

31 January 2018**Agenda Item: 6****REPORT OF SERVICE DIRECTOR - CUSTOMERS AND HUMAN
RESOURCES****REVISED INTEGRATED HUMAN RESOURCES, WORKFORCE PLANNING
AND ORGANISATIONAL DESIGN STRUCTURE****Purpose of the Report**

1. To seek Members' approval for a revised Human Resources structure to deliver a refreshed service offer and to deliver the required savings for 2018/19.

Information

2. The HR and Workforce Planning and Organisational Development (WPOD) teams currently offer a range of services to departments, schools and some external bodies to support and enable managers to maximise performance, predict and attract appropriate future resources with the necessary skills, knowledge and experience to deliver the various objectives set out in the Council Plan 2017 - 2021.
3. Over a number of years, the various resources to deliver these functions have been drawn together from across departmental teams to create a corporate service and deliver economies of scale, efficiencies and to embed consistency of approach across the whole Council. This has enabled significant savings to be made and collectively there has been an overall headcount reduction of 36% since 2012.
4. There is now a requirement to make further savings as part of the Council's commitment to ongoing review of services to identify more streamlined, efficient ways of delivering services. The most appropriate way to do this is to build on continuing work to draw together the various HR functions in an integrated service and to refresh the service offer to customers to reflect this.
5. The intention is to further equip managers with the necessary tools to self-serve from a range of refreshed procedures, with associated guidance, templates, checklists and flowcharts. In reviewing the existing offer, which is delivered through a hybrid business partnering model, the service has identified an opportunity to develop this model to deliver a more joined up approach which broadly reflects the service's current offer to schools.
6. It is the view of the service that this revised offer and more integrated approach with greater flexibility of service delivery to meet internal customer needs will be welcomed by service departments. A series of consultation meetings with departmental leadership teams is currently underway to help shape the final service offer to ensure it enables the delivery of

departmental specific priorities in addition to corporate objectives as set out in the Council Plan and supporting departmental strategies.

7. Members of this Committee recently approved in November a revised suite of employment procedures and agreed to further ongoing development work which will equip and enable managers to maximise individual and team performance and identify future resourcing requirements for a 21st century public service employer.
8. The current business partnering model of service delivery will be further developed to provide advice and support to managers on the full range of HR activities, working with key stakeholders to ensure people reach their full potential and delivering key initiatives and projects. The service aims to work in partnership with the services and businesses across the Council to identify where HR can add value and develop people solutions to support the Council's objectives to drive performance and maximise employee engagement.
9. The revised offer has been discussed by the members of the two affected teams at 2 service events held at the end of September 2017 which forms part of early engagement. More detailed consultation events took place on 8th and 11th January 2018 where the employees in scope had the opportunity to comment on the proposed structure, as set out in the **appendix** to this report, and to be supported by their trade union representatives.
10. The current savings requirement for the services is £221,000 from 1st April 2018. This will be achieved through a revised service structure which fully integrates the two teams under one Group Manager, the deletion of several posts currently vacant or filled on a temporary basis and reviewing and rationalising all ad hoc payments previously undertaken for a range of subscriptions, licences and development activities.

Other Options Considered

11. The revised service offer results from ongoing development of the delivery model in place since 2012 to reflect the changing priorities and demands of the Council and its workforce.
12. The service will continue to monitor its performance against alternative service delivery models and external competitors to ensure the continued provision of value for money and high quality service delivery. Benchmarking information from CIPFA and professional body comparators indicate that the service continues to compare well with other local government employers with a high ratio of employees to HR business partners.
13. The Council continues to consider whether there are options to share services with others. However there is no immediate arrangement which would deliver the savings required within 2018/19 to provide a significant benefit to the Council at the time of writing this report.

Reasons for Recommendation

14. The proposed option provides the capacity and flexibility to continue to deliver an effective range of HR, Workforce Planning and Organisational Development services within a reduced cost envelope which allows the service to meet its budget reductions target for the 2018/19 financial year whilst continuing to meet delivery, corporate and departmental objectives. It is envisaged that the reductions can be managed through volunteers and effective vacancy management of unfilled posts.

15. This model continues to allow for temporary additional resources to meet specific project requirements including providing support to the Council's response to the Independent Inquiry into Child Sexual Abuse (IICSA).

Statutory and Policy Implications

16. This report has been compiled after consideration of implications in respect of crime and disorder, data protection and information governance, finance, human resources, human rights, the NHS Constitution (public health services), the public sector equality duty, safeguarding of children and adults at risk, service users, smarter working, sustainability and the environment and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Data Protection and Information Governance

17. The revised requirements of the General Data Protection Regulations will inform and underpin the work in developing the service offer to the organisation as with any other statutory requirement.

Financial Implications

18. The £221,000 saving will be made by the following measures:

- Further reducing the management cohort from 2 to 1 full time Group Manager post (Band F)
- Deleting posts at Bands A, B and C which are currently vacant or filled on a temporary basis
- Reducing the number of Grade 3 HR Assistant posts through the integrated service model
- Reducing the number of professional online journal licences and non-staffing ad hoc payments and expenditure
- Maximising the opportunities for remote and flexible working to deliver service benefits and to further reduce travel costs.

Human Resources Implications

19. The savings will be made through a range of measures identified to reduce costs but to maintain capacity to deliver a refreshed service offer to departmental, school and external customers. Where there are post reductions, these will be achieved by following the agreed employment procedures of the Council. It is envisaged that there will be no compulsory redundancies arising from these proposals as the savings will be delivered by deleting vacant posts or voluntary redundancies if necessary.
20. Trades union colleagues have been consulted on the proposals and indicated that they hope that the proposed changes do not have a detrimental impact on the remaining HR team or its capacity to support employees and managers across the Council during a period of significant ongoing change and transformation.

Public Sector Equality Duty Implications

21. To ensure fairness and consistency of consideration, the Council's agreed procedures will be followed in implementing the new service structure.

RECOMMENDATION

- 1) It is recommended that Members approve the revised HR, Workforce and Organisational Development team structure as set out in the **appendix** to this report with effect from 1st April 2018.

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Constitutional Comments (GR 05/01/18)

22. Pursuant to the County Council's Constitution the recommendations contained within this report fall within the delegated authority to the Personnel Committee for consideration.

Financial Comments (SES 10/01/18)

23. The financial implications are set out in the report.

Human Resources Comments (GME 05/01/2018)

24. These are set out within the body of the report.

Background Papers and Published Documents

- None

Electoral Division(s) and Member(s) Affected

- All