

**Manchester City Council  
Report for Resolution**

**Report to:** Resources and Governance Scrutiny Committee: Human  
Resources Sub Group – 5 October 2017

**Subject:** HR Improvement Plan Update

**Report of:** Director of HR and OD

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**Summary:**

This report provides an update on the programme of HR and OD improvements which began in 2016. It sets out key progress and next steps against the five priority themes previously agreed.

**Recommendations:**

The Sub-Group is asked to note the report and identify any areas which it may wish to further explore at future meetings.

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**Wards Affected:** All

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**Contact Officers:**

Name: Lynne Ridsdale  
Position: Director of HROD  
Telephone: 0161 600 8380  
E-mail: l.ridsdale@manchester.gov.uk

Name: Sam McVaigh  
Position: Head of Organisation Development  
Telephone: 0161 234 3976  
E-mail: s.mcvaigh@manchester.gov.uk

Name: Amy Powe  
Position: Workforce Intelligence Team Leader  
Telephone: 0161 234 4496  
E-mail: a.powe@manchester.gov.uk

**Background documents (available for public inspection):**

The following documents disclose important facts on which the report is based and have been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. If you would like a copy please contact one of the contact officers above.

- Resources & Governance Scrutiny Committee: HR Sub Group 23 March 2017: - *Human Resources Review*

## 1.0 Introduction

1.1 In 2016 the HROD service embarked on an improvement programme, informed by a number of independent reviews of the service and to meet the objectives of an updated people strategy which was agreed in January 2017. The Personnel Committee agreed the following initial priorities for the programme:

1. A review of HR policies and procedures in line with the “Lean” approach being embraced across the council.
2. HR data and reporting to ensure meaningful data is produced and utilised in decision making
3. Core learning and development provision to ensure budget is fully utilised and all staff have equal access to core provision
4. Investment in leadership and management to ensure consistent good practice across the council
5. Improvements in workforce communication and engagement

1.2 An update was provided to Resources Scrutiny committee, HR Sub Group in March 2017. This paper describes the progress that has been made since that time, including the specific position in relation to ICT, and plans for the work programme over the next six months.

1.3 Beyond the actions in this paper the further development of the People Strategy will focus on actions to embed the Our Manchester behaviours and health and social care integration.

## 2.0 Progress to date

2.1 Significant progress has been made over the past six months, which is summarised against each priority area below.

2.2 The service has also now been successfully restructured to ensure resources to deliver are in place. Recruitment to residual vacancies is now underway and the team is engaged in a visioning exercise to agree its cultural objectives for the future and to develop the associated micro Our Manchester behaviours.

## 2.3 HR Policy, procedure and systems

2.3.1 The HR delivery model comprises of manager self-service for sickness reporting and approvals for annual leave, work expenses, additional hours (including overtime) and mileage via **mi people** (SAP Self Service); Transactional processes delivered by the HR Shared Service Centre (including administration and organisational management etc.) and professional advice and policy development within the corporate team.

2.3.2 The Committee is aware that the HR and Shared Service Teams have been working together to comprehensively review people management procedures, taking into account:

- The Lean process principles which are being adopted by the council
- Feedback from managers and staff, including from Listening in Action events, about particular processes which are causing delay and frustration.
- An aspiration to enable manager discretion and self service and away from historic HR control.

2.3.3 At the last committee Members were advised of improvements that had been made to the *mi people* Self Service facilities for managing leave and submitting mileage claims. Within the last quarter improvement work has continued with a focus on managing attendance, including reductions in reasons for absence from circa.300 to around 30 and a simplified process for recording Return to Work interviews and managing the full end-to-end absence process (including Attendance Monitoring Reviews). These changes, together with the re-launch of the improved HR OD intranet pages, mean that all of the principal self serve processes have now been reviewed and improved.

2.3.4 The teams are also engaging with managers in a series of 'business rules' workshops to review approval processes and accountabilities for:

- Permanent establishment changes including post creation and structural changes
- Temporary payments including market rate supplements and honoraria
- Training commissioning

2.3.5 In tandem with the above work is also ongoing to ensure a formal multi-year policy review timeline is developed in order to ensure our full suit of employment policies reflect both the latest legislation and best practice and the organisational context.

2.3.6 A business case has been explored with ICT for further investment in the SAP HR functionality. The development of SAP is not a dependency for future development of the HR service but will significantly enhance the operational framework for a high trust culture, by expanding the scope and effectiveness of employee and management self service and the records management to drive integrated working and decision making between HR, training, payroll and finance. The aspiration is for the system to enable:

- A talent management system, to inform redeployment; core skills capture and succession planning
- a case management recording system
- improved integration between HR and finance to give us a single shared view of the funded employee establishment
- manager and employee self service
- an improved user interface to encourage managers to keep records up to date

2.3.7 At this stage, in the context of significant identified corporate budget pressures, the identified revenue costs of c£300 000 for the upgrade are prohibitive. Such costs would require equivalent reductions in other budget areas which could not be achieved without a full review of the entire people management operating model. Further, ongoing development of the current infrastructure still has the potential to make efficiency improvements within available resources. The intention is therefore to continue with short term system improvements within the existing infrastructure and a move towards a new cloud based platform within the next c3-5 years.

## **2.4 Investment in leadership and management**

2.4.1 There has been significant investment in corporate leadership and management development since 2016 with the launch of two important management development programmes with the expectation that all 1,200 will work through one of these in due course:

- Raising the Bar training for middle managers (Grade 9 and below) which covers the “basics” of good management practice, including support in having effective strengths based conversations as a manager.
- The Our Manchester Leadership course for Grade 10 and above.

2.4.2 Feedback on both courses has been very positive and an evaluation of the offer, as part of a more holistic Organisation Development strategy, is now underway. The intention is to continue to strengthen our offer with regards:

- The ongoing development of Our Manchester behaviours and embedding an ethnographic approach to leadership, regarding which we are in discussion with Manchester Business School
- Congruence with the leadership development offer in partner sectors, particularly within health and the wider Greater Manchester context, including the increased access to the opportunities available via the Leading GM Programme
- Good practice within the profession to achieve a blended learning offer, supporting formal development with peer led events, mentoring and coaching, self-directed learning and continuous professional development.
- A need to reflect ‘soft skills’, to engage and inspire staff as well as manage outcomes and performance.
- The development of a new approach to leaders and managers induction
- A review of our approach to coaching and mentoring support for managers and leaders

2.4.3 On 2 October 2017 the annual Leadership Summit brought together circa.400 managers from across the Council(Grade 10 and above) to launch the Our Manchester behaviour framework and to begin to develop the aspirations for leadership and management standards in this context. The output from these discussions will be used to drive leadership development over the next 12 months with this cohort now scheduled to meet bi-annually and additional digital engagement tools being explored

2.4.4 Our most senior leaders will also be engaged through a new network “the Corporate Leadership Group” incorporating SMT Members and their management teams which will meet quarterly with a dual focus on engagement and development and, through regular digital engagement, act as a reference forum for key corporate discussions.

## **2.5 Improvements in workforce communication and engagement**

2.5.1 The HR team were facilitators of the 2016 BHeard survey and analysis. An action plan was agreed across four priority areas, which has been delivered within the annual cycle before this year's survey. Progress has included:

- A refreshed internal communications and engagement strategy and new approach to strengthening the employee voice through staff led groups and networks, including establishing the Digital Champions, who played a key role in Google roll out; employee-led wellbeing groups e.g. The Health and Wellbeing Board; Carer's network and forthcoming Menopause Group and the volunteer group of 27 Our Manchester Guides, who will take their colleagues around the OM Experience and act as Change Agents within the workplace. HR has also played a key role in the ongoing success of the Listening in Action programme, to which over 1100 staff have now attended
- Strengthening workforce health and wellbeing provision with an updated wellbeing strategy and launch of an Employee Assistance Programme which is averaging c80 calls per month and over 800 web site hits
- An enhanced volunteering policy to respond to reported frustration that staff did not feel they could “Give Something Back”
- Ongoing work to develop leaders and managers, culminating in the second Leadership Summit
- An apprenticeship strategy to enable structured development of the workforce
- A proposal developed in conjunction with ICT to secure IT access for the whole workforce, including all front line staff, by the end of this financial year. This will provide the opportunity for consistent engagement across the whole Council workforce.
- The successful rollout of 'About You' a new approach to regular one-to-one conversations between managers and their staff focused on development and performance management to replace the annual appraisal.

## **2.6 HR data and Reporting**

2.6.1 Work has been undertaken to develop an integrated ‘Sources of Assurance’ report for SMT which brings HR data together with metrics from Finance, Performance, Audit and Complaints.

2.6.2 The HR team are also producing more detailed quarterly workforce data dashboards to DMTs, an update on which is covered elsewhere on this agenda.

## **2.7 Learning and development**

- 2.7.1 An apprenticeship strategy has been developed, as the cornerstone of staff development in the immediate future. The service has developed a strategy to make c150-200 apprenticeship starts each year, in order to maximise the return from the council's levy payments and to meet government expectations. To date, fifty external apprentice appointments have been made from within the city Plans are also underway to start over one hundred existing staff on to apprenticeship pathways as part of their professional development and to meet identified skills gaps.
- 2.7.2 The HR team is also working with IT to address the technical barriers in rolling out the eLearning tool. The council has had a contract to provide the majority of mandatory courses via e learning since April 2016 however this has not yet been utilised as it cannot be supported by the ICT infrastructure. Work is underway to seek to resolve the situation for the next development year.

## **3. Further Improvements**

- 3.1 The work planned over the next six months to further progress against these priority areas, to be overseen by SMT, is set out below.

### **3.2 HR policies, procedures and systems**

- 3.2.1 The review of HR Policies will continue with a review of the constitutional delegations around people management, to ensure these reflect Our Manchester aspirations and are discharged in a constructive and high trust manner.
- 3.2.2 The review will be informed by a wider planned review of policies and procedures, including the potential to deliver savings.
- 3.2.3 Further improvements to existing ICT functionality will include an HR casework system and development of an existing SAP module, NAKISA, which supports the analysis and recording of organisation change.

### **3.3 HR data and reporting, including equalities**

- 3.3.1 HR resources will be deployed to respond to and resolve key issues identified in the improved data analysis provision. Immediate priorities will be to:
- review directorate resourcing plans with a high dependency on agency staffing, with a view to regularising resources
  - Work with the Adult's directorate in particular to refresh their workforce strategy and resourcing model.
- 3.3.2 Focused work will also be progressed analyse the organisational response to the 2017 Bheard survey.

### **3.4 Core learning and development provision**

- 3.4.1 Appointment is underway for a business analyst to develop an annual commissioning and evaluation process for core development provision. This will ensure that training commissioning is efficient; annual training budgets are utilised fully; equal access is given to development across the workforce from junior to senior grades and that core provision meets operational need; statutory and mandatory requirements, and supports the development of skills for the future.
- 3.4.2 Apprenticeships will be embedded within a wider organisation development strategy as the key development tool for the Council, with a commitment to securing around 300 starts each year, through the development of existing staff and appointment of new starters.

### **3.5 Investment in leadership and management**

- 3.5.1 Leadership and management expectations and development will be defined as part of the output of the leadership summit, with the design of a behaviour framework and detailed offer for organisational leaders and managers against which development tools will be developed.

### **3.6 Improvements in workforce communication and engagement**

- 3.6.1 Feedback from the annual Bheard survey will drive the engagement strategy for the year ahead. A detailed action plan will be drafted by early next year, once the annual feedback has been received and analysed.

## **4. Implementation**

- 4.1 A detailed work plan for the improvements underway is appended. Progress is reported to SMT and overseen through additional governance through the Chief Executive's office.