



People, Performance and Development Committee
24 September 2018

PEOPLE STRATEGY 2018-2020

Purpose of the report:

To present to Members an overview People Strategy 2018-2020 in support of the Surrey Vision 2030 and the Council's Transformation Programme.

Recommendations:

That the People, Performance and Development Committee:

- i. endorse the draft plan on a page People Strategy 2018-2020 appended as Annex 1 to this report;
- ii. note that further work is being undertaken to develop a programme of activities that will deliver the aims of each of the themes as set out in the Strategy; and
- iii. note that this programme of work will be brought to the November meeting of the People, Performance and Development Committee for consideration.

Introduction:

1. An HR & OD Strategy 2018-2020 was produced and agreed in early 2018, aligned to Surrey County Council's (the Council) Corporate Plan, values and behaviours then in place. This is a lengthy document which, although designed within the Council's then operating context, contains a significant number of activities, many of which are largely generic without a clear line of sight to how they directly contribute to achieving the Council's strategic objectives.
2. The draft Surrey Vision 2030 makes the case for a quite different Council with core values and behaviours that, in tandem with organisational design, will support the Council to achieve the ambitions for Surrey as set out in the Vision.
3. The opportunities presented through the Vision for Surrey, alongside the Council's ambitious Transformation Programme and within the context of

the financial challenges the Council faces, make the clear case for wholesale cultural change.

4. The plan on a page People Strategy 2018-2020 has been developed in response to this; making clear the imperatives for change, the current cultural challenges and the desired state, the enabling activities that will support cultural change and the role the HR & OD function has to play in delivering these.

Strategic Themes:

5. Re-shape Design

This work will move the Council towards an organisational design that has fewer layers and greater spans of control which in itself will deliver direct savings by reducing the number of management levels within all services. It will also help to create a more agile and effective organisation enabling improved communications and engagement as well as facilitating faster decision making.

When these principles are implemented a new, leaner organisation will have been designed, with no more than six organisational layers below the Chief Executive. Typically managers should have a span of control of six or more employees.

6. Employee Engagement

The approach to the way the Council involves and engages with staff will need to be fundamentally different and reflect the organisation required for the future. The Council will need to move from a sense that engagement is consultation and providing information to an approach where all forms of communication foster honest, open and adult conversations that enable information to flow and staff to be truly involved.

As the Council faces the challenges ahead, designing all forms and approaches of communication and interactions with staff to enable them to truly understand, share and own the organisation's future will be critical, along with generating a compelling sense of ambition and belief in creating a new organisation for Surrey's communities.

7. Pay & Reward

It has been well documented, and PPDC have acknowledged, that the Council's current pay and reward arrangements are complex and require review. Consequently, a comprehensive review will be undertaken of the Council's pay and reward strategy, within the available financial envelope, with new proposals produced, consulted on and ready for full implementation by July 2019.

The strategy will ensure a transparent approach to pay and pay progression and will include a review of pay related benefits to establish whether or not they are still appropriate for the organisation as it moves forward.

8. Performance and Achievement

Alongside reviewing the Council's pay and reward strategy, a full review of the appraisal process will be undertaken, the rationale for which is that significant resources are currently being used to administer a performance management scheme that is of questionable value to individuals or to the organisation. This requires a shift in approach to focus on improving organisational performance and delivering outcomes.

This will mean a shift in emphasis from completing and managing the "system" and measuring past performance to having honest performance discussions and investing the time, focus and commitment into improving future performance of the individual, the team and the service.

9. Collective Leadership Impact

With the re-shape design work resulting in fewer management layers, the role and impact of leaders at all levels of the organisation will need to focus on working collaboratively to deliver true performance and change.

This will necessitate having a shared and clear view of the leadership the Council needs now and into the future. This will include how the Council attracts and identifies leadership through recruitment; how leadership performance is recognised and managed; and how the Council develops better collective organisational leadership in relation to its ability to deliver outcomes within the financial envelope available.

10. Work and Job Design

The jobs that staff undertake also require redesign, taking into account the need to focus on outcomes for residents as opposed to outputs and processes. This will encompass mobile and digital working with a culture of "presenteeism" becoming a thing of the past. Staff will be encouraged to innovate and make decisions as opposed to handing work off for approvals which will in turn ensure that people feel a greater sense of achievement as well as ensuring a more efficient approach to service delivery.

Work and job design is essential if the Council is to meet its financial challenges as there will inevitably be fewer people working for the organisation and therefore the need to focus on what really matters becomes more compelling.

11. People Development

Workforce statistics evidence that the Council struggles to retain staff in the early stages of their career with the Council with 25% of voluntary turnover taking place within the first year of employment. For the Council to achieve its ambitions for its residents it will be necessary to become an organisation with a strong reputation in local government for being "the place to work".

This will need to go far beyond additional training and development or talent management programmes; it will be necessary to design and

develop the organisation and within it the roles, leadership, management and work itself that stimulates and enthuses talent.

The age profile of the Council's workforce indicates that up to 40% of staff will be eligible to retire in the next 10 years; these are individuals who are likely to hold a significant amount of corporate knowledge which could be lost. The transfer of this knowledge will be critical to the sustainability of the Council and so it will be necessary to create strong succession planning strategies to mitigate this.

Assessing Progress

12. The Strategy will form the basis of a number of HR & OD programmes, plans and policies, progress against which will be reported to the People, Performance and Development Committee on an ongoing basis.
13. Progress against specific activities will also be measured through the half yearly workforce performance indicators considered by the People, Performance and Development Committee which will be reviewed to ensure they accurately reflect the aims of the Strategy.

Financial and value for money implications

14. A core principle of the People Strategy is to support organisational transformation that will enable the Council to successfully deliver the Surrey Vision 2030 within a significantly reduced financial envelope.

Equalities and Diversity Implications

15. An Equalities Impact Assessment (EIA) has not been undertaken in relation to the People Strategy as it is not felt it will have any adverse impact on individuals with protected characteristics. EIAs will be undertaken in respect of identified activities where there is potential for an adverse impact on such individuals.

Risk Management Implications

16. None

Next steps:

If the draft Plan on a page People Strategy 2018-200 is endorsed by the Committee, work will progress as outlined in this report.

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Annex:

Annex 1 – Plan on a page People Strategy 2018-20