resources

Directorate: Chief Executives

Service Plan Holder: Jamie Sims

Workplans: Human Resources

Director: Director of People and Improvement -
Heather Rice

Signed off _____ *Date* _____

EMAP : City Strategy – Cllr Steve Galloway

Signed off _____ *Date* _____

Section 1: The service

Service description

We have a large customer base of 7,800 employees, which also includes supporting the needs of the Corporate Management Team, OEP Champions, Corporate Operational Group, Chief Officers and Line Managers as well as Trade Unions, Partner Agencies and potential future council employees.

The service covers 4 main areas:

- *Corporate Capacity Development* – Leads the design, development and implementation of the corporate OD and HR framework to support the Council's corporate priorities. Facilitates networking and collaborative working to build capacity. Delivers expert advice and guidance in specific areas, e.g. organisation development, change management, resourcing, workforce planning and development, in order to provide a centre of excellence for HR strategy, policy, support and advice.
- *Operational Partnering* – Leads the implementation of the Council's HR priorities, delivering customer focused first line operational HR support to Directors and managers. Contributes towards strategic policy development, bringing practical experience of the application of HR policies and procedures.
- *Business Development* – Leads the provision of a savings and efficiencies focus on HR processes, working in partnership and managing HR related supplier contracts. Develops and provides added value HR management information.
- *Health, Safety & Wellbeing* – Leads the provision of expertise and advice at corporate and directorate levels in order to ensure the provision of a safe and healthy working environment, the maintenance of safe working practices and the promotion of staff wellbeing.

Contributing to:

- **Leadership:** by leading the creation of a strategic and corporate organisation development and human resource framework that builds the Council's capacity to transform and respond flexibly to changing public expectations and business conditions, thereby contributing to the achievement of the Council's long term aspirations. We lead HR aspects of major organisational changes, e.g. pay & grading, easy@york, the Accommodation Review.
- **Partnership:** by aligning HR policies, processes and systems with business strategy, determining and implementing HR priorities that add value, and providing strategic and operational leadership and advice at every level on the deployment, development and management of employees.
- **Stewardship:** by acting as the guardian of the Council's values, promoting diversity and wellbeing, managing risks and ensuring good governance. Saves the Council money through the efficient design of HR systems & processes. Acts as an employee champion to enable high employee competence and commitment and thus contribution.

Service objectives

Improve leadership at all levels to provide clear and consistent direction to the organisation:

- **SO1: Developing an enabling culture** by providing mechanisms and processes which support devolved decision making and effective people management.
- **SO2: Managing performance** by creating a system which promotes the golden thread linking the council's over-arching culture and objectives with individual behaviours and performance focused on outcomes and defined accountabilities.
- **SO3: Effective organisation of people resources** by creating the mechanisms by which change can be best put into effect when it impacts on the organisation and motivation of people across the council.

- **S04: Develop a safety conscious culture and promotes wellbeing** by aligning Health and Safety direction with the Health and Safety Commission's Fit 3 concept (Fit for Work, Fit for Life, Fit for Tomorrow).

Improve our focus on the needs of customers and residents in designing and providing services:

- **S05: Valuing and involving employees** to contribute and participate in the success of the Council by developing a range of employment packages that enables the Council to attract and retain the best people.
- **S06: Developing employees** to maximise their potential and achieve the Council's corporate objectives and directorate service delivery requirements.

Improve the way the Council and its partners work together to deliver better services for the people who live in York:

- **S07: Working in partnership** to develop HR service capacity by building effective relationships with all stake-holders across the Council.

To improve efficiency and reduce waste to free up more resources by:

- **S08: Generating efficiency savings** by re-engineering HR processes, by enhancing the performance of outsourced HR providers in terms of service quality, cost and revenue generation and by developing innovative new solutions with external partners.

Section 2: The Drivers

| Driver type | How might this affect our service | Sources |
|--|--|--|
| <p>External drivers</p> <ul style="list-style-type: none"> ➤ Increasingly ageing population, nationally and locally, with low unemployment rates ➤ Increasingly sophisticated population / expectations of value for money services ➤ National Government's modernisation agenda, including: <ul style="list-style-type: none"> • 'Every Child Matters' • Adult Social Services white paper 'Our Health, Our Care, Our Say' ➤ Gershon / Efficiency ➤ CPA2, LAA, Community & neighbourhood leadership, & 'placemaking' ➤ HSE Strategic Intervention ➤ Amendments to pension provisions/entitlements ➤ National pay & workforce strategy and agreement ➤ Equal pay legislation and case law | <ul style="list-style-type: none"> ➤ Fewer local candidates for jobs and a need to improve employee satisfaction and retention ➤ Need to develop SMART recruitment / flexible employment packages ➤ Need to assist the council in finding ongoing efficiencies savings and build capacity ➤ HR practices are a common theme underpinning much of the CPA drivers ➤ Need to develop corporate Health & Safety policies & improve compliance ➤ Need to complete pay & grading modernisation & manage risks | <p>Govt White Papers DCLG Audit Commission IDeA HSE LGE / LGYH</p> |
| <p>Corporate drivers</p> <ul style="list-style-type: none"> ➤ Corporate Strategy including OEP ➤ Easy @ York ➤ Administrative accommodation review ➤ Pay & Grading review ➤ Succession Planning and Workforce Development ➤ Need for improved management information reporting to enable decision making ➤ Need to maximise workforce productivity and reduce costs ➤ Need to promote a health and safety culture and employee wellbeing | <ul style="list-style-type: none"> ➤ Will result in major change management issues across the council ➤ HR will play a key role in the successful delivery of all these changes through the provision of flexible employment practices and processes ➤ De-prioritisation of other less important tasks due to capacity constraints or need for injection of resources. ➤ Need for major systems investment ➤ Develop approaches to enable wellbeing and focus on productive time ➤ Need for more effective procurement, partnership working & invest to save | <p>AC Annual letter CPA action plan Corporate Strategy HR Strategy HSE</p> |
| <p>Directorate drivers</p> <ul style="list-style-type: none"> ➤ Need to improve staff satisfaction | <ul style="list-style-type: none"> ➤ As managers become increasingly aware of their responsibilities around people | <p>Directorate Business Plan</p> |

| | | |
|---|--|--|
| <ul style="list-style-type: none"> ➤ Need to deliver our services within very tight financial targets using the most cost effective means ➤ Improving our performance in all areas of our work using better planning and performance management techniques ➤ Inefficient administration arrangements in Cex. ➤ Completion of Chief Executive’s restructure. ➤ Need to promote a health and safety culture and employee wellbeing | <p>management, HR will need to develop and support them</p> <ul style="list-style-type: none"> ➤ HR will need to refocus its thinking to move away from restrictive policies and procedures and thinking more of direct service delivery outcomes ➤ The requirement to improve HR management information systems to enable managers to better plan and manage their services | |
| <p>Service drivers</p> <ul style="list-style-type: none"> ➤ Lack of understanding of the HR role and low resulting satisfaction levels ➤ Tight budgets for the foreseeable future ➤ Low resource base | <ul style="list-style-type: none"> ➤ Development of clearer Service Level Agreements and Customer Surveys ➤ Need to improve at redirecting resources internally to accommodate temporary capacity issues | |

Section 3: Critical Success Factors (CSFs)

| CSFs for 2007/08 | Why a CSF? |
|--|---|
| CSF1: Lead and support the implementation of the Corporate Strategy including the OEP. | To ensure Council achieves its corporate priorities, and transforms its corporate capacity to meet its service delivery challenges and aspirations. |
| CSF2: Implement an effective HR Strategy for the Council which links HRM and HRD to the strategic direction of the authority and contributes effectively to process re-engineering & improvement. | HR activity needs to be clearly aligned with business objectives. HR resources need to be deployed against the Council's priorities. |
| CSF3: Ensure a fair and equitable pay & grading structure and a modern flexible reward system. | To protect the council against equal pay claims. To ensure the council is able to respond effectively to changing demands. |
| CSF4: Support reconfiguration of services within Directorates and across the Council. | To align resources to the delivery of Council priorities enabling customer service and efficiency improvements |
| CSF5: Implement and embed the leadership and management standards framework in core HR business processes. | To build capacity through the acquisition of key skills and behaviours to better equip staff to deliver more relevant and effective services for York citizens. |
| CSF6: Improve compliance with Health & Safety legislation and develop a culture of health, safety & wellbeing. | To protect the Council from risk and to maximise employee productivity and wellbeing. |
| CSF7: Develop and promote an attendance management culture. | To ensure the council is able to improve service delivery to York residents and to create efficiency savings. |
| CSF8: Develop HR management information capacity. | To enable managers to make informed decisions to manage performance and improve service delivery. |
| CSF9: Fund efficiency savings across the council by developing external partnerships in HR functional areas and re-engineer associated processes. | To help the council manage more efficiently on limited budgets, growing capacity and underpinning unfunded service delivery posts in the HR structure. |

Section 4: Links to corporate priorities

| Improvement Statement (IS) | Contribution |
|--|---|
| Improve leadership at all levels to provide clear, consistent direction to the organisation | <p>Year 1</p> <ul style="list-style-type: none"> • Mainstream priorities into performance monitoring and service plans • Clarify target setting • Define type of organisation we want to be • Non-prioritisation • Communicating corporate strategy/priorities <p>Year 2 and 3</p> <ul style="list-style-type: none"> • Cultural change • Leadership and management standards framework <p>Additional actions/innovations</p> <ul style="list-style-type: none"> • Baseline assessment for corporate culture • Developing shared values • CPA must dos (as detailed in OEP) |

| | |
|---|---|
| <p>Improve the way the Council and its partners work together to deliver better services for the people who live in York</p> | <p>Year 1</p> <ul style="list-style-type: none"> • Links between community strategy, LAA, priorities • Improve effectiveness of LSP <p>Years 2 and beyond</p> <ul style="list-style-type: none"> • Alignment of council plans and strategies • Review community strategy • Review purpose and added value of partnership arrangements |
| <p>Improve efficiency and reduce waste to free-up more resources</p> | <p>Year 1</p> <ul style="list-style-type: none"> • Clarify way forward with systems approach • Support yr 1 efficiency review programme (through application of systems approach) <p>Year 2 and 3</p> <ul style="list-style-type: none"> • Support yr s 2 and 3 efficiency review programme (through application of systems approach) • Review council training procurement • Implement attendance management strategy • Undertake workforce planning exercise |
| <p>Improve our focus on the needs of customers and residents in designing and providing services</p> | <ul style="list-style-type: none"> • Better use of customer data (working with M&C). Also linked to improving corporate planning • Develop ways in which to empower staff and change the way they work in relation to customers • Mainstream equality actions through service plans and equality improvement plans • Improve community engagement with excluded communities • Delivery of equality strategy • Monitor Implementation of new corporate complaints system (need a <i>more corporate approach to information sharing</i>) • Enhance diversity in perf. management systems (slipped to year 2) • Customer input into perf. management systems (slipped to year 2) |
| <p>Support the nine customer facing corporate priorities</p> | <p>Examples of HR contribution:</p> <ul style="list-style-type: none"> • Support development of ways in which staff can become ambassadors for waste minimisation and diversion • Support travel to work survey of council staff • Funding of multi agency & community leadership efforts to develop LAA block themes through DCLG grant monies • Support paramountcy principle for children and young people (ALL CEX service plans) • Support adult education and skills strategy for York by involving CYC as York's largest employer. • Support establishment of limited company and recruitment of a Chief Executive for Science City. |
| <p>Links to other plans</p> <ul style="list-style-type: none"> • Corporate Strategy • Council Plan • CPA / LAA actions • Directorate Service Plans • HR Strategy • Corporate and Directorate Equalities Plans • Health & Safety action plan • National Pay & Workforce Strategy • Regional Improvement Strategy | |

Section 5: Balanced Scorecard of outcomes and measures

The corporate measures detailed in this scorecard are outside the direct control of HR but are clearly affected by its work.

Customer based improvement

| Outcomes | Measures | | | | | Actions |
|---|--|--------------------------|-------------------|-------------------|-------------------|---|
| <ul style="list-style-type: none"> • An improved understanding of the role of HR by CMT and elected members • An improved understanding of the difference between HR and line manager responsibilities • Improved number of job applicants • Increased leadership and managerial capacity | Measure | Current | 2007/08 Target | 2008/09 Target | 2009/10 Target | <ul style="list-style-type: none"> • Develop customer surveys for CMT and members • Develop formal quarterly reviews across directorates • Implement HR strategic targets • Improve the candidate experience in recruitment • Implement Leadership & Management Standards Framework at all levels • Targeted development activities to improve capacity |
| | C1: % of employees expressing satisfaction with their jobs (Coli 56) | 69% | 70% | N/a | 72% | |
| | C2: % of staff expressing satisfaction with the way they are managed | 61% | 63% | N/a | 65% | |
| | C3: % of staff who feel they understand how their job contributes towards the council's objectives | 69% | 70% | N/a | 72% | |
| | C4: % of employee turnover (Coli 58) | 13.09% | 12.5% | 12.0% | 11.7% | |
| | C5: Telephone calls are answered within 20 seconds (CG2) | Qtr 3 94% (Cex's) | 96% (Cex's) | 96% (Cex's) | 96% (Cex's) | |
| | C6: % of letters replied to within 10 working days (CG3) | Qtr 3 95% (Cex's) | 99% (Cex's) | 99% (Cex's) | 99% (Cex's) | |
| | C7: % of stage 2 & stage 3 complaints responded to within 10 days (CM10 & CM11) | Qtr 3 100% (Cex's) | 95% | 95% | 95% | |

Process based improvement

| Outcomes | Measures | | | | | Actions | | | | | | |
|--|---|-------------------|----------------|----------------|----------------|----------------|---|--------------|------------|------------|------------|--|
| <ul style="list-style-type: none"> Improved take up of appraisals Improved attendance levels % of invoices paid within 30 days. | <table border="1"> <thead> <tr> <th>Measure</th> <th>Current</th> <th>2007/08 Target</th> <th>2008/09 Target</th> <th>2009/10 Target</th> </tr> </thead> </table> | Measure | Current | 2007/08 Target | 2008/09 Target | 2009/10 Target | P1: % of employees having an appraisal (CP14) | 74.5% (Corp) | 80% (Corp) | 85% (Corp) | 90% (Corp) | <ul style="list-style-type: none"> Work with directorates to improve take up of appraisals Implement Attendance Management Policy, Procedures and Guidelines |
| | Measure | Current | 2007/08 Target | 2008/09 Target | 2009/10 Target | | | | | | | |
| | P2: No of days lost due to sickness absence (BVPI 12) | 12.5 | 12 | 11.5 | 11 | | | | | | | |
| | P3: % of invoices paid within 30 days (BVPI 8) | Qtr 3 91% (Cex's) | 94% (Cex's) | 95% (Cex's) | 96% (Cex's) | | | | | | | |

Finance based improvement

| Outcomes | Measures | | | | | Actions | | | | | | |
|---|---|--------------|----------------|----------------|----------------|----------------|------------------|-------------|-------|-------|-------|---|
| <ul style="list-style-type: none"> Budget within target Reduction in cost per new starter Reduction in spend on agency contracts Improvement in productivity due to reductions in sickness absence Income Generation to support corporate objectives | <table border="1"> <thead> <tr> <th>Measure</th> <th>Current</th> <th>2007/08 Target</th> <th>2008/09 Target</th> <th>2009/10 Target</th> </tr> </thead> </table> | Measure | Current | 2007/08 Target | 2008/09 Target | 2009/10 Target | F1: Budget Spend | Qtr 3 99.8% | <100% | <100% | <100% | <ul style="list-style-type: none"> Improve attendance management Close management of budgets Further development of Recruitment Pool Promote use of more sophisticated candidate attraction processes Maximise commercial opportunities on corporate contracts |
| | Measure | Current | 2007/08 Target | 2008/09 Target | 2009/10 Target | | | | | | | |
| | F2: Reduction in Cost per New Starter | £249 | £220 | £200 | £180 | | | | | | | |
| | F3: Reduction in Spend on agency contracts | £1.8 million | £1.4 million | £1.2 million | £1 million | | | | | | | |
| | F4: Cost of sickness & lost productive time | £7.1 million | £6.5 million | £6 million | £5.5 million | | | | | | | |
| | F5: Income Generation | £85K | £100K | £130K | £150K | | | | | | | |

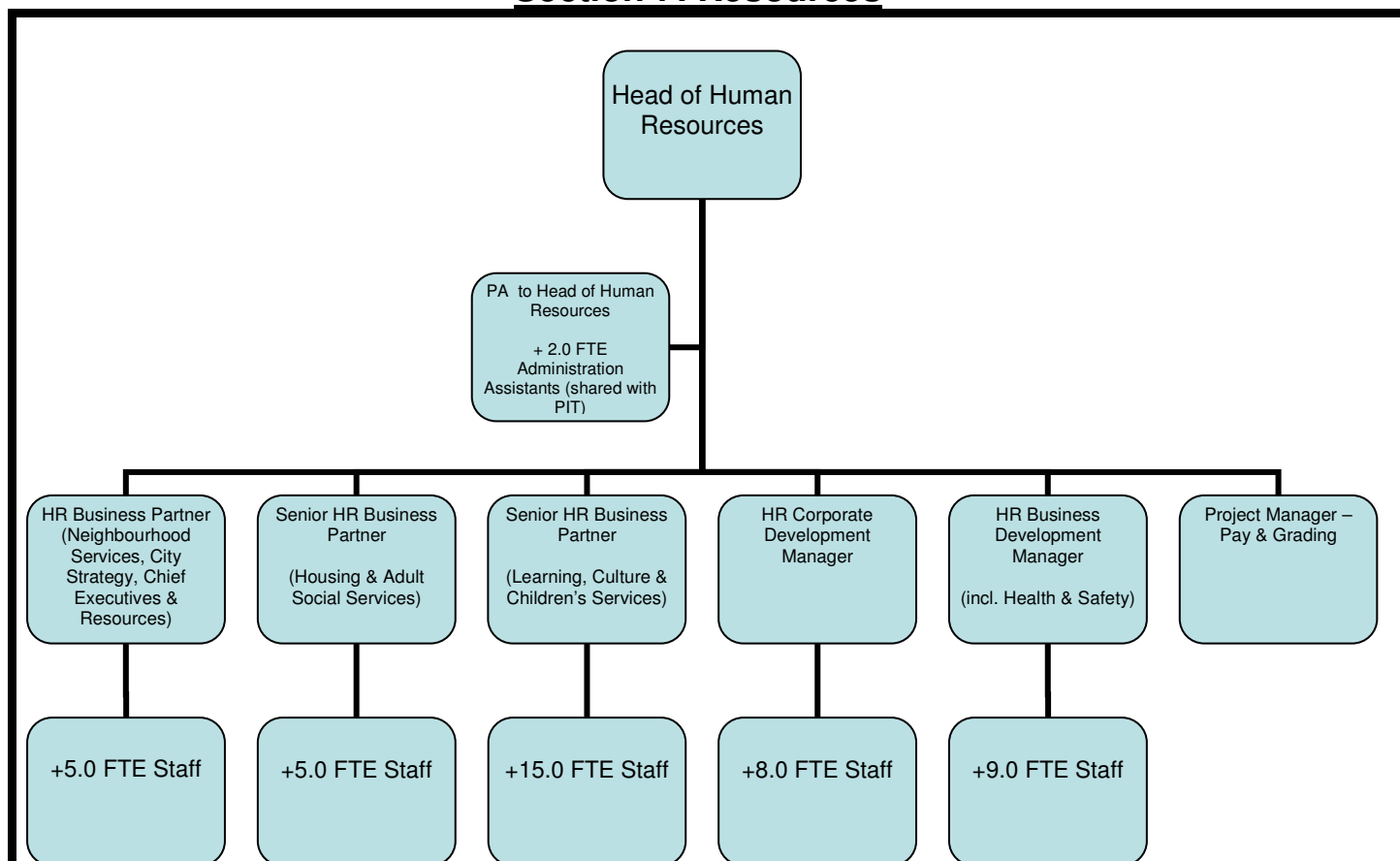
Staff based improvement

| Outcomes | Measures | | | | | Actions | |
|---|--|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-------------------|--|
| <ul style="list-style-type: none"> • Improved workforce reflection of the local community • Improved awareness of the importance of health and safety • Improved people management skills of line managers | <table border="1"> <thead> <tr> <th data-bbox="674 268 1016 304">Measure</th> <th data-bbox="1016 268 1144 304">Current</th> <th data-bbox="1144 268 1272 336">2007/08 Target</th> <th data-bbox="1272 268 1400 336">2008/09 Target</th> <th data-bbox="1400 268 1523 336">2009/10 Target</th> </tr> </thead> </table> | Measure | Current | 2007/08 Target | 2008/09 Target | 2009/10 Target | <ul style="list-style-type: none"> • More innovative recruitment to target minority groups more effectively • Ensuring that equality impact assessments are carried out for all HR policy development • Implementation of corporate Health & Safety policies • Introduction of leadership & management standards framework |
| | Measure | Current | 2007/08 Target | 2008/09 Target | 2009/10 Target | | |
| | S1: % of disabled employees (BVPI 16a) | 2% | 2.2% | 2.4% | 2.6% | | |
| | S2: % of ethnic minority staff (BVPI 17a) | 1.19% | 1.30% | 1.4% | 1.5% | | |
| | S3: No of RIDDOR accidents amongst Council staff (CP11a) | 58 (Corp) 0 (Cex's) | 50 (Corp) 0 (Cex's) | 45 (Corp) 0 (Cex's) | 40 (Corp) 0 (Cex's) | | |
| | S4: % of RIDDORs reported within HSE requirements | 20% | 40% | 60% | 80% | | |
| | S5: No of days lost for stress related illness (CP13a) | 1.97 (Corp) 0.45 (Cex's) | 1.90 (Corp) <1.4 (Cex's) | 1.85 (Corp) <1.3 (Cex's) | 1.80 (Corp) <1.2 (Cex's) | | |
| | S6: No. of days lost due to sickness absence (incl. Stress) (BVPI 12) | 05/06 8.98 (Cex's) | <8 days (Cex's) | <8 days (Cex's) | <8 days Cex's) | | |
| | S7: % staff who have had an appraisal in past 12 months (CP14) | 100% (Cex's) | 100% (Cex) | 100% (Cex) | 100% (Cex) | | |
| S8: Overall Staff satisfaction rating from Staff Survey | 57% (Cex's) | 70% (Cex's) | No survey | 70% (Cex's) | | | |

Section 6: Corporate Issues

| Actions/Evidence | Deadline |
|---|--------------------------|
| Equalities action/s | |
| <ul style="list-style-type: none"> • Complete a job evaluation exercise covering all posts and address historical issues relating to pay inequality. Conduct an equality impact assessment and introduce a new equitable pay and grading structure. | April - Autumn 2007 |
| <ul style="list-style-type: none"> • Develop a range of flexible working opportunities linked to improved work life balance for employees as part of the attendance project & new reward system. | December 2007 |
| <ul style="list-style-type: none"> • Work towards a workforce profile that more closely reflects the diversity of the local population: <ul style="list-style-type: none"> ○ Implement the new statutory equality duties and amend HR policies & processes. ○ Implement the Corporate Employment Equality Improvement Plan (EEIP) and support implementation of Directorate EEIP's. | March 2008 See EEIP's |
| <ul style="list-style-type: none"> • Develop a clear and ethically sustainable succession planning process which identifies potential, provides development opportunities and meets equality requirements at both corporate and directorate levels. | December 2008 |
| Health, Safety & Wellbeing | |
| <ul style="list-style-type: none"> • Corporate: implement and embed corporate H&S policies. | H&S workplan |
| <ul style="list-style-type: none"> • Corporate: Provide enhanced processes for monitoring the health and wellbeing of the workforce and introduce clear programmes for health promotion and improvement. | March 2008 |
| <ul style="list-style-type: none"> • Directorate: Lead on Directorate H&S issues ensuring implementation of corporate agenda | Ongoing |
| Operational Risk – red risk action/s | |
| <ul style="list-style-type: none"> • There are a number of 'critical' and 'high' risks associated with the pay and grading programme. These risks are fully detailed in the programme risk register, for example: <ul style="list-style-type: none"> ○ Lack of thoroughness on pay modelling exercise could lead to high cost decisions based on inaccurate data – thoroughly test all models and conduct impact assessment. ○ Removal of bonus scheme unacceptable to staff leading to industrial action and loss of service continuity and productivity – negotiating plan & business continuity plan. | April – Autumn 2007 |
| Gershon – Efficiency improvement | |
| <ul style="list-style-type: none"> • Reduction in cost per new starter from £249 to £180 | 2009/10 |
| <ul style="list-style-type: none"> • Improvement in productivity by reducing sickness absence costs: from £7.1 million to £5 million | 2009/10 |
| <ul style="list-style-type: none"> • Reduction in spend on agency staff from £1.8 million to £1 million | 2009/10 |
| <ul style="list-style-type: none"> • Better corporate procurement of training (current staff spend is £0.7M across several hundred cost centres) – see OEP | 2009/10 |
| Business Continuity Planning | |
| <ul style="list-style-type: none"> • HR works closely with the Emergency Planning Officer to develop plans to handle a number of issues, e.g.: flooding, heavy snow & bird flu and is included in emergency protocols & meetings. | Ongoing |
| Competitiveness statement | |
| <ul style="list-style-type: none"> • The HR function has gained additional savings through the Recruitment Advertising contract in the last 12 months and tendered for the supply of voluntary benefits to ensure continued best value. • The next 12 months will include the tendering for the supply of agency staff including more Council posts, Chief Officer recruitment. • The HR function is working in partnership nationally and regionally with other councils and key agencies, such as the IDeA and LGYH, in order to build capacity across the pay and workforce agenda. Specific actions include: leadership development partnership, regional learning and development activities, development of a regional web portal for recruitment generating improvement in recruitment processes whilst reducing costs. • The HR function has the lowest resources per employee of all authorities in the Yorkshire & Humberside Region, and one of the lowest in the UK. Ratio of HR staff to employees is 1:173 (HASS HR is 1:272) against a Unitary average of 1:113. • The HR function regularly benchmarks its core activities against other councils, participates in the national People Skills Scoreboard and is a member of the CIPFA HR benchmarking group. | |

Section 7: Resources



37.4 FTE HR funded staff

4.1 FTE Directorate funded HR staff reporting to HR (City Strategy, Neighbourhoods & part LCCS)

6.0 FTE Pay & Grading Programme staff

1.0 FTE easy@york / Accommodation review funded HR staff

Budget

| | <u>2006/07</u> | <u>2007/08</u> | |
|-----------------------|----------------|----------------|---|
| | £'000 | £'000 | |
| Employees | 1,374 | 1,352 | Analysis There has been a 9% decrease in our gross budget since last year. This is mainly due to the full year implications of the restructure of the Chief Executives Directorate. |
| Premises | 1 | 1 | |
| Transport | 7 | 7 | |
| Supplies and Services | 226 | 80 | |
| Miscellaneous | | | |
| – Recharges | 271 | 279 | |
| – Other | 0 | 0 | |
| Capital Financing | 0 | 0 | |
| Gross cost | 1,879 | 1,719 | |
| Less Income | (1,678) | (1,745) | |
| Net cost | 201 | (26) | |

Section 7: Monitoring and reporting arrangements

Formal directorate reporting is carried out twice yearly through City Strategy EMAPs in September and December, with an annual out-turn report in June.

Directorate Management Team performance reviews take place quarterly.

Service area performance reviews minimum standard Quarterly.