

North Yorkshire County Council

Corporate and Partnerships Overview and Scrutiny Committee

19 March 2012

HR and Communications Unit Work Plan and focus

1 Purpose of Report and Introduction

- 1.1 This report outlines the ongoing HR and Communications work programme. Work continues to focus on supporting the County Council in restructuring and change particularly around the One Council Programme. Good communication and involvement of staff at a corporate and local level on the changes which affect them continues to be important.
- 1.2 A programme of work to automate and streamline employee admin processes has been ongoing for three years with a number of developments already implemented. Work continues with links to the One Council workstreams to ensure benefits realised as a result are captured, recorded and understood.

2 HR work to support ongoing budget savings

2.1 Ongoing work focuses on 4 areas:

- Continuing to support both Directorate restructurings', to deliver MTFS savings, and the One Council workstreams and programme as a whole, to deliver £7.6m savings by changing working arrangements and structures throughout NYCC.
- Continuing to support staff in a redundancy position focusing on redeploying and re-skilling staff to maximise their ongoing employment opportunities.
- Implementing changes to staff terms and conditions to deliver £2m savings.
- Continuing to move all staff/HR processes online to deliver savings and improve efficiency for staff and managers.

3 Support to Directorates

- 3.1 The scale of Directorate restructuring is such that HR resources continue to focus on supporting Directorates and One Council workstreams to develop and deliver changes. Of the hundreds of staff affected by restructurings over the last 12 - 18 months there have been only a handful of appeals and a couple of tribunal claims.

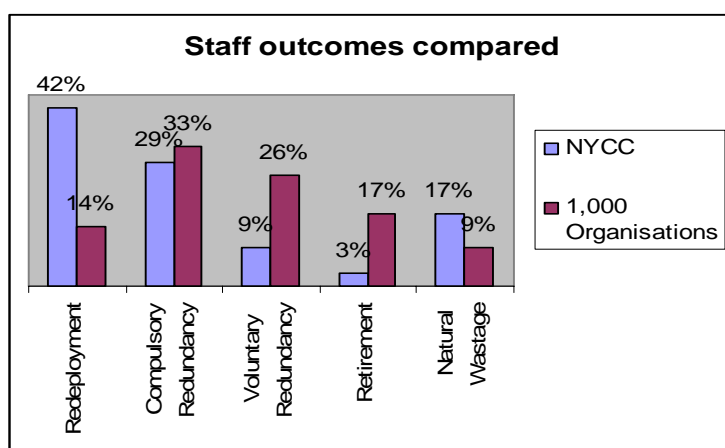
3.2 HR continue to provide advice and guidance as well as coaching and managers are increasingly comfortable with being self sufficient and less reliant on HR for direct support and intervention.

4 Redeployment and Redundancy Support

4.1 The position to date is as follows:

- 73 of 92 restructures have been completed with nearly 500 posts deleted
- Currently over 450 staff have been displaced
- 205 staff have been redeployed and 21 staff are currently on the redeployment register
- There have been 42 voluntary and 140 compulsory redundancies and 17 staff have retired on the grounds of efficiency
- Over 80 posts have been deleted for 'other' reasons: staff leaving, reduced hours, deletion of vacant posts, non renewal of fixed term contracts
- An overall reduction in FTE (non schools) of some 650 posts since 09/10

4.2 The Executive allocated a budget of £5m from PIP to fund redundancy and retirement costs. To date spend is at £2.4m. This compares well with other authorities nationally and locally with spend for larger unitaries in Yorkshire and Humber exceeding £10m. This relatively low spend is a direct result of the effort to support and redeploy staff in a redundancy position. The chart below compares outcomes for NYCC staff with a study of 1000 down sized cross sector organizations (by Cranfield School of Management)



4.3 The number of active redeployees registered on the internal talent pool has risen steadily to a peak of 125 at the end of February, but dropped to 21 as of early March 2012 as more staff have been redeployed or redundancies have taken effect.

4.4 To recap redeployment support has over the last 12 – 18 months included:

- Access to a range of resources on a dedicated staff information site including policies and procedures, Frequently Asked Questions, relevant articles, 'How to' guides, links to e-learning training and external websites offering specialist support.
- Over 230 employees have benefitted from specialist 'Getting Started' workshops offering guidance and advice on registering for redeployment, how redeployment works, regional redeployment arrangements, funding

for free training, self employment and setting up a business, resources to support job seeking, CV's, careers advice, and interview skills training. 100% of attendees rated them as valuable.

- Priority for all NYCC vacancies on a 'self select' basis. The online internal talent pool matches redeployees to vacancies according to their working preferences (e.g. location, job types, hours etc) and transferable skills and experience. There is a robust approach with managers on appointing redeployees who are successful at the short-list or interview stage. To date every redeployed employee has successfully completed their trial period in their new post.
- Flexible support provided dependent on redeployees' needs. This has included on site information fairs with multiple external agencies, small group or individual job application and interview skills sessions, access to free training including Prince 2 project management, and specific sessions for senior and specialist staff focussing on career progression and management, networking and alternative methods for job seeking including social media. Partnership working has secured redeployment for NYCC staff into neighbouring Councils.

4.5 This approach and level of support has hopefully demonstrated to employees the County Council's genuine commitment to support staff affected by redundancy helping them achieve job satisfaction and continuity of employment. Many employees successfully redeployed are thriving in the new challenge of different roles and teams.

5 Changing Terms and Conditions

5.1 Work to implement changes to staff terms and conditions to deliver savings of £2 million concludes on 1st April 2012. In March 2011 following a ballot of union members UNISON signed a collective agreement to cover the following changes which apply to all council staff, (except school based teachers).

- **Reducing Mileage Rates from 47p to 40p 1st April 2011**
- **Reducing Pay protection from 2 years to 1 from 1st April 2012 and for Home to Work travel mileage protection from 1st April 2011**
- **Removing overtime enhancement from 1st April 2012**
- **Increments – removing the top increment for those at the top of their pay band who are not performing satisfactorily from 1st April 2012 -** The performance criteria applied to incremental progression is that staff in the last 12 months have a satisfactory appraisal, no conduct or capability issues and no more than 7 days off sick in the last year or a total over the last 3 years of 21 days. This criterion will now apply to staff at the top of their pay spine resulting in the removal of the top increment if they are not performing satisfactory.
- **Stopping additional ad hoc payments from 1st April 11 –** including long service and attendance awards
- **Unpaid Leave from 1st April 2012 -** The introduction of 2 days unpaid leave for all staff (apart from exceptions agreed on the basis of cost of

cover). This leave, where possible, to be taken over Christmas break, alongside 1 days annual paid leave, facilitating a Christmas closedown for appropriate Council building and services.

6 Work to Reduce overheads and staff costs as a result of new processes and approach

Initiatives continue to automate and modernise employee admin processes change processes:

6.1 **HR eDRMS** – The electronic document system used to store and manage employee files is now operational and used by a number of service areas. It is integrated with the HR/Payroll system to provide automated employee processes with a facility for e-post alongside the employee files, so employee related documents can be scanned and available through manager inboxes.

The rollout of e-staff files is under way and will be complete by December 2012. Some areas namely FCS, BES, Schools and most of CEG are now operational.

Analysis is ongoing of the various processes associated with the employee files to understand the savings to be achieved. The following time savings in hours per month (non schools) are being ratified so the relevant One Council workstreams can consider these alongside any process reviews and proposals.

| HR/Admin | Manager | Total |
|----------|---------|-------|
| 381 | 296 | 677 |

Projected savings on storage and disposal are estimated at some £50 – 70k. In addition there are obviously consumable savings from the reduction in paper, postage and printing.

6.2 **MyView** – Self service for managers and staff continues to be rolled out. Existing functionality available through MyView is:

- payslips/P60 documentation
- timesheets
- expenses
- increments
- create and fill a post
- vehicle Maintenance
- exit questionnaires for staff leaving to complete

To date these initiatives have generated savings of approximately £12k per annum and not publishing County Talk has saved a further £6.5k.

The next development is online leave including sickness absence recording. This is being tested for use from 1st April 2012. It enables all staff to book and manage their leave entitlements replacing leave cards and existing spreadsheets.

Various staff groups now submit timesheets electronically including ICT, Clerks to Governors, Adult and Children's Social Care, Highways. Other groups still to

come on board are Building Cleaning and Catering. This development has resulted in some consumable and staff savings related to Payroll processes.

- 6.3 **E-CRB** – The new e-CRB module forms part of the recruitment vacancy management system which is now ready for rollout to NYCC and partner organisations. CRB National authorised NYCC to operate the system in January 2012 and work is focussed on ensuring internal processes are adapted to operate electronically. Implementation will see a reduction in processing times from around 6-8 weeks to 7-10 days on average.

Savings will result from postage and staffing with postage savings at approximately £7k per annum and the recruitment administration function being reduced by 50%. Other resources outside of HR will be reviewed as part of the One Council Admin and Business Support workstream to identify further savings opportunities.

- 6.4 **Online Recruitment** – recruitment services have worked hard over the last few years to move advertising online rather than in the press wherever possible. This alongside a reduced number of vacant posts has resulted in significant savings on staff advertising as illustrated below:

| Jan - Dec | 2007 | 2008 | 2009 | 2010 | 2011 |
|---------------------------|-------|-------|-------|-------|-------|
| Recruitment (Non Schools) | £475k | £370k | £281k | £152k | £35k |
| Schools Recruitment | £266k | £280k | £169k | £160k | £132k |

Recent benchmarking analysis for the Local Government Sector shows the average number of days taken to fill a vacancy across all Local Authorities is 47 working days (from vacancy notification to offer) NYCC current time to hire is 32.2 days (31.5% below the average). The average cost per hire is detailed as £491 with NYCC's current cost per hire Q1-Q3 at £93 (81% below the average).

- 6.5 **Intranet redesign & automation of policies & procedures** - The Staff Information site on the intranet is being redesigned to make access to information easier and help managers find what they need without detailed support from HR.

The majority of the policy content is being automated so managers are prompted at the various stages of the process where action is required based on the information provided. This will follow the life cycle of an employee.

The savings associated with this work will be determined through the One Council workstreams. Automation of staff processes will see efficiency savings for managers, administrators and HR staff.

- 6.6 **E-Learning** - The online learning system the Learning Zone continues to be developed. Ongoing system developments link it more completely to TAS (Training Admin System). Online learning is now available for all staff for a range of training needs. The focus to date has been on mandatory knowledge based training such as Equality and Diversity, Health and Safety, Data Protection/Freedom of Information and a range of other commonly identified training needs such as Managing Meetings, Time Management, Report Writing, Basic Project Management. Further online products due to be purchased cover a combination of knowledge and skills such as Recruiting staff (for Managers), Customer Care, Safeguarding in recruitment (for Managers). A new

comprehensive learning platform for Managers is currently being piloted. This covers all management training areas including managing staff performance, change management, project management, partnership working, etc. The platform mirrors the approach being taken to online learning in that it includes not just straightforward e-learning but online tutor groups, webinars, and some face to face learning sets where needed. Staff are able to access the Learning Zone from any computer, so staff who do not have access to a work computer can be allocated time to undertake mandatory training at home, and where necessary CDs can be produced of the training content.

Staff are increasingly comfortable with the move to online learning as it provides them with greater flexibility in terms of access and time it is undertaken. From an organisational point of view it means large numbers of staff can be trained on essential knowledge areas at very low cost. For example the online mandatory Equality and Diversity training is available to 20,000 staff (including schools) at a cost of a few pence each. This coverage simply would not be possible with face to face training given the cost, time required and other expenses incurred, notably mileage and venue costs.

- 6.7 **E-Appraisal** – is currently being developed for introduction in May 2012. This will complete the system links needed between Learning Zone, TAS and e-appraisal so when staff identify development needs during their appraisal, the system will detail the training available to meet those needs (online, classroom or external if specialised) and where classroom based a course can be booked or if online a timeframe set for completion. This will then be automatically recorded on the individuals training record and an alert sent to the manager if the individual does not complete the training in the agreed timeframe.

7 Communications

- 7.1 **Internal** - Communication and engagement with staff continues to focus on the One Council change programme, and the ongoing delivery of the savings. Communication with staff has continued to focus on key messages around the programme;

- thinking like a customer,
- simplify, standardise, share,
- being flexible, effective and efficient,
- performance focused,
- taking responsibility and
- being challenged and being prepared to challenge.

- 7.2 There has been specific information for different workstreams for the staff involved. On a Council wide basis staff have been encouraged to become volunteers in workstreams where they have an interest, with volunteers involved in workshops and kept up to date with information on the workstream. Frequently asked questions are updated to keep staff informed on changes and more general messages on the programme and its purpose have run through all engagement activity.

- 7.3 The intranet continues to be the main channel of staff communication, with links and prompts provided to access the intranet internally or from an external PC. The staff newsletter, Your Council News, has been developed to reach staff

who do not have access to a PC or the intranet, and summarises the months news. In addition case studies that reflect improvements on the One Council themes are included in the newsletter and on the intranet, focused on interviews with staff. There are regular monthly emails to managers from the Chief Executive, highlighting important news and providing links to further information. In addition, there continues to be a message to all staff from the Chief Executive every fortnight.

- 7.4 Support for staff engagement and communication will now be focused on the next stage of the One Council programme, which will be to reinforce the key messages of the programme, whilst explaining in more detail how it will be implemented and what this means for staff. This will involve embedding these changes by clearly defining the role of the manager and what is expected of staff in terms of communication. Video clips, as well as audio and written articles and news items will be used to communicate information and updates, supplemented by face to face discussions and presentations to staff by their managers and senior managers, across the council.
- 7.5 **External** - Activity in external communications has focused on development of a partnership with one of the local newspaper owners, Johnston Press, to include council information in six of their newspapers. This partnership results in one page per month appearing in the following publications;

- Scarborough Evening News;
- Harrogate Advertiser;
- Whitby Gazette;
- Malton and Pickering Mercury;
- Selby Times; and
- North Yorkshire News.

So far pages have been produced at the end of January and February. There is flexibility on the amount of space, with the option to increase or reduce content depending on the Council's requirement for resident information in those areas at that time. On average each page includes six council news items, relating to the local area, with links to both the council and newspaper websites. The cost is linked to the council's level of public notices in these publications. As this is a pilot, use of the local newspapers over the next six months will be monitored and measures put in place to evaluate its effectiveness, which will be reported to members.

- 7.6 In addition, the Council has launched its own e-newsletter, North Yorkshire Now, linked to an improved online news service via the Council's website, to which residents can subscribe. Published online since August 2011 it has in the region of 4,000 subscribers and is issued at the start of each month. Initiatives continue to boost subscriptions to the newsletter.

8 Restructuring of Operational HR Services

- 8.1 HR Services was previously restructured in 2009 with the creation of the HR Shared Service Team bringing HR Admin and advisory teams together to provide a more consistent approach across Directorates with a focus on self-service for managers, reducing their reliance on prescriptive HR advice and input. The Corporate HR functions and teams were restructured in 2010 in

order to achieve the required MTFs savings totalling £485k across 10/11 and 11/12.

Further restructuring is now underway to:

- Meet the ongoing savings requirements for HR of £235k in 12/13 and 13/14
- Further reduce HR admin in line with automated processes
- Continue refocusing HR to move away from intensive support of managers to a more proactive workforce performance focus in support of the wider organisation whilst moving managers to greater self service and self reliance.
- Move admin and business support functions/resources across all HR areas (including schools traded services and the HR Systems team) into the new structures determined by the One Council workstream for Admin and Business Support
- Reflect the need for less operational HR support and staff in line with the continued reduction in the Council's workforce
- Reflect the reducing schools workforce due to Academy developments and the resulting reduction in HR support needed and the loss of income.

9 Recommendation

9.1 That Members note the ongoing HR and Communications Work Programme.

Justine Brooksbank
Assistant Chief Executive (HR & OD)

County Hall
NORTHALLERTON

Author: Helen Edwards
Contact Details: Tel 01609 532104
E-mail: Helen.edwards@northyorks.gov.uk

Author: Kelly Hanna
Contact Details: Tel 01609 533451
E-mail: Kelly.Hanna@northyorks.gov.uk

Author: Emily Wren
Contact Details: Tel 01609 798634
E-mail: Emily.Wren@northyorks.gov.uk

Date: 8 March 2012

Background Documents: None