

## **REPORT OF THE SERVICE DIRECTOR HR AND CUSTOMER SERVICE**

### **REVISED STAFFING STRUCTURE FOR HUMAN RESOURCES**

#### **Purpose of the Report**

1. The purpose of the report is to update Elected Members and seek approval for a revised structure for 2013 for the Human Resources function which sits within the Environment and Resources Department.

#### **Information and Advice**

##### **Background:**

2. The overall operating model for the HR service has been developed and has evolved in a number of phases over recent years with the aim of creating an integrated, co-located, consistent, customer focussed HR service delivering to internal and external customers via a mixed economy of direct service provision and commissioned services.
3. The “One HR Service model” is directly aligned to the wider “One Council” agenda and will ensure that the service is more efficient, fit for the future, reflects the changing nature of the County Council and its services and continues to support the delivery of key service and strategic priorities.
4. Recent years have seen significant rationalisation of HR resources, including business support functions and management, to deliver budget savings as set out in previously agreed business cases and to support compliance with the organisational design principles. This has included the creation of an integrated Workforce and Organisational development team for the whole Council which delivered savings of over £2 m whilst maximising the availability of learning and development opportunities to support the roll out of the Council’s Competency Framework by implementing a more commissioning led approach offering a blended range of learning and development provision to suit different learning styles; is more efficient and cost effective and maximises value for money.
5. The phase of implementation set out in this report seeks to develop and embed the “Business Partner” role further in the operation of the service and reduces HR management resources and operational HR resources by a further 20% to reflect the overall reduction in the number of people employed by the County Council. Previous reductions have been in the order of 25% across the whole HR service.

6. The Base Budget Review and subsequent service analysis and review, including the review of services for schools, and development of service and business plans will take this work further during 2013/14 to ensure that the HR service reflects the transformation of the Council going forward.

### **Proposals:**

7. The revised structures are set out in Appendix A. It is intended that these would be effective from April 2013.
8. Posts affected by the proposed structural changes were included within the Section 188 notice issued in October 2012 and have been the subject of consultation with employees within the service and the recognised trades unions. The majority of the post reductions can be achieved by active application of the vacancy protocol and deletion of vacant posts and by requests for voluntary redundancy.
9. The Business Partner Model has three key aspects. The operational aspect of the model closely aligns the operational HR service with front line service delivery ensuring that HR colleagues have a better understanding of the services they are supporting and can more effectively enable and facilitate frontline managers in ensuring service priorities and improvements are delivered.
10. The model also ensures that strategic and policy aspects of the HR function are directly aligned to the Council's Strategic Plan and priorities and delivered via the vehicle of the Council's Workforce Strategy, Pay Policy Statement, Wellbeing Strategy and Health and Safety Policy and a range of supporting policies, guidance and action plans.
11. The final aspect of the model is transactional HR activity which is delivered via the Business Support Centre. This centre also undertakes transactional financial activity; provides pension administration services and invoice processing and income and credit control services. The operating model and revised structures and resources required for the Business Support Centre (BSC) will be the subject of a further report to members. Currently work is on-going involving employees at the BSC to analyse the services and functions undertaken and review and revise the end to end processes. This work and the Base Budget Review and Service Analysis exercises will need to be completed before the proposed structures can be finalised.

### **Other Options Considered**

12. A range of options have been considered in developing the "One HR Service Model" and refining this in the light of consultation with employees, trades unions and managers of services. The Service Analysis work, Service/Business Planning cycle and review of Services for Schools may well identify further options for consideration.

### **Reasons for Recommendation**

13. The proposed structure reflects the next phase of implementation of the "One HR Service Model" to ensure improved delivery of HR activity, more closely aligned to service and strategic priorities and needs, reduced costs and improved value for money.

## **Statutory and Policy Implications**

14. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

### **Equalities Implications**

The restructuring of the HR service will be carried out in accordance with the County Council's employment and equalities policy.

### **Human Resources Implications (CG 28.12.12)**

Ongoing consultation has been undertaken with affected employees since January 2012, this has included the trade unions who have also been formally consulted through the departmental JCNP. The County Council's agreed enabling process will be applied to making appointments to the new posts in the revised HR structure. The usual mitigations will be fully explored to protect the ongoing employment of any displaced staff, wherever possible. The trade unions have expressed concern about the impact of HR staffing reductions on the level of service provided.

## **RECOMMENDATION**

It is recommended that members approve the revised structure set out in Appendix A effective from 1<sup>st</sup> April 2013.

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### **Constitutional Comments (KK 02/01/13)**

15. The proposal in this report is within the remit of the Personnel Committee.

### **Financial Comments (MB 15/01/13)**

16. The revised staffing structure will produce a saving of £497,000, including on-costs, compared with the current structure. This is in addition to the saving of £141,000 reported to the committee in June 2012.

### **Background Papers**

Trade union side comments.

### **Electoral Division(s) and Member(s) Affected**

All