

## **PAY AND WORKFORCE STRATEGY – PROGRESS REPORT**

**EXECUTIVE MEMBER:** Councillor Norman Williams  
**LEAD OFFICER:** Len Glead, Human Resources Manager  
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<p><b>Summary and Recommendation:</b> This report up-dates the Panel on the Council's progress in relation to matters covered by the national Pay and Workforce Strategy.</p>
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### **1. INTRODUCTION**

- 1.1 The Executive decided on 14 March 2006 that up-date reports on progress with activities covered by the national Pay and Workforce Strategy should be presented to the Personnel Panel. This is the first such report.

### **2. THE NATIONAL AND REGIONAL CONTEXT**

- 2.1 The Pay and Workforce Strategy (PWS) was launched in 2003 as a Government initiative supported by the Local Government Association and the Employers' Organisation. It was presented as a framework for delivering improved services, greater efficiency, and better customer focus. In particular it was concerned with ensuring there is effective leadership and capacity (particularly the right people with the right skills) within local authorities.
- 2.2 In view of the constantly changing external environment, the national strategy framework has been revised several times. The current version, published in 2005, contained 5 Key Priorities:
- Developing the Organisation (including updating processes and improving productive time by reducing sickness etc)
  - Developing the Leadership of members and officers
  - Developing the Skills of the Workforce (including management development)
  - Ensuring resources meet requirements (by having a longer term Workforce Plan, and tackling issues of recruitment and retention)

- Pay and Rewards (including Job Evaluation, Equal Pay, Single Status, flexible working)
- 2.3 There is a North West Regional Implementation Team for PWS, made up of Council Chief Executives, and representatives of North West Employers, GONW, the IDeA, Audit Commission and the Trades Unions. Its most recent meeting was informed of work being carried out by the IDeA to develop the latest revision of the PWS. The IDeA were said to be “.....aiming for a strategy, based on a positive 10 year vision for local government, which shapes priorities for local, regional and national action; and which is owned and valued by local authorities themselves. The target is to launch the revised Pay and Workforce Strategy over the summer, and to link this with the National Improvement Strategy for Local Government which is also currently being developed.”
- 2.4 Under the auspices of the Cumbria capacity-building “ACE” Programme, the programme’s Strategic HR Group has been developing a “People Strategy for Cumbria”, with support from the IDeA. The draft strategy, yet to be finalized, is intended to respond to the Cumbria Chief Executives’ Group’s desire for “more coherence on how elements of the Pay and Workforce Strategy could be developed across local authorities in Cumbria, to result in effective and co-ordinated solutions.”

### **3. PROGRESS AT COPELAND**

- 3.1 Because many of the strategic issues addressed by PWS are relatively long-term, the development of a comprehensive Pay and Workforce Strategy for Copeland can only make sense if:
- a) The organisation expects to exist well into the future, and
  - b) The Council has a clear medium-term Corporate Plan
- 3.2 The current short-term uncertainty regarding local government reorganisation, and the fact that the new Corporate 5-year Plan is only due for approval this month, have caused the Council’s PWS activities so far to be concentrated in specific areas. Using the framework described at 2.2 above, progress has taken place as follows:
- 3.3 **Developing the Organisation (including updating processes and improving productive time by reducing sickness etc)**

The work of the Process Improvement Team is continuing to update and improve business processes in pursuit of better customer service. At the same time, the Council’s HR software package has been up-graded and over the coming months will enable the production of improved workforce data for managers, particularly in key areas such as improving productive time.

An Attendance Task Group, made up of Managers, employees and Trades Union representatives has been focussing on ways to reduce the Council's unacceptably high level of sickness absence.

An improved Occupational Health support service is about to be launched, following an innovative joint procurement project involving Copeland and 4 other Cumbrian authorities.

#### **3.4 Developing the Leadership of members and officers**

2 Members are currently benefitting from the Council's on-going participation in the national Leadership Academy, bringing the total number of Copeland participants so far to 8.

Since early 2006, 30 Managers have participated in an Institute for Leadership and Management programme for first line Managers, delivered locally.

#### **3.5 Developing the Skills of the Workforce (including management development)**

Corporate and individual training and development continues in line with plans derived from the Employee Development Process. 2007/8 is set to be a challenging year in this respect, given the limitations of the budget.

#### **3.6 Ensuring resources meet requirements (by having a longer term Workforce Plan, and tackling issues of recruitment and retention)**

Given the factors referred to in paragraph 3.2 above, this is currently the least developed aspect of Copeland's approach. The People Strategy Group, chaired by the Chief Executive and including the Portfolio Holder will be reviewing this aspect in the next 3 to 4 months.

It is likely that the Council will face considerable risks in the immediate future in terms of recruitment and retention. Uncertainty about the future of the Council, and other external factors including the effect of the NDA on the local labour market are already beginning to have an impact.

#### **3.7 Pay and Rewards (including Job Evaluation, Equal Pay, Single Status, flexible working)**

Like many Councils, Copeland has not met the deadline date included in the 2004 national pay agreement for completion of its Pay and Grading Review (31 March 2007). The target is now to complete the review in the current Municipal Year. To that end, a joint Management/Trades Union Steering Group is overseeing a Job Evaluation project, using the computerized version of the national J.E. Scheme. A 25 job Pilot evaluation is already underway, which will pave the way for the evaluation

of all posts below Chief Officer Grade by 31 December 2007. The new Pay Structure is planned to be put in place by 31 March 2008.

The People Strategy Group, referred to above, will be reviewing other associated equal pay and single status issues in the next few months.

#### **4. CONCLUSIONS**

4.1 The Panel is invited to note and comment on progress.

#### **5. FINANCIAL AND HUMAN RESOURCES IMPLICATIONS (INCLUDING SOURCES OF FINANCE)**

5.1 The financial and HR implications of PWS are obviously wide-ranging, both in terms of funding the work required to develop and implement the strategy, and funding the outcomes in the future. Existing budgets, combined with earmarked reserves, are being used to support the work. In addition, the 2007/8 agreed Budget includes provisions anticipating the resources required for future implementation of the Pay and Grading Review.

#### **6. PROJECT AND RISK MANAGEMENT**

6.1 Individual work packages are being project planned, and risk management is included in service planning.

#### **7. IMPACT ON CORPORATE PLAN**

7.1 The effective strategic management of human resources is clearly critical to the successful delivery of the Corporate Plan, given the people-intensive nature of the organisation.

#### **List of Appendices**

None

#### **List of Background Documents:**

The Local Government Pay and Workforce Strategy 2005 – “Transforming your authority – creating real and lasting change”.

#### **List of Consultees:**