

Human Resources and People Strategy Update

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1. Issue

- 1.1.1 To update the Board on human resource activities over the last 12 months.

2. Recommendation

- 2.1.1 The Board is asked to note the progress made and information provided, and to provide comments as appropriate.

3. Consideration

- 3.1.1 Our People Strategy is a key organisational document. It was developed and agreed in 2009 and sets out our key challenges over the coming years. The strategy is underpinned by a number of activities in relation to our people that will ensure we have a fully effective workforce in place to deliver our role of strategic regulator.
- 3.1.2 Over the last 12 months, our people issues have been significant due to the work involved in developing and implementing our new organisational design (OD). At the same time, we have carried out an extensive piece of work on reviewing our reward strategy culminating in the development of a new pay and grading structure. We aim to implement this new structure together with our new salary bands and arrangements for pay protection, with effect from 1 April 2010. An updated People Strategy action plan is provided at Appendix A.
- 3.1.3 Our workforce profile has changed over the last 12 months with increasing number of male employees recruited to the organisation and a reduction in the

number of employees from a BME background. Work to ensure a diverse and representative workforce will be a focus of activity for the coming year.

- 3.1.4 In addition, phase two of our organisational design has led to a rebalancing of our workforce between back and front office. Through this work we have created a number of new roles within the business and changed the way support services are delivered to realise efficiencies and a reduction in head count.
- 3.1.5 Our turnover remains high although it has reduced over the last year compared to previous years (higher rates were due to relocation and redundancies). We expect it to remain high until after OD phase two has been implemented (from April 2010). Sickness has reduced in 2009/2010 compared to 2008/2009, and we are still below the national average days lost per employee
- 3.1.6 Priorities for 2010/11 will be:
- The full implementation of the new pay structure and arrangements for senior manager pay to be implemented by 1 April 2011.
 - The development of our position on learning and development (including management and leadership development), with an emphasis on cost effective and targeted training in order to meet our statutory and business requirements.
 - Activities that support the recruitment of a representative workforce as set out in the Equality Scheme.

4. Risk and financial considerations

- 4.1.1 As our people are our most valuable asset there is a risk to our success as an organisation if we do not have an effective and representative workforce in place backed by effective policies and procedures for managing our employees. Our People Strategy is key in setting out our actions in a planned and achievable manner.

5. Appendices and attachments

- 5.1.1 Appendix A: People strategy update – March 2010
- 5.1.2 Appendix B: HR Dashboard