

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting15th January 2014

1. Title of Item/Report

Building Capacity & Resilience in the Organisation "Shaping a Brighter Future"

2. Record of the Decision

Consideration was given to a report on Building Capacity & Resilience in the Organisation "Shaping a Brighter Future". The organisation was facing one of the most challenging periods in its history as it strives to deliver services in the face of:-

- unprecedented reductions in funding,
- huge growth in demand for services
- fundamental changes due to welfare reforms and
- changes in the delivery structures for public health and social care services
- Potential changes to the delivery of strategic economic development linked to the LEP and City Deal.

Members were aware of the plans that were in place to deliver the changes that were needed to meet these challenges and could be confident that the Service Reviews, Big Ticket Reviews and the work of the Welfare Reform Project board would deliver what was needed to ensure that the Council deliver the Council Plan and MTFP objectives.

The purpose of the report was to brief Cabinet about a further programme of work that would be undertaken to underpin all of the projects and programmes of work. The "Shaping a Brighter Future" programme would support and develop employees to help them to meet the challenges the Council was facing.

The Council had a long and strong track record of investing in the people and developing and growing it's own talent and capacity in the organisation. Now, more than ever, it was important that the Council build on this work and support and develop employees so that they were able to continue to deliver a great service to the Borough.

The background and context for the capacity-building work that was

being planned was one of huge challenges and huge potential.

The financial context did not need repeating in detail here. However the background of achieving £22m of annual savings over the last 4 years and the need to take a further £20 million out by 2017/18. The reduction in 600 posts over the last 4 years and another 300 posts by 2017/18 and the increase in demand for our services was obviously the most significant challenge facing the workforce. There were however a number of other factors which combined to bring additional challenges.

The Council had an ageing workforce which meant that it was regularly facing the loss of extremely experienced and knowledgeable staff through retirement. 40% of the workforce were over the age of 50.

This loss of experienced employees leaves a large gap. The loss of experienced staff has occurred throughout the organisation and in significant proportions at Head of Service level where we have seen a reduction in 7 experienced Heads of Service over the last 3 years.

There were signs of increased stress and fatigue in the organisation. The latest sickness absence statistics for the 6 months to 30 September 2013 showed an increase in absence levels which was a serious concern and was in itself the focus of intensive work. Sickness absence at 30th September 2013 was 6.95 days lost per FTE. This had increased from the same period last year which was 4.92 days per FTE. The days lost had increased by 25%. Absence due to 'stress/depression/ mental health/fatigue' continued to be the highest reason for absence and also showed the highest increase in days lost when comparing the 2011/12 information. Whilst the stress related absences were not in many cases due to work related stress this was an important context to the environment within which employees were working. Sickness absence levels (for whatever cause) increase the pressure on remaining employees to meet ongoing service needs.

The increased levels of pressure that were seen in the absence numbers was consistent with the feedback throughout the organisation and with the information gathered through the staff survey.

However, despite these challenges it was important to remember that the Council had huge potential and talent in the organisation and it continued to deliver great services. 2013 marked the fourth year in a row that the Council was nominated for the APSE Council of the Year award, the Council had positive feedback from residents and businesses and had a host of nationally recognised accreditations and awards across its services.

The Council had a strong track record and culture of employee development. The Council had invested in its employees and remained committed to this. The Council had a long history of commitment to the Investor In People programme with long standing Service accreditations, a Silver accreditation for the whole organisation in 2009, followed by full reaccreditation in 2012. The Council national award-winning manager training programme, the active staff forums, the recent Innovation Challenge sessions run as part of the Setting the Standard programme, our competency framework, the newly re-designed appraisal process, employee support programme and coaching network all combined to provide development and support to the dedicated workforce. This provided a great base from which to build. The “Shaping a Brighter Future” programme would not need to completely replace these effective mechanisms it could enhance and build on them.

The Council had a dedicated, high performing and committed workforce who care about their work and enjoy being part of the Council. The results of the 2012 Employee Survey showed that 92% of employees who responded said that they enjoy working at the Council and think that it was a good place to work.

The programme of work the Council planned to begin reflected these realities and accepted that the Council had a responsibility and duty to support and develop employees through these challenging times.

The challenge of building greater capacity and resilience in the organisation would be delivered through a programme to be called “Shaping a Brighter Future”. The detail of the programme would be developed over the first quarter of 2014 and will be reported back to Cabinet in March.

The principle of the programme was that it would be designed to build more capacity in the organisation by investing in our own people and growing our own talent to increase capability through personal and team development. In recognising that the organisation faces an reduction in resources over the coming years the programme aims to

- Build capability
- Increase capacity
- Increase resilience and success

The Chief Executive would be leading on the work in collaboration with an experienced specialist in organisational change work – Mel Nixon. Mel who had worked for many years with NEREO and many Local

Authorities and had agreed, due to his long term working relationship with the Chief Executive, to provide his services free of charge to this project for the next 5 years. His commitment to the SBC as an organisation reflects his belief in the potential of it's people and his identification with the big plans for the Borough.

In recognition of this commitment it is recommended that a charitable trust be established in the name of Liz Nixon (Mel's late wife). The trust would be used to fund apprenticeships at the Council for young people of the Borough. The trust would be particularly targeted at vulnerable young people and Looked After Children.

The programme would be supported and delivered by the Corporate Management Team and by a working group of individuals from within the organisation who would be brought together to work on aspects of the programme. The working arrangements for this group would be worked up as the plan was defined.

The programme would be delivered over the next 5 years. Whilst some benefits would be realised in the short term it was important to recognise that this was not a short term fix. It was essential to create the right culture to tackle any challenges that were thrown at the organisation and this would take time.

The programme plan would be developed over the next few months and would be developed around the following elements:-

- Defining and communicating the culture of the organisation
- Reviewing the structures in the organisation to ensure that we have the right people in right place
- Establishing an improved approach to succession planning
- Building a programme to ensure that individuals operate to their maximum potential by identifying and delivering on development needs
- Reviewing the operation of our teams to ensure they are working to maximum effect
- Developing a more robust selection and recruitment process
- Developing a talent identification and development process

The culture of the organisation was, to some extent, already set out in the agreed Competency Framework (<http://kyit.stockton.gov.uk/hr/workforcedevelopinfo/compframework>) which was developed with input from employees across the organisation. It in turn was used as the basis of the corporate branding work which summarised the nature of the organisation in the following phrase:-

“AMBITIOUS, EFFECTIVE AND PROUD TO SERVE.

This is a Council that prides itself on being open, honest and fair. On leading by example. On having big plans and the determination to see them through. On delivering genuine value for money. On setting the highest standards of public service. On communicating clearly and regularly with the community it serves. On being challenging, innovative and well organised. On all of these fronts and more, we're on with it."

The work to develop the definition of the culture of the organisation would not start again from scratch and would not abandon the many very valuable competencies which had already been identified. Work would be undertaken to update, refine and clarify what the Council already had and ensure that it was fit for purpose for the challenges that would be faced over the next 5 years.

The Council always had the structures and responsibilities in the organisation under review to ensure that the Council had the "right people in the right places". Current structures would be looked at to ensure that these account for the many changes that were arising as a result of the Service Reviews, the changes in delivery of public services and the rising demand for services in many areas such as in Children's and Adults Social Care.

The formalisation and development of the succession planning processes was essential particularly in light of the age profile of the workforce and as an essential element of developing resilience in the organisation and meaningful and valuable development opportunities for employees.

A programme would be developed to ensure that the Council continued to encourage employees to identify their own development needs and to provide effective support to individuals to fulfil their potential. This programme would again build on the processes already in place through the appraisal system but would provide new methods and more sophisticated resources to help identify needs and tailor development plans.

The optimisation of personal performance would be complemented by increased investment in the work of the teams in the organisation.

The selection and recruitment process would be reviewed and revised to incorporate additional measurement and testing techniques. It was anticipated that a number of personality, profiling and cognitive style assessments may usefully be incorporated into the current competency based approach to enhance and improve the processes currently used. These additional tools would help the Council to enhance further the commitment to open, fair and positive recruitment and would help identify

development needs and potential right from the start of an employee's time with the organisation.

Work would be undertaken to review how talented employees were identified within the organisation and how career development plans were developed.

All elements of the programme would be worked up in detail and combined in a 5 year plan which would be brought to Cabinet for approval in March 2014.

RESOLVED that:-

1. The planned work to build capacity in the organisation be noted and the development of a detailed action plan be supported to be presented to Cabinet in March 2014.

2. The creation of the Liz Nixon Charitable Trust be approved and authority be delegated to the Director of Law and Democratic Services, in consultation with the Cabinet Member for Corporate Management and Finance, to establish the legal and governance arrangements for the trust.

3. Reasons for the Decision

To inform Cabinet of the planned work to build capacity in the organisation and of the development of a detailed action plan and to approve the creation of the Liz Nixon Charitable Trust.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

Councillor Mrs McCoy declared a personal non prejudicial in respect of agenda item 9 - Building Capacity & Resilience in the Organisation "Shaping a Brighter Future" as she was the Chair of NEREO.

6. Details of any Dispensations

N/A

7. Date and Time by which Call In must be executed

Midnight on Thursday, 23rd January 2014

Proper Officer
17 January 2014