



Report 10.415
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Committee Finance, Audit and Risk Committee
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People & Capability Group: Quarterly and Year End Review

1. Purpose

To provide the Committee with a quarterly review of the People & Capability Group.

2. Significance of the decision

The matters for decision in this report **do not** trigger the significance policy of the Council or otherwise trigger section 76(3)(b) of the Local Government Act 2002.

3. Summary of Year in Review

The achievements of the People & Capability Group are identified in the body of this report. It has been a productive year for the Group as we have assisted with a number of change management processes to realign the organisational structure to focus on new or changing resourcing requirements. We have also managed a number of key projects to better enhance organisational capacity and performance.

3.1 Recruitment

Commenced our strategy for improving our recruitment services during the year. Our first initiative was to put in place a preferred supplier agreement for selected recruitment agencies. Greater Wellington's expenditure on recruitment agencies during the previous two years showed that the organisation had paid top rates for placements, and that there had been no coordinated approach to ascertain when recruitment agencies should have been used.

We put in place a closed tender process and received proposals from 21 agencies. Four recruitment agencies were selected as our preferred suppliers.

We negotiated a standard rate of 12.5% for all permanent placements including full time and part time appointments. Typically we were paying between 16%

to 18.5% of the total remuneration package for these roles. We also negotiated standard terms with these agencies and put in place a process for engaging their services. We did not include contractors (contracts for service) within the terms of the preferred supplier agreement, as managers generally contract these resources directly, rather than through the People & Capability Group.

Commenced work on an Applicant Tracking System which would systemise our recruitment processes to provide more timely information to managers and applicants. The system also provides a talent pool which enables us to retain information on applicants or people who are interested in working for Greater Wellington. This will enable us to be more proactive in our recruitment function rather than relying on reactive advertising.

In addition, the Applicant Tracking System provides more information about stages of the recruitment process and will enable us to provide more in-depth reporting about recruitment timeframes, success rates, costs of advertising/marketing etc. It is planned that the database will become live as at the end of July 2010.

There were 139 vacancies advertised during the year, only 7 vacancies which required advertisements to be run more than once. A number of these roles were highly specialised or management level roles which attracted a lot of applications, but not necessarily at the standard or experience that we were requiring.

3.2 Collective Employment Agreement negotiations

Greater Wellington's Collective Employment Agreement expired on 30 June 2009 and the unions initiated bargaining for a new Collective Employment Agreement (CEA) on 14 May 2009. The parties commenced negotiations on 19 August 2009. The union parties were the Public Service Association (PSA), Engineering, Printing and Manufacturing Union (EPMU) and the Central Amalgamated Workers Union (CAWU).

An initial Agreement was reached and the unions took this Agreement out to their members for ratification. This produced mixed results as members of the CAWU ratified the CEA, but members of the PSA and EPMU did not ratify the initial document. The parties returned to the bargaining table and worked through the issues which were creating barriers to ratification. A revised offer was made to staff and this was accepted. The CEA was signed on 28 April 2010.

3.3 Training and Development

The Greater Managers programme continued during the year as we introduced three more learning groups to the programme. This included one manager's learning group and two team leader learning groups. The four learning groups which started in the 2009/10 financial year continued on the programme.

We have commenced the assessment process for the last learning group of team leaders, who will commence the programme in September 2010.

Have progressively rolled out the Priority Management Outlook training programme across the organisation to enhance time management skills using Microsoft Outlook.

Arranged training courses (including induction) for a total of 542 attendees.

Developed a new staff induction programme for the Wairarapa, which links into the new corporate induction programme. This programme will commence in September 2010.

3.4 Performance management

Reviewed the performance management needs of the organisation by conducting a number of focus groups across the organisation. This information, together with information from selected external organisations and current research, assisted in the development of a new performance management system.

Tested the new performance management system with the Executive and senior managers before finalising the system. Developed training materials and a training programme and have rolled that training out to all managers and staff within the organisation. This training should be completed by the second week in August 2010.

3.5 Remuneration

Continued to review our remuneration system from a strategic perspective to ensure that we maximise our system and align it appropriately to the relevant markets.

Worked with the unions to ensure that we had their support to bring in a new pay structure which would change the way we benchmark our roles against the external market and also revise the markets we benchmark against.

Rolled out presentations, headed by the CEO, to communicate changes in the remuneration pay structure.

Implemented a new RemWise database system to manage our remuneration.

Put in place the processes that we needed to enable us to put forward the option of buying-out the bonus. This will be implemented in August/September 2010.

3.6 Gallup engagement survey

Conducted the third Gallup Engagement Survey in November 2009. The project was managed in accordance with its timeframe. The response rate from the organisation was 92%. The Survey provided a good comparison against the 2008 results, as the organisation's engagement achieved a meaningful increase of 0.12 from 3.86 to 3.98. There was a meaningful increase in the additional questions as the confidence in the leadership of the organisation increased by 0.37 from 3.05 to 3.42 and confidence that Greater Wellington was a great place to work increased by 0.15 from 3.91 to 4.06.

3.7 Change management

Implemented a number of change management processes across the organisation including the Customer Services Department in Public Transport, the ICT Department, establishment of two new General Manager positions and Departments, restructuring within the Strategy & Community Engagement Group and People & Capability Group. All change management processes have been legally compliant from a substantive and procedural perspective. No personal grievance actions arose out of the change management processes.

3.8 Health and Safety

Conducted an external ACC WSMP audit on the Upper Hutt depot and the organisation achieved secondary status of the WSMP programme, providing additional cost savings. The People & Capability Group has continued to work with the business to identify good health and safety practices and embed those practices into every day activities.

Developed a Health and Safety Action Plan to guide Greater Wellington's health and safety activity. The Plan outlines the organisation's vision for Health and Safety management and identifies seven broad health and safety objectives.

The Vision for Health and Safety management is *'everyone at Greater Wellington working together to make things safer now, tomorrow and into the future so that Greater Wellington becomes a sustainably harm free workplace'*.

“Being Safer Together Today, Tomorrow and into the Future.

Me tiakina tahi tātou ia rā ia rā.”

The objectives are:

1. Clarifying the health and safety goals, responsibilities and expectations throughout the organisation.
2. Ensuring that Greater Wellington is continually increasing awareness of its health and safety issues and solutions.
3. Improve consistency across the organisation in health and safety practice and documentation.
4. Clearly establish SafeTsmart database as a relevant and useful tool.
5. To ensure everyone has the right skill, knowledge, competence and confidence to work safely.
6. To allow effective review of our health and safety system to identify areas for improvement.
7. To ensure the health and safety of the many third parties we work with.

4. Review of Last Quarter

4.1 People & Capability staff

The staffing of the People & Capability Group has remained stable over the last quarter. Over the last 12 months, there have been two staff who have commenced parental leave and these positions were backfilled. Apart from these changes, there have been no resignations from the Group during the last 12 months.

People and Capability	30 Jun 2008 Actual Staff (FTE)	30 Jun 2009 Actual Staff (FTE)	2009-10 Budgeted Staff (FTE)	30 Jun 2010 Actual Staff (FTE)	2010/11 Proposed Staff (FTE)
Actual/Planned Staff Numbers*					
People and Capability	8.25	7.25	7.50	7.70	7.70
Staff Vacancies					
People and Capability	-	-	-	-	-
Staff Establishment					
People and Capability	8.50	8.50	7.50	7.50	7.70
Staff Establishment	8.50	8.50	7.50	7.50	7.70
Movements in Staff Establishment					
Transfer of Payroll staff to finance		(1.00)	-	-	
Restructure of People and Capability				0.20	
Senior Advisor efficiency savings	(0.25)	(0.25)			
Total movement	(0.25)	(1.25)	-	0.20	-

* Staff on maternity leave are included as Actually employed and their duties are fulfilled by people on contract

4.2 Recruitment

4.2.1 Advertising

There were a total of 32 vacancies (permanent, fixed term and casual) advertised during the quarter ending 30 June 2010:

	Environment Management	Catchment Management	Utilities & Services	Finance & Support	Public Transport	Strategy & Community Engagement	People & Capability
Advertised internally only			4	2	4	1	3
Total vacancies advertised internally & externally in this quarter (ending 30 June 2010)	7*	3	6	3	5	3*	3
Total vacancies advertised in the previous quarter (ending 31 March 2010)	8	19	4	2	4	9*	1

Table 1: Vacancies per group

*when a vacancy is posted twice (re-advertised) this will count as 2 vacancies.

** 11 community max roles were not advertised internally as were part of the WINZ programme

In the last quarter, Greater Wellington has used a variety of media to advertise vacancies. We are continuing the trend towards using online mediums such as trade me and seek for entry to mid level roles, as well as looking at specialist job boards.

Overall recruitment has remained consistent with the last quarter. We have advertised a number of third tier manager positions, two within in the newly formed Strategy & Community Engagement Group and one in the Environment Management Group. The change management process in the Strategy & Community Engagement Group has resulted in a total of four new positions advertised this quarter. The number of good applicants for these positions has been mixed. For instance, the Team Leader, Data Analysis position was put on hold as a suitable applicant could not be found and alternative strategies have been put in place to manage this workload in the meantime. This situation will be reviewed carefully to assess their continual success.

The WINZ Community Max programme, which involved employing a number of casual staff and two fixed-term staff during the last two quarters, has come to an end. Due to the temporary employment nature of these positions, we are not looking to replace these staff, but we are looking at continuing our relationship with WINZ.

We are working through the process of implementing our online recruitment system. Once active, this system will enable us to provide a more responsive

and efficient service to both managers and candidates and enable more sophisticated reporting and tracking.

The number of responses to advertised positions per Group is as follows:

Environment	Catchment Management	Utilities & Services	Finance & Support	Public Transport	Strategy & Community Engagement	People & Capability
142	22	73	38	12	64	3

4.2.2 Commencements

There were 26 new commencements in the quarter ending 30 June 2010.

Permanent appointments - there were 13 permanent appointments, a number of which were internal transfers or promotions, and 3 of which were manager appointments.

Fixed-Term appointments – there were 3 fixed term appointments made, two to provide temporary cover during the recruitment process and the other was for the Public Transport Total Mobility Coordinator position.

Casual appointments – there were 10 casual appointments.

4.2.3 Preferred Supplier Agreement

Our review of the preferred supplier agreements shows the following activity:

Agency	Temporary Placements (to 30 June 2010)	Commentary
GBL	5 x 1 day 1 x 1 day 1 x 1 day	Short assignments for call centre placements or business support placements.
Ranstad	1 x 48 days	Temporary placement used for Environment to back fill while recruiting for Administration roles – both incumbents moved on to other roles internally.
Powerhouse	1 x 8 days	Hired temporary placement to cover Team Leader, Financial Accounting while recruiting replacement. Is planning to stay for three months.

4.2.4 Turnover

There were 40 cessations during the year ending 30 June 2010. This represents an annual turnover rate of 9.4%. The rate of turnover has decreased slightly since the last quarter, which was 9.8%.

These turnover figures have historically reported all cessations of employment including redundancies and terminations, but excluded the expiry of fixed term or casual employment agreements.

As a comparison, the annual turnover rate for Local Authorities was 9.2% in the year ending 31 December 2009. The national average turnover rate across all industry groups for this period was 16.5%. Greater Wellington's turnover rate as at 31 December 2009 was 8.7%.

The top four factors that participants in the survey identified as driving turnover were:

Relocation	48.6%	External Promotion Opportunities	47.9%
Change of Career	45.2%	Lack of Career Development Opportunities	33.6%

Our data shows that the top four factors driving turnover at Greater Wellington are:

Career Advancement	25.6%	Personal Reasons	15.4%
Change of Career	12.8%	Family Reasons	12.8%

4.3 Training and Development

4.3.1 Organisational Core Training Programme

The courses which have been organised centrally and funded through the organisational core training budget in the last quarter were as follows:

Training Course	Attendance	Training Course	Attendance
Review and Reward	11	Computer Skills	9
Writing	9	Priority Management	56

Presentation	4	Media	6
Development	15		
Health and Safety			
Workplace First Aid	18	Driving	6
Site Safety	9		
Total	143		

4.4 Health and safety

4.4.1 Greater Wellington's Health and Safety Action Plan

A number of tasks outlined in the Health and Safety Action plan are progressing well. General Managers and Department Managers have been briefed on the tasks which are their accountability. A focus of activity in the near future will be working with General Managers and Department Managers on their health and safety plans to ensure that the plans capture the critical tasks for their business area.

The adaptation of the ACC WSMP audit tool is currently being trialled as part of the Water Supply Department's self assessment. The adaptation has been designed to create a more useful, informative and understandable tool. Once the self assessment has been completed, the tool will assist to identify which areas should be focused upon to improve health and safety.

The People & Capability Group were involved in the assessment of the health and safety procedures associated with the train at the Wainuiomata Water Treatment Plant. Below are photos of that activity.





The Elected Health and Safety Representatives and other parts of the business have confirmed the view that a consistent hazard management approach should be developed across Greater Wellington. Work is currently underway to develop the approach and resources for the first two core hazards:

- Motorbike and quads – in response to the increased number of recent occurrences involving motorbikes and quads, the project encompasses health and safety injury prevention, training, equipment specification and management, as well as appropriate vehicle registration.
- Computer workstations and Occupational Overuse Syndrome (OOS) prevention – encompassing a review of the current OOS policy, staff training and resources to allow for the internalisation of preliminary and routine workstation assessments and set-up by staff.

4.4.2 SafeTsmart

There have been problems installing the enhancements into the testing environment. We are now working on rolling the enhancements out across to the production database. Once this is installed and working, the general roll out of the new SafeTsmart functionality to managers and team leaders will begin.

4.4.3 Workplace injury and reporting trends

There were 3 new Lost Time Injuries (LTI) suffered by Greater Wellington staff during this quarter:

1. 3 June 2010 – A Biowork’s employee fell off his motorbike while riding down a hill. The motorcycle rear carrier landed on his ankle causing significant bruising.

2. 26 May 2010 – A Biowork’s employee fell off his motorbike after his front wheel slipped riding over a tree root. The bike landed on his ankle causing severe bruising.
3. 7 April 2010 – A Biowork’s employee caught his arm on a gate that swung shut on him while he was riding through it on a motorbike. The accident resulted in severe bruising to his arm.

Other significant occurrences reported during this quarter include:

1. In addition to the 3 LTI’s above there have been 3 other minor injury occurrences involving motorbikes. These are being taken into consideration as part of the motorbike and quad hazard management project.
2. There have been several minor injury occurrences due to tripping on uneven terrain or other obstacles resulting in twisted ankles or knees, for employees from the Biosecurity and Forestry departments.
3. A Flood Protection ute was found to have loose wheel nuts. Maintenance checks were current and there was no clear explanation why they were loose. More frequent maintenance checks of vehicles have been implemented. No injuries or property damaged occurred.
4. A Park Ranger mistakenly put a power barrow into reverse, pinning himself against a bank. He managed to lift it off himself. He identified that he was not as familiar with that particular power barrow as he thought. This occurrence highlights the need to ensure that everyone is familiar, trained and currently competent in the use of all equipment.
5. A Park Ranger lost traction in a ute with a trailer that he was driving down a track. The ute slid from the track and jack knifed the trailer causing damage to both the ute and trailer. No injuries were suffered.

Figure 1 shows all reported incidents for the last twelve months.

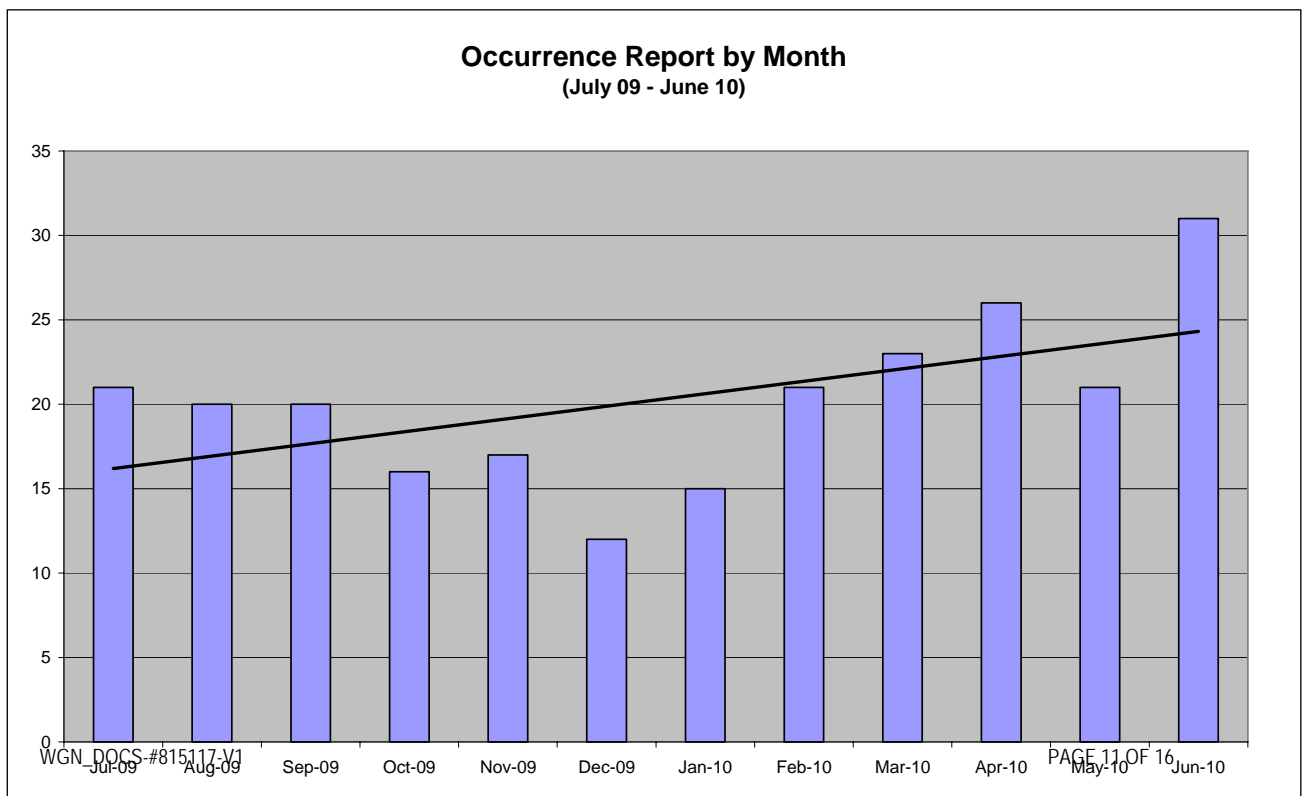


Figure 2

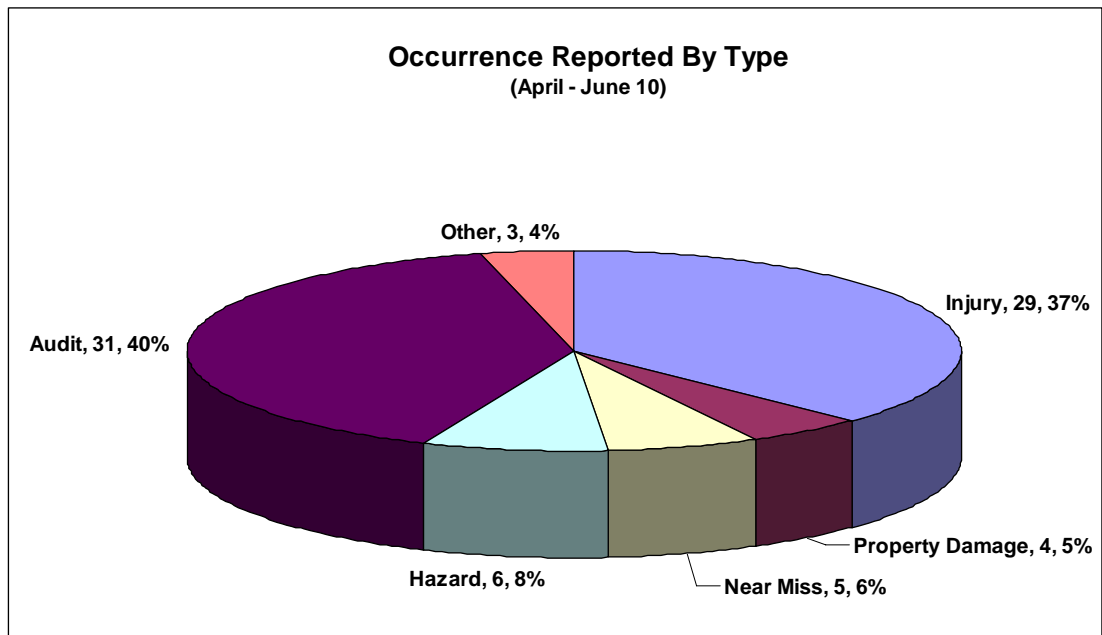
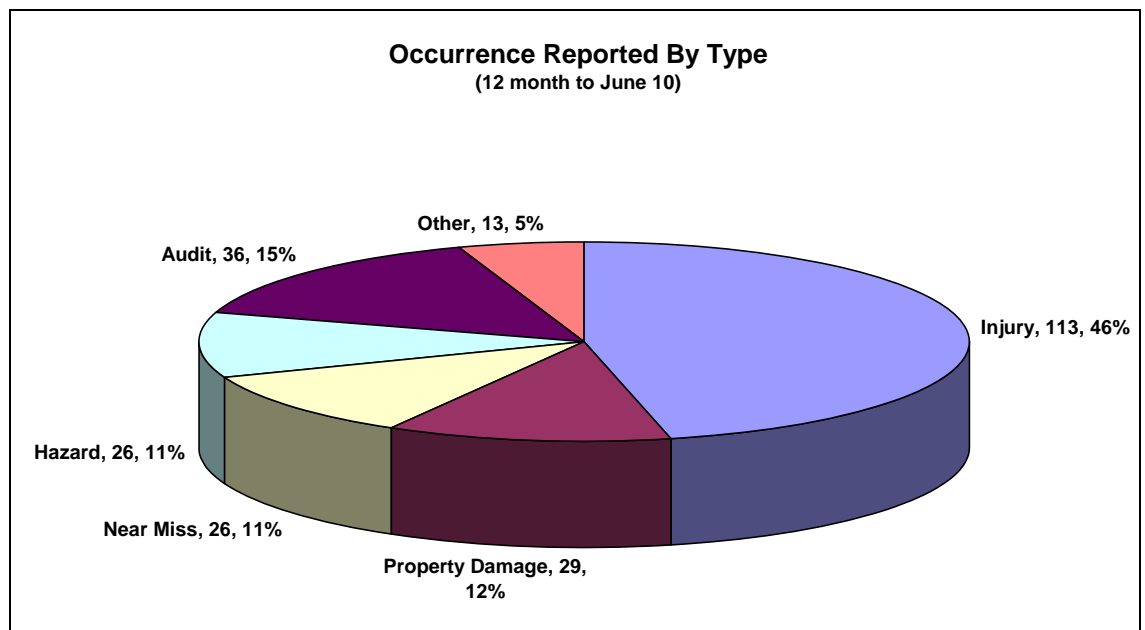


Figure 3

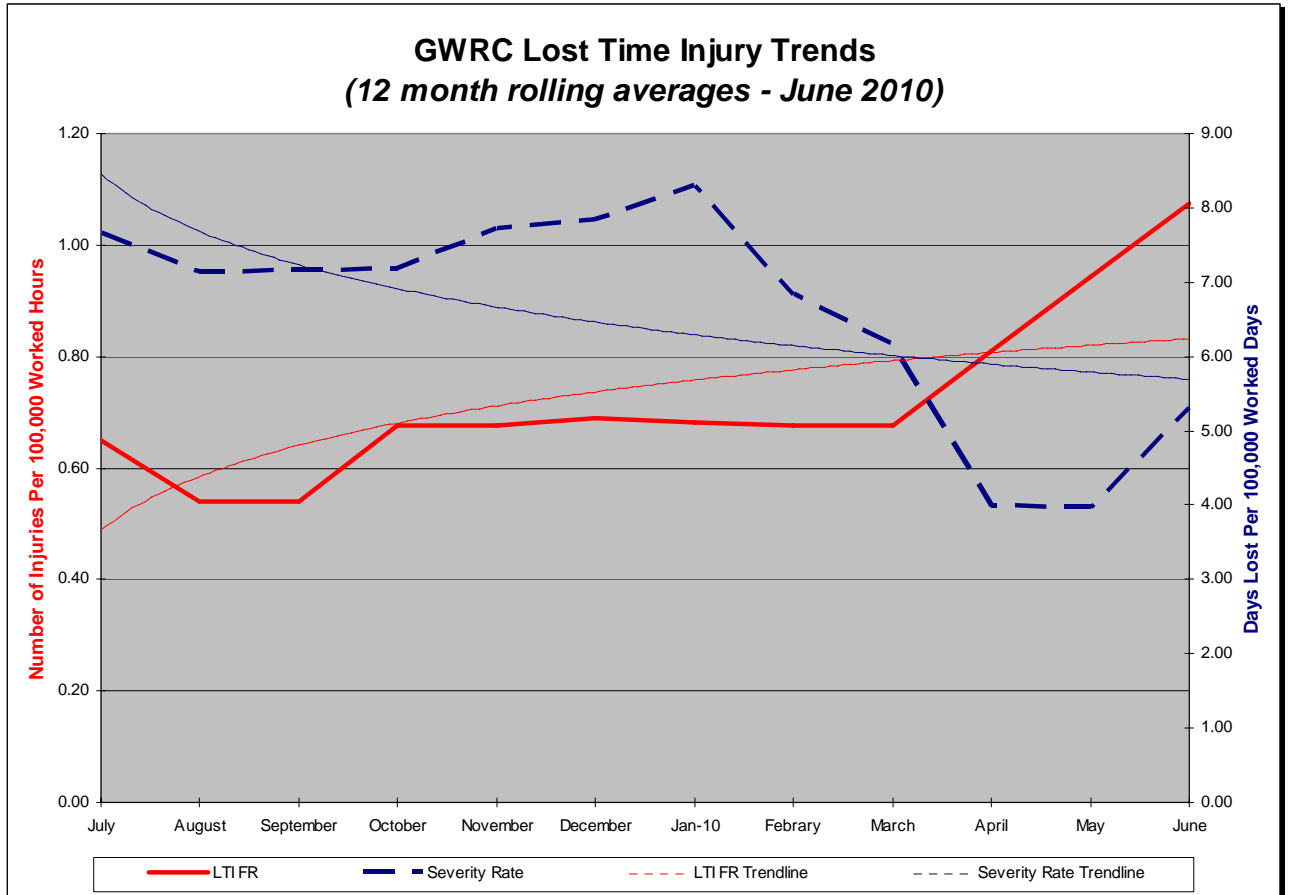


Comment

Figure 1 is beginning to show a sustained increase in the total number of reported occurrences across all types, especially when compared to the previous two quarters of 2009 - 2010.

Figures 2 and 3 are showing that Greater Wellington is continuing its shift towards capturing more proactive occurrences (audit, hazard, near miss & other), where loss, damage or injury has not yet occurred. This is particularly apparent in the proactive report bias in **Figure 2** for this quarter, which had 58% proactive occurrences reported, versus 42% for the previous 12 months.

Figure 4 - Lost Time Injury Frequency Rate and Severity Rate – 12 month rolling average.



Comment: There have been another 3 *lost time injuries* (LTI's) suffered by Greater Wellington employees during the last quarter. This has brought the total number up to 8 LTI's for the year. From reaching the lowest *lost time injury frequency rate* (LTIFR) in August 2009 at 0.58, the LTIFR has gradually increased since then. It is now at 1.07 LTI's/100,000 hours worked. This is a similar rate to where Greater Wellington was at September 2008.

In comparison the *severity rate* continues to trend down. This would be as a result of less severe injuries being suffered by employees and where the injury has occurred we are more actively supporting the employee's recovery and rehabilitation.

4.4.4 Divisional Frequency Rates

Business Groups	GWRC Staff LTIFR	GWRC LTIFR (12 months ago)	LTIs in past 12 months (GWRC employees)
Catchment Management	3.01	2.09	6
CEO	0	0	0
Environmental Management	0.63	1.88	1
Finance & Support [#]	0	N/A [#]	0
People & Capability [#]	0	N/A [#]	0
Public Transport	0	0	0
Strategy & Community Engagement [#]	0	N/A [#]	0
Utilities & Services [#]	1.00	N/A [#]	1
Greater Wellington	1.07	0.94	8

Note #: 12 months not yet available for new business groups

Comment: Over the past 12 months 8 lost time injuries (LTI's) have occurred across Utilities & Service, Environmental Management and Catchment Management. The majority, six, have occurred in Catchment Management with their LTIFR increasing from 2.09 to 3.01 LTI's/100,000 hours worked over the last 12 months. A significant portion of these injuries occurred in accidents involving motorcycle use. As mentioned earlier there is now a specific project to establish a strategy to remedy the number and frequency of injuries associated with their use.

4.5 Health and Safety Reporting

The Senior Health and Safety Advisor provides a monthly health and safety report to the Executive Leadership Team.

4.6 “Greater Managers” Management Development Programme

In the last quarter we have run the following modules:

- Problem Solving – Learning Groups 1,2 and 5
- Building Personal Effectiveness – Learning Groups 6 and 7
- Facilitation – Learning Groups 3 and 4
- Performance Management – Learning Groups 5 and 7.

In the next quarter, the following modules will be run:

- Career Planning and Goal Setting – Learning Group 2
- Stakeholder Management – Learning Groups 1 and 7
- Facilitation – Learning Group 5
- Negotiation – Learning Groups 3 and 4
- Coaching – Learning Groups 6 and 7

- Strategic Leadership – Learning Group 8.

Learning Groups 1 (ELT) and 2 (Department Managers) will complete the programme in July. A completion event is still being formulated.

Learning Group 8 are completing their pre-programme assessments and will start their modules in September.

4.7 Performance Management

There has been intensive work in developing a new performance management system, called 'Partnership for Performance'. A lot of information was obtained through various focus groups with managers and staff. Those focus groups gathered information on what was working and what was not working with the current system. Participants were asked for suggestions on how the system could be improved; a lot of these suggestions have been incorporated into the new 'Partnership for Performance' system.

The Executive signed off the system after it was tested in workshops with the Executive and senior managers.

Training materials have been developed to train both managers and staff on the new 'Partnership for Performance' system. Training sessions commenced at the beginning of July and will be completed by the second week in August.



4.8 Change Management

We have completed a change management process in the People & Capability Group and have recruited internal applicants to the new positions.

4.9 Business Continuity

A business continuity plan has been developed and promulgated to People & Capability staff. All key documents identified in the Business Continuity Plan are currently being scanned and attached to employee SAP records.

4.10 Risk Management: Qantate Risk Report

There are no risks identified for the People & Capability Group.

5. Recommendations

That the Committee:

- 1. Receives the report.*
- 2. Notes the content of the report.*

Report prepared by:

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