

CABINET ITEM COVERING SHEET PROFORMA

AGENDA ITEM

REPORT TO CABINET

9 FEBRUARY 2017

**REPORT OF CORPORATE
MANAGEMENT TEAM**

CABINET DECISION

Leader of the Council – Councillor Cook

EMPLOYEE SURVEY 2016

1. Summary

Stockton Borough Council is a successful and award winning organisation which is ambitious, effective and proud to serve the people of the borough. Working closely with elected Members the workforce of 3,250 people strive to deliver the very best services across the borough in the face of unprecedented challenges arising from reductions in funding and increased demand for services.

We pride ourselves that we value, care for and invest in our employees and want to continue to do so because we are ambitious and want to continue to deliver our services well. This investment in employees has been a long term commitment which is now encapsulated in our “Shaping a Brighter Future” programme that is looking at who we are and how we do things, at staff support and development, at helping employees to make the very best of their existing skills and talents and develop their potential, to cope with stresses, and to be happy and well-motivated in the job that best suits them.

As with any investment, we take stock periodically to ensure that we are achieving a good return and that we are targeting our activity effectively. It is for this reason that we carry out an employee survey every 2 years to understand how our employees are feeling about the council as an employer and as a place to work.

This report provides Members with details of the 2016 Employee Survey results and provides a measure of the value of the investment in our employees from their perspective.

In overview we continued to maintain a high Survey response rate at 70% and extremely positive results with only 1 of the 44 questions yielding a positive agreement rate lower than 50% and 16 questions scoring an agreement rate over 75%. The results also compare very favourably with a national Civil Service survey conducted in the same period last year.

Whilst of course there are areas which are identified for improvement, overall the employee response rate and results are extremely good and should be celebrated, particularly when they are read in the context of significant change and work pressures and alongside the extremely positive MORI resident survey results on Council performance.

2. Recommendation

Cabinet is recommended to note the positive results of the 2016 Employee Survey and to receive a further report in December 2017 on delivery of the action plan.

3. Reasons for the Recommendation / Decision

The Employee Survey provides an assessment of the health of the organisation. It is essential that the organisation can continue to operate at optimal effectiveness to deliver the Council Plan objectives.

4. Members' Interests

Members (including co-opted Members) should consider whether they have a personal interest in any item, as defined in **paragraphs 9 and 11** of the Council's code of conduct and, if so, declare the existence and nature of that interest in accordance with and/or taking account of **paragraphs 12 - 17** of the code.

Where a Member regards him/herself as having a personal interest, as described in **paragraph 16** of the code, in any business of the Council he/she must then, **in accordance with paragraph 18** of the code, consider whether that interest is one which a member of the public, with knowledge of the relevant facts, would reasonably regard as so significant that it is likely to prejudice the Member's judgement of the public interest and the business:-

- affects the members financial position or the financial position of a person or body described in **paragraph 17** of the code, or
- relates to the determining of any approval, consent, licence, permission or registration in relation to the member or any person or body described in **paragraph 17** of the code.

A Member with a personal interest, as described in **paragraph 18** of the code, may attend the meeting but must not take part in the consideration and voting upon the relevant item of business. However, a member with such an interest may make representations, answer questions or give evidence relating to that business before the business is considered or voted on, provided the public are also allowed to attend the meeting for the same purpose whether under a statutory right or otherwise (**paragraph 19** of the code)

Members may participate in any discussion and vote on a matter in which they have an interest, as described in **paragraph 18** of the code, where that interest relates to functions of the Council detailed in **paragraph 20** of the code.

Disclosable Pecuniary Interests

It is a criminal offence for a member to participate in any discussion or vote on a matter in which he/she has a disclosable pecuniary interest (and where an appropriate dispensation has not been granted) **paragraph 21** of the code.

Members are required to comply with any procedural rule adopted by the Council which requires a member to leave the meeting room whilst the meeting is discussing a matter in which that member has a disclosable pecuniary interest (**paragraph 22** of the code)

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SUMMARY

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RECOMMENDATIONS

1. Cabinet is recommended to note the positive results of the 2016 Employee Survey and to receive a further report in December 2017 on delivery of the action plan.

BACKGROUND

1. The Council has conducted bi-annual Employee Surveys since 2010. The most recent survey was undertaken between 3rd October – 7th November 2016 and it is worth noting the context for

the survey before considering the results.

2. The Survey was undertaken following a period of significant organisational change, including the extensive Senior Management reorganisation implemented in 2016 and the ongoing service reviews as a result of the MFTP and Big Picture programmes. The cumulative impact of these changes over the last 5½ years is a 24% (1,010) reduction in headcount by the time of the survey, to a workforce of 3,250 at 30 September 2016.
3. The impact of the reduction in the number of employees has also been felt through the loss of some older and very experienced employees, as the policy of maximising the use of voluntary redundancy and early retirement in service reviews continues. However despite this effect the age profile of the current workforce continues to be an issue which we are addressing through succession planning as over 50% of the workforce are over 45 years old.
4. We continue to work closely through the Sickness Absence Action Plan to work with employees as there has been an increase in sickness absence levels across the Council over the last 2 years. The most common cause of sickness absence continues to be stress related illness. This is a significant challenge and is the subject of a separate report to Cabinet, it is referenced here as important context for the survey.
5. It is also important context to reflect that the Council continues to invest in the Health & Wellbeing of its employees including an in-house Occupational Health provision, Insight Counselling services and Body2Fit physiotherapy services. A wide range of health promotions have taken place, and the Council achieved the Better Health at Work Gold award in December 2016.
6. Finally, in terms of context, this is the first Employee Survey since the start of the Shaping a Brighter Future programme, designed to create more capacity and resilience within the organisation and develop our own employees and grown our own talent. This has provided the first opportunity to test the initial impact of the programme. We have also used the opportunity of the 2016 Survey to take a baseline measurement of the newly launched Culture Statement, developed by employees as part of SBF. For the first time in this survey we added questions to assess employees' identification with the aspirations of the culture statement (shown below). These baseline levels provide us with a starting point for ongoing measurement of the cultural health of the organisation.



7. The 2016 survey took place in October 2016 and, as in 2014, the survey was extended to 7 November 2016 to allow for half term. Responses were received from 2,159 contracted employees - a response rate of 70%. As in previous years, responses were received from across the organisation with on-line and paper options available, engagement visits to non office based employees and inclusion of employees on sickness absence and maternity leave (where appropriate).



8. A detailed summary of the 2016 results compared to 2014 is attached at Appendix 1. In addition at Appendix 2 Members are provided with a dashboard which highlights the Top 3 Scores, Bottom 3 Scores, Area's of Strength and Opportunities compared to 2014 and the results of the baseline measurement of the Culture Statement. The majority of questions in the 2016 survey were taken from the 2014 survey in to enable benchmarking to take place, however additional questions to assist in temperature checking the Culture Statement were also included. Comparison to 2014 survey results are referenced below where they are available.
9. The results are extremely encouraging. Of the 38 questions which can be benchmarked against the 2014 survey, 21 are either improved or stable. From the 44 positive statements about the Council 16 received an agreement level of 75% or above and only 1 a score of less than 50% ie. fewer than half of the respondents were able to agree with the statement.
10. The 2016 results highlight the ongoing commitment of employees and their **pride in delivering a good service**. 86% of employees understand how their work contributes to the success of the Council (same as 2014), 85% of employees agree that people in their team co-operate to get work done (86% in 2014), 86% of employees agree that people in their team are committed to doing quality work (same as 2014) and 95% of employees take pride in their work.
11. The results indicate that progress has been made in the key strategic area of **innovation**. 87% of respondents agreed with the statement "I believe that one of my responsibilities is to continually look for new ways to improve the way we work". This represents further

improvement against the score of 80% in 2014 (which was itself a 22% point increase from 2012). The addition of a new question around innovation implementation shows that 75% of employees agree that their team has tried out a new idea or way of working in the past year. 73% of respondents agree that their manager or supervisor encourages them to continually look for new ways to improve the way they work. These results are particularly important as we continue to look for ways to deliver more with less and to identify ways to invest to save in the face of the ongoing financial challenge. The survey results would suggest that a culture of innovation has become embedded in the organisation. This is the fourth year of the Innovation Challenge programme which challenges employees to work on real life challenges facing the council outside their normal area of work. The Bright Ideas staff suggestion scheme continues and the employee development of the culture statement for the organisation identified “we are not afraid to try something new” as an aspect of the culture that we wish to see at work.

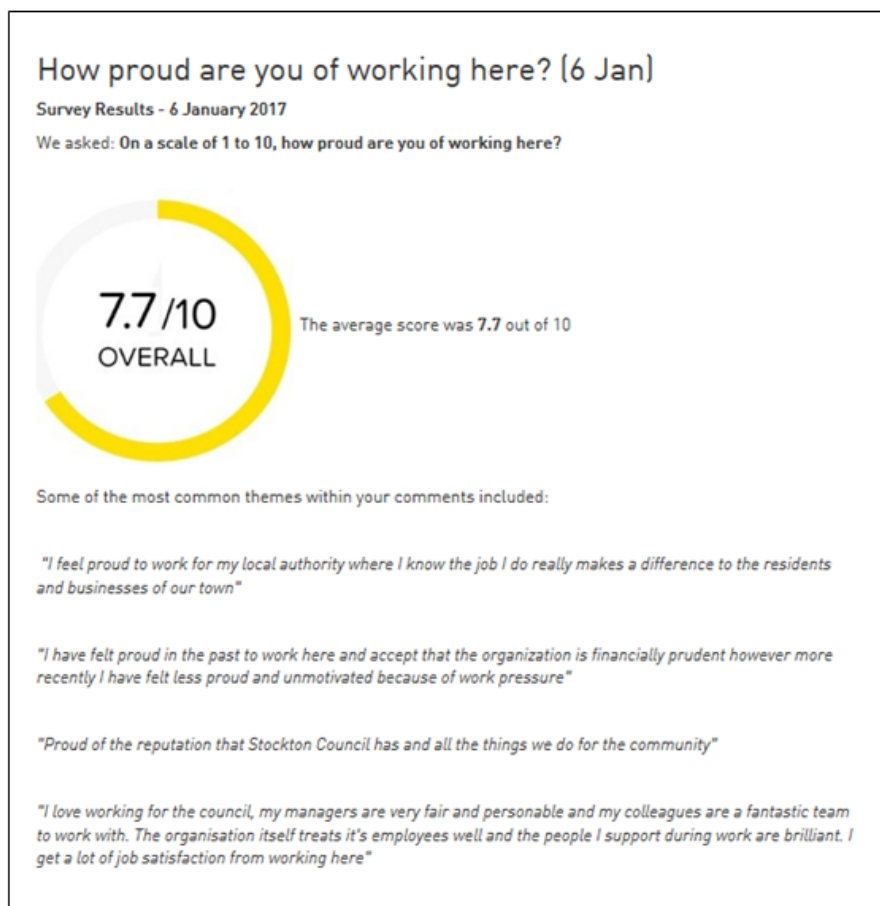
12. The results from the 2016 Employee Survey show a significant improvement in the key strategic area of **customer focus**. 77% of respondents agree with the statement “we act on the feedback we receive from customers”. This is up 11 percentage points from 2014 and is consistent with the findings of the reaccreditation of the Council in the Government's Customer Service Excellence Standard in July 2016. The assessment included nine levels of ‘Compliance Plus’ for best practice – the most assessors have ever awarded in one visit including in Organisational Culture, where they concluded that there is a commitment throughout the Council to be customer focused.
13. Despite increasing work pressure, the results from the 2016 employee survey indicate that on the whole employees feel **valued, trusted and supported** at work. 77% of respondents agree with the following three statements;
 - I am treated with fairness and respect in this organisation,
 - I have enough authority to do my job effectively
 - My immediate manager/supervisor seems to care about me as a person.
 - 82% of respondents agree that their immediate manager/supervisor treats them with respect as an individual.
14. The Survey also highlighted a number of areas for improvement. **Management of poor performance** remains a challenge with just over half (57%) of employees agreeing that poor performance is dealt with effectively. This percentage is unchanged from the 2014 survey. Work was carried out following the 2014 survey to understand the problem in more detail and training courses have been run in managing difficult situations. However an improvement in this area has not been achieved. Whilst it is worth noting that when we benchmark this performance against other organisations the 57% agreement rate actually represents a relatively strong performance, we are planning further work to understand this issue in more depth and to identify action we can take to improve.
15. **Communication** across SBC remains a potential area for improvement. Only 43% of respondents agreed that communication between Directorates is good in this organisation. This is slightly down against a score of 45% in 2014. 50% of respondents agree that communication within Directorates is good in this organisation. This score is in line with the 2014 Employee Survey results. 58% of respondents agree that the reasons for change are well communicated. This is down 6 percentage points vs. 2014. Whilst fully accepting that this is a challenge that needs further effort, it is worth noting that the 2016 survey took place shortly after the major structural reorganisation last year. In a related measure it is clear that we must

continue to focus efforts on providing visibility of the work of senior officers to the whole organisation as only 58% of respondents agreed with the statement “senior council officers are working together effectively to make the organisation successful”. This is down 6 percentage points vs. 2014. Interestingly, a further 35% responded that they neither agree nor disagree, which suggests that many staff may feel they are not in a position to make a judgement. Work will continue to develop new and improved methods of communication which can keep pace with the ongoing change in the organisation.

16. Benchmarking with external data is becoming more difficult as there are fewer Local Authority comparator survey results available. However the 2016 Civil Service People Survey was published by the Cabinet Office in November 2016 with results from 279,708 respondents from 98 Public Sector organisations. The survey provides an extremely useful comparison as it took place over almost exactly the same time period, it has the same categories of agreement, and uses the same combination of “agree” and “strongly agree” in the headline responses. 23 of the 44 questions in our Employee Survey map clearly to the Civil Service survey and these are shown in Appendix 3 alongside the comparative results. The results compare extremely favourably and provide further evidence that the investment in employee support and development is generating benefits at the Council.

NEXT STEPS

17. Further analysis of the 2016 results, at a Directorate and team level, has been shared with Directors and they are producing action plans in response to their Directorate survey results. There is of course variation in areas of strength and potential development across the organisation and full results and dashboards have been shared for each reported group with more than 10 responses. These action plans will be reviewed by the Chief Executive in the first quarter of 2017. Directors are also in the process of communicating their Directorate results with their teams.
18. In addition areas which need to be considered corporately are being identified and a corporate action plan produced and will be reported to Corporate Management Team.
19. Investment has also been made in development of an employee engagement tool called HIVE which will allow for more frequent and flexible tracking of the issues covered by the employee survey. This micro-survey tool provides an online platform (Accessible from home, work and mobile phone) which can be used to ask a weekly question of all employees and provide live and anonymous tracking of responses. The new system was launched in November and a range of weekly surveys has already taken place. An example of the results for the week of 6 January is shown below:



HIVE will continue to be used to explore some of the issues arising from the employee survey further as well as providing ongoing employee engagement. This will not replace the bi-annual survey but will allow us to track progress on issues being addressed in the action plans and track perceptions about the culture in the organisation.

20. It is proposed that a full communications package on overall Corporate results is produced for employees for use at team briefings and to add to what has already been shared through KYIT. The information will also be used at the next Setting the Standard sessions in February 2017 and shared with the Trade Unions at the February Trade Union Liaison Group meeting.

FINANCIAL IMPLICATIONS

21. The actions are to be met through existing services and budgets and /or secured external funding.

LEGAL IMPLICATIONS

22. There are no legal implications arising from this report.

RISK ASSESSMENT

23. The development of the Employee Survey is categorised as low to medium risk. Existing management systems and daily routine activities are sufficient to control and reduce the risk.

COUNCIL PLAN THEMES

24. The Employee Survey supports the Your Council theme within the Council Plan.

EQUALITIES IMPACT ASSESSMENT

25. N/A

CONSULTATION INCLUDING WARD/COUNCILLORS

26. N/A

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Employee Survey 2016 - DATA SHEET 29/11/2016 Whole Council Scores Excluding Agency and Casual Staff

Answers grouped by Culture Statement domain (as recommended by the Temperature Check subgroup) plus 'other'
 For questions answered on a five point scale we identify top two box scores - % agree and strongly agree
 For 1-10 scaled scores we have provided the mean average
 Significance testing was done to two decimal places at a 95% confidence level
 By excluding Agency and Casual Staff we have removed 111 respondents

KEY:

Result >75%
Results between 50% and 74.9%
Results between 25% and 49.9%
Result between 0% and 24.9%

2016 Total Respondents : 2244
 2016 Respondents ex Agency and Casual Staff : 2133

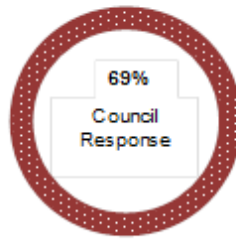
Culture Statement Results	2014 Result	2016 result	Direction	Percentage point change
	Total Agree (%)	Total Agree (%)		
We make a positive contribution at work for the whole council (0-10 scale)	n/a	8.19	n/a	n/a
Communication between Directorates (e.g. EGDs, Children's Services, Adults and Health) is good in this organisation (see note 1)	45%	43%	↓	-2%
The people in my team cooperate to get the work done	86%	85%	↓	-1%
I understand how my work contributes to the success of the organisation	86%	86%	=	0%
There is a strong feeling of cooperation and teams working together in this organisation	n/a	61%	n/a	n/a
I understand the ambitions and priorities of the Council as a whole	n/a	76%	n/a	n/a
Senior council officers are working together effectively to make the organisation successful	64%	58%	↓	-6%
We never lose sight of the fact we are here to serve the people of the borough (0-10)	n/a	8.34	n/a	n/a
We act on feedback we receive from customers	67%	77%	↑	11%
We belong (0-10)	n/a	7.16	n/a	n/a
I feel a strong sense of belonging to this organisation	65%	66%	↑	1%
I would recommend this organisation as a great place to work	64%	66%	↑	2%
We are valued, trusted and supported (0-10)	n/a	7.07	n/a	n/a
I am treated with fairness and respect in this organisation	76%	77%	↑	0%
My immediate manager/supervisor treats me with respect as an individual	84%	82%	↓	-2%
I have enough authority to do my job effectively	79%	77%	↓	-2%
This organisation does a good job of keeping me informed about matters affecting me	68%	66%	↓	-1%
This organisation takes a genuine interest in the wellbeing of employees	59%	61%	↑	2%
At work someone other than my manager/supervisor seems to care about me as a person	80%	73%	↓	-6%
My immediate manager / supervisor seems to care about me as a person	77%	77%	=	0%
We are heard (0-10)	n/a	6.83	n/a	n/a
I have the opportunity to contribute my views before changes are made which affect my job	58%	60%	↑	2%
At work my opinion counts	69%	64%	↓	-5%
I believe that action will be taken on problems identified in this survey	54%	50%	↓	-3%
We work hard (0-10)	n/a	8.86	n/a	n/a
The people in my team are committed to doing quality work	86%	86%	↑	1%
I take pride in my work	n/a	95%	n/a	n/a
We are not afraid to try something new (0-10)	n/a	8.16	n/a	n/a
My immediate manager/supervisor encourages us to come up with new or better ways of doing things	73%	73%	↑	1%
In the last year my team has tried out a new idea or way of working	n/a	75%	n/a	n/a
I believe that one of my responsibilities is to continually look for new ways to improve the way we work	80%	87%	↑	7%
We take responsibility for our own development (0-10)	n/a	7.95	n/a	n/a
I have taken the opportunity to learn something new at work this year	n/a	73%	n/a	n/a
I have a plan for my own personal development at work	n/a	62%	n/a	n/a
<i>In the last six months someone at work has talked to me about my progress*</i>	68%	70%	↑	3%
<i>There is someone at work who encourages about my development*</i>	63%	65%	↑	2%
<i>I receive regular and constructive feedback on my performance*</i>	63%	66%	↑	3%
<i>I am satisfied with the opportunities I have to progress (including learn, develop and/or secure promotion) in this organisation*</i>	57%	59%	↑	2%
<i>In the last year, I have had opportunities at work to learn and develop*</i>	67%	70%	↑	3%

* These results are being used as contextual data for this culture element

Other Data	2014 Result	2016 result	Direction	Percentage point change
	Total Agree (%)	Total Agree (%)		
I have the resources I need to complete my work effectively	74%	72%	↓	-1%
I am confident with the way the Council is run	70%	67%	↓	-3%
Communication WITHIN Directorates (eg EGDs, Children's Services, Adults and Health etc) is good in this organisation (see note 2 below)	50%	50%	=	0%
I am clear about what I am expected to achieve in my job	88%	86%	↓	-2%
I am able to strike the right balance between my work and home life	74%	76%	↑	2%
My immediate manager/supervisor inspires me to do my best	74%	72%	↓	-2%
My immediate manager/supervisor communicates effectively	77%	73%	↓	-4%
My job makes good use of my skills and abilities	78%	79%	↑	1%
This organisation manages change effectively	61%	54%	↓	-7%
Poor performance is dealt with effectively	57%	57%	=	0%
I have the information I need to do my job effectively	82%	78%	↓	-4%
I feel change is managed in a fair way	54%	55%	↑	2%
The reasons for change are well communicated to me	64%	58%	↓	-6%
We focus our work on making sure the Council meets the needs of the people of the Borough (0-10)	n/a	8.26	n/a	n/a

Note 1. 2014 wording : Communication between Service Groups (e.g. CESC, DNS, Law and Democracy, Resources) is good in this organisation
 Note 2. 2014 wording : Communication within Service Groups (e.g. CESC, DNS, Law and Democracy, Resources) is good in this organisation

Whole Council Result



Top 3 Scores

	2016 Result	2014 Result
1) I believe that one of my responsibilities is to continually look for new ways to improve the way we work	87.0%	80.0%
2) I understand how my work contributes to the success of the organisation	86.0%	86.0%
3) The people in my team are committed to doing quality work	86.0%	86.0%

*Top 3 excludes 'I take pride in my work'

Bottom 3 Scores

	2016 Result	2014 Result
1) Communication between Directorates (e.g. EGDS, Children's Services, Adults and Health) is good in this organisation	43.0%	45.0%
2) I believe that action will be taken on problems identified in this survey	50.0%	54.0%
3) Communication WITHIN Directorates (e.g. EGDS, Children's Services, Adults and Health etc) is good in this organisation	50.0%	50.0%

Areas of Strength vs 2014 Result

	2016 Result	% Point Gap vs 2014 Result
1) We act on feedback we receive from customers	77.0%	+11%
2) I believe that one of my responsibilities is to continually look for new ways to improve the way we work	87.0%	+7%
3) I receive regular and constructive feedback on my performance*	66.0%	+3%

Opportunity Areas vs 2014 Result

	2016 Result	% Point Gap vs 2014 Result
1) This organisation manages change effectively	54.0%	-7%
2) Senior council officers are working together effectively to make the organisation successful	58.0%	-6%
3) The reasons for change are well communicated to me	58.0%	-6%



*Please note all scores exclude agency & casual workers

Appendix 3

SBC 2016 Employee Survey question	Total Agree	Total Agree	Civil Service 2016 Survey question
The people in my team co-operate to get the work done.	85%	84%	The people in my team can be relied upon to help when things get difficult in my job.
I understand how my work contributes to the success of the organisation	86%	83%	I understand how my work contributes to my organisation's objectives.
I understand the ambitions and priorities of the Council as a whole	76%	80%	I have a clear understanding of my organisation's objectives.
Senior Council officers are working together effectively to make the organisation successful	58%	44%	Overall I have confidence on the decisions made by my organisation's senior managers.
I feel a strong sense of belonging to this organisation	66%	48%	I feel a strong personal attachment to my organisation.
I would recommend this organisation as a great place to work.	66%	51%	I would recommend my organisation as a great place to work.
I am treated with fairness and respect in this organisation.	77%	79%	I am treated fairly at work.
My immediate manager/supervisor seems to care about me as a person.	82%	83%	My manager is considerate of my life outside work.
I have the opportunity to contribute my views before changes are made that affect my job.	60%	38%	I have the opportunity to contribute my views before changes are made that affect me.
I believe that action will be taken on problems identified in this survey.	50%	46%	I believe that senior managers in my organisation will take action on the results from this survey.
My immediate manager/supervisor encourages us to come up with new or better ways of doing things.	73%	74%	The people in my team are encouraged to come up with new and better ways of doing things.
I receive regular and constructive feedback on my performance.	66%	66%	I receive regular feedback on my performance.
I am satisfied with the opportunities I have to progress (incl. learn, develop and/or secure promotion) in this organisation.	59%	43%	There are opportunities for me to develop my career in my organisation.
In the last year, I have had opportunities at work to learn and develop.	70%	51%	Learning and development activities I have completed in the past 12 months have helped to improve my performance.
I have the resources I need to complete my work effectively.	72%	70%	I have the tools I need to do my job effectively.
I am confident with the way the Council is run.	67%	47%	I feel that my organisation as a whole is managed well.
I am clear about what I am expected to achieve in my job.	86%	75%	I have clear work objectives.
I am able to strike the right balance between my work and home life.	76%	67%	I achieve a good balance between my work life and my private life.
My immediate manager/supervisor inspires me to do my best.	72%	69%	My manager motivates me to be more effective in my job.
My job makes good use of my skills and abilities.	79%	80%	I am sufficiently challenged by my work.
This organisation manages change effectively	54%	29%	I feel that change is managed well in my organisation.
Poor performance is dealt with effectively.	57%	39%	Poor performance is dealt with effectively in my team.
I have the information I need to do my job effectively.	78%	69%	I get the information I need to do my job well.

