



DERBY CITY COUNCIL

PERSONNEL COMMITTEE
7 JULY 2008

ITEM 4

Report of the Director of Corporate and Adult Services

HR Review Project

RECOMMENDATIONS

- 1.1 To integrate all HR admin and payroll-related activity, including recruitment, into an Employee Service Centre – ESC.
- 1.2 To retain corporate HR as the hub of the new service but to re-configure and strengthen its focus on governance of the function, policy development, employee development and equality policy - as well as activities - like H&S - that are outside the scope of the review.
- 1.3 To locate accountability and budgets for the ESC and corporate HR within the HR Division.
- 1.4 To keep HR Managers within departments along with casework staff, their budgets and their principal accountability but to streamline casework processes so they are more consistent across the Council.
- 1.5 To retain the schools team within CYP until April 2010, then consider its appropriate location in the light of ESC performance and stakeholder opinion with repeat consideration being given in April 2011 if necessary.
- 1.6 To retain existing departmental learning and development staff within departments but the existing social care WLD team in CYP should be disaggregated and its resources and staff should be allocated to CAS and CYP.
- 1.7 To take steps to enhance line managerial HR skills, knowledge and confidence in order to improve the management of our human resources and reduce the current high level of dependence on HR staff. A corporately designed programme should be worked up for local delivery to achieve this.
- 1.8 To review wider and deeper integration of the HR function in 2012 in the light of experience of the new service and the ESC.

SUPPORTING INFORMATION

- 2.1 The HR review mandate from Chief Officer Group - COG - was to save £250k and improve services through integration. The recommendations in section 1 of this report are put forward following consultation about the HR review with departmental management teams and managers across the organisation. They have also been endorsed by the HR project review board and by COG.
- 2.2 The recommendation to establish an employee service centre meets the integration mandate endorsed by Cabinet in January 2008. Recommendations on the future configuration of corporate and professional HR and learning and development services are made on the basis of feedback from departmental management teams and managers in the Council.
- 2.3 We surveyed managers throughout the organisation on a range of issues about current and future service provision. The feedback here relates to the corporate and professional aspects of HR services and reflects the responses from 96 managers.

When asked what worked well our customers said:

- casework support
- knowledge of the service/understanding their needs
- organisational reviews
- staff are friendly and helpful.

When asked what could improve our customers said:

- capacity problems exist – with HRMs and caseworkers
- response times are slow
- corporate HR needs to understand our business better
- advice needs to be more consistent or improved
- recruitment was a service frequently picked out for improvements..

- 2.4 Our customers overwhelmingly said that their preferred option would be to retain both HRMs and casework within the departments: 72% said retain the status quo. The reasons given were that they liked both the proximity of HRMs and caseworkers and the knowledge they have of the departments' business/issues.

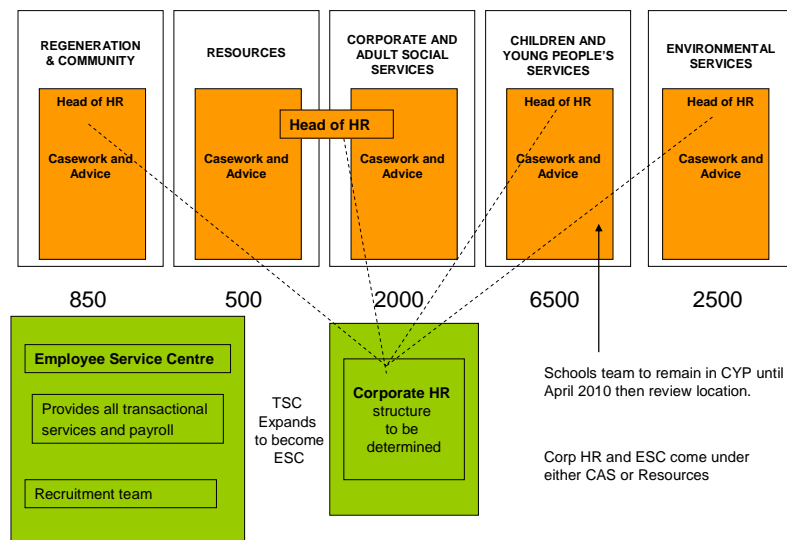
The experience of other local authorities

- 3.1 Derbyshire, Nottinghamshire, Nottingham City and Leicester City have all reviewed HR and all have got:
- integrated transactional HR service centres
 - service or business partners retained in departments
 - casework teams remaining in departments.

- 3.2 Derbyshire County Council has not yet integrated schools into the shared service centre but will do in April 2009.

The recommended model

4. The figure below is a representation of the model for the configuration for HR that is set out in the recommendations.



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| Background papers: | None. |
| List of appendices: | Appendix 1 – Implications |

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| IMPLICATIONS |
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Financial

1. A target has been set for the review of HR to identify and release £250,000 of savings by the start of 2010/11. Spend to save proposals will need to be brought forward to secure the resources to deliver the review and their savings. There will be significant accommodation issues to be resolved before the review can be implemented and before the new service can go live in September 2009. It is hoped that these can be contained within the broader review of accommodation that is under way.

Legal

2. None directly arising.

Human Resources

3. Implementation of the review will involve the movement of numbers of staff between departments and between physical locations.

Equalities impact

4. None directly arising. Corporate responsibility for equalities policy will be retained in the redesigned corporate HR unit, with operational responsibility remaining in departments.