Appendix E:

CONTEXT AND CONSULTATION INFORMING THE PEOPLE STRATEGY

1   National Context

Local Government juggles a wide range of demands, needs (sometimes conflicting) and priorities.

Councils, working with partner organisations, are expected to lead our communities, becoming place-shapers and strategic leaders. We need to satisfy rising customer and citizen expectations and work with partners to integrate and personalise services around citizens' needs and choices.

We are expected to deliver on green agenda and climate change. We also need to respond to difficult cross-cutting issues such as:

- social exclusion,
- poor skills,
- drug abuse
- anti-social behaviour.
- an increasingly global economy,
- a growing elderly population,
- greater diversity rising migration.

All councils face these challenges in a context of tighter resources.

- CSR 07 – doing more with less with higher efficiency targets
- New CAA – new performance regime, working in partnership
- White Paper – leadership and place shaping
- Ageing local government workforce
- Local unemployment levels
- Employee engagement and a need to maximise employees' performance and support staff to work in different and more flexible ways.
- Changing models of delivery – new technology and new ways of working, procure vs. provide, shared services**.**
- Co-production of service delivery

These changes will necessitate the redesign of work processes, reduced staffing levels or redesigned jobs. Reward and job evaluations systems will need to be updated to reflect new structures and priorities. Some services may be outsourced, strategic partnerships may be set up.

These challenges are taking place in the context of a highly competitive labour market. The Improvement and Development Agency (IDeA) workforce survey states that:

'Attracting and retaining talent (is) a top priority. The number of skilled jobs in the economy is increasing and the numbers joining the labour market is reducing. Every big employer is looking for people who are good at problem solving and relationship building. All service organisations are looking for people who have excellent customer care skills. To ensure success, future workforce quality will be an important consideration …There is also a major opportunity to link action on public sector workforce issues to authorities' place shaping and economic development role.'

2   Local Government Workforce Strategy

The Local Government Association/IDeA's *Local Government Workforce Strategy 2007* outlines the key strategic workforce priorities for local government to ensure that it has the flexibility and capacity to meet current and future challenges. The 2007 Strategy complements and supports the forthcoming CLG/LGA National Improvement and Efficiency Strategy.

Five strategic priorities from the predecessor Local Government Pay and Workforce Strategy have been retained - but the focus revised. This 2007 strategy sets out key actions for authorities, regional bodies and national bodies over the next few years. These five priorities are now:

- Organisational development – effectively building workforce support for new structures and new ways of working to deliver citizen-focused and efficient services, in partnership.

- Leadership development – building visionary and ambitious leadership, which makes the best use of both the political and managerial role, operating in a partnership context.

- Skill development – with partners, developing employees' skills and knowledge, in an innovative, high performance, multi-agency context.

- Recruitment and retention – with partners, taking action to address key future occupational skill shortages; promote jobs and careers; identify, develop and motivate talent ; address diversity issues

- Pay and rewards – modernising pay systems to reflect new structures, new priorities and new ways of working.

The proposed framework for the 2009 Audit Commission Use of Resources Assessment will emphasise the importance of using human resources to support the delivery of priorities. Effective workforce planning is proposed as a new area for the Use of Resources assessment. It will be important for councils to demonstrate a strategic approach to workforce planning within the new performance framework.

All local authorities will therefore need to maximise employees' performance, introduce more new technology and new ways of working, promote innovation and support staff to work in different and more flexible ways.

The workforce is the council's largest source of revenue investment. Getting the best possible return on this investment is essential if councils are to deliver value for money, the excellent services and the community leadership their residents need and want.

3   The IDeA Local Government Workforce Survey 2006

In 2006, 87.4% of authorities reported a recruitment or retention difficulty with one or more professional/managerial occupations, a fall from 93.4% in 2004 and 90.7% in 2005. 49.2% of authorities reported a recruitment or retention difficulty with one or more non-managerial/non-professional occupations, a fall from the 61.5% of 2005 and 58.4% of 2004.

The occupations most likely to receive market supplements were:
  i.   Social Worker Children and Families (49.4% of authorities),
  ii. Building Control (39.7%), and
  iii. Environmental Health (36.5%).

The most common skills gaps were:
- organisational development and change management (72.1%),
- business process redesign and analysis (61.0%),

- performance management (59.9%) and
- people management (59.3%).

The least frequent (although still very high) skills gaps were customer relationships management (47.7%) and partnership working and community engagement (48.8%).

Annual Gross Training Expenditure (GTE) per employee (median) rose from £233 per annum in 2004/05 to £249 in 2005/06, matched by an increase in the GTE as a percent of payroll (median) from 1.2% to 1.3%. Authorities GTE on member development (median) rose again, increasing from £153 to £263 between 2001/2002 and 2005/2006.

The average (median) annual number of off-the-job training days per employee provided by authorities increased from 1.5 to 1.6 days between 2003/04 to and 2004/05, and was unchanged in 2005/06.

The median labour turnover rate in local government decreased from 14.6% in 2004/05 to 13.6% in 2005/06

4   The Local Context

Haringey ranks as one of the most deprived areas in the country with pockets of extreme deprivation in the east. Worklessness remains an issue in Haringey with around 50, 000 residents of working-age registered as not in work. Despite recent improvements in the employment rate for the borough, at 66.2%, it remains significantly below the England average of 74.4%.

These challenges present an opportunity for Haringey to take a leading role in coordinating action across partner organisations to address local workforce issues that impact on service delivery. As one of the largest employers in the borough, there is also an opportunity to link workforce development to our place shaping and economic development role as a council.

The People Strategy provides a framework for a coordinated approach to people management across the Council and borough. At a local level, there are a number of plans in place that People Strategy will contribute to and assist.

- The People Strategy will support the continued development and embedding of the values across the Council.

- The People Strategy will play a key role in achieving the Sustainable Community Strategy priorities of; 'people at the heart of change'; 'economic vitality and prosperity shared by all', and 'be people and customer focused.

- Haringey's Local Area Agreement (LAA) will tackle the cross-cutting challenges in the borough. The People Strategy will help to support the achievement of specific LAA targets in relation to the number of people from the 12 'worst wards' helped into sustained work.

The Council has improved overall performance progressing from 2 to 3 stars over the last few years within the Comprehensive Performance Assessment framework. A range of measures are in place to ensure that the Council's improvement journey continues towards the highest level.

The People Strategy will fully support the delivery of the Council Plan. Elements of the strategy will shape elements of the council's performance management regime and staff engagement with and understanding of the Council Plan overall vision and its five priorities.

The People Strategy will deliver the personal and cultural changes needed for the council's workforce to become greener, fitter, healthier, and delivering excellent, customer focused, cost effective services

5 HARINGEY COUNCIL: OUR STRENGTHS AND AREAS WHERE IS CHANGE MOST NEEDED

5.1 Consultation and Analysis informing the People Strategy

A number of focus groups with senior and middle managers were held throughout August and October 2007 to discuss the key people issues facing the council and its workforce. There were 5 areas that managers consistently and repeatedly sited as key to ensuring that as an organisation Haringey achieves its ambitions, namely:

- We need to be more externally focussed
- We need visible and bold leadership
- We need to loosen the performance regime
- We need to encourage innovation at all levels
- Managers need to feel trusted to deliver

Additional focus groups were held and a short survey circulated to the Investors in People random sample group of 200 people (at all levels of the organisation). The response rate for the survey was approximately 35%.

The survey tested out people's views on a wide range of issues including ranging from the biggest workforce challenges facing Haringey through to the best things about working for Haringey, the things about working for Haringey that people would most like to improve.

5.1.1 **Positives** from the survey included:

The three best things about working for Haringey were:

1) Satisfaction from doing a worthwhile job working with a diversity of staff and users

2) Opportunities for development

3) and flexible working conditions

78% of respondents enjoy working for Haringey
82% of respondents felt proud (all or most of the time) of the work they do
86% of people feel Haringey is bold and ambitious in what it wants to achieve
92% claim that they feel trusted to deliver by their manager

The best things about working for Haringey included:

'The infinite fascination of working for an organisation with such diverse businesses and the people who work within it.'

'Having lived in the borough for 21 years, i can say that Haringey has more than improved in its delivery of service. Only this morning, i had a resident calling me to say thank you for coordinating works on his street. That was invigorating.'

'Good benefits; Good work environment'

'Living and working in the borough!'

'The challenge and the potential for achieving something outstanding'

5.1.2   Area for Improvement included:

Approximately 40% of managers cited that they spent too much time on administrative work. Common areas where respondents felt they spent too little time included:
- cross-Council project work (58%);
- strategic service planning (50%);
- personal development (50%);
- service innovation and improvement (40%);
- and acting as an ambassador for Haringey (43% - Senior Managers only)

Approximately a third of respondents felt the performance regime was too restricting and over two-thirds felt they would like greater opportunities to work in or with partner organisations and that there is not enough flexibility to move around the Council into different roles.

'Remind senior managers that we work with people, and not targets that have to be met every month!!!'
'Find a way to thank the staff for the extra work they do that is not seen by senior managers.'
'Get senior managers to visit their services and spend time with the service users.'

When asked what were Haringey's biggest workforce challenges, the top five responses were:
- Finding the right people – 57%
- Retaining good staff – 62%
- Ensuring staff feel valued – 55%
- Managing poor performance – 36%
- Giving people opportunities to develop – 31%

- Improvement ideas included:
- 'Reduce sense of instability/uncertainty; 'Demonstrate value for staff at all levels'

- 'Introduce more flexible working; improve cross departmental contact and working; transparent and more democratic decision making i.e. involving staff in strategic and policy development decisions.'

- 'Better and more together leadership; Greater planning of changing demands; Better Member understanding of the framework the officers work within'

- 'Improving the Public's perception of the Council and that anecdotal ' poor performance ' has long since passed; Removing the last traces of 'blame culture'.

- On the whole respondents felt that managers were visible and accessible. However, a number of the qualitative comments indicated that staff wanted leaders to be clearer and more cohesive, to be more involved in the strategic planning process, and shown that they are valued.

The findings reiterated a number of themes that came out of the first round of focus groups, including:
1) the need to improve our recruitment and retention practises
2) the need to encourage innovation
3) the need to become more externally focussed, and

4) One Council approach, particularly through the creation of more flexible roles and career paths
5) The need to improve Harinet and accessibility and sharing of knowledge / information.

The need for better communications was frequently sited as needing 'improvement' throughout the consultation for the People Strategy. However, what is meant by *good* communication varied enormously between people and teams. It was clear that what interested one group did not necessarily interest another; that different groups of staff wanted information to be conveyed in different ways; that stories resonate more than data.

Whilst good internal communications is the responsibility of everyone in the organisation, managers clearly have a central role in this – as has CEMB; Communications and Consultation, OD and HR; Members and IT. Each group has a different role to play; each will have different levels of accountability, responsibility and input into the activities needed to drive and deliver good employee engagement and effective internal communications.

5.2 **Workforce data informing the development of the People Strategy**

The Council employs approx 6985 people (excluding teachers and causal staff), making it the largest employer in the borough. Most employees live locally. The turnover rate within the council is in line with the London average at 14.6%.

In terms of the **Audit Commission performance measures on the workforce**, the following are the key measures and Haringey performance[1]:

5.2.1 Areas of strength:
- The percentage women in the top 5% earners - 54.2% (BV11a)
- The percentage of Black, Asian and Minority Ethnic (BAME) staff within the top 5% earners – 18.2% (BV11b)
- The percentage of the workforce from BAME backgrounds – 44.9% (BV17a)

5.2.2 Areas for improvement:
- The percentage of staff declaring they are disabled – 3.56% (BV16a)
- The council's workforce is ageing, with 15.5% aged 55 or over
- 4% of staff are aged under 25 compared to 15% in the whole economy
- The percentage of staff aged over 50 increases in the higher pay grades
- Sickness absence is just above the London borough average at 9.14 sick days per employee
- The council does not currently monitor the workforce on sexuality or faith
- The council does not currently monitor success rates of candidates by the six equalities strands (age, disability, ethnicity, faith, gender and sexuality)

5.2.3 Areas of most recruitment difficulty:

a) Children and Family Social workers and social carers
b) Environmental health officers
c) Traffic and Highways engineering
d) Planning officers
e) Building control
f) Trading standards

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[1] Haringey Council Employment Profile, April 2006 – March 2007 edition

g) Occupational therapy

5.3 Our **2006 staff survey** and people management monitoring showed that our performance management framework is now well embedded with 88% of permanent employees receiving an annual performance appraisal (SAP monitoring), almost four times the figure for 2002. Some 94% of staff said they understood how their work helped the council to achieve its aims, 90% understood the objectives of the council.

Less positively, only 52% of staff thought that their manager coached them to improve their performance and only 63% of staff felt they received timely feedback.

5.4 In November 2006 we retained **Investors in People status** against the newer and harder standard. Commenting on interviews with staff the report found; 'an excellent level of enthusiasm and initiative.'

In summary, our areas of strength were:
- Communication and understanding of the council's key priorities
- Strong culture of learning and development activity
- Staff engagement
- Constructive relationship with Trade Union representatives
- Development programme for elected Members
- Induction, both corporately and locally
- Development programme for Members
- Top managers walking the talk

Areas where development were:

- Further work to assess managers against competencies and standards
- Clarify how performance is measured
- Work to lessen the effect of the cynics
- Communicate considerable investments made in our people
- Take opportunities to reflect on why things don't work and learn form them
- Rationalise indicators for the five priorities