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| Report to         | <b>Resources &amp; Performance Committee</b>   |
| Date              | <b>14 November 2012</b>  |
| By                | <b>Director of Corporate Services</b>  |
| Title of Report   | <b>Update on People Strategy</b>   |
| Purpose of Report | <b>To provide the Committee with an update on the development of a people strategy</b> |

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**Recommendation: The Committee is recommended to note the report.**

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**1. Introduction**

- 1.1 This report sets out progress that has been made in the implementation of an HR Strategy for the South Downs National Park Authority (SDNPA). This includes policy and procedure, terms and conditions, health & safety, learning and development and staffing structure.

**2. Background**

- 2.1 The SDNPA came into being on 1 April 2010. Using funding information available at the time, a provisional structure was created in July 2010. Based on this assessment recruitment to certain roles, on a temporary basis, could begin.
- 2.2 Using the provisional structure it was possible to commence work on identifying the staff who would transfer to the SDNPA from the South Downs Joint Committee (SDJC) and people were notified of this at the end of July 2010. The transfer process concluded in the 2012/13 financial year.
- 2.3 Since the 1 April 2011 much work has been undertaken to develop policies and procedures for human resource management. These have been rolled out gradually as the full-time staff structure has been recruited. This paper aims to provide an update of the progress. The latest structure chart for 2012-13 is also detailed.

**3. People Strategy**

- 3.1 The purpose of the People Strategy is to secure the best people and management to achieve the SDNPA's purposes and duty.
- 3.2 The strategy focuses on the following:
- **Recruitment**
    - A clear policy and guidelines
    - Training of all managers involved in the process
    - Comprehensive job descriptions and person specifications
    - Assessments and panel interviews
    - Appropriate and cost effective advertising and sourcing of candidates
    - Good communication to applicants
  - **Effective induction**
    - A comprehensive induction pack for new starters and detailed guidance for managers
    - HR progress meetings held with each new starter at intervals during their probationary period.

- **Valuing staff**
  - Performance and Development Review Scheme (including pay and reward)
  - Other recognition schemes and soft benefits
  - Staff survey
  - Engagement groups – real involvement in strategy and feedback
  - Provision of a safe and healthy working environment
  - Employee Assistance Programme
  - Employee representative group (a combination of union and non-union employees)
- **Supporting staff**
  - A wide-ranging learning and development plan, tailored to the needs of the organisation
  - Clear, fair and comprehensive policies
  - Support through change
  - A fair and consistent approach to flexible working
  - Making leaving the organisation a positive experience
- **Clear leadership and exemplary management**
  - The “SDNPA Manager” – taking personal responsibility for managing staff with support and guidance from HR
  - Leadership and management training for all line managers

3.3 It is an important strategy, as it will achieve the following:

- Best practice in all areas of people management, support and development
- Valued and motivated employees who are passionate about working for, and are advocates of, SDNPA
- SDNPA is recognised as a good employer and a successful organisation both internally and externally
- SDNPA has clear leadership and exemplary managers
- The organisations culture and values are supported and embedded.

3.4 The People Strategy is being implemented and managed internally by the HR team. External advice and services are required in specialist areas, such as litigation, occupational health and health & safety (see 10.3 below).

## 4. Learning and Development

4.1 The purpose of the Learning and Development Policy is to:

- enable employees to achieve the purposes and duty of SDNPA, both now and in the future;
- ensure that all individuals have the knowledge and skills necessary to perform their current role within SDNPA effectively and efficiently;
- enable those individuals to enhance and fulfil their career potential.

4.2 A learning and development plan has been created, taking into account development needs identified in all employees’ performance and development reviews. It focuses on core skills training and runs alongside any job specific training requests.

4.3 Training courses are organised by HR and delivered in Midhurst to a number of delegates, to ensure best value for money.

4.4 All development requests are approved by SMT to ensure consistency across the organisation.

4.5 The Learning and Development budget for 12/13 is £80k. This spend will reduce in 14/15 as a majority of the initial core training will have been delivered.

- 4.6 This year, the following training has been delivered or has been arranged up to the end of the financial year:
- Line Management & Leadership
  - Effective Implementation of Performance & Development Reviews
  - Project Management
  - Presentation and Communications Skills
  - Planning for Non-Planners (an introduction to development management)
  - Health & safety training such as DSE assessments, fire awareness, first aid training, manual handling and risk assessments.
  - Report Writing
  - Job specific training
- 4.7 In addition to offering core skills and job specific training, SDNPA also fully supports professional development through further education and professional studies.
- 4.8 Future learning and development plans will focus on core areas that have been identified from the leadership and management training. It will also explore other methods of development, such as mentoring, coaching, action learning sets and job shadowing.
- 5 Policies and Procedures**
- 5.1 A full list of all HR policies can be seen in **Appendix I**. This list shows that a large number of policies have been approved and implemented. There are a number that will require review shortly, and the timing of this has been factored in to the HR work plan.
- 5.2 The list in **Appendix I** also includes the list of HR policies still to be implemented and the proposed completion dates. The intention is that there will be a full suite of HR policies and procedures by the end of 12/13.
- 6 Performance Management and Development**
- 6.1 In its first year of operation the SDNPA has introduced a Performance and Development Review (PDR) scheme that will be used to assess individual performance and associated pay increases from April 2012 onwards.
- 6.2 This type of performance management system will allow the SDNPA to properly reward staff for their work and the achievement of objectives. Rather than simply increasing salary on an annual basis, which does not take account of performance, this process will reward achievement and delivery and therefore be a fairer way of ensuring hard and successful work is properly rewarded.
- 6.3 The scheme is made up of the following vital steps:
- Line managers and staff agree objectives for the year ahead taking account of the business plan priorities and service plan objectives;
  - Regular review of these is made during the year, and notably at the half year point;
  - At the year end, an assessment is made of the achievement against those objectives;
  - SMT conduct a consistency check across the whole organisation to ensure performance is being assessed in a fair and balanced way;
  - Any associated pay increases, based on performance, will be made.
- 6.4 Performance pay increase amounts will be agreed annually and based upon a number of considerations including the SDNPA's budgetary position, the overall performance of the organisation and the prevailing economic climate.
- 6.5 To support consistency, all line managers were trained in the implementation of the PDR policy in terms of effective objective setting and conducting positive performance appraisals. The aim of this was to give managers the confidence to offer consistent and beneficial PDRs

which will support the work of the Authority and ensure we are delivering the objectives we need to achieve our business plan objectives and associated Directorate Service Plans.

- 6.6 The business plan and budget are an important part of our PDR process as, alongside Service Plans, they form part of our golden thread between individual objectives, directorate objectives and business objectives. Future performance pay budgets will be set during the business planning and budget cycle annually, but will always be based upon a percentage of the salary budget.

## **7 Health and Safety**

- 7.1 When the Authority was formally established in April 2011, Health & Safety had not been addressed and there were no SDNPA Health & Safety Policies and management structure. Employees and managers were relying on South Downs Joint Committee Policies that were based on East Sussex and Hampshire County Council's policies and therefore not fit for purpose. There were no scheduled H&S committee meetings.

- 7.2 In October 2011, SDNPA retained the services of Health & Safety Consultant who worked closely with HR and the following was achieved by the end of May 2012:

- Health & safety committee meetings were re-established and have been running quarterly since December 2011;
- A health & safety management structure has been established;
- Health & safety policies and procedures have been agreed and communicated to all employees, including key arrangements such as lone working;
- Fire training has been delivered to all employees and fire marshals established;
- First Aid Appointed Persons have been identified in each workplace and trained;
- The area offices have been audited and recommendations made;
- Health & safety training records have been collated and are now monitored and kept centrally by HR;
- Display screen equipment and workstation training and risk assessments have been implemented;
- An Employee Assistance Programme has been introduced to employees and members.

- 7.3 Future health and safety plans include the following:

- Training for SMT and members on their health & safety responsibilities;
- A formal auditing policy and process will be agreed, including visits to each area by SMT;
- An end of year report for SMT and Members will be produced;
- Manual handling and risk assessment training will be organised;
- The use of the Employee Assistance Programme will be analysed to help identify any health and wellbeing issues that need to be addressed.

## **8 Review of Terms and Conditions**

- 8.1 In its set-up period, structures were necessarily put in place to allow the establishment of the organisation. At the time, Officers were not able to feed into these decisions as a full staff team has not been recruited. This has now occurred and following a staff survey conducted in January 2012 feedback suggested that a staff review into terms and conditions offered by the SDNPA would be timely.

- 8.2 The aim of the review is to:

- Review the contractual terms and conditions offered by the SDNPA;
- Review non-contractual benefits that the SDNPA might be able to offer;
- Make recommendations to the SDNPA in relation to any changes to the terms and conditions of employment or range of discretionary benefits.

- 8.3 A one-off exercise by a staff Working Group is being carried out during the second half of 2012/13. The group is chaired by the Director of Corporate Services and made up of one employee representative from each Directorate and the HR Manager. The results of this review will be presented to SMT and if required, the Resources and Performance Committee. Unison will also receive results of the review and any outcomes will be discussed with Unison in regular quarterly meetings between them and the SDNPA.
- 8.4 The full terms of reference of the review can be found in **Appendix 2**.
- 8.5 The first meeting of the group occurred on 1 October 2012. The group agreed the terms of reference for the review and discussed the methods by which each representative would involve their Directorate in the gathering of views and feedback. Representatives committed to working with their directorates to enable the next meeting of the working group to consider opinions and priorities.
- 8.6 Feedback and any recommendations from staff will be collated and presented to SMT within the timescales laid out in the terms of reference.

## 9 Update on SDNPA Headcount

- 9.1 The level of national park grant for the SDNPA is set to reduce in the period to 2014-15. The core staffing structure that has been adopted is designed to be affordable in 2014-15. However in the interim years there is the opportunity to appoint staff on fixed term contracts to undertake one-off projects to complete the establishment of the organisation. The current staffing position makes use of such short term posts in some critical areas (e.g. posts for the preparation of the Local Plan).
- 9.2 The latest headcount figures are shown below, as well as projections for 2013/14. These figures are based on the known position today and are subject to change.

|                                    | <b>Staff in post at<br/>31/3/12</b>               | <b>Projection at<br/>31/3/13</b>                  |
|------------------------------------|---|---|
| <b>FTE (full time equivalent)</b>  | 79.7<br>of which 6 are fixed<br>term appointments | 94.2<br>of which 8 are fixed<br>term appointments |
| <b>Total headcount</b>             | 84  | 98  |
| <b>Externally funded headcount</b> | 3   | 4   |

- 9.3 **Appendix 3** shows the latest organisation chart for information.

## 10 Outsourcing of HR work

- 10.1 The SDNPA has sought to achieve a lean in-house structure and has therefore outsourced many aspects of back-office functions. In considering the areas that it may outsource, the Authority assessed the HR needs on a number of levels and decided there were a range of strands to the HR support service required. These included:
- Transactional services such as HR recruitment, employment checks, payroll input
  - Specialist Health and Safety Advice
  - Occupational Health support
  - Learning and development programmes
  - Strategic HR advice
  - Managerial support on grievances, disciplinarys, conduct to ensure consistency across the SDNPA
- 10.2 At its meeting in June 2011 the Resources and Performance committee considered a report on the procurement of support services which, for HR, included a recommendation to break down the HR service into its components and seek individual solutions (either contracts, in-house provision or linking to another local authority).
- 10.3 In seeking to provide the best value solution for the SDNPA, as well as the highest service

level, the following arrangements have now been put in place to deliver the full range of human resource functions.

| Function   | Delivery method | Contract cost                                      |
|--|-----------------|--|
| Recruitment  | In-house        | n/a  |
| Employment checks                                  | In house        | n/a  |
| Payroll  | B&HCC           | Part of finance contract                           |
| H&S Advice   | Contract        | c. £8,000 per annum<br>Currently out for re-tender |
| Occupational Health /Employee Assistance Programme | Contract        | £3,750 per annum                                   |
| Learning and Development                           | In-house        | n/a  |
| Employment law advice                              | WSCC            | Part of legal contract                             |
| Strategic HR advice                                | In-house        | n/a  |
| Managerial support                                 | In-house        | n/a  |

- 10.4 Outsourced functions will be regularly monitored to ensure they are delivering the necessary services for the Authority.

## **11 Resources**

- 11.1 The full HR budget is £280,540 in 2012/13 A temporary HR post has been made permanent which has achieved a saving and allowed key HR functions to be carried out more cheaply, in-house.
- 11.2 The HR team is made up of 2.5 full time equivalents.

## **12 Risk management**

- 12.1 The development of a people strategy will assist the SDNPA in managing any risks associated with employment of staff and their welfare.
- 12.2 Health and safety policies and procedures are a major part of the SDNPA approach to ensuring appropriate working conditions for staff and aim to reduce risks and mitigate against accidents.

## **13 Human Rights, Equalities, Health and Safety**

- 13.1 The SDNPA people strategy and all HR policies take account of latest legislation regarding equalities, human rights and health and safety.

## **14 External Consultees**

- 14.1 None.

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Appendices  
1. HR Policy Schedule  
2. Terms of Reference for Staff working group into T&Cs  
3. Organisation chart

SDNPA Consultees  
Chief Executive Officer, Director of Planning, Director of Strategy and Partnerships, Director of Operations, Chief Finance Officer, Deputy Chief Finance Officer, Monitoring Officer & Legal Services.

Background Documents  
2011-12 Staffing in the South Downs National Park Authority,  
November 2011 R&P Committee (Report RPC 17/11)

**Agenda Item 8 Appendix I**  
**HR Policies and Procedures Schedule**

| Policy   | Owner      | SMT Owner                      | Date adopted | Signed off by | Review date |
|--|------------|--------------------------------|--------------|---------------|-------------|
| <b>HR Policies in place</b>                                  |            |                                |              |               |             |
| Annual Leave Policy  | HR Manager | Director of Corporate Services | Apr-11       | SMT           | Apr-14      |
| Bullying & Harassment Policy & Procedure                     | HR Manager | Director of Corporate Services | Apr-11       | SMT           | Apr-14      |
| Capability Procedure   | HR Manager | Director of Corporate Services | Feb-11       | SMT           | Feb-13      |
| Disciplinary Procedure (Conduct)                             | HR Manager | Director of Corporate Services | Feb-11       | SMT           | Feb-13      |
| Family Friendly Policy                                       | HR Manager | Director of Corporate Services | Apr-11       | SMT           | Apr-14      |
| Flexible Working Policy                                      | HR Manager | Director of Corporate Services | Apr-11       | SMT           | Apr-13      |
| Grievance Procedure  | HR Manager | Director of Corporate Services | Feb-11       | SMT           | Feb-13      |
| Learning & Development Policy                                | HR Manager | Director of Corporate Services | Apr-11       | SMT           | Apr-13      |
| Other Leave Policy   | HR Manager | Director of Corporate Services | Apr-11       | SMT           | Apr-14      |
| Policy on Managing Travel Problems                           | HR Manager | Director of Corporate Services | Feb-11       | SMT           | Feb-14      |
| Policy & Procedure for Reporting & Managing Sickness Absence | HR Manager | Director of Corporate Services | Apr-11       | SMT           | Apr-13      |
| Recruitment Policy   | HR Manager | Director of Corporate Services | Apr-11       | SMT           | Apr-14      |
| Relocation Scheme  | HR Manager | Director of Corporate Services | Sep-11       | SMT           | Sep-14      |
| Working Time Policy  | HR Manager | Director of Corporate Services | Apr-11       | SMT           | Apr-14      |
| Whistle Blowing Policy                                       | HR Manager | Director of Corporate Services | Apr-11       | SMT           | Apr-16      |
| PDR Policy   | HR Manager | Director of Corporate Services | Mar-12       | SMT           | Mar-15      |
| Policy for the payment of professional fees                  | HR Manager | Director of Corporate Services | Feb-12       | SMT           | Feb-15      |
| Support for professional studies / further education courses | HR Manager | Director of Corporate Services | May-12       | SMT           | May-15      |
| Child Protection Policy                                      | HR Manager | Director of Corporate Services | Jul-12       | SMT           | Jul-15      |
| <b>H&amp;S Policies</b>                                      |            |                                |              |               |             |
| H&S Policy   | HR Manager | Chief Executive Officer        | Apr-12       | SMT           | Apr-13      |
| <b>HR Policies to be implemented</b>                         |            |                                |              |               |             |
| Policy for Managing Change                                   | HR Manager | Director of Corporate Services | Dec-12       | SMT           |             |
| Policy for Managing Stress                                   | HR Manager | Director of Corporate Services | Dec-12       | SMT           |             |
| Policy for Personal Use of Equipment                         | HR Manager | Director of Corporate Services | Jan-13       | SMT           |             |
| Equal Opportunities & Diversity in Employment                | HR Manager | Director of Corporate Services | Jan-13       | SMT           |             |
| Drug & Alcohol Policy  | HR Manager | Director of Corporate Services | Feb-13       | SMT           |             |
| Work Placement Policy  | HR Manager | Director of Corporate Services | Mar-12       | SMT           |             |

## **Terms of Reference**

### **Staff review into SDNPA Terms and Conditions and benefits**

#### **Purpose**

The SDNPA is now a well-established Authority with effective governance and operational stability. In its set-up period, structures were necessarily put in place to allow the establishment of the organisation. At the time, Officers were not able to feed into these decisions as a full staff team has not been recruited. This has now occurred and following a staff survey conducted in January 2012 feedback suggested that a staff review into terms and conditions offered by the SDNPA would be timely.

The aim will be to:

- a) Review the contractual terms and conditions offered by the SDNPA;
- b) Review non-contractual benefits that the SDNPA might be able to offer;
- c) Make recommendations to the SDNPA in relation to any changes to the terms and conditions of employment or range of discretionary benefits.

#### **Governance**

A one-off exercise by a staff Working Group will be carried out during the second half of 2012/13. The group will be chaired by the Director of Corporate Services and made up of one employee representative from each Directorate and the HR Manager. The results of this review will be presented to SMT and if required, the Resources and Performance Committee. Unison will also receive results of the review and any outcomes will be discussed with Unison in regular quarterly meetings between them and the SDNPA.

#### **Method**

The work will be undertaken by the Working Group, who will have a role to consult with their Directorates to gather shared opinion from colleagues.

#### **Timescale**

These terms of reference will be considered by the first meeting of the Working Group on the 1 October 2012. The Terms of Reference will then be shared with SMT for information. At the 1 October meeting priority setting will be conducted to ensure the review tackles the highest priority areas first (as identified from the staff survey feedback). An update report will be presented to SMT at a meeting in November and also to the November meeting with Unison. It is the aim that the review will be complete by the end of 2012. Any necessary additional work will be undertaken in early 2013 and the Working Group's conclusions will be presented, if required, to the 13 February 2013 Resources and Performance Committee alongside an action plan for any proposed changes.

#### **Scope**

The review will focus on contractual terms and conditions of employment as well as the potential offering for discretionary benefits. Any recommendations should be mindful of the resource implications and these should be laid out clearly where necessary. The review should not result in recommendations that would lead to significant additional resource implications for the SDNPA.

The specific areas the will be in-scope are:

#### **Contractual terms and conditions**

- Annual leave entitlement
- Other leave entitlement
- Sick pay
- Travel and subsistence
- Approach to flexible working
- Flexi-time

#### **Discretionary benefits**

- Relocation scheme
- Professional Fees
- Childcare vouchers
- Support for further education / professional studies where appropriate
- Other 'soft' benefits



The following benefits are offered by the SDNPA but will not form part of this review:

- Final salary pension scheme
- PDR Scheme

Terms and conditions and policies that will be out of scope for the purposes of this review are:

- Salaries and grades
- Working hours
- Place of work
- Continuity of employment (previous service within public sector only considered for redundancy purposes)
- Notice periods
- Any statutory procedures, e.g. disciplinary and grievance procedure