

## NOTTINGHAM CITY HOMES

HUMAN RESOURCES

COMMITTEE

15 JULY 2008

### REPORT OF DIRECTOR FOR ORGANISATIONAL DEVELOPMENT

### NCH WORKFORCE LEARNING AND DEVELOPMENT PLAN 2008/09 AND MANAGEMENT COMPETENCY

#### 1. SUMMARY

1.1 This report presents a comprehensive fully costed Workforce Learning and Development Plan for 2008/9. Furthermore, in May 2008 the Committee requested a report on the following areas:

- A factual report detailing the Company journey in response to Audit Commission recommendations (R1) relating to management competence
- Information about the NCH management development plan (this is contained in the Workforce Learning and Development Plan – Appendix 1)
- Clarification about the improvements made to the NCH Performance Appraisal Scheme and one to ones ( Appendix 2)

Statistical information relating to internal and external training for 2007/8 and 2008/9. This is provided in the HR Performance report.

#### 2 RECOMMENDATIONS

It is recommended that the Committee:

- 2.1 Note the content of the Workforce Learning and Development Plan and provide feedback on its relative strengths and areas for further improvement.
- 2.2 Formally endorse/approve the Plan (subject to any agreed changes)
- 2.3 Note responses to the issues raised by HR Committee in 1.1 above.

#### 3 REPORT

- 3.1 **NCH Workforce Learning and Development Plan 2008/9**  
See appendix One part A, B and C for details about the Plan.

### 3.2 **Audit Commission Recommendations (R1) – Progress Report**

The Audit Commission made 3 key recommendations relating to 'improving the capacity, skills and competency of senior and middle management staff'. These are:

- Undertake a thorough competency review of all senior and middle managers;
- Ensuring the capability procedures are robust enough to tackle performance effectively; and
- Effectively challenge the ongoing use of consultants to support poor management

### 3.3 **Competency Review**

In 2006/7 NCH undertook a Company wide competency assessment of all Company Managers as part of the 2006/7 Management Development Programme. Between June and September 2006 all managers (PO1 upwards) were invited to attend a development centre based upon the Saville and Holdsworth (SHL) assessment centre model used by NCH for recruitment purposes. Subsequently 40 managers underwent further development using a mixture of 360 degree assessments, workshops and coaching between December 2006 and June 2007.

Since then a number of initiatives and projects have been put in place to further respond to the Audit Commission recommendations:

- a) **Company Restructure** – changes in structures has generally had a positive effect on dealing with competency issues. For example, external management appointments have on the whole introduced a dynamic can do approach and new ways of working. The promotion and appointment of existing employees to new management positions has resulted in creating a balanced management team.

This has been reinforced by Investors In People re-accreditation and the highly successful award of the Maintenance and Repairs tender. Interim management consultants have largely been replaced with high calibre permanent employees.

- b) **Group coaching programme** for 32 middle managers in Housing Services. The programme was implemented to address the needs of middle managers who had little or no previous management development. The programme has supported managers in addressing performance issues in their teams and to equip managers with the tools to do this. Furthermore, each group were asked to complete a management project directly

related to NCH e.g. managing sickness, dealing with poor performers, communication, team working etc.

- c) **One to One Executive Coaching** – 13 managers have undertaken 1-1 executive coaching. To ensure value for money, each manager requesting coaching is required to provide a business case detailing outcomes they want to achieve in agreement with their line manager. Some notable examples of how coaching has helped NCH includes, reduction on void times and securing the maintenance and repairs tender.
- d) **Service Improvement Programmes** –programmes have been put in place to support new teams formed as part of the Company restructure and existing teams. Most notably are the programmes for Nottingham On Call and Housing Services Divisional Management Team. The programmes have been designed to improve competence and capability of managers, improve cross organisational working and the one team approach. Further programmes are to be arranged involving Divisions other than Housing Services.
- e) **Let's Make The Difference** – Phase one of the programme specifically focused on the development of leadership and people management skills. The programme was compulsory for all leaders, managers and team leaders. Notable examples of improvement include the Repairs Contact Centre, where Team Leaders have introduced the 'Rainbow Performance System', used alongside the new NCH Performance Appraisal Scheme and one to ones to individually assess competence of their teams in handing customer telephone enquiries.
- f) **2008 Management Development Programme** – A comprehensive range of management development has been put in place specifically targeted at middle manager and front line supervisor level. See NCH Workforce Learning and Development Plan – Appendix One Part C for details.
- g) **Robust Human Resource Policies** – The Company has adopted a more robust approach to the application of HR policies and procedures. For example, a new bespoke employee performance appraisal scheme has been implemented whereby managers are expected to specifically discuss sickness and absenteeism levels, time keeping and application of Company values. **(See Appendix Two – Key Changes To NCH People Performance Appraisal Scheme)**. Application of the sickness policy and the flexible working scheme has been tightened to

ensure that managers are managing their employees more effectively. For example, by making managers responsible for data management and quality control. Training has been provided to assist managers in implementing these changes.

- h) **Capability Procedures** – The Company needs to be able deal with capability issues in a professional way and as a consequence a draft procedure has been produced. This is currently with the trades unions for comment, although the principles will be used in any current cases. The trades unions have not made any major objections and it is envisaged that the procedure will be ready for formal adoption in August. There will then follow a formal launch of the procedure with manager briefings and support.
  
- i) **Use of Consultants** – unfortunately at the time when a heavy reliance was made on using consultants and interims, the company was going through a period of bad publicity and general insecurity. Using consultants and interims (especially for key positions, including the CEO) had a negative impact on the recruitment market and therefore positions advertised struggled to attract high calibre candidates. Since the recruitment of Chris Langstaff, the housing profession has much more confidence in the abilities of Nottingham City Homes, which has resulted in a number of key appointments being made on a permanent basis. We are continuing to attract high calibre candidates and the use of consultants and interims is minimal.

As a general note the housing market for attracting housing professionals is highly competitive as it is not seen as an attractive career option.

#### **4 OTHER OPTIONS**

4.1 Not applicable.

#### **5 FINANCIAL AND RISK IMPLICATIONS**

Financial implications relating to the NCH Workforce Learning and Development Plan are described in Appendix One Part A.

5.1 All budget provisions have been agreed.

#### **6 IMPLICATIONS FOR NOTTINGHAM CITY HOMES OBJECTIVES**

6.1 The Workforce Learning and Development Plan sets out how the plan

supports the achievement of strategic objectives as described in the Delivery Plan for 2008/9. See Appendix One Part A

## **7 VALUE FOR MONEY AND EFFICIENCY**

7.1 A key objective of the NCH Delivery Plan is 'to be an excellent, efficient organisation, which has high quality leadership and management and delivers value for money'. The Workforce Learning and Development Plan 2008/9 supports this objective by providing an evidence based; fully costed; annual plan of development focusing on key priorities. Furthermore it helps address capacity issues in service delivery created by time away from work for training by for example, minimising training to meeting service priorities.

Policies and procedures for delivery of training has also been improved e.g. business case sign off required by Head of Service for all requests for training that falls outside of the Workforce Development Plan.

## **8 EQUALITY AND DIVERSITY IMPLICATIONS**

8.1 The Workforce Learning and Development Plan 2008/9 provides a more transparent approach to training opportunities, information which is accessible to all employees e.g. via the intranet and team brief. Diversity is integrated into training programmes e.g. 'Let's make the difference' and Company induction.

The new appraisal scheme has a built in grandparent system, thus allowing the quality of appraisals to be monitored beyond the line manager/employee relationship. This should act as a safeguard against discrimination.

## **9 BACKGROUND MATERIAL AND PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT**

Nottingham City Homes Delivery Plan 2008/9  
NCH Appraisal Scheme – Manager's and Employee Guide 2008/9

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## APPENDIX TWO

### Summary of Key Changes To NCH People Performance Appraisal Scheme 2008/9

Previous Scheme (2005 to 2007)	New Scheme 2008/9
One scheme, one methodology for all employees	One scheme, 3 methodologies bespoke to service needs (craft, office and manager)
Everyone required to have monthly one to one meetings	High achievers – manager discretion to have less frequent one to one meetings. Low achievers – manager discretion to increase frequency
Focus on process	Focus on performance outcomes e.g. reducing absenteeism, improving time keeping, living Company values
Documents confidential between line manager and employee	Documents open to scrutiny by appraising manager's line manager
Senior management not accountable for quality	Senior management sign off required
Focus on development	Focus on performance
Centralised monitoring	No change
Craft Scheme 1-1 appraisals	Craft Scheme – group appraisals
Based on LA model	Based on 3* ALMO model