

This Report will be made public on 19 September 2018.



Report Number **P/18/06**

**To:** Personnel Committee  
**Date:** 27<sup>th</sup> September 2018  
**Status:** Non-executive Decision  
**Head of Service:** Andrina Smith, Head of HR

**SUBJECT: TRANSFORMATION UPDATE**

**SUMMARY:** This report presents an update for Committee members on the work undertaken by the HR team within the Transformation programme.

**REASONS FOR RECOMMENDATIONS:**

The Committee is asked to note the contents of the report set out below.

**RECOMMENDATIONS:**

1. To receive and note Report P/18/06.

## **1. INTRODUCTION**

- 1.1 The Transformation programme is well under way with support from iESE. It is widely accepted that the programme will touch every member of staff in some way and as a result there is a heightened focus on the human resources function to ensure that adequate support and guidance is provided to council employees throughout this programme. It was therefore felt appropriate to update Personnel Committee on the range and extent of support the HR team is providing during this period of change.

## **2. TRANSFORMATION**

- 2.1 During the 2017/18 year the Head of HR and HR Project Officer worked to support the transformation programme through the initial blueprint discovery phase with Ignite and into the full implementation stage with iESE.
- 2.2 Early discussions took place with the Corporate Management Team (CMT) as it was in 2017/18, facilitated by the Head of HR, on options around consultation processes, voluntary redundancy, assimilation and recruitment & selection processes in order to form a view for the transformation programme as this would be affecting change on a whole-organisational scale rather than the usual departmental change processes.
- 2.3 As we move towards an understanding of what the organisational design of the council will look like, the early discussions on assimilation, recruitment & selection and consultation processes will be revisited with the Corporate Leadership Team (CLT) during October 2018 in order to ensure that our policies and procedures are fit for transitioning the organisation and to future proof where we can.
- 2.4 In addition, network contacts have been established with other lead HR officers in authorities who have been through similar programmes in recent years. Regular meetings continue to be led by the Head of HR with the branch Unison chair, regional Unison officer and regional GMB officer to ensure that the unions are kept up to date with progress towards transformation. The Head of Paid Service and Assistant Director – Strategy, Performance & Communications also attend the meetings, as and when required, and the Head of Paid Service has established a constructive “open door” approach in working with local union representatives.
- 2.3 The HR Project Officer also completed redundancy estimates for every member of staff and requested bulk pension estimates for those staff aged 53 and over in order to produce accurate cost estimates so that CMT could have an early overall view at the beginning of 2018 of the potential costs associated with the transformation programme over the proposed 2 year duration.

## **3. BEHAVIOURAL COMPETENCY FRAMEWORK**

- 3.1 In order to facilitate the recruitment & selection and development of staff with behaviours deemed to be appropriate for a progressive and positive modern council, in early 2018 the Head of HR commissioned Indigo Training to provide a behavioural psychologist to assist in the creation of a new behavioural competency framework for the council. This would form the basis of any recruitment and selection under the transformation programme and also provide a foundation for the creation of a new performance management framework with clear links to career development and progression.

- 3.2 Six workshops took place in February 2018, led by Indigo, with over 100 members of staff. The focus of the workshops was to draw out thoughts from the participants on good behaviours that they had seen, bad behaviours & their impact and then the types of behaviours the council would need looking forward. The sessions were split with 2 of them focusing on customer facing services, 2 on professional services and 2 on management.

The output of the workshops led to the proposal of 9 key behaviours linked to our established core values, and these were further shaped and approved at the end of February by CMT enabling the detailed design to take place.

- 3.3 Having reviewed a number of different styles of competency framework, it was agreed at CMT that the framework should be designed around 4 levels of expected performance: (1) customer services; (2) case officers / first line team leaders; (3) specialists / middle managers; and finally (4) lead specialists / senior managers – with the main focus on positive behaviours but a small section on each page identifying negative indicators.
- 3.4 As the framework developed it was shared with the HR team for additional feedback, Heads of Service and also with Annette Jones – Unison branch chair, Andy Wilson – Lead HR Specialist at South Hams & West Devon District Council – and Nicky Lodemore at iESE.

Feedback has been as follows:

- Nicky Lodemore shared it with one of iESE's business psychologists who said it was a 'solid and robust framework';
- Andy Wilson said that it was a 'good piece of work' and that the 'language is clear and consistent.....it does feel like it will be robust enough to inform much more than just an assessment process, but build into future performance management and personal development'; and
- Annette thought it was extremely thorough and was pleased to see that a large number of staff were involved in the design.

- 3.5 Following final approval at CLT in May 2018, the framework was launched to staff via a series of weekly emails introducing behaviours under each of the 4 core values. This was then followed by 13 familiarisation sessions held over 3 days, also run by Indigo, to enable staff to identify how they are already displaying many of the behaviours within the new framework. These were well attended and reached in excess of 200 staff members over the 3 days. In the coming months we will run some further sessions led by the Head of HR and the HR Project Officer to enable some more staff to attend with at least one session specifically targeted towards the grounds maintenance teams.
- 3.6 The behavioural competency framework is attached as **Appendix 1** and there is an expectation that the framework will evolve over time as the organisation matures in its use of the framework.

## 4. RECRUITMENT TO NEW ROLES

### 4.1 Assistant Director

As reported to the June meeting of this committee (report P/18/03), a new post of Assistant Director – Strategy, Performance & Communications reporting to the Head of Paid Service was created and this committee resolved to appoint Dr Sarah Robson to the role following an internal selection process that was carried out with support from iESE.

This was the first opportunity to use our new behavioural framework as the basis for the selection activities, which included a competency based interview and personality profiling questionnaire. This pilot was a positive experience which allowed detailed feedback to be given to the candidate. In order to support other colleagues going through selection the newly appointed Assistant Director has prepared a podcast for staff to refer to, and has offered her insights and experience of the process to support other more junior colleagues.

#### 4.2 Resource Pool

The concept of a resource pool is new to the council, having been recommended by iESE as a way of assisting with the implementation of our transformation programme. One of the key design principles for delivering the transformation programme is that we are designing our organisation which means that we have to be in a position to enable our staff to become involved in a number of ways including redesigning their service areas and leading workshops. It is also a concept that has been used successfully elsewhere by the Head of Paid Service, and a number of colleagues also have experience of being part of a flexible resourcing pool.

4.3 The resource pool has two elements – project support roles that partner with iESE consultants to deliver specific activities such as process mapping of current and future activities, and secondly backfill roles that will support teams with administrative and/or simple routine tasks whilst team members are engaging with service shaping workshops and activities.

4.4 The selection process for staff members volunteering to be part of the resource pool was a straight forward panel interview however the questions were based around the new behaviours and they were also asked to consider the framework prior to their interview and decide which three they felt were most relevant to this particular role explaining why to the interview panel.

4.5 We have appointed 14 staff to be part of the resource pool so far, including one who will act as a coordinator and they have been undertaking some specific training over the last few weeks to enable them to lead workshops with iESE. Importantly, those colleagues selected for the pool remain in their substantive posts so our key change agents are also embedded in our daily work.

#### 4.6 Area Officers

Another new concept for us are the Area Officers. These officers will work as a team out in the district with notional allocated areas where they will become the eyes and ears on the ground liaising with councillors, communities and council officers. They will also be able to work across areas, as needed, in order to provide additional resilience. These roles have been successfully implemented in several other authorities who have also been through a similar transformation programme and this represents additional resource into our frontline community engagement activities. We

are currently looking for an additional 3 officers to take on these roles on a 'test and learn' secondment basis as we develop and refine the role profile. Giles Barnard, an existing well-respected and experienced community safety officer, is well placed to provide supervisory guidance to the appointed officers and to feedback on the initial test and learn phase.

- 4.7 The selection process for these roles will again incorporate the new behaviours and is due to take place during September 2018 with an all member briefing being planned for October.

## **5. EMPLOYEE ENGAGEMENT**

- 5.1 The Head of Paid Service report from the June meeting of this committee (P/18/02) made reference to improving staff morale throughout this period of change with social activities and an employee benefits scheme being introduced alongside the already established flexible working arrangements and other benefits already appreciated by staff.
- 5.2 Our first 'summer social' took place in July which was extremely successful with many staff along with their family and friends attending and taking part in activities as well as enjoying food and drink with bouncy castles for the younger attendees. The feedback from this event was overwhelmingly positive and as a result our communications and engagement team are currently arranging a Christmas event for staff.
- 5.3 In addition, the Head of HR has been working with Reward Gateway to introduce a new employee benefits scheme which not only provides a huge range of discounts (high street and online) with retailers but also promotes health & wellbeing and will link to our staff recognition scheme.
- 5.4 Before identifying Reward Gateway as our partner, several other providers were also considered as well as input from staff as to what was most important to them if we were going to provide such a scheme. We then also asked them to come up with ideas for the name of our benefits platform and ideas for a logo. The Head of HR and Head of Paid Service reviewed the suggested ideas and F&H Rewards is the resulting scheme name with its own unique logo –



- 5.5 F&H Rewards was launched to staff at the end of August 2018 and has been received extremely well. As with the behaviour framework, staff were introduced to the benefits scheme over a few weeks with emails and posters plus a postcard drop to off-site staff who did not have access to the email campaign. On launch day two members of the Reward Gateway team were on hand to assist staff activating their accounts for the first time and to answer questions about the scheme.

- 5.6 In the coming months we will receive management information that will help us understand who is using the scheme, whether there are pockets of staff not engaging with the scheme, which sections of the platform are being accessed as well as how much our staff are saving with retailers as a result of the scheme.

## **6. TRAINING AND DEVELOPMENT**

- 6.1 As part of our transformation we will need to upskill our people in a range of areas. There will be a heavy focus on technology with training on new devices and the new applications that we will use, such as Skype for Business and a Customer Relationship Management system that will give us a single view of our customer (instead of holding their information on multiple different systems). This will help us give our customers a smoother, more automated service wherever possible. Technology alone will not enable our transformation and we will also be working with staff to help them embrace the behaviours that we need them to adopt, as outlined in our behavioural competency framework. We are starting this piece of work by encouraging staff to gather 360 degree feedback based on our new competency framework, in order to shape their development. We will also be supporting staff to stay resilient through the change process, and offering them opportunities to upskill in personal resilience, change management and coaching skills.
- 6.2 Our organisational development activity also supports the delivery of our key strategic priorities. We will ensure that training expenditure targets member priorities such as enforcement and strategic communications. We have also defined what “commercialization” means for us and how everyone can contribute by *thinking* commercially. We will be running a session on commercial awareness for managers to help them understand what they can do differently to maximise performance of contracts, while minimising expenditure pressures. With an election year coming up we are also running training to ensure all those involved with election duties are supported and we will also run targeted courses to help officers enhance their political awareness. We are grateful to the Leader for his personal contribution to these events.

## **7. PEOPLE STRATEGY**

- 7.1 As part of the early implementation work on the transformation programme the Head of HR has been coordinating a new People Strategy with input from the HR Business Partner (Organisational Development) and the wider HR team. As stated within the strategy itself the council’s Digital Strategy (which has been recently approved by Cabinet) will form a key part of the council’s transformation project by helping to transform and improve the way in which our people work as well as the customer experience. In order for the council to move towards technological solutions that support service delivery, resilience and efficiency it is important to consider our people, their teams and the changing working environment that they will be part of in the future. Supporting our digital ambitions whilst supporting and enabling our people and teams to continue to perform at their best is our priority.
- 7.2 The People Strategy has been created to support the Council’s corporate plan and to enable us to achieve the ambitious transformation programme. We will do this in a number of ways:
- Our focus will be on aligning developments and decisions impacting people to

the Council's transformation objectives and corporate priorities

- Our resourcing approach will build a workforce that is fit for the future
- Our council will become one of the best places to work in the area
- Our behaviours-led culture will generate, encourage and reward flexibility and innovation
- Our culture of flexibility and innovation will develop with people who feel supported and who have the confidence to challenge why we do things and the ability to implement digital (and other appropriate) solutions to make us more efficient
- Our People Strategy will be delivered by the Human Resources team in partnership with our leaders, managers and people

7.3 The strategy has six main themes which are all underpinned by our culture:



7.4 The current draft of the People Strategy has been presented to the Corporate Leadership Team and the Senior Management Team with their feedback incorporated into the draft that you will see attached as **Appendix 2**. The Strategy is now in its final stages of gaining approval and for that reason we are introducing it to this Committee at an early stage to enable members to consider the content and to provide feedback directly to the Head of HR before it is taken to CLT for final sign off.

7.5 A more detailed implementation plan / HR Strategy is also in the process of being developed which will provide a clear work plan for the HR team over the coming months / years.

## 8. ORGANISATIONAL DESIGN

8.1 Whilst the work of iESE along with our resource pool members is focussing team members on the redesign of their specific service areas which will lead to a structure

being developed from the bottom up, the Corporate Leadership Team has been considering an appropriate structure for the Senior Management Team replacing the current Head of Service roles. At the time of writing this report the structure discussions are still ongoing, however it is anticipated that the Head of Paid Service will be able to share some thoughts with this committee at the meeting itself.

- 8.2 The early discussions are indicating that a small number of Assistant Director roles will be introduced which will have a wider span of control than that of the current Heads of Service with some professional subject experts being retained at Head of Service level to provide advice, guidance and support to CLT. As a result it will be necessary to consider some amendments to the current pay scales. It is currently a little early to be able to say exactly what the amendments will be and it is envisaged that an independent consultant will be commissioned by the Head of HR to review salaries across the local area, region and nationally in order to identify and propose the appropriate resolution to a future meeting of this committee, potentially in June 2019. Whilst that work is underway, and in order to be able to move ahead with the senior management structure, it is currently proposed to use the recently approved Market Supplement procedures to ensure that the necessary key staff are retained whilst pay scales are resolved.

## **9. LEGAL / FINANCIAL AND OTHER CONTROLS / POLICY MATTERS**

### **9.1 Legal Officers Comments (DK)**

There are no legal implications arising from this report.

### **9.2 Finance Officers Comments (LH)**

There are no financial implications arising directly from this report.

### **9.3 Diversities and Equalities Implications (ASm)**

There are no specific Diversities and Equalities Implications arising from this report.

## **10. CONTACT OFFICER AND BACKGROUND DOCUMENTS**

Councillors with any questions arising out of this report should contact the following officer prior to the meeting:

Andrina Smith – Head of Human Resources  
Tel: 01303 853405  
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The following background documents have been relied upon in the preparation of this report:

None

### **APPENDICES:**

Appendix 1 – Behavioural Competency Framework  
Appendix 2 – People Strategy (Draft)