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# Human Resources Corporate Assessment Follow-on Review – **Monmouthshire County Council**

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The team who delivered the work comprised Avril Watkins and Emily Owen.

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# Summary report

## Summary

- 1 Effective management of staff is essential for transforming the delivery of public services, improving outcomes for citizens and delivering savings. The ways in which a council deploys and manages its staff can support different ways of working, help it deliver services differently, engage with citizens and help enable a council to achieve better-value services for its citizens. The way in which a council manages its people has a direct impact on: the efficiency, effectiveness and quality of work undertaken across the council; its work with its partners and other stakeholders; and on its communities and citizens. Poor or ineffective people management will lead to a less effective use of a council's most valuable and expensive asset – the staff it employs.
- 2 In March 2015, the Wales Audit Office carried out a Corporate Assessment at Monmouthshire County Council (the Council). In respect of human resource management, our assessment considered whether the Council had effective arrangements in place to manage and utilise its workforce.
- 3 Our Corporate Assessment concluded that the Council had developed a People and Organisational Development Strategy; however, to make the best use of its people resources, this strategy needed to be underpinned by organisation-wide workforce planning, complete and accurate workforce data and a fully implemented, whole-council appraisal process. We came to that conclusion because:
  - the Council had developed a People and Organisational Development Strategy, but gaps remained in its strategic approach to effectively managing the workforce;
  - integrated workforce planning was not being conducted on a council-wide basis and this could hinder the Council's achievement of its strategic priorities;
  - the Council's HR policies and plans did not maximise staff capacity and capability;
  - people management was not well supported by Information and Communication Technology (ICT) or managed strategically;
  - the Council had recognised that the HR service and model would not effectively support Council services to achieve planned improvements; and
  - the Council had put in place measures to engage with staff but it was too early to tell whether these were having an impact.

- 4 In our Annual Improvement Report 2014-15, where we summarised the findings from our Corporate Assessment, we made the following proposal for improvement: 'Develop the Council's workforce planning arrangements by including accurate data and key management information around workforce issues and statistics, reporting regularly to Senior Leadership and Management Teams to enable effective monitoring of progress and management of these issues on an ongoing basis.'
- 5 In April 2016, we reviewed the Council's progress in addressing the proposal for improvement relating to human resource management from the 2015 Corporate Assessment. We concluded the Council has made good progress in planning, managing and engaging its workforce although further work remains to ensure that managers have better baseline workforce data and HR ICT provision and that all staff have their annual appraisal. We came to that conclusion because:
- The Council is developing its future operating business model, but does not yet have robust baseline data to underpin workforce planning activity and to shape its workforce for the longer term
  - The Council has implemented most of its planned improvement actions within its People and Organisation Development business plan, with remaining actions underway, but accountability is not clear and it is not yet able to fully demonstrate improved outcomes
  - The Council has improved its approach to staff appraisals but not all staff are having their annual appraisal completed
  - The Council's Human Resources support is good, although there are some areas for further development such as HR ICT support
  - The Council is acting on feedback from its staff, and during 2016-17 plans to further develop its approach to staff engagement.

## Proposals for improvement: ongoing and new

- 6 We set out below the proposals for improvement made in our Corporate Assessment report where we feel that some further work is needed by the Council to address the proposals for improvement fully.

### Corporate Assessment report's proposals for improvement needing further work

Engage more effectively with staff to ensure the Council's values are clearly evident across the organisation.

Ensure that the planned revisions and changes made to 'Check In Check Out' deliver a clear process of assessing and improving the performance of all staff and that department, team and individual objective setting is in line with the Council's corporate objectives.

Develop the Council's workforce planning arrangements by including accurate data and key management information around workforce issues and statistics, reporting regularly to Senior Leadership and Management Teams to enable effective monitoring of progress and management of these issues on an ongoing basis.

## New proposals for improvement

7 We have also proposed further improvements from this HR Corporate Assessment follow on review as follows.

HR Corporate Assessment	
P1	Develop further workforce data to include staff establishment, contract status, vacancies, agency use, age, gender, and grade/pay distribution, to better inform future workforce planning activity.
P2	Improve oversight and ongoing implementation of the staff appraisal process. In particular: <ul style="list-style-type: none"><li>• ensure staff appraisal completion is uploaded onto the Council's Hub to accurately reflect the numbers of staff in receipt of an annual appraisal; and</li><li>• increase the appraisal completion rate.</li></ul>
P3	Further develop HR ICT systems to better support operational managers and improve recording of sickness and disciplinary matters.
P4	Improve the evaluation of HR improvement actions to better measure the impact and outcomes.

# Detailed Report

The Council has made good progress in planning, managing and engaging its workforce although further work remains to ensure that managers have better baseline workforce data and HR ICT provision and that all staff have their annual appraisal

The Council is developing its future operating business model, but does not yet have robust baseline data to underpin workforce planning activity and to shape its workforce for the longer term

The Council is starting to determine the future shape of the organisation but has not yet developed a workforce plan

- 8 In the 2015 Corporate Assessment, we concluded that the Council had developed a People and Organisational Development Strategy, but gaps remained in its strategic approach to effectively manage the workforce and integrated workforce planning was not being conducted on a council-wide basis and this could hinder the Council's achievement of its strategic priorities.
- 9 In January 2016, the Council set out its response to the Corporate Assessment in reports to Cabinet and the Audit Committee. In respect of workforce planning, the Council undertook to:
  - develop the future business model for the authority by March 2016;
  - use the business model to articulate the future workforce requirements of the authority including numbers of staff and skills needed by November 2016;
  - make reports covering key workforce statistics available to managers by May 2016; and
  - put in place arrangements to ensure systematic reporting to Directorate Management Teams and Senior Leadership Team by July 2016.
- 10 The Council continues to develop its future business model, which will be the foundation of its workforce plan. As at April 2016, the Council had not approved the future business model as it had anticipated in its response to the 2015 Corporate Assessment. The development of its workforce plan is therefore not yet complete, although it is taking action to develop such a plan.

**The Council is developing tools such as workflows but still lacks quality data to support workforce planning**

- 11 In preparation for the development of a council-wide workforce plan, the Council's People Services team has been developing the 'People Services Hub' (the Hub) on the Council's intranet to provide managers with guidance and tools for workforce planning. It has provided a 'Workforce Development Planning Workflow', to guide managers through the workforce planning process. The workforce development planning workflow covers four key stages of the process as follows: analysis, planning, implementation and review and evaluation. The workflow also explains how the workforce planning process will integrate with service planning processes. In addition, the People Services team has developed a 'Succession Planning Workflow', which is also situated on the People Services Hub. The Council has not yet formally evaluated the effectiveness of either of these workflows.
- 12 In the absence of a council-wide workforce plan, some managers have been preparing for the development of such a plan with guidance from its People Services team. The Social Care and Health Directorate has developed a strategic workforce action plan, covering the period December 2015 to December 2016 and the Council plans to use this as a template to implement workforce planning in its other directorates by November 2016.
- 13 The Council recognises, and is taking action to address, its lack of robust workforce data, which will be essential when it develops a workforce plan . One of the key actions in the Council's Social Care and Health Directorate strategic workforce action plan is to carry out data cleansing activity to ensure accurate and complete staff data showing: the directorate's establishment<sup>1</sup>; vacant posts; and usage and cost of agency staff. The Council's People Services Business Plan 2016-19 further acknowledges the need to improve baseline data with an action to: 'continue to develop accurate and robust systems, data and reporting to ensure a clear baseline of people and organisational data across all baseline activities to enable effective leadership'.
- 14 Managers do not have robust HR information to help them manage services strategically. Directorates currently receive quarterly data on sickness absence and staff turnover. Establishment information, vacancy data and information on agency staff is not yet robust. Managers do not receive information on the profile of the workforce, such as age, gender, ethnicity, disability, pay and grade distribution, nor comparisons, where appropriate, against other directorates and all-Wales corresponding demographic data.

<sup>1</sup> The establishment is the number of approved posts within the Council against which staff can be appointed.



The Council has implemented most of its planned improvement actions within its People and Organisation Development business plan, with remaining actions underway, but accountability is not clear and it is not yet able to fully demonstrate improved outcomes

The Council has set out its plans to better manage its human resources but responsibility for delivery is not clear

- 15 The Council response in January 2016 to our Corporate Assessment findings referred to in paragraph 5 above, committed it to 'deliver the actions in the programme plan of the People and Organisation Development Strategy 2014–2017 (the Strategy), which brings together the many facets of people and organisation development'.
- 16 The Strategy is structured around six themes and priorities as follows:
  - Our Work Environment
  - What we do to engage great people
  - What we do to attract and recruit great people
  - What we do to develop and retain great people
  - Diversity, Inclusion and Wellbeing
  - Bringing it all together
- 17 The Strategy clearly links to the Council's other strategies, including the IT strategy 'iCounty', Medium Term Financial Plan and Asset Management Plan. This provides an opportunity for the Council to manage the impact on its workforce from better use of technology, reduced funding and more effective use of resources.
- 18 The Strategy is supported by a People Services Business Plan 2016-17 (the Business Plan), which Cabinet approved in April 2016. The Business Plan includes actions that seek to help the Council address issues raised in our 2015 Corporate Assessment such as improving staff engagement, rolling out workforce plans across the Council and producing a People Services Annual Report that will include key staff measures.
- 19 The Business Plan sets out the Council's achievements in 2015-16 and the actions the Council plans to deliver during 2016-17. However, none of the actions specify who is responsible for their delivery or by when. As a result, senior managers and Members will find it difficult to assess whether progress made during the year is adequate and to hold officers to account for any perceived underperformance against the Business Plan.

**The Council reports progress in delivering the actions in its Strategy but cannot yet demonstrate how these have delivered improved outcomes**

- 20 The Council monitors progress in delivering the People Strategy and its Business Plan through a People Board (the Board). The Board comprises the Cabinet Member Resources, the Head of People and Commercial Development, interim HR Manager, Organisation Development lead, the Training and Development Manager and two staff representatives, who are members of the staff focus group, MonMinds. The Board meets approximately four times a year and includes a live-streamed session after the meeting where the Board answers questions on HR issues from participants.
- 21 The Council has continued to report its progress in delivering the actions set out in the Strategy to Members. For example, it recently reported to the Special Strong Communities Select Committee in March 2016 and Cabinet in April 2016, setting out its progress to date and next steps for the final year of the strategy in 2016-17.
- 22 The Council is able to demonstrate progress in the delivery of the majority of actions in its Strategy but not their impact on improving outcomes. For example:
- Of the 27 actions in the 2015-16 Business Plan, the Council reports that it is on target to deliver 20 of these actions and it has put in place steps to deliver the remaining seven actions. Where the Council has changed the focus of its planned action, it has reflected these in the 2016-17 Business Plan, indicating a strong focus on activity.
  - The Council is improving the skills of its managers. Some managers have achieved the Institute of Leadership and Management qualifications and 90% of managers have participated in the Council's coaching and mentoring training programme RESULT. The Council has adapted the training in response to feedback from participants by, for example, condensing the training into one day and by using language and terminology in the programme that is relevant to the specific staff groups. The Council has not yet assessed the benefits to the organisation from this investment in training.
  - The Council is responding to feedback from staff. It has developed and plans to introduce 'Coded pathways of learning and development'<sup>2</sup>. These identify links to the Council's values and behaviours and when launched are intended to provide essential and desirable training for all staff and leaders.

<sup>2</sup> Coded pathways – a one-page document for staff and management denoting the values and behaviours expected by the Council and aligned to this the essential and desirable training to be received, with a method of delivering the requisite training, specified for each training topic.

- Each service improvement plan now incorporates a scorecard of workforce measures such as; return to work interviews completed, number of accidents at work, average days lost to sickness per employee and number of annual staff appraisals completed. Whilst incorporating workforce data into the service improvement process is positive, at this stage this data is not used consistently to inform service planning.
- The Council is developing a set of key performance workforce measures that will form part of its report on overall corporate health. The HR measures include sickness statistics, percentage completion of the Council's appraisal Check in Check out, staff satisfaction percentage result, (obtained from the staff survey), number and progress of disciplinary cases.

### The Council has improved its approach to staff appraisals but not all staff are having their annual appraisals completed

- 23 In the 2015 Corporate Assessment, we concluded that the purpose of the Council's appraisal process, Check in, Check out was not well understood by staff, managers or Members. Some managers were not aware of the target set by the Council for the completion of appraisals and Check in Check out did not sufficiently identify training needs to enable the Council to develop a cohesive and co-ordinated corporate training plan. As a result, the Council could not be sure that all training met organisational needs, all skills gaps were being met or that overall training resources were being deployed effectively.
- 24 In January 2016, the Council set out its response to the Corporate Assessment in reports to Cabinet and the Audit Committee. In respect of the Check in Check out appraisal process the Council undertook to:
- revise and roll out the employee performance appraisal approach (Check in Check out) for staff and launch and communicate this by March 2016; and
  - ensure robust mechanisms are available to managers to complete accurate records on Check in Check out completion on the Hub, ensure ownership of these mechanisms and make quarterly measures available to monitor the process, by March 2016.
- 25 The Council's appraisal process Check in Check out requires all staff to receive an annual appraisal. There is no annual cut-off date for completion of appraisals as the Council's approach is for managers to conduct these on a rolling programme basis. This approach has some benefits, as logistically it is easier to manage, as not all staff appraisals are being completed at the same time each year. However, it relies on managers scheduling dates and conducting appraisals within an annual cycle.

- 26 The Council has reviewed its Check in Check out process to identify opportunities to improve its effectiveness and to increase take-up among staff. Its review sought views from across the organisation, including from its senior managers, People Services team, staff, through the staff conference, a staff survey and an established staff focus group – MonMinds. As a result of this review, the Council has changed the questions in its template appraisal form and since March 2016 made the revised process accessible to staff and managers on its People Services Hub.
- 27 During our 2016 review, the Council managers reported having a better understanding of the process and as there are only five questions to answer, they found the appraisal completion process easier to complete.
- 28 The Council has developed an online video for staff that explains what they can expect to happen during their appraisal and the video guides them through the process. At the time of our review, we were unable to assess the total number of views to date of this tutorial video.
- 29 For practical reasons, some services such as Waste and Street Services, have, in the past, modified the appraisal process to take account of operational logistics. The annual appraisal in these services is supplemented by a communication and engagement event called Tool Box Talks. Tool box talks allows managers to disseminate, on a group basis, important Council, directorate and service area messages and is an opportunity for staff to feed upwards questions and concerns. Other service areas supplement the appraisal with regular one to one conversations, between annual appraisals.
- 30 The Council provided us with six completed appraisal forms to review. We found that there were varying dates of completion, in line with the policy of rolling programme of appraisals, during the third and final quarter of the financial year. We also found that training and development needs were identified and methods of addressing these needs were noted. Training requirements of staff are collated corporately by the Council's corporate training function, which is called 'Talent Lab' and consists of a small team of three staff within the overall People Services team. The Council's training officers then undertake an organisation wide training needs analysis and organise training accordingly.
- 31 In 2015-16, the Council's People Services Annual Report showed a 52% rate of completion for appraisals. This is against a target of 100% rate of completion.

## The Council's Human Resources support is good, although there are some areas for further development such as HR ICT support

### Managers and staff are generally positive about the support they receive from the People Services team

- 32 The Council Managers we interviewed generally spoke positively about the support provided by the People Services Team, describing staff as helpful and professional. Managers did however raise some concerns that the limited capacity within the People Services Team had resulted, on occasions, in delayed responses to enquires such as during disciplinary investigations.
- 33 The Council launched the Hub in 2015 to provide easy access to the People Services Team. The Hub provides information on HR, Payroll, Training and Organisational Development. It includes a dashboard on workforce sickness and turnover rates at a directorate level and allows Managers to review their own team's sickness on a quarterly basis. The Council also plans to make the sickness reports available on its employee self-service portal My-View. Managers stated during our review that they found it easy to upload data on sickness and completion of Check in Check out appraisals. Appraisal data is also available in real time, via the Hub.
- 34 Managers we interviewed said they found the Hub to be user friendly and easy to navigate. The Hub provides 'frequently asked questions' and guidance that help managers understand processes and their roles and responsibilities within the processes. The Council continues to develop the Hub with recent additions of HR process workflows such as safe recruitment and attendance management. The introduction of the Hub has enabled managers to be more self-sufficient, and the Council has seen a reduced number of telephone and e-mail enquiries to the People Services Team, thereby releasing capacity within the team.

### The Council has developed ICT systems to support managers in their management of HR although some systems are yet to be fully developed

- 35 Managers input staff sickness data and can view the detailed data for their service area and other service areas on the Hub. Whilst the system records sickness details, the Council has not yet developed the system's further potential to record 'return to work' interviews, which is a key stage in managing attendance.
- 36 The People Services Team is developing a system to track progress in managing disciplinary cases, but until this is fully developed, managers continue to maintain their own records.

## The Council is acting on feedback from its staff, and during 2016-17 plans to further develop its approach to staff engagement

### The Council has committed to improving staff engagement

- 37 In the 2015 Corporate Assessment, we concluded that the Council had articulated its values and there was some evidence of this being demonstrated in meetings, however staff concerns existed in relation to openness, communication and decision making.
- 38 In January 2016, the Council set out its response to our Corporate Assessment in reports to Cabinet and the Audit Committee. In respect of staff engagement, the Council undertook to:
- ‘Deliver the actions in the programme plan of the People and Organisation Development Strategy, which brings together the many facets of people and organisation development, including continuing to develop our approach to colleague communication, following up from the ‘You said: we did’ week, with progress against the programme plan is to be evaluated by May 2016.’

### The Council engages well with staff, using a range of approaches to seek feedback on its performance

- 39 The Council established a staff focus group, which it called MonMinds. This group comprises between 40-60 staff from a variety of job roles within the Council. This group meets regularly, as and when required by the Organisation Development lead. The group typically discusses proposed ideas and innovations in relation to staff policies and practices the Council plans to introduce. This approach engages with a cross section of staff and allows staff to have a voice and share opinions on key issues and activities that affect them. The Council uses the group to test out ideas. An example of the Council acting on the group’s feedback was that the development of a one-page summary version of the People and Organisational Development strategy. The Council has also provided opportunities for staff to meet senior managers through its Mons Talk and Mons Delivers sessions. These meetings are similar to TED<sup>3</sup> talks that take place in other organisations.

<sup>3</sup> **TED** a non-profit organisation devoted to spreading ideas, usually in the form of short, powerful **talks** (18 minutes or less). They began in 1984 as a conference where Technology, Entertainment and Design converged, and today covers almost all topics — from science to business to global issues — in more than 100 languages.

- 40 The Council held two staff conferences, one in November 2014 and another in September 2015. The format of the 2015 event was shaped from feedback obtained from the 2014 conference and from discussion with MonsMinds. Six hundred staff attended the 2015 conference, which included a range of staff of different grades and roles including staff from schools. The conference provided an opportunity for senior managers to interact directly with staff. Some staff indicated at the 2015 staff conference and via MonMinds that they would prefer the Council to hold individual Directorate staff events in future. The Council confirmed that it plans to arrange a series of Directorate conferences in response to this feedback.
- 41 The Council's senior managers have responded positively to feedback from the 2014 staff conference where staff said they felt disconnected from senior leaders. The Council's Senior Leadership Team worked for a day on front line job roles and activities, such as street cleansing and in a youth centre. This provided senior officers with an opportunity to engage with service users and staff in their working environments where they may have felt more able to express their views more openly.
- 42 The Council's People Board meets approximately four times a year, to coincide with key staff events, such as before and after the staff conference. The meeting takes place in the Council chamber and once the meeting concludes staff and councillors are able to ask questions, via e-mail, of the People Board. These question and answer sessions are live streamed then stored on the Council's Hub and can be accessed after the event. During our 2016 review, we observed two sessions; the Council's first live-streamed session that was held on 3 July 2015 and the second that was on the 4 September 2015. In total 18 questions were received over the two sessions, covering topics such as recruitment, staff well-being and recognition, future senior leadership, front line engagement, date for the next staff survey and the format of the next staff conference. In April 2016, the recordings of the live-streamed sessions had been viewed 75 and 95 times since the events took place.
- 43 The Council asked staff, who attended its staff conference in November 2014, to indicate the extent to which they agreed with each of 10 questions.
- The most positive responses were to the questions:
- 'do you understand your purpose and contribution the Authority?'; and
  - 'if you have received training in the last 12 months, have you been able to use what you have learnt?'
- The most negative responses were to the questions:
- 'do you feel the authority lives and breathes its values?'; and
  - 'how interested are you in taking part in incentivised volunteering opportunities with the Authority?'

- 44 The Council undertook a staff survey in early 2015. It also engaged with staff during its “change week” at the end of June 2015 to share key messages from both the 2014 staff conference and the 2015 staff survey and to explain how the Council planned to respond.
- 45 The Council held a further staff conference in September 2015 and collated the main themes from sessions as an infographic. After the event, the Council shared the infographic across the organisation, to inform all staff of the key messages from the conference. The infographic shows the top five positive and negative themes as follows.
- 46 Positive themes identified were as follows:
- teamwork;
  - managers and senior leadership support;
  - integrated adult services;
  - improved results in education; and
  - still have a job.
- The negative themes identified were as follows:
- increased workload, ability to take time off/more pressure;
  - losing knowledge/expertise, officers leaving not replaced;
  - IT- still lacking, slow and complicated;
  - budgets limited/depth of cuts; and
  - lack of communication.
- 47 The Council has not yet carried out a further staff survey or staff conference; therefore, it is not able to measure whether staff opinions have changed.





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