

# DUNDEE CITY COUNCIL

**REPORT TO:** Personnel Committee - 18 December 2006

**REPORT ON:** Human Resource Strategy

**REPORT BY:** Assistant Chief Executive (Management)

**REPORT NO.:** 721-2006

## 1 PURPOSE OF REPORT

1.1 To seek Committee approval for the Council's Human Resource Strategy.

## 2 RECOMMENDATION

2.1 It is recommended that the Committee approves the Human Resource Strategy attached as Appendix 1.

## 3 FINANCIAL IMPLICATIONS

3.1 The cost of implementing the Human Resource Strategy will be contained within existing budgets.

## 4 SUSTAINABILITY POLICY IMPLICATIONS

4.1 None.

## 5 EQUAL OPPORTUNITIES IMPLICATIONS

5.1 Approval of the Human Resource Strategy will help to ensure that the Council continues to meet its equal opportunities obligations.

## 6 BACKGROUND

6.1 Over the years, the Council has approved a comprehensive range of policies on personnel matters. At local government re-organisation in 1996, the Council adopted many policies previously operated by the predecessor Councils, together with new policies necessary for the then new Dundee City Council.

6.2 Most of these policies require review on a regular basis to reflect (a) the many new pieces of employment legislation which continue to be introduced on a frequent basis, (b) agreements reached after collective bargaining at the national level, and (c) agreements reached after consultation or negotiation at the local level.

6.3 The Human Resource Strategy seeks to consolidate a considerable amount of what is done just now as best practice but also provides building blocks for the future.

- 6.4 In its Review of Best Value of the City Council, Audit Scotland indicated that, in its view, there was a need for a Human Resource Strategy. Although the Audit Scotland focus was narrow (on absence management and workforce planning), the Assistant Chief Executive (Management) decided that the strategy should be wider ranging than what Audit Scotland was seeking.

## 7 THE STRATEGY

- 7.1 The Strategy comprises a number of different elements:-

- an introduction;
- core values and principles;
- the context in which the Council operates and in which the Strategy will apply;
- the necessity for integration between the Council's corporate aims and the Human Resource Strategy; and
- 4 distinct objectives: recruitment and retention; investment in people; modernisation and development of employee relations; and organisational development and growth.

- 7.2 Obviously, the achievement of the Council's corporate aims as outlined in the current Council Plan (and the new Plan which will be approved in 2007) depends very much on the Council's ability to recruit, retain and develop people with the necessary skills. Accordingly, the Human Resource Strategy is one of the most important strategies which the Council will be asked to consider and approve. It is very much a flexible document which is subject to change as the Council's corporate aims change, but its core values and principles will remain over time.

## 8 THE ACTION PLAN

- 8.1 The second part of the Strategy is an action plan identifying what needs to be done to ensure that the Strategy is a meaningful and developing document.

- 8.2 It identifies a number of critical activities for organisational effectiveness:-

- to ensure that the Council has the right people in the right place at the right time doing the right jobs;
- to ensure that the Council has the capacity across all departments to respond to change;
- to ensure that personnel policies, procedures and practices allow the Council to operate properly, fairly and effectively; and
- the necessity of partnership working between employees, trade unions, elected members and management.

**9 CONCLUSION**

- 9.1 The Human Resource Strategy is a key document. Far from being a reflection of the past, its focus is on the future.
- 9.2 One element is missing from the action plan: target dates. The reason for this is that such an important and comprehensive document requires careful consideration. A considerable amount of the work identified will be carried out by departments, as the Assistant Chief Executive (Management) believes that people management is the responsibility of management in departments rather than professional specialists in the Personnel Department. Personnel Department staff will continue to advise, but the rolling out of this strategy will fall to many other people in departments and the trade unions, and relevant target dates will have to be agreed.

**10 CONSULTATION**

- 10.1 The Council Management Team has been consulted on the Human Resource Strategy. The trade unions have also been consulted and their comments have been incorporated into the document.

**11 BACKGROUND PAPERS**

- 11.1 None.

J C Petrie  
Assistant Chief Executive (Management)

11 December 2006

**DUNDEE CITY COUNCIL****PART 1****HUMAN RESOURCE STRATEGY****1 INTRODUCTION**

1.1 The Council's employees are its most valuable resource and greatest asset and by investing in our employees we will meet the aspirations of the Council, Dundee's citizens and our workforce. Achievement of the Council's corporate aims as outlined in the Council Plan is reliant on our ability to recruit, retain and develop the necessary skills and maintain the capacity to deliver quality services, service improvements and Best Value.

1.2 Organisational development and continuous improvement are central to the delivery of local government services. An ability to anticipate and respond to internal/external change drivers and to take advantage of new opportunities is crucial to the long term sustainability of Council services. The key challenge facing the Council requires us to focus not only on what services we provide, but how we provide them.

1.3 The management of continuous and sustained performance is at the heart of the Council's strategic vision. A rigorous inspection framework presents major challenges for the Council in terms of the prioritisation of objectives and the allocation of resources. In order to meet these challenges, we need to ensure that employees possess the necessary skills, knowledge and aptitude to deliver services in line with the Council's stated objectives and department service plans. A comprehensive review of existing personnel policies, procedures and practices is being undertaken to ensure 'best fit' with corporate objectives and departmental service plans.

1.4 The aims of our human resource strategy are:-

- to ensure that we have appropriately skilled people in the right place, at the right time, doing the right jobs;
- to develop organisational capacity through the recruitment and development of our leaders, managers and employees in order to respond to the anticipated and future changes impacting on local government; and
- to achieve the integration of personnel policies, procedures and practices within service planning and performance management frameworks to ensure that they support and complement our strategic corporate aims and vision.

1.5 The Council endorses the principle that effective human resource management involves a working partnership between stakeholders: members, Personnel specialists, operational managers, trade unions and employees.

- Effective human resource management is not the preserve of Personnel staff; it can only be achieved with the commitment of a contribution from service managers to the effective management of people. The Council's human resource policies must be viewed as a means to an end and not as an end in themselves.

- Effective people and performance management is achieved through the integration of service planning, employee recognition and reward, and people management policies, procedures and practices. The Council's human resource strategy acknowledges the inter-relationship between people management and performance which is essential if we are to ensure that operational managers recognise and accept the key role they play in the management of people.
- The third element within the framework is the integration of corporate aims and objectives and employee aspirations. The key to achieving improved and sustained performance lies in the motivation of employees and the achievement of a commitment to and shared vision of the Council's future direction.

## 2 CORE VALUES AND PRINCIPLES

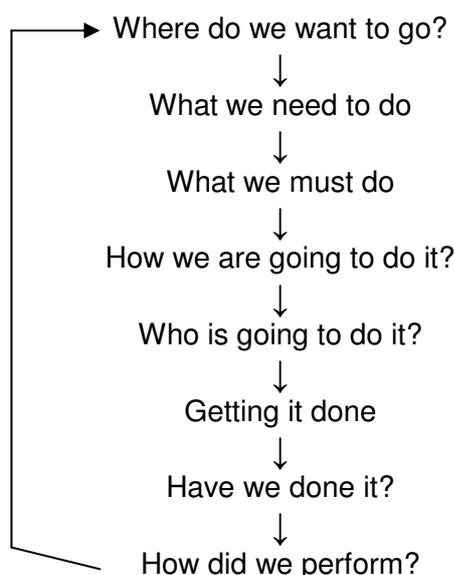
2.1 The building blocks of the human resource strategy are the core principles and values which define the way in which the Council views its role as an employer. These core values are:-

### **The principle of Dundee City Council as a single employer**

The Council's human resource management and development policies will be delivered and implemented taking account of the corporate aims and objectives; provision of services to local communities; and the delivery of services through departments. The Council's approach to workforce deployment will aim to balance the need to deliver services in accordance with service delivery and statutory plans with a compliance with employment law, national and local conditions of employment and best practice. Under-pinning this is the status of Dundee City Council and not individual departments as the employer.

### **A commitment to continuous improvement, service and organisational development and performance management**

The Council's performance management approach has the following key stages essential to the delivery of efficient, economic and effective services:-



Each of these stages in our performance management approach relies on a partnership with the trade unions and a contribution from the workforce. Our objective is to maximise this contribution through effective leadership and management, efficient and economic deployment of the workforce, and engagement of employees as partners in the process.

### **Fair and Equitable Treatment**

The Council is fully committed to the fair and equitable treatment of employees as a means to delivering community focused services:-

- By encouraging diversity within the workforce, we recognise the contribution each employee makes to the achievement of our aims and objectives irrespective of disability, gender, racial or ethnic origin, age, religion or sexual orientation.
- By engaging employees at all stages, through effective consultation, involvement and participation, the Council aims to fully harness the talent and capacity of the workforce.
- Work-life balance is integral to effective human resource management. The relationship between the Council and its workforce will be enhanced by our genuine recognition that employees seek to achieve balance between their priorities within and outwith the workplace. We want to recruit, retain and develop a workforce who share our vision of Best Value community and customer focused services, and are committed and motivated to achieving this.

2.2 The Council's human resource strategy has been developed to identify and prioritise the actions required to recruit, develop and retain our workforce in order to achieve the corporate aims as stated in the Council Plan. The Council Plan represents the commitment of the Council to play its part in achieving the vision for Dundee agreed in the Community Plan; to modernise and continuously improve the services it provides to the public; and to achieve best practice in managing people and resources. The Plan commits us to continuously improve the service we provide to the public. Specific objectives include a greater focus on the needs of the customer; introduction of customer contact centres, smartcards and more services available through the website. The Council aims to achieve best practice in the way it manages its own resources. In particular, the Plan acknowledges that the professionalism and experience of Council staff is vital to the City's success. Commitments include no compulsory redundancies, further development of 'family friendly' policies; action to reduce accidents and promote health at work; promotion of equality and accessibility; and good communication with public and staff.

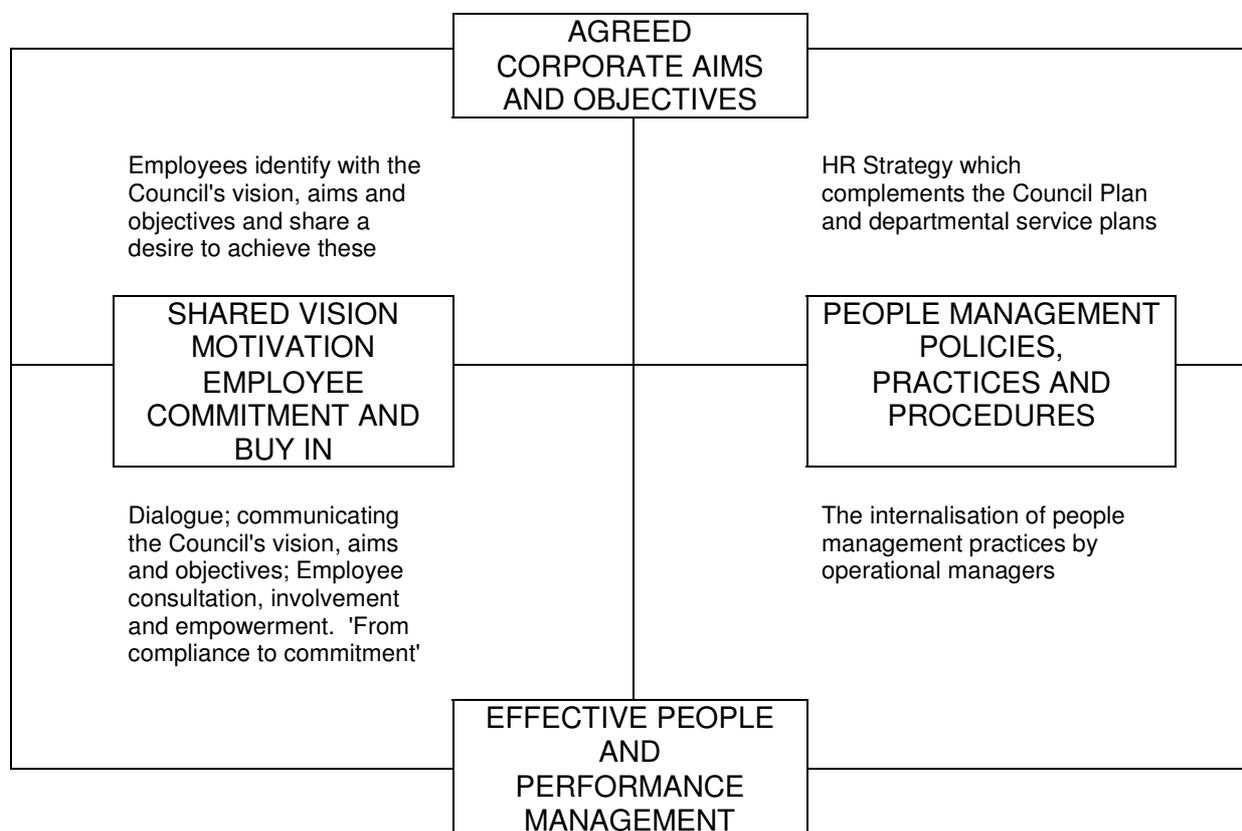
## **3 HUMAN RESOURCE STRATEGY - ENVIRONMENTAL CONTEXT**

### **3.1 Background**

The Council recognises the importance of its role as the largest single employer within the City. Over 8,000 employees in a variety of front line and support service roles are employed to provide a comprehensive range of services.

#### 4 INTEGRATION: CORPORATE AIMS AND HUMAN RESOURCE STRATEGY

- 4.1 Section 1 identified the links between the Council Plan, people management policies and effective people management. The integration of these is vital to achieve employee commitment and buy-in and to the sharing of the Council's aims and objectives:-



- 4.2 The role and function of the Council's human resource strategy is to enable and facilitate the achievement of the Council's stated aims and objectives (as outlined in the Council Plan and departmental service plans) through effective people management.
- 4.3 Effective people management and effective performance management are intrinsically linked.
- 4.4 The Council endorses the view that the delivery of effective and efficient Council services will be achieved through the effective deployment of its workforce and consequently our human resource strategy will ensure that:-

**Employees are recruited, trained and deployed to support the delivery of local services in accordance with agreed aims, objectives and service delivery plans**

**Resourcing:** the alignment of the people resource requirement of the organisation. This will take into account existing competency models, vacancy scrutiny, selection techniques, employee/succession planning as well as the recruitment process.

**Development:** the development of employees for the future, providing them with future skills for their existing role and for future roles.

**Learning:** the amount, quality, type and appropriateness of training for existing role requirements and essential skills.

**Effective systems and procedures are in place to ensure that employees know what is expected of them to perform effectively**

**Performance Management:** covering workload review, objective setting, performance measurement and development planning.

**Communication:** the overall effectiveness of communication.

**Effective systems and procedures are in place to ensure that employees are fully supported to deliver what is required**

**Organisational Development:** how the organisation is changing to meet the strategic priorities. This includes views upon the appropriateness of existing departmental structures, hierarchies, cross-functional activity, partnerships and other working arrangements.

**Organisational Capability:** the level of relevant skills and behaviour within the organisation.

**Organisational Style:** the appropriateness of the way people go about their activities.

**Reward and Recognition:** the appropriateness of reward and recognition systems.

**Joining Up:** the total level of co-operation, cohesiveness, co-ordination and co-operation across and through departments, etc, and with other parties.

**Leadership:** the overall effectiveness of leadership to produce the vision and motivation to deliver high-level performance.

**The efficient, effective and economic delivery of human resource management and development priorities**

**Employee Relations:** the level of expertise in guiding and counselling staff and communicating with them and their trade union representatives. The Council will take employee surveys into account and departments will formulate appropriate action plans.

**Occupational Health:** the effective level of health and safety practices throughout the organisation.

**Safety Management:** effectiveness/proactivity as evidenced by preventative advice, safety inspections and incident management.

**Absence Management:** the continuing development and implementation of sickness absence procedures.

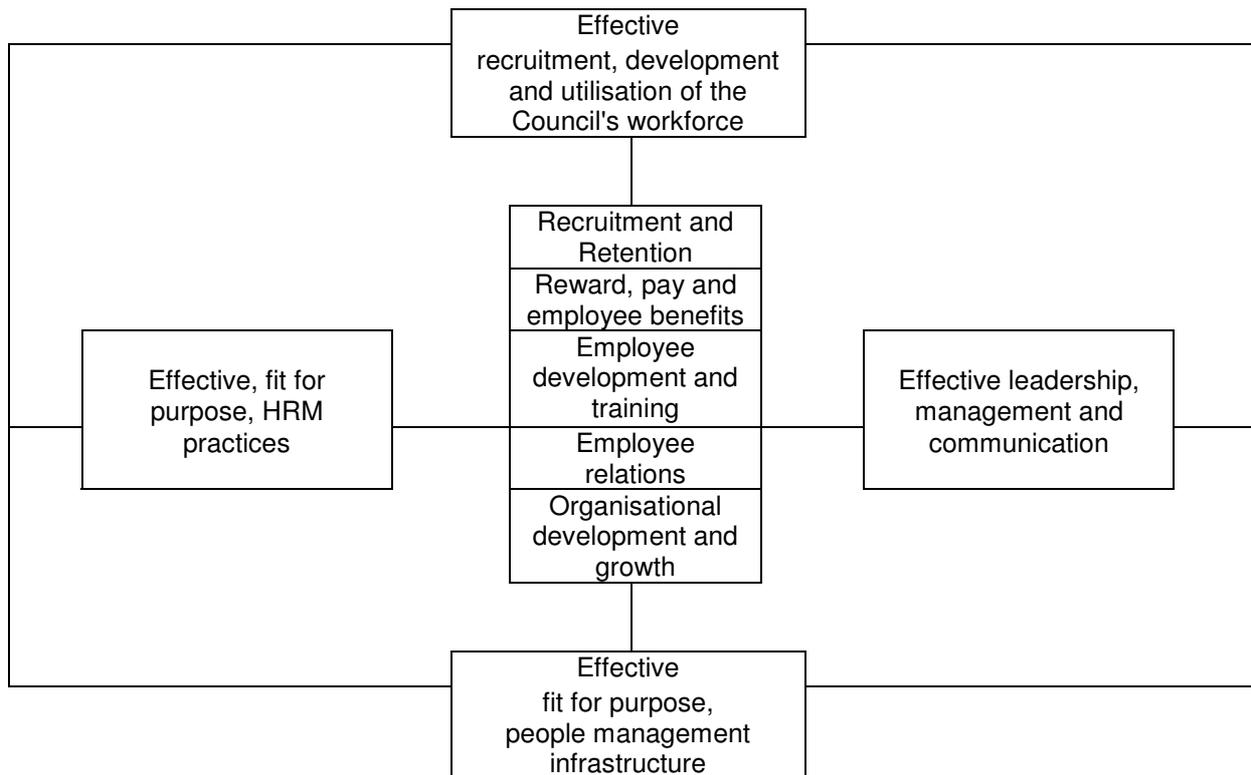
**Computerised Systems:** the appropriateness of people data, including the availability/access to and the development and integration of computerised systems.

**Equality and Diversity:** the level of effective practices to provide an equal opportunity working environment.

4.5 In order to achieve our core human resource strategy objective, we have identified the following activities which are integral to organisational success and improved and sustained performance:-

- Recruitment and retention of employees - *right people, right place, right time.*
- Reward, pay and employee benefits - *appropriately rewarded.*
- Learning development and training - *rights skills and competencies.*
- Employee relations - *right and fair.*
- Initiating/maintaining organisational development and growth - *moving in the right direction.*

4.6 By linking each of the four objectives stated in 4.4 above with the key human resource management activities, the inter-relationships between recruitment and training, employee relations and organisational development, retention and reward and pay, etc, are demonstrated as follows:-



## DUNDEE CITY COUNCIL

### PART 2

#### HUMAN RESOURCE STRATEGY: ACTION PLAN

##### 5 CRITICAL ACTIVITIES FOR ORGANISATIONAL EFFECTIVENESS

5.1 Part one of the human resource strategy outlined the Council's aims and aspirations:-

- To ensure that we have appropriately skilled people in the right place, at the right time, doing the right jobs.
- To develop organisational capacity through the recruitment and development of our leaders, managers and employees in order to respond to the anticipated and future changes impacting on local government.
- To achieve the integration of personnel policies, procedures and practices within service planning and performance management frameworks to ensure that they support and complement our strategic corporate aims and vision.

5.2 Translating our human resource strategy into action will only result from a real commitment to an effective working partnership between elected members, operational managers, Personnel specialists, trade unions and employees; and the alignment of our service planning, performance management and people management systems.

5.3 The objectives of our human resource strategy are to ensure:-

- Employees are recruited, trained and deployed to support the delivery of services in accordance with agreed aims, objectives and service delivery plans.
- Effective systems and procedures are in place to ensure that employees know what is expected of them to allow them to perform effectively.
- Effective systems and procedures are in place to ensure that employees are fully supported to deliver what is required.
- The efficient, effective and economic delivery of human resource management and development priorities.

5.4 In order to achieve our human resource objectives, Personnel policies, procedures and practices will be developed/redesigned to add value and enhance organisational effectiveness by supporting:-

- The **recruitment and retention** of high calibre and committed employees with a shared vision of the Council's corporate aims and future plans.
- The development of an organisational culture which supports the continuous **investment in people** through training, vocational education, learning and development.

- The modernisation and development of **employee relations** and the recognition of employees and trade unions as key stakeholders in the Council's corporate and service plans.
- Continuous **organisational development and growth** in response to internal and external drivers for change.

These are now discussed in greater depth.

## **RECRUITMENT AND RETENTION**

### **1 INTRODUCTION**

There is a strong link between building capacity and improving recruitment and retention - departments cannot deliver good and improving services if they are understaffed or experiencing very high levels of turnover of staff. In the current circumstances of relatively low unemployment, shortage of some key skills and tight financial constraints, Councils need effective recruitment and retention policies. Effective employee recruitment and retention is key to the delivery of our services.

### **2 KEY PRIORITIES**

The Council's key objectives in terms of the recruitment, deployment and retention of employees are:-

- Market Dundee City Council as an employer of choice.
- Redress the imbalance within our workforce in terms of age profile.
- Improve workforce diversity in terms of the representation of minority groups.
- Deploy the workforce effectively through a reduction in absence and workplace accidents.
- Develop effective management reporting arrangements to assist in workforce planning and the effective deployment of staff.

### **3 PROGRAMME OF ACTION**

Workforce planning is a means of ensuring effective employee recruitment and retention. Corporate and departmental workforce plans will be developed to ensure, as far as possible, that the future demand for employees is effectively resourced through recruitment, development and training activities. Our workforce plan will be developed to ensure that:-

- Key posts, essential to business continuity, are identified and vacancies filled.
- Vacancies are monitored and local performance indicators established to ensure business continuity.

- All posts are defined by a job description; job descriptions are subject to review and change.
- The skills, experience, qualifications and abilities which are essential/desirable to the effective performance of jobs are described in a person specification.
- Efficient and cost effective recruitment and retention processes are in place.
- Jobs are graded in accordance with the Single Status job evaluation scheme (where this scheme applies).
- We attract the key skills necessary for the delivery of corporate aims and objectives and departmental service plans and that we have in place mechanisms to ensure this, ie:-
  - response analysis to ensure effective placement of recruitment advertisements;
  - secondment and redeployment schemes;
  - retraining and rehabilitation schemes;
  - recruitment and selection procedures which balance the need to complement the appointment of external applicants with the promotion of existing employees;
  - analysis of the local, regional and national labour markets to enable the Council to compete for scarce resources and skills;
  - recruitment and retention incentives are developed in response to labour market conditions and our ability to compete effectively for scarce people resources;
- Absence due to sickness and injury in the workplace is proactively managed to ensure that employees are not exposed to risks and that employee resources are utilised effectively.
- Employee turnover is monitored and benchmarked against local and regional comparators.
- Monitoring of employee turnover is undertaken through exit interviews.
- The composition of the workforce is monitored to ensure that it reflects the composition of the local community and that the Council complies with the requirements of legislation.
- Projected turnover levels (voluntary resignations, retirements and dismissals) are matched with medium term service delivery plans, and succession plans are developed to ensure recruitment and retention of key skills.
- Recruitment and retention initiatives complement plans for employee development and training and reward, pay and employee benefits plans.

- Barriers to fair and equitable recruitment are identified; access to employment/entry is reviewed to ensure that unjustified, unfair and unlawful barriers to employment based on qualification, training or experience are removed.
- The Council's policies, procedures and practices facilitate a balance between internal and external recruitment of staff.
- Recruitment and selection training schemes are in place to ensure that medium and long term service development plans are adequately resourced and that recruitment selection is fair.
- Secondment and temporary promotion opportunities exist to meet short term staffing requirements and provide career development.

## **INVESTMENT IN PEOPLE**

### **1 INTRODUCTION**

Local authorities need to develop career paths and maximise individual capacity in order to increase organisational capacity and this will require ongoing investment in the personal and technical skills of their staff. The delivery of consistent and effective service improvement within Councils relies on the capacity of managers. Therefore, the training and development of managers is one of the most important interventions that Councils can make to boost productivity, performance and improvement. This training and development should involve a structured programme that includes training needs analysis, a variety of learning inputs and evaluation of performance improvement, in order to deliver corporate and personal objectives.

The Council is committed to Investors in People. The attainment of liP has been managed through an incremental service based process which, to date, has seen the accreditation of 5 departments and 3 schools. As part of our assessment against the national standard, we will demonstrate that:-

- A corporate planning process is in place.
- Training plans are developed and prioritised bearing in mind the aims and objectives specified in corporate and departmental service plans.
- Employees understand their role in relation to targets and milestones specified in corporate and departmental service plans.
- Employees are trained and developed to assist them to undertake their role and line managers will support them in this.
- The effectiveness of our investment in training and development is evaluated in terms of our achievements.

## 2 KEY OBJECTIVES

The Council's key objectives in terms of learning, development and training are:-

- The development and promotion of a learning culture by ensuring that resources are available for all employees and members.
- To review and develop our employee development policies; identify current and future training and development needs; and encourage wider usage of all development methods including e-learning.
- The development of appropriate skill based frameworks in management and employee development.
- To achieve verification/accreditation of learning and development activities through liP and other recognised national standards.

To support the development of employee training and development plans, we will:-

- Develop a list of mandatory training courses.
- Forecast the key skills necessary for the achievement of departmental service plans.
- Identify existing capacity within the organisation in terms of the key skills and develop training and development plans to meet existing needs.
- Review existing recruitment, training and development schemes to assess fitness for purpose and, in partnership with training and education providers/agencies, develop programmes to meet forecasted need.
- Develop effective induction and orientation programmes for new employees and employees who are promoted.
- Regularly undertake 1:1 employee reviews and appraisals and agree individuals' training and development plan;
- Establish service based workforce development plans which support the attainment of agreed service related targets/statutory responsibilities.
- Review existing management, development and training interventions to assess fitness for purpose.
- Develop training programmes to support the Council's performance management and change management programmes.

## **EMPLOYEE RELATIONS**

### 1 INTRODUCTION

An effective employee/employer relationship is key to the attainment of the Council's corporate aims and objectives.

The challenge of implementing Single Status is faced by every Council in Scotland. We believe that progress will be made by continuing to work in partnership with the trade unions to improve service quality and delivery through the modernisation of working arrangements, practices and conditions of service.

Modernisation of consultation and negotiation arrangements corporately and within departments will also be considered.

## 2 **KEY OBJECTIVES**

The Council's key objectives with regard to employee relations are:-

- To modernise the mechanism for joint consultation corporately and within departments.
- To develop and implement corporate and departmental action in response to issues identified through the Council employee survey.

## 3 **PROGRAMME OF ACTION**

To support the development of effective employee relations, we will develop mechanisms to facilitate:-

- Effective consultation and negotiation.
- Two-way communication and dialogue through formal mechanisms and through team based and 1:1 briefings.
- The development and implementation of action plans arising from the Council employee survey.
- Agreed procedures for consulting and negotiating with recognised trade unions concerning matters which relate to the employment terms, working conditions and workplace arrangements of their members, as well as more general policy development where they have a legitimate interest.
- The involvement and participation of all employees (irrespective of trade union membership).
- The speedy and effective resolution of employee disputes, grievances and disciplinary matters within departments.
- The continuation of facilities for trade unions to carry out their functions.

## **ORGANISATIONAL DEVELOPMENT AND GROWTH**

### **1 INTRODUCTION**

Organisational development provides a system for managing change. A successful organisational development framework will enable us to manage change effectively through:-

- the identification of existing and planned projects/initiatives which support the Council's vision and corporate aims;
- to establish clear outcomes and measures from these projects/initiatives so that progress can be evaluated through agreed performance management frameworks;
- design organisational development interventions to support the management of change and develop and encourage best practice in terms of:-
  - developing leadership;
  - working in teams;
  - establishing and maintaining an appropriate organisational culture which is change responsive.

Organisational development and continuous improvement are central to the delivery of local government services. An ability to anticipate and respond to internal/external change drivers and to take advantage of new opportunities is crucial to the long term sustainability of Council services. Key issues facing the Council in the future will be not only what services we provide, but how we provide them.

The management of performance and continuous and sustained performance is at the heart of the Council's strategic vision. A rigorous inspection framework (corporate and departmental) presents major challenges for the Council in terms of the prioritisation of objectives and the allocation of resources.

Change management and organisational development will depend entirely on the Council's ability to:-

- Establish its key priorities.
- Consult with and involve the workforce in order to establish a shared vision.
- Through its political and operational management processes, provide effective leadership, direction and management.
- Adapt to the changing internal and external environment.

## 2 KEY OBJECTIVES

The Council's key objectives in terms of organisational development are:-

- To develop and implement a change management framework/toolkit.
- To develop a skills based framework for managers.

## 3 PROGRAMME OF ACTION

To support organisational development and the management of change, we will:-

- Establish and maintain a performance management culture based on improvement/attainment against statutory performance indicators and local performance indicators.
- Agree and set challenging targets for improvement.
- Review existing communication and employee consultation mechanisms:-
  - arising from the Council employee survey to develop and implement action plans.
- Ensure effective leadership supported by a change management framework/toolkit.
- Seek endorsement for and recognition of the quality of service delivery across the Council by pursuing national standards such as liP.
- Develop new ways of working/organisational structures in response to our changing internal/external environment:-
  - partnership;
  - arm's length organisations;
  - project working;
  - cross boundary, inter-departmental networks and structures.
- Communicate and implement a set of organisational values based on principles of:-
  - partnership and co-operation;
  - promotion of fair and equitable treatment;
  - participation, consultation and communication;
  - provision of customer focused quality services;
  - pride in the City.