
Performance and Finance Scrutiny Committee

9 September 2022

Workforce and organisational culture - update

Report by Director of Human Resources and Organisational Development

Summary

This report outlines progress on a range of issues relating to the Council's workforce and details areas which require further attention and development moving forward. The report builds on previous scrutiny of the People Framework (October 2020 and November 2021) and the quarterly Performance and Resources Reports (PRR) during 2021/22. The report also includes details of changes to work practices as a result of the Covid-19 pandemic as Smarter Working is implemented across the Council.

Focus for Scrutiny

The Committee is asked to scrutinise the content of the report which outlines the progress made on developing the Council's culture and implementing the People Framework. Key areas for scrutiny include:

- Outcomes/targets included within the Council Plan (monitored through the Quarterly PRR), People Framework and Smarter Work Programme are co-ordinated and meet the changing needs of the workplace post Covid-19,
- Any necessary improvements to organisational culture, working practices, productivity and staff well-being have been identified and progress is being made in monitoring, managing and achieving outcomes/targets set,
- Staff have been included and engaged in the development of the changing requirements, and
- The current position and context for the redesign of HR to ensure the outcomes of the Council Plan and savings requirements can be met.

1 Progress against the Workforce agenda

1.1 The strategic workforce agenda for the Council is currently drawn from a number of sources. Workforce enablers to support the implementation of the Council Plan have been incorporated into the People Framework and performance against the actions contained in this are measured by means of the twelve workforce key performance indicators (KPIs). In addition, there are workforce issues associated with a number of strategic projects such as Smarter Working and Smartcore. Ensuring co-ordination of the strategic workforce agenda is undertaken by the Human Resources Senior Leadership Team which meets on a weekly basis and has a formal monthly review of strategic activity.

1.2 The majority of the workforce activity that has been undertaken to support improvements to organisational culture has been against actions detailed in the People Framework. This is broken down into four themes that are designed to help shape the culture of the organisation, its leadership and wider workforce. Culture, equality, diversity, and inclusivity underpin each theme.

Theme 1	Theme 2	Theme 3	Theme 4
Leadership and Management	Wellbeing, Values and Ways of Working	Performance and Development	Resourcing and Talent

1.3 This Committee received a report at its meeting in November 2021 which outlined the proposed deliverables against the People Framework in its first year of implementation. In the paragraphs below, an update on progress is given against these along with a commentary on the associated cultural implications where appropriate and the further work that is required under each theme. From a cultural perspective, it should be noted that some of the actions that have been taken still need to be embedded and as such it is not yet possible to assess the impact they have had on culture. However, this will be closely monitored through the Pulse Survey and on-going engagement activities.

1.4 **Leadership and management.** This theme is concerned with ensuring the Council has competent and confident leaders and managers who live and behave in line with the Council's values.

- **Ensuring leadership stability.** Leadership stability is a key cultural enabler given it facilitates the opportunity to develop and embed longer-term cultural change in the organisation. This particular deliverable is measured as part of the twelve workforce KPIs. The result for quarter 1 highlights 97% of senior management positions have now been filled on a substantive basis against a target of 95%.
- **Undertaking a review of the "Being a Manager and Leader" framework.** Recognising that many staff base their view of the organisation on the style and approach of their line manager, it is important to ensure the Council has a clear framework which outlines our expectation of managers. The review of the Being a Manager and Leader approach has now been completed and has resulted in the creation of the revised West Sussex Values, Behaviours and Expectations (ViBE). The ViBE articulates the expectations of our staff, managers, and leaders in what they need to know, what we expect of them and how we want them to behave. An assessment of managers in Children and Young People has been undertaken against the ViBE framework and a development programme has been aligned to this. Similarly, the new Fire and Rescue Service management development programme is based around the same framework. Additionally, management induction has been refreshed to align to the framework, with proactive booking of managers to modules, completion of which is closely monitored.
- **Development of leadership capability through development programmes targeted at team, service, and organisational**

level. To support the Being a Manager and Leader Framework, it is important that the Council has the appropriate training and development available. A review of the Council's management development pathway has therefore been undertaken and amended to ensure the training offer provides leaders with the appropriate skills to undertake their roles at different levels in the Council. Programmes under the pathway now include, developing high performing teams, personal resilience for managers, coaching for performance and unconscious bias.

- **Establishment of a Leadership Forum.** This is now in place and is made up of the Executive Leadership Team and assistant directors. The group meets every three months, and its purpose is to strengthen and broaden the collective leadership capacity and capability across the organisation to deliver the priorities set out in the Council Plan and shape the evolution of the Council and its ways of working.

1.5 Work has also been undertaken to improve the Council's offer in terms of management apprenticeships particularly at intermediate and advanced levels. In addition, a coaching pathway has been introduced which gives access to internal and external coaches, resources, tools, and training.

1.6 In terms of next steps for this theme, it will be important to monitor the impact of the revised Manager and Leader Framework and development programmes to ensure we are seeing an ongoing improvement in organisational culture. This will be measured through responses to the Pulse Survey questions which relate to staff feeling supported by their manager, that staff have good opportunities to develop their skills and knowledge, that staff are treated with dignity and respect and that the ideas and opinions of staff are valued. In addition, we will continue to implement specific leadership and management programmes in both Adults and Fire and Rescue whilst also building on the learning from Children and Young People in terms of the excellent work they have undertaken in this area.

1.7 **Wellbeing, values, and ways of working.** This theme relates to ensuring the Council has an inclusive and supportive culture, that we work in partnership and reward individual and team contribution.

- **Promotion of Smarter Working, using technology to support efficient decision-making and enable staff to work flexibly.** To support managers and staff to achieve the greatest benefits from new ways of working, a programme that reviewed the smarter working opportunities to define future accommodation requirements, additional IT needs and the necessary cultural change that is required has been completed. Whilst from a cultural perspective, progress is being made, as with any large-scale organisational change programme, this is taking time to embed and is constantly evolving. Overall, feedback received from a series of webinars on the opportunities afforded to staff who are able to work in a hybrid way has been very positive. The main challenges to date have been largely pragmatic, relating to issues such as office and IT equipment, required presence in the office, and car parking. As Smarter Working moves to the next phase, and approaches to service delivery continue to develop, it will be important to ensure the associated accommodation, digital and cultural enablers are re-aligned to support

these as appropriate. It will also be important to maintain a flexible approach to Smarter Working, recognising that what might work well for one service will not be appropriate for another.

- **Refresh of Equality and Diversity frameworks and Dignity and Respect at work policies.** An overarching equality and diversity plan has been drafted which covers four main areas: Dignity and respect, developing workforce diversity data, improving accessibility and workplace reasonable adjustments, and preventing and reporting unacceptable behaviour and providing support for those who experience it. There are clear actions within each area and the plan is currently being consulted on within services and the equality networks before the final draft is presented to the Executive Leadership Team for approval. From a cultural perspective, there is significant on-going work required in terms of equality and diversity, but the plan will provide a helpful framework against which to do this.
- **Developing the employee voice.** This is an area which requires further attention to ensure the aspiration of *understanding and addressing problems and issues that individuals and groups of staff face, ensuring that individuals can be themselves at work and are valued for their contribution* can be fully realised. The Council receives feedback from staff via the Pulse Survey which is undertaken twice a year and also runs engagement sessions on key strategic projects such as Smarter Working. In addition, work has taken place to develop relationships with trade union colleagues and the equality networks and these provide helpful feedback in terms of workforce concerns and issues. However, approaches need to be developed where all staff feel able to speak up and raise concerns and issues in a psychologically safe way. This will be an area of focus for the coming period.
- **Development of a whole Council approach to mental health and wellbeing, jointly with Public Health.** To support mental health and wellbeing of staff, the Council has now introduced Mental Health First Aiders and also mental health training. The role of the first aider is to act as a confidential point of contact and reassurance for someone who may be experiencing a mental health issue or emotional distress and also to signpost them to where they can receive additional support. The mental health training package is made up of seven modules and is aimed at managers to help them build their understanding of mental health issues in order to be able to effectively support colleagues. Stress awareness training, access to NHS health checks, as well as internal campaigns to help improve physical activity, sleep and stress awareness have also been implemented. Building on the work already taken place with Public Health, in October, a workplace health needs assessment will be undertaken to gather anonymous information about the health and wellbeing of the workforce to identify where to reprioritise investment in employee health and wellbeing beyond basic health and safety legal requirements moving forward. The survey will be open to all staff employed by the Council and responding to the findings will support cultural development in this area.

1.8 There are a number of KPIs which relate to Health, values, and ways of working. Performance against these in quarter 1 are all above target.

Wellbeing, Values & Ways of Working		Indicator 2022/23	Q1 2022/23	Q4 2021/22
Behaviours & Values	Percentage positive response to the Pulse Survey question: "I am treated with dignity and respect by my work colleagues"	87%	91% (May 2022 Survey)	89% (Nov 2021 Survey)
Ways of Working	Percentage positive response to the Pulse Survey question: "I am part of a supportive team where we regularly reflect on our successes and challenges enabling us to continuously improve"	78%	81% (May 2022 Survey)	81% (Nov 2021 Survey)
	Percentage positive response to the Pulse Survey question: "My ideas and opinions are valued and are used to help shape the way we work and our future planning"	73%	74% (May 2022 Survey)	72% (Nov 2021 Survey)

1.9 **Performance and Development.** The aim of this theme is to ensure staff have the knowledge, skills and competencies to perform well, have access to development, qualifications and opportunities for progression in a safe and supportive environment.

- **Embedding good consistent people management and development tools.** As part of the review of the Council's leadership development pathway, a number of programmes have been introduced to support effective people management. These include Performance Management for Managers (mandatory), Developing High Performing Teams, Recruitment and Interview Training (mandatory) and Crucial Conversations. Whilst this development is now available, we need to ensure it is being utilised effectively and is having the desired impact in terms of improving people management and development.
- **Embedding modern performance management approaches so that all staff have good performance conversations and development support.** Within this area, the Council has introduced a revised performance management framework which is based on a 12-4-2 approach: 12 conversations with individuals within which 4 will focus on individual development and progress. In addition, it is expected managers will hold two team-based performance conversations as part of team business planning sessions. The performance framework is underpinned by a Performance Management Development Policy and training which is mandatory for all managers.
- **Review of the Council's learning & development provision.** A review of the Council's learning and development provision has been undertaken via a survey involving staff, foster carers, and the voluntary sector to understand their experience of accessing learning during the pandemic in terms of what had been successful and what

hadn't worked so well. The purpose of the survey was to understand their experience and how they would like to see the Council's delivery model develop in the future. The survey was open for six weeks and there were 433 responses. Of these, 36% were fully home working, 41% partially and 22% not working remotely. 63% encountered a barrier to learning and the most significant of these was workload, followed by internet connection. We are still working through the survey results and the findings will inform our delivery model for next year.

- **Optimisation of the Council's apprenticeship levy to support staff to develop their skills.** Apprenticeships are a key cultural enabler to support staff with their development and career aspirations. At the end of quarter four, there were 108 new apprenticeships (excluding schools) against a target of 113. Of these 89 were undertaken as part of employees' continuing professional development and 19 were new recruits. There were 215 live apprentices (excluding schools) at the end of the financial year and £804,754 had been spent, from the levy in-year on their learning in the previous 12 months. As part of our ambition to have competent and confident leaders and managers who live and behave in line with our values, we have put in place comprehensive management and leadership apprenticeships to support leaders and managers at all levels. Looking forward, we need to ensure apprenticeships support and help overcome workforce capacity and capability challenges, provide career development pathways and recruitment in hard to recruit areas such as engineering, the unregistered workforce and facilities management. We also need to identify opportunities for career grades so that apprentices recruited can be offered permanent contracts.

1.10 Within the workforce KPIs, there are two which relate to performance and development. Again, in quarter 1, results show these are both above the indicator target

Performance & Development		Indicator 2022/23	Q1 2022/23	Q4 2021/22
Performance	Percentage positive response to the Pulse Survey question: "I have regular meaningful conversations with my manager about my performance, wellbeing and support needs"	78%	79% (May 2022 Survey)	78% (Nov 2021 Survey)
Learning & development	Percentage positive response to the question: "I have good opportunities to develop my skills and knowledge in line with my role and my aspirations"	70%	71% (May 2022 Survey)	70% (Nov 2021 Survey)

1.11 **Resourcing and Talent.** The focus for this theme is to ensure the Council attracts and retains a diverse range of high-quality staff using best practice techniques and good planning.

- **Development and implementation of a succession management tool.** This area has still to be developed and will be a focus of attention over the coming period.
- **Introduction of efficient exit interview arrangements.** Exit data from employees provides valuable information about what it is like to work at the Council and what improvements both culturally and more broadly might be needed to retain staff. The current exit survey process is a paper-based system, but the process has ceased to work and there is little analysis of the data. A new online exit survey has been designed which will provide an organisational solution that enables easy and timely analysis to help the Council understand the reasons staff have decided to leave. It has been designed to be used by all directorates with additional questions provided for employees in Children's, Adults and Fire and Rescue to accommodate specific requirements such as social workers' experience. The survey will be completed by the individual leaving the organisation and the guidance and the questions are designed to create an environment in which the employee feels safe to provide open and honest feedback. A complementary face-to-face exit conversation process is also now being designed which will provide the personal approach and enable directorates to obtain qualitative feedback on their staff's reasons for leaving. A further piece of work which needs to take place in this area is the development of a Council wide "stay conversation" process where early engagement takes place with staff who might be thinking of leaving to discuss possible alternative options.
- **Implementation of workforce planning in each directorate.** Whilst improved discussions are taking place in services about workforce planning issues, the Council does not yet have a consistent approach to strategic workforce planning and further work needs to be undertaken in this area, possibly based on some of the excellent work Fire and Rescue has undertaken in this area.

1.12 Of the four themes in the People Framework, Resourcing and Talent is currently the most significant issue for the Council given both the local and national context in relation to recruitment and retention. Current recruitment activity has doubled in the last twelve months, and this is leading to significant challenges in terms of capacity. One of the consequences of this is that operational urgency is taking precedent over longer-term strategic thinking and planning. The Council's Leadership Forum has recognised this, and work is currently underway to engage the wider organisation in developing ideas for longer-term recruitment and retention interventions. Increasing capacity, either by utilising existing staff across the organisation or recruiting additional support will be vital if both the operational and strategic recruitment and retention agenda is going to be effectively taken forward.

2 Staff Engagement

2.1 In terms of including and engaging staff in the implementation of the actions detailed in this report, a hybrid approach has been taken based on the particular circumstances and issues. Engagement has and will continue to be an important aspect of all of the work that has been undertaken so far and specific initiatives have included:

- Holding a series of webinars for staff to gain their feedback on cultural issues linked to Smarter Working. To date, 408 staff have attended.
- Continuing to undertake the Pulse Survey which specifically seeks feedback on a number of the workforce KPIs.
- Consultation and engagement with the trade unions in issues such as the cost-of-living challenges and potential support to staff.
- In collaboration with Public Health, engagement with staff on health and wellbeing issues including the launch of the workplace health needs assessment taking place in October 2022.
- Engagement with the Equality Networks and services on the development of the equality, diversity, and inclusivity plan.
- Weekly recruitment meetings with colleagues in Children's Services given the particular challenges they are currently experiencing.

2.2 In reviewing progress against the cultural enablers in the People Framework, it is clear that some of the priorities have now changed given the different external context and the impact this is having internally. Most notably is the national recruitment challenges and cost of living issues. Culturally, this is impacting on staff's health and wellbeing, particularly in terms of resilience, increasing turnover and focusing staff's attention on pay and benefits. Given these changes, it is proposed the People Framework will be refreshed to ensure that priority is given to actions which respond to the significant current challenges, particularly around recruitment and retention, pay and benefits, health and wellbeing and strategic workforce planning.

3 Redesign of Human Resources and Savings

3.1 There are a number of aspects which impact on the redesign of the Human Resources (HR) and Organisational Development Directorate. The first is the re-insourcing of HR services from Capita which successfully took place on 1 June 2022. Work is currently underway to integrate these into the wider directorate, recruit to the significant number of vacancies which we have inherited and also realign some of the business processes to those of the Council. Once this work has been completed, we will be better able to understand how we might be able to realign transactional HR services and create improved efficiencies. It is anticipated this work will conclude by April 2023.

3.2 The second main issue is the implementation of Smartcore, replacing the Council's current SAP system with Oracle Fusion. The new arrangements should provide the opportunity for greater self-service and more integrated systems. However, until Oracle Fusion is embedded, it is not clear what the full

opportunities for redesign the new system will create and we will need to assess this post implementation. This is currently due to take place in April 2023.

- 3.3 In terms of financial savings, the HR & OD service is on track to achieve its target for this year. However, given the unprecedented demand on the service, particularly in the areas of recruitment and retention and organisational change as well as not yet being clear about the potential efficiency opportunities the re-insourcing of Capita HR services and Smartcore present, discussions are ongoing with the Executive Leadership Team about longer term savings.

4 Policy Alignment and Compliance

- 4.1 The links to the Council Plan are fully explained in the report above. As this is an up-date report dealing with internal matters the Equality, Human Rights, Social Value, Sustainability and Crime and Disorder Reduction Assessments are not required.

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Appendices

None

Background papers

None