

ITEM NO. D1

TITLE: HUMAN RESOURCES STRATEGY AND COMPETENCY

FRAMEWORK

TO/ON: THE CABINET / 7TH DECEMBER 2005

BY: HEAD OF HUMAN RESOURCES

PORTFOLIO

CABINET MEMBER FOR HUMAN RESOURCES

HOLDER:

STATUS: FOR PUBLICATION

1. PURPOSE OF THE REPORT

1.1 To brief Members on the Human Resources Strategy and the Competency Framework.

2. **RECOMMENDATIONS**

- 2.1 That the report and its contents be noted.
- 2.2 That the Human Resources Strategy and Competency Framework be approved.

3. REPORT AND REASONS FOR RECOMMENDATIONS

- 3.1 The Human Resources Strategy establishes a framework to deliver better productivity and greater customer focus in front line services by building capacity through partnership, and ensuring that the Council has the right numbers of people in the right places with the right skills. There are major challenges; there is an urgent need to improve service delivery and value for money.
- 3.2 Alternative models of service delivery is a key driver to change with in the Human Resources Strategy. The Council has to build capacity within the organisation to ensure that improvements in service delivery can be sustained. Additional investment is needed which can only be achieved through working in partnership. Human Resources contributes significantly to this process via the provision of advice relating to Work force Agreements, Codes of Practice, TUPE, and Trade Union consultation. In addition, the ODPM have stated that the most successful and efficient organisations are those which will make the most effective use of e.government.

This requires the Council to redesign it's back office functions, making it easier, faster and cheaper to process information. As the Council changes there is a further need for Human Resources expertise in relation to the implementation of contractual and structural change.

3.3 Performance Management is a key method of helping the Council deliver lasting improvements. The Audit Commission has found during the CPA process Councils, especially "poor" and "weak" had a number of consistent weaknesses primarily a lack of investment by authorities to achieve improvements, both in management skills and front line workers and poor performance management in relation to people.

Effective performance management ensures individuals and teams know what they should be doing, how they should be doing it and take responsibility for what they achieve. Through the use of competencies, policies and procedures Human Resources contributes to the development of performance expectations in relation to employees. In addition it takes the lead in communication via the management of the Trade Union interface and consultation. Human Resources is crucial in supporting employees to perform well by providing effective training including induction, seeking performance improvement by establishing reasons for underperformance, this may mean training, disciplinary measures, redeployment, management of attendance and the development of recognition and reward schemes to enforce the message that performance management is important.

- 3.4 All authorities are required to adopt effective strategies for managing a diverse workforce that fully reflects the population they serve. Councils need to be able to **demonstrate** that they involve under-represented groups at all levels in the Authority. Human Resources provides practical support on the implementation of equality legislation and mainstreaming equality into all aspects of management practice and service planning and also ensures that diversity has been mainstreamed within HR policies and practices. Human Resources additionally monitors as per the Councils legal requirements of the Race Relations Amendment Act, and advises on Equality Impact Assessments. In addition Human Resources takes the lead on the implementation of the Equalities Standard for Local Government.
- 3.5 The delivery of consistent and effective service improvements relies on the skills and capacity of the workforce. Organisational development is one of the most important HR interventions that Councils can make to build a skilled, high performing workforce capable and **willing** to deliver quality services. The Council has invested in management development through commitments to support employees via the East Lancashire Leadership programme, the Diploma in Management Studies and Management Skills Training. The Council is still changing and there is a requirement for different skills and competencies. Human Resources plays a crucial role in developing and recruiting to these competencies.

- 3.6 The Council has now developed its own competency framework. A Competency is generally defined as the behaviours that employees must have or must acquire, to achieve high levels of performance. The competency is a signal from the organisation to the individual of what is expected in that particular area of performance. It provides the individual with an indication of the behaviours that will be valued, and recognised. The Rossendale Borough Council Competency Framework identifies five key core competencies which have been identified as essential to deliver the Council's improvement agenda.
 - Listening and Communicating
 - Loyalty
 - Management of Performance
 - Celebration of Success
 - Customers Matter
- 3.7 Each of the competencies can be observed through key behaviours. Progress in relation to the competencies will be monitored via the PDR process which is also used to identify individual training needs.
- 3.8 Without the right people in the right place at the right time it is unlikely that the most comprehensive business plan will deliver the step change in performance being demanded of local government. Most of the Council's improvement comes from the right people with the right knowledge, skills and behaviours deployed throughout the structure. Workforce planning helps Councils to deliver that deployment. It provides the opportunity for longer-term thinking about future service pressures and needs for people development, financial and change development. Effective Human Resources Management is essential to identify organisational capability gaps and identify solutions to fill them and develop a workforce plan for the future workforce requirements of the Council.
- 3.9 The priorities for improvements will result in more change for staff. Even though 88% of staff agree that the Council needs to change only 18% are comfortable with the way that change has been achieved to date. (Nov 2005) There is an appropriate balance between increasing the pace of change to satisfy customers whilst striving to be recognised as a good employer. However, the key challenge is maintaining business continuity at a time of change. A key feature of the Human Resources Strategy is engaging employees and Trade Unions in the change process.
- 3.10 The priorities for improvement affects Council Members as well as staff. A framework needs to be established to enable Members to develop their role as Community Leader and enable them to acquire skills and competencies in this new role.

- 3.11 The outcomes associated with the delivery of the strategy
 - Build capacity to deliver and maintain high performance and customer satisfaction
 - Deliver a culture of continuous improvement where the customer is the heart of focus for staff
 - Develop a representative workforce which meets the needs of local people
 - Ensure the skills and competency base of the workforce is highly developed
 - Provide good communication which motivates staff
 - Establishes a framework for the role of Community Leadership
- 3.12 A copy of the Human Resources Strategy is attached at Appendix A. The Strategy has been updated in light of comments from the Overview and Scrutiny Committee.

4. CORPORATE IMPROVEMENT PRIORITIES

4.1 This report impacts on all eight of the Council's corporate objectives and the fulfilment of 8 x 8 by 2008.

5. FINANCE (INCORPORATING PROCUREMENT AND RISK MANAGEMENT)

5.1 The HR Strategy is part of good management practice and self financing. However, the capacity and support required for managers may be an issue.

6. MEMBER DEVELOPMENT

6.1 A competency framework for Members does not currently exist but this could be an area of development.

7. HUMAN RESOURCES

7.1 The Strategy contains activity that impacts all Council staff. The development of the competency framework will be delivered via the organisational development plan. The Human Resources Business Plan underpins the delivery of the Human Resources Strategy and details all activity to be undertaken.

8. RISK

- 8.1 Implementation of the change agenda and consequential service improvement is dependent on adoption of the Strategy and Competency Framework
- 8.2 Capacity in relation to Human Resources Team
- 8.3 Impact of the Job Evaluation process on the Human Resources Team and the Council

9. LEGAL IMPLICATIONS ARISING FROM THE REPORT

9.1 N/A

10. EQUALITIES ISSUES ARISING FROM THE REPORT

10.1 The Competency Framework does not disadvantage any single group

11. WARDS AFFECTED

11.1 All

12. CONSULTATIONS

- The ODPM
- Senior Management Team

13. For further information on the details of this report, please contact: Liz Murphy, Head of Human Resources (01706) 244760.

14. Background Papers

Pay and Workforce Strategy for Local Government Version 3