

SURREY COUNTY COUNCIL

CABINET

DATE: 27 MAY 2014



REPORT OF: MS DENISE LE GAL, CABINET MEMBER FOR BUSINESS SERVICES

LEAD OFFICER: JULIE FISHER, STRATEGIC DIRECTOR, BUSINESS SERVICES

SUBJECT: HIGH PERFORMANCE LEADERSHIP DEVELOPMENT PROGRAMME

SUMMARY OF ISSUE:

The County Council is performing strongly. We are working as “one team” with our partners to ensure Surrey residents receive high quality and value for money services. We are making positive differences to people’s lives every day. A large part of this success has been the growth in good leaders with exemplary leadership skills and behaviours. This has a direct impact on the morale and well-being of staff who, in turn, become happier at work and can give an excellent service to residents. A Coaching Programme took place between 2009 and 2013. 1,545 people went through the programme and it has played a key role in building good leadership at Surrey. This was Phase 1 of the Leadership Development Pathway. We have now developed Phase 2 - the new High Performance Development Programme (HPDP) – which will take performance to another level. It will be focused on enabling leaders and managers to address the most difficult issues they face at work; the issues which challenge them the most.

After a successful pilot of the new HPDP, carried out between November 2013 and April 2014, a procurement exercise has been completed to enable us to secure a supplier to deliver the full programme. We are now in a position to recommend the award of contracts to the suppliers identified below and set out in the Part 2 report (item 21), starting on 11 June 2014.

RECOMMENDATIONS:

It is recommended that contracts be awarded to the preferred bidders of WillisClare Ltd and Penna Plc as agreed on the basis set out in the Part 2 report.

REASON FOR RECOMMENDATIONS:

Leaders and managers are going through one of the most difficult phases ever to face the public sector. Surrey has to find £260m savings over the next three years and leaders and managers need to have the resilience to be able to lead and implement unprecedented transformation and still keep services performing well. The previous coaching programme has started to deliver real benefits for residents and the High Performance Development Programme is designed to take performance to another level.

There is a strong attraction now to working at Surrey. The coaching programme has enabled us to excel and improve our practice and performance both individually and as an organisation. We have significantly improved in terms of our service to residents - how we

communicate, how we understand residents and listen and engage in discussion with them. The objective of this investment in leadership development is all about quality of service for residents. We want people to be proud to work here so they can give the best service they can. To do this we are growing leaders who excel at upholding the council's values at all times. Our staff tell us they come to work because they want to make a difference to people's lives; they are motivated by sense of public service. It is in turn important for us as a council to invest in our people.

The HPDP will be delivered to all those who have line management and leadership responsibility. This will directly impact over 1,000 staff, and will deliver a pathway of development and training from an entry level coaching programme to a senior and director level development programme. The intention is that as managers progress through the organisation, they will acquire the right level of skills, support, training and development to enable them to be high performing leaders and managers and to progress further through the organisation.

DETAILS:

1. This report recommends that a contract for the provision of HPDP, to commence on 11 June 2014, is awarded to the suppliers named in this report. This report demonstrates why the recommended contract awards deliver best value for money for Surrey residents.
2. The Council's People Strategy for 2010 – 2014 has identified a need for a high performance development programme to further develop the leadership capabilities within the organisation. Between 2009 and 2013, coaching has helped the County Council shape a workplace where people thrive and grow, as well as being pivotal in culture and performance improvements. The coaching outcomes, over the last four years, have positively affected the quality of the service residents receive in whatever way they come into contact with our staff. During this time Surrey has seen:
 - 55% increase in resident perception of SCC employees attempting to understand their needs
 - 5% improvement in how employees view workload, supervision and change
 - perception from 80% of coaching programme delegates that their own performance has improved as a result of the coaching
 - 60% of delegates believe SCC's performance has improved as a direct result of the coaching programme
 - Sickness absence has significantly improved from 13.2 days per FTE in Oct 2008 to 6.49 days per FTE in March 2014
3. Staff who feel happy at work convey this to their customers. The coaching has also helped generate a strong learning culture where people are encouraged to take responsibility for their own learning and development and avail themselves of the training and development on offer at Surrey. This is an important part of quality control in service delivery.
4. In reviewing and consulting on the future needs for the next phase of leadership development across the council, the HPDP programme is helping to bring about the vision of the Leader of the Council to work together as **One Team**. The level of performance the Council aspires to will be more an outcome of culture, relationships and mindset than it will be of structure. The HPDP will be key in helping build a more

networked organisation where everyone is working together to deliver the strategic priorities for residents.

5. The HPDP is designed to build resilient leaders who can:
 - a. Challenge unacceptable behaviour and address conflict and poor performance
 - b. Create a no blame culture
 - c. Seek feedback on their own performance and be open to constructive challenge
 - d. Be aware of how their mood can impact on others: emotional intelligence
 - e. Lead teams inspirationally, in particular in difficult times
 - f. Involve and empower people through inclusion in decision making

6. A pilot of the HPDP took place between November 2013 and April 2014 and 68 senior leaders attended. There has been good feedback and people talk about being better able now to:
 - Engage in more open and straight conversations around performance
 - Have greater awareness of their impact as a leader
 - Put into effect skills and knowledge to make appropriate changes in their leadership approach

So that they can:

- Build their resilience
 - Support their teams and colleagues through difficult times
 - Have more courageous, honest conversations in the most challenging of circumstances
 - manage the challenges they will encounter in leading transformation whilst maintaining the delivery of consistent and high performing services
7. Our experience with the pilot has led to the formation of a leadership development pathway. This will enable managers to acquire the right skills and support at every level, as they move up through the organisation, starting at induction. The pathway model is set out at Figure 1. Details of each programme can be found at Annex A.

Figure 1 below shows the leadership development pathway model.



8. There will be an emphasis on practising these new skills to enable people to address difficult issues immediately after returning to work following the programme. Through the extended coaching support, peer-buddying and practice tool kits, leaders and managers will be well supported back at work to be able to raise the performance of their service.

. Members

9. Members have a specific leadership role to play for Surrey. Member support and development, needs to be tailored to the specific nature of that role.
10. Member leadership development needs to be designed to support Members' community leadership role as well as their role in decision making and policy making at the council. Coaching as a skill can be a support and resilience tool for Members to help them, for example:
 - Engage in more effective conversations with challenging people
 - Have greater awareness of their impact as community leaders
 - Put into effect skills and knowledge to make appropriate changes in their approach, so that they can:
 - Build their own resilience
 - Be supported and support others through difficult times
 - Have more courageous, honest conversations in the most challenging of circumstances
11. A programme of coaching tailored specifically with Members, for Members, will be developed to offer a continuous development opportunity for members by providing high quality executive one-to-one coaching sessions; coaching opportunities to help people understand their personal impact as well as 360° feedback and equipping people with tools, ideas and approaches to enhance their strategic influence.
12. This will be available on a voluntary basis for Members. We will progress the development of this offer with Members via the Members' Development Steering Group.

Procurement Strategy

13. There is no existing or comparable contract for the provision of a HPDP (Programmes A – D), therefore a full tender process, compliant with the European Public Procurement Regulations and Procurement Standing Orders has been undertaken
14. After a full and detailed options analysis it was decided to invite tenders / award a contract as this demonstrated best value for money from the options appraisal completed.
15. These tenders were then evaluated against the criteria and weightings in the part 2 report.

Use of e-Tendering and market management activities

16. In order to open the tender process to a wider range of suppliers than have previously been involved, an electronic tendering platform was used.
17. The tender was advertised through the electronic tendering system, via Contracts Finder and directly with a number of known suppliers that would be interested in

delivering this contract, including those currently providing training services to Surrey County Council.

Key Implications

18. This is a key programme for the council to develop future leaders to deal with the challenges facing local government, as well as support and empower their staff to deal with uncertainty and deliver high quality services.

19. By awarding a contract to the suppliers detailed above and recommended in the Part 2 report for the provision of the HPDP to commence on 11 June 2014, the Council will ensure that leaders and managers are equipped with the skills, tools and techniques required to lead the organisation. The key purpose of this programme is to support leaders:

- a. To perform to their best, by increasing their own awareness of their impact as a leader
- b. Develop a strategic mindset to help them better navigate through the uncertainties and challenges ahead
- c. To develop the way they lead and manage others

20. Performance will be monitored through a series of Key Performance Indicators as detailed in the contract and reviewed at monthly operations meetings. The top performance indicators and targets for each are as follows:

KPI Ref	Service level agreement	KPI	Target / measurement
1	Formal Complaints	<ol style="list-style-type: none"> a) All complaints acknowledged within one working day of receipt. b) Written response to complaint within five working days. c) Written response to escalated complaints within a further 5 working days 	<ol style="list-style-type: none"> a) Complaint report b) Data to be included in Management reports. c) 100% of responses received within 5 working days
2	Evaluation	<ol style="list-style-type: none"> a) Delegate satisfaction survey after each activity/cohort. b) Client satisfaction survey at end of regular intervals throughout the programme – line managers, stakeholder group, delegates. c) Survey of workplace impact. d) Feedback forms returned within 5 day. e) Joint review of programme content after the delivery of 4 cohorts 	<ol style="list-style-type: none"> a) Quarterly summary report at 90% satisfaction. b) Close of programme report 90% satisfaction. c) Improvement in annual staff satisfaction survey in areas related to HPDP. d) 100% of forms returned within 5 days. e) Within in 10 working days the end of the 4th cohort
3	Course Feedback	90% success rating on feedback or	90%

	scores.	equivalent	
4	Staff Survey	Increase in pride in working for Surrey	5% increase
5	Developing Staff	Increase in the number of appraisals completed	30% increase
6	Absence rates	Decrease in the rate of absenteeism	2% decrease

27. The management responsibility for the contract lies with the HR training and administration team and will be managed in line with the Contract Management Strategy and plan as laid out in the contract documentation.

28. The contract documentation provides for the potential of delivering the programme to other clients.

CONSULTATION:

29. Extensive consultation took place over 2013 across the organisation at all levels and in all services. This feedback informed the development of the pathway model, the shape and design of the HPDP and the commissioning and procurement process.

30. The proposal for this leadership development programme has been submitted to and was approved by the People, Performance and Development Committee (PPDC) on 19 March 2014. The report is available through Democratic Services.

RISK MANAGEMENT AND IMPLICATIONS:

31. The contract includes a termination for convenience clause. This will allow the Council to terminate the contract with 3 months notice should priorities change or funding no longer be available.

32. All short listed bidders successfully completed satisfactory financial checks as well as checks on competency in delivery of similar contracts at the qualification stage.

33. The following key risks associated with the contract and contract award have been identified, along with mitigation activities:

Category	Risk Description	Mitigation Activity
Financial	Sufficient budget not be available for the duration of the contract	<ul style="list-style-type: none"> • Ensure close working relations with finance to monitor and agree suitable yearly budget for this programme. • This programme will surpass other currently supplied courses, and so cancelling them will release budget to be used on this programme. • Purchase the cohorts in batches as opposed to entire programme in full to allow for better control of budget year on year. • Early termination clause in place
Reputational	Inconsistency of message or delivery in courses by using 2 suppliers	Close working with all parties to ensure that the programmes are developed jointly. Supplier representatives will be expected to attend each other's courses as a 'mystery shopper' to assess and feed back any differences between the delivery messages, styles and approaches.
	Programme does not deliver expected culture change.	Close working with all parties to ensure that the skills, training and development is being embedded with the delegates, and that they are actively using the tools learnt in day-to-day work. This will be measured as part of the 360 review process and also measured by way of supplier appraisals.

Section 151 Officer Commentary

34. The cost of approving the recommended suppliers is provided for in the current MTFP Human Resources budget.

Legal Implications – Monitoring Officer

35. Following approval by the Procurement Review Group, a full competitive tendering process has been undertaken using the open procedure in accordance with the Public Contracts Regulations 2006 and the Council's Procurement Standing Orders and Legal Services have advised on the conditions of contract.

Equalities and Diversity

36. The following results are the main points from the Equalities Impact Assessment.

Information and engagement underpinning equalities analysis	<p>During the development of the HPDP engagement was carried out with:</p> <ul style="list-style-type: none"> • The HR community • HR leadership teams • Business Services directorate leadership team • Manager/staff focus groups • Corporate Leadership Team - CLT • Council Performance Team - CPT • Leader, Deputy Leader and Members of PPDC
Key impacts (positive and/or negative) on people with protected characteristics	There is potential positive impact on all employed staff through the aims and activities of HPDP through inclusion in training, development and enhanced values based conversations and activities
Changes you have made to the proposal as a result of the EIA	No changes required
Key mitigating actions planned to address any outstanding negative impacts	<ul style="list-style-type: none"> • Update SAP records of all Leaders and Managers who have attended People Management Pathway equality programmes • Target Leaders and Managers who have not attended any programmes
Potential negative impacts that cannot be mitigated	N/A

Other Implications:

37. All training and coaching sessions will be conducted in Surrey offices which will reduce travelling to external venues.

38. The successful suppliers will have use of Surrey County Council rooms and venues in order to deliver the training and coaching programmes.

WHAT HAPPENS NEXT:

39. The timetable for implementation is as follows:

Action	Date
Cabinet decision to award (including 'call-in' period)	27 May 2014
Standstill Period	2 - 11 June 2014
Contract Signature	11 June 2014
Contract Commencement Date	11 June 2014

40. The Council has an obligation to allow unsuccessful suppliers the opportunity to receive a debrief and have the opportunity to challenge the proposed contract award before the contract is entered into. This period is referred to as the standstill period.

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Consulted:

Details of who has been consulted on the issue (including officers, members, public, stakeholders, partners, etc).

David McNulty – Chief Executive

Julie Fisher – Strategic Director of Business Services

Carmel Millar – Head of HR and OD

Laura Langstaff – Head of Procurement and Commissioning

Sheila Little – Chief Finance Officer

Alison Braithwaite – Head of Transformation

Carol Camiss – Smarter Working Delivery Manager

Louise Lawson – Finance Officer

Jane Last - Programme and Lead Manager for Community Safety

Jane Armitage – Union Representative

Helen Tomkinson – OD and HR Skills Advisor

Karen Archer-Burton - Organisational Development & Skills Lead

Sources/background papers:

1. Annex A contains the summary of the programme content
 2. PPDC report considered on 19 March 2014.
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