



Policy and guidance

Three Cs for success: confidence, capability and competence

Lewisham people strategy 2012-16

December 2012

1. Introduction

- 1.1 The Council can only achieve anything through its people – those that work for it and those it works with. This includes not just those employees directly employed by the Council, but those employed through agencies, on contract, those employed to provide services commissioned by the Council and those employed by our partner agencies. Ultimately all these people are helping make Lewisham the best place in London to live, work and learn.
- 1.2 To achieve that goal we are working towards the community strategy priorities:
- Ambitious and achieving
 - Safer
 - Empowered and responsible
 - Clean, green and liveable
 - Healthy, active and enjoyable
 - Dynamic and prosperous.
- 1.3 The Lewisham Way to achieve this is to work as One Council with a Customer Focus and a drive to Improve Service Performance.
- 1.4 How effectively we do all of this will depend on getting the best out of our people. Within the Council we have three priorities for managing people:
- Developing effective leaders and an engaged workforce
 - Fostering a high performance culture
 - A flexible organisation that encourages managed risk taking.

2. Our strategic framework



- 2.1 This strategy shows how we put people right at the centre of everything we do and how we set the right expectations and provide the right support to ensure our people are properly equipped to achieve our goal.
- 2.2 We have developed a set of behaviours and competencies which together form the framework for this developing and supporting our people. These are explained further in sections 8 and 9.

3. Our journey

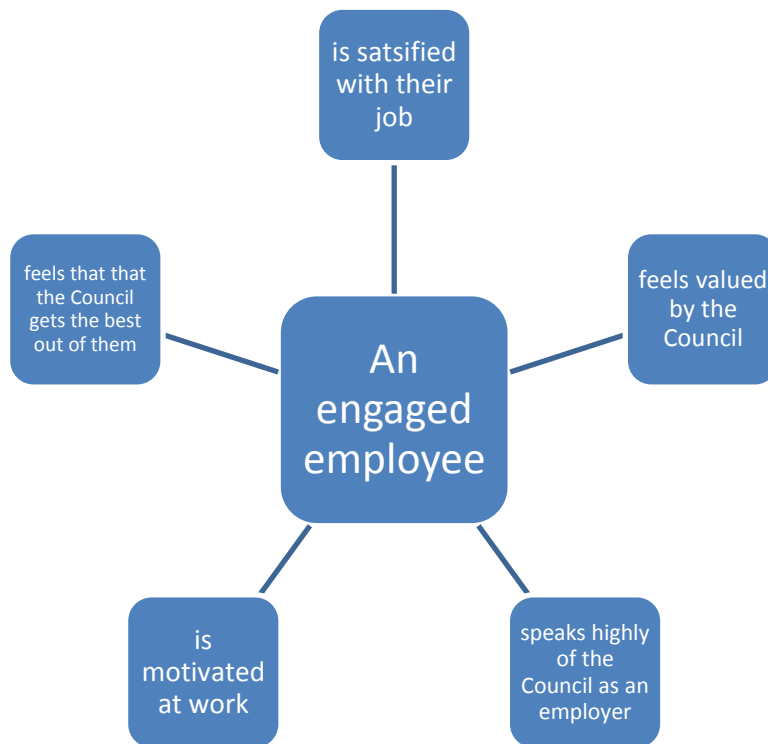
- 3.1 Over the past two decades the Council has pursued a pragmatic approach to improving services and service outcomes. Throughout this time the Council has developed an effective “mixed economy” approach to service provision based squarely on what works best for Lewisham residents.
- 3.2 The Council has been at the centre of a network of effective local partnerships that have tackled knotty public problems locally. The Council has a track record of creative innovation in improving service outcomes and a valued history of real and effective community engagement.
- 3.3 Alongside its long-standing overall vision and a long-held set of ambitions, priorities and values the Council has been able to sustain an innovative approach to service design and delivery.
- 3.4 While local spending grew the Council was also making year-on-year efficiencies to enable cash to be released from budgets so it could be re-directed towards areas of priority need.
- 3.5 Given the scale and pace of the current Government’s deficit reduction plans and the specific settlement for local government, the overall cost of local government services needs to be lowered substantially – by some 11 per cent for this year and, across the whole sector, by an average of 28 per cent over the next four years.
- 3.6 Government spending reductions mean that Lewisham has to cut its budget by £88million over a four year period between 2011/12 and 2014/15. Every part of the Council has experienced significant change in the last two years.
- 3.7 The Council is protecting spending on services that people value most, making sure that the services it provides for people across the borough are the best they can be and working every penny of taxpayers’ money as hard as it can.
- 3.8 During 2010, the Council has been actively working to deliver the changing and saving agenda, encouraging people to have their say and supporting managers through the change process.
- 3.9 To deliver savings it is not simply a question of spending less – managers have to be creative about how to spend differently so that less is spent but that service is, where feasible, sustained if not improved. (*Serving Lewisham Smarter, Mayor and Cabinet paper, July 2011*)

- 3.10 The Council is reducing its management overhead budget by £2.5m. Directorates have been reduced from five to four. The average number of staff that each senior manager on average manages (the management span) is being increased. We have introduced more flexible working, with more home working, reducing the need for desk and office space. By the end of 2012 we will have vacated the town hall in Catford.
- 3.11 Changing management reporting lines and reducing the number of directorates will, in reality, achieve only a small amount of savings – greater savings can be made by altering the way we work: adopting a smarter and lower cost approach to management generally. This is why as well as some structural change we need a programme to energise staff and managers to be more imaginative in developing new ways of working that serve Lewisham smarter.
- 3.12 The Council's people priorities have so far focussed on managing these changes but also ensuring that the gains in organisational efficiency continue.

4. Where we are now

- 4.1 The economic recession and the current financial climate has had a negative impact on both our own employees – 70 per cent feel less secure in their jobs for example – and for our residents – over half report worries about meeting everyday costs and household bills. This has important impacts on the contract we have with our employees and the way in which we expect them to deliver services to the community.
- 4.2 We cannot and do not promise a job for life – as we develop into a more flexible and agile organisation being employed directly by the Council on a permanent contract will become less and less the norm. More and more people are being employed to deliver services through contractors, through community and voluntary organisations, mutuals and other forms of organisation.
- 4.3 What we can and do promise is fairness in employment practice. We are a Living Wage employer. We pay all our directly employed staff at least the London Living Wage and we are working to achieve this also for all our contracted staff. Living Wage employers report improved morale, lower turnover of staff, reduced absenteeism, increased productivity and improved customer service.
- 4.4 In broad terms, our employees reflect the diversity of the local community, which enables the Council to develop services that meet community needs. Challenges exist in some areas, such as the need to employ more younger people and the low representation of black and minority ethnic staff in more senior grades and these remain a priority for this strategy. Almost half of our employees are also local residents.
- 4.5 We also have the challenge of a workforce that is not all under our direct control – staff employed by schools, through agencies and contractors.
- 4.6 In this economic environment it is important to focus minds on delivering value for the public purse by working to improve efficiency and performance and on delivering public services sympathetically to customers, many of whom are vulnerable people.
- 4.7 Turnover of employees at 7 per cent has been stable for some time but this is likely to increase as staff leave the organisation as a result of the savings the Council is required to make. Providing support to staff leaving the organisation as well as developing and supporting the majority of staff who will remain within the organisation are key objectives within the strategy.

- 4.3 We want employees (including those not directly employed by the Council) who are committed to the Council's goals and values, motivated to contribute to the Council's success, and are able to at the same time to enhance their own sense of well-being. Our strategy, policy, learning and development are designed to foster a set of positive attitudes and behaviours that enable high performance. In short, what we seek is a high level of employee engagement.
- 4.4 The 2012 employee survey measured employee engagement. Employee engagement is important because it can be a key to unlocking productivity and to transforming the working lives of many people. We measured employee engagement by asking questions in five areas (see diagram below). The overall engagement index at 58% was positive – the same as it was when we first measured it in 2009.



- 4.5 In short engaged employees deliver better services and better value for the taxpayer. Continuing to maintain and improve engagement is an essential part of this strategy.
- 4.6 Behind the nature of the job itself, the quality of line management and leadership shown by senior management, especially in times of change, are the biggest drivers of employee engagement. That is why we put such emphasis in this strategy on developing our managers and leaders.

5 Our people challenges

- 5.1 Change and save will continue to be a major focus for the Council. Over the three year period of the strategy, the Council will need to continue to deliver high quality provision in the context of significant and rapid change and reductions in funding for local government. The role of the Council, and the public sector more generally, is changing and we will need to adapt to this.
- 5.2 Our communities will experience significant challenges and opportunities over the period of the strategy. These include high levels of unemployment, changes to the benefits system as well as opportunities arising from the continuing regeneration and development of Lewisham and large developments outside the borough that will have a big impact on the borough.
- 5.3 Lewisham is getting bigger: our population is forecast to grow by 27,000 people over the next 10 years and a further 22,000 in the 10 years after that. This will lead to increased demand for services at a time at which resources are reducing.
- 5.4 Citizens will expect more flexible, personally tailored and responsive services. Many people will want to organise services for themselves, others, however, may continue to want services to be delivered in more traditional ways. We will need to find new and innovative ways of responding to citizens' expectations by re-designing services and reshaping the way services are delivered.
- 5.5 Staff providing our services will need to continue to be efficient and be able to work in new ways, for example within different service models, with partners from other agencies and in other boroughs. That is why this strategy includes those people providing services to the people, not just directly employed by the Council.
- 5.6 Increasingly the Council is using the services of employees who are engaged in a variety of ways, not just directly employed, but as agency workers, associates or consultants. We will be flexible in how we contract with employees but we will still have a set of core expectations of behaviours.
- 5.7 Alongside this diversity we need to maintain a consistency of approach and vision and compliance with the standards that we set for ourselves, and others set for us.
- 5.8 Our leaders and managers will need to be able to inspire and motivate staff through these changes and engage them in new ways of working.

6 The organisation we need

- 6.1 We need an organisation that that is relentlessly focused on delivering value for the public purse by continually seeking ways to improve performance and become more flexible and agile.
- 6.2 For any organisation to operate at peak performance, its managers and staff need to be competent, capable and confident.
- 6.3 Competence requires investment in staff and managers so that they can develop their skills and expertise so as to perform at their best. Capability requires investment in the systems and resources that help people to deliver well. And for people to perform at their best they need collective confidence that as a team they can achieve the goals and objectives set by the Council.
- 6.4 Organisational structures are important but they are not crucial. Good people can make poorly designed organisations perform moderately well. But hard working managers and staff can have their attention misdirected and their energies blunted if they are poorly organised. Above all, we need to be mindful that in Lewisham performing well means serving the public so as to improve their lives and improve their life-chances.
- 6.5 We need to have:
- effective leaders who are able to provide direction and engage their teams and encourage a culture of innovation and managed risk taking, working in close collaboration with partners
 - a highly engaged and diverse workforce who are able to contribute positively to the changes and continue to deliver high quality services during period of change
 - a high performance culture in which managers actively support individuals to improve their performance, people are clear about how their work contributes to the delivery of their service, know what is expected of them and receive regular feedback about how they are performing
 - a flexible organisation with an agile workforce that is able to facilitate the delivery of leading edge provision and progressive service outcomes.
- 6.6 From these objectives we have set three people priorities:
- Priority 1:** Developing effective leaders and an engaged workforce
- Priority 2:** Fostering a high performance culture
- Priority 3:** Creating a flexible organisation with an agile workforce.

- 6.7 Under each of these priorities we have defined six steps we will take to create the organisation we need and the public services we desire.
- 6.8 We also commend these priorities and actions to the agents, organisations and partners employing people providing services to the public with us.

7 Our people management priorities

7.1 Priority 1: Developing effective leaders and an engaged workforce

7.1.1 Six steps we will take

1. Develop an organisational culture that encourages efficiency and innovation and involves staff in shaping services.
2. Support managers in effectively leading change and foster leadership skills and behaviours. To review the competencies managers will need to lead and manage over the next three years and ensure leaders and managers are able to access appropriate development in a timely way. We will particularly focus on developing the skills required to successfully manage contracts and to manage through others.
3. Develop and retain a representative workforce and develop our approach to succession planning to ensure we are able to fill key posts through internal recruitment.
4. Put in place mechanisms to ensure employees' contribution to the organisation is recognised and valued.
5. Continue to support staff through the changes and ensure new teams have the skills and knowledge they need to deliver effective services, and ensure managers have the right balance of generic and technical skills.
6. Provide redeployment and outplacement support to staff who are being displaced as a result of the changes.

7.1.2 How we will measure our progress

- increase in positive responses to leadership questions – Talkback survey
- increase in positive response to management of change questions – Talkback survey
- increase in engagement index measured –Talkback survey
- reduction in management costs as percentage of staff costs
- increase in top 5% of earners that are from black and ethnic minorities
- increase in number of internal staff appointed to management positions (PO6 and above).

7.2 Priority 2: Fostering an efficient high performance culture

7.2.1 Six steps we will take

1. To influence behaviour change through effective performance management and ensure all staff have clear targets aligned with their service plan objectives so they are clear about what is expected of them and how their contribution helps the Council deliver its priorities
2. To review people management policies and processes to ensure they meet the requirements of the organisation and provide timely outcomes.
3. To review management arrangements and support managers to be able to increase their span of control and manage across teams.
4. To explore different models to more closely link reward to performance and achievement ensuring these achieve the right balance of compliance and consistency.
5. To develop managers skills in performance management and ensure their accountability for effective performance management and the performance of their team.
6. To maximise productivity and efficiency through skills development and process improvement.

7.2.2 How we will measure our progress

- Increase in staff with clear performance objectives agreed through the PES
- increase in the proportion of staff who receive performance feedback from their manager – Talkback survey
- increase in the proportion of staff who feel poor performance is effectively addressed – Talkback survey
- reduction in average days lost to sickness absence per FTE employee

7.3 Priority 3: Creating a flexible organisation with an agile workforce

7.3.1 Six steps we will take

1. To refine terms and conditions and related HR policies to support new ways of working and allow staff to be deployed in different ways working in partnership with the trade unions and staff forums.

2. To deliver a range of HR services through partnership and shared service models to achieve the required efficiencies.

3. To support and develop staff to be able to work in different ways, across different delivery models with partners, across teams and in new areas and develop new processes to support new ways of working.

4. To attract and develop a diverse workforce through a mixed resourcing solution that allows us to tackle skill shortage areas and attract the right people with the right skills, experience and qualifications.

5. To ensure that the learning and development delivered through the South London Consortium reflects Lewisham's provides staff with the skills and knowledge they require.

6. To help to promote a culture of self-directed learning in which staff take responsibility for their own development and understand different learning solutions available to them and how the acquisition of new skills can help them improve their performance and create opportunities for career development.

7.3.2 How we will measure our progress

- Achieve planned workforce reductions
- Achieve the people changes identified through the Efficiency Reviews
- Customer satisfaction rates
- Number of best in class and best practice awards
- Relevant performance indicators In top quartile
- Achieve E HR standard

8 Competencies

- 8.1 The Council has developed a competency framework to help staff identify and develop the behaviours we need to work and manage in the Lewisham Way.
- 8.2 The competencies define how we work on Lewisham and enable staff and managers do their bit to achieve our people management priorities.
- 8.3 The three commitments of The Lewisham Way are: customer focus, improving performance and one council. Each commitment has a competency that explains how someone would be behaving if they were applying that competency in their work.
- 8.4



9 Working together in the Lewisham Way

9.1 Whilst the Council's HR function plays a leading role in supporting managers, and bringing the strategy to life, its success depends, to a large extent, on the part played by Lewisham's managers. Expectations of Lewisham managers are defined below.

9.2 Managing in the Lewisham Way

Lewisham managers are expected to manage in the Lewisham Way:

- Customer Focus – this means you always put residents first and consistently deliver high quality services to all our service users
- Improving Performance – this means you are clear on what you need to do to succeed and that you are prepared to challenge and change to find better ways of going there
- One Council – this means you will work with others across the Council and beyond to deliver results, and that you value everyone's contribution.

9.3 In addition to managing in the Lewisham Way, managers are expected to ensure that all their staff work in the Lewisham Way, sharing the same focus.

9.4 Being effective in all key processes

As a Lewisham manager you are expected to apply consistency and fairness in all people management processes including:

- Recruitment and resourcing – ensuring you appoint the best person for the job
- Managing performance – setting annual objectives for all staff and providing regular constructive feedback
- Managing change – ensuring you foster change in your area and that this is communicated effectively to all
- Managing attendance – ensuring you manage all absence from work, in particular, carrying out return to work interviews
- Developing employees - ensuring you discuss and identify development opportunities and outcomes at least once a year
- Consulting and engaging – encouraging each team member to work effectively with colleagues and ensuring standards of organisational behaviour
- Managing grievances – listening to staff and acting fairly
- Pay, benefits and leave – rewarding flexibly yet fairly

- When you join – ensuring you and all new members of your team understand their role and the Council’s wider objectives and the Lewisham Way of Working
- When you or staff leave – letting us know what you think.

9.5 **Acting as a role model**

Lewisham managers are expected to act as a role model by:

- Championing Lewisham’s vision and values at all times
- Modelling Lewisham’s Code of Conduct, being aware of conflicts of interest and the importance of financial integrity
- Keeping up to date with Council procedures and applying these in a transparent and equitable manner