



DRAFT PORTFOLIO HOLDER DECISION NOTICE

PROPOSED INDIVIDUAL DECISION BY THE PORTFOLIO HOLDER FOR FINANCE AND RESOURCES

TOPIC – HUMAN RESOURCES BUSINESS PLAN

PROCEDURAL INFORMATION

The Access to Information Procedure Rules – Part 4, Section 22 of the Council's Constitution provides for a decision to make by an individual member of Cabinet.

In accordance with the Procedure Rules, the City Secretary and Solicitor, the Chief Executive and the Director of Finance are consulted together with Chairman and Vice Chairman of the Principal Scrutiny Committee and all Members of the relevant Scrutiny Panel (individual Ward Members are consulted separately where appropriate). In addition, all Members are notified.

Five or more of these consulted Members can require that the matter be referred to Cabinet for determination.

If you wish to make representation on this proposed Decision please contact the relevant Portfolio Holder and the following Committee Administrator by 5.00pm on Monday 26 March 2007.

Contact Officers:

Case Officer: Alison Gavin, Tel: 01962 848 233, Email: agavin@winchester.gov.uk

Committee Administrator:

Frances Maloney, Tel: 01962 848 155, Email: fmaloney@winchester.gov.uk

SUMMARY

Approval is sought to the detailed Business Plan for this Division. The Business Plan sets out the key tasks that the Division will undertake over the coming five years, with SMART (Specific, Measurable, Agreed, Resourced and Timed) targets (both through actions and performance indicators) by which progress will be measured and monitored. The Plan also gives additional information about the role of the Division, the resources allocated to it (in terms of both staff and budgets) and the key risks that are being addressed through its work.

Key actions to be undertaken in this Division are:

- Develop and Implement a Transformation Strategy
- Roll out a Flexible Working Project
- Implementation of proposed restructure
- IIP reassessment
- Develop and Implement Recruitment and Retention Strategies

- Resource Review
- Develop and Implement an Inclusion, Cohesion and Equality Strategy and Action Plan with Equality Policy
- Develop a learning and recruitment portals in partnership with HIOWLA

The Head of Division is satisfied that the actions put forward in this Business Plan will work towards the Council's corporate objectives, as set out in the Corporate Strategy 2007-12 or otherwise ensure that the Council meets the statutory obligations place on it by central Government. Other than where indicated, these actions can be achieved within the resources available. Plans are in place, or will be developed, to ensure that targets shown for key performance indicators can be achieved in the timescale shown.

PROPOSED DECISION

That the Business Plan for the Human Resources Division be approved as attached.

REASON FOR THE PROPOSED DECISION AND OTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

Business Plans form an important part of the Council's performance management process as they set out the key actions for the coming year. The Business Plan put forward for adoption sets out the actions that will best help the Council achieve its corporate objectives and meet its statutory obligations within the resources available to it, as far as can be seen in the light of current circumstances. While alternative approaches would be possible in many parts of the Plan, the actions being recommended are believed to give best value to the authority.

FURTHER ALTERNATIVE OPTIONS CONSIDERED AND REJECTED FOLLOWING PUBLICATION OF THE DRAFT PORTFOLIO HOLDER DECISION NOTICE

The Resources Scrutiny Panel will be consulted on this Business Plan.

DECLARATION OF INTERESTS BY THE DECISION MAKER OR A MEMBER OR OFFICER CONSULTED

None

DISPENSATION GRANTED BY THE STANDARDS COMMITTEE

N/A

Approved by: (signature)

Date of Decision

Councillor Frederick Allgood – Portfolio Holder for Finance and Resources

Human Resources Directorate Business Plan 2007 - 2012

1. Brief Description of the Service and its Purpose

The Human Resources Directorate exists to encourage, support and monitor the effective and efficient management of the organisation's most valuable resource – the people that it employs. It serves the Council, as an employer, in promoting good employment practice and compliance with domestic and European employment law.

The Directorate provides support to the activities of front line services through ensuring the effective and safe management and utilisation of staff, which is fundamental to the provision of services within a labour intensive organisation such as the Council. The Directorate also plays a part in supporting the strategic priorities of the Council where those priorities impact on the Council as an important employer within the district through:-

- **Organisational Development** – to facilitate the management of change, and organisation structure reviews. Identify strategic human resource management issues for the Council and assist in the development of solutions. Establish and monitor performance management information systems in relation to human resources based on shared values and shared objectives, To provide input into appropriate corporate working groups and activities.
- **Recruitment and Selection** – To improve the accuracy of selection methods and provide co-ordination and administration for the recruitment and selection process. To design selection procedures, provide professional interviewing, personality profiling and aptitude testing, contracts of employment and corporate induction. To monitor and analyse trends in turnover of staff and assist in the development of solutions to address their issues.
- **Pay and Benefits Management** – To continue to improve the control and targeting of paybill expenditure and to ensure that pay and benefits improve hand in hand with performance and productivity. To provide advice on remuneration, rewards and benefits and interpreting terms and conditions of employment.
- **Employee Relations and Communication** – To fully establish an equal opportunities culture and to develop a partnership approach to industrial relations with equal commitment from all sides to the needs of the service and the needs of the employees. To interpret and apply employment law in all aspects of human resource management. To provide liaison, consultation and negotiation with the recognised trade union. To improve two way communication within the organisation. To provide managers with regular human resource management information.
- **Training and Staff Development** – To develop a learning culture within the organisation as a whole with specified minimum skills and minimum competencies at all levels. To provide a range of training opportunities through designing and delivering specific training courses, advising on corporate, Directorate and individual development needs. Maintaining Investors in People standards.
- **Occupational Health and Safety Management** – To act as the client agent for Health and Safety on behalf of the Chief Executive to ensure the provision of a safe working environment. To promote healthy lifestyle options for employees by assisting in the promotion and delivery of health at work initiatives

2. Links between Council strategic priorities and services

<i>Strategic priority</i>	<i>Departmental responsibility</i>
Economic Prosperity	To provide support to the activities of front line services by ensuring the effective management and utilisation of staff through employment practices and the provision of a safe and healthy working environment
Safe & Strong Communities	To provide support to the activities of front line services by ensuring the effective management and utilisation of staff through employment practices and the provision of a safe working environment. To increase access to employment at the Council and other organisations where appropriate.
Efficient & Effective Council	To provide support to the activities of front line services by ensuring the effective management and utilisation of staff through employment practices, workforce planning and the provision of a safe and healthy working environment
High Quality Environment	To provide support to the activities of front line services by ensuring the effective management and utilisation of staff to ensure employment policies and procedures and action plans reinforce the Council's aims to minimise pollution and make efficient use of resources through the increased use of flexible working patterns, home working and technology.

3. Summary of Progress in 2006/07

The achievements of the last year have been made in the context of continued change within the organisation requiring considerable input from the Human Resources Directorate. The pressure on resources has continued with ongoing maternity leave and a new administrative team who have reviewed administrative processes to support the implementation of a new HR/Payroll system and the significant changes that it brought. The additional support required for the implementation of the new system from the professional staff has increased the Directorate's ability to work towards service improvements. Core training has been delivered covering a range of skills for managers including recruitment & selection, absence, discipline and grievance and appraisal. In addition training initiatives have been put in place to meet corporate priority needs. Extensive work is being undertaken with partners including HLOWLA, other local authorities and the health service. Where corporate priorities have changed, the Directorates limited resources have been diverted from other projects. The summary of progress is detailed below.

Service Priority	PI/Target/ Objective	Actual
Flexible Working Project	Implementation of flexible working practices. Flexible Working Policy, Home working Policy, Lone Worker Policy and Security Policy and all supporting procedures to support the implementation of flexible working practices.	Key milestones achieved. Policies and procedures developed and trialled. Flexible working requests being received. Proof of concept areas in place and being developed in line with accommodation changes. Phase 1 roll out plan being developed.
Support Accommodation Review		Working with Head of Facilities to support move to West Wing
Support implementation of phase 2 of CSC	Completed by September 2006 in accordance with action plan	Phase 2 delayed. Consultation ongoing with Parking ahead of implementation of phase 2
Customer Care Training	September 2006	Achieved
Implementation of Workforce Development Action Plan (WFDP)	To undertake actions identified in action plan supporting work with HIOWLA to develop a Hampshire wide approach and activities.	Work taking place on specific interventions to support WFDP as set out in Business Plan and Action plan.
Development & Implementation of Pay & Reward Strategy	Develop a planned approach to reward and an action plan	Draft strategy developed for consultation. Work continues on actions identified in action plan.
Development & Implementation of Severance Strategy including revised Retirement & Pensions Policies	October 2006	Revised Retirement & Pension Policies in place. Severance Strategy delayed due to ongoing organisational development
Implementation & development of integrated HR/Payroll system and on line services	April 2006	Achieved
Development of management information & workforce analysis	July 2006	Achieved.
Equal Pay Audit	March 2006	Achieved December 2006
Review Absence Management Policy & use of Occupation Health Services	May 2006	Not achieved due to need to allocate resources to other corporate priorities. Absence monitoring information produced & absence training for managers carried out. Policy review included in 3 year policy review plan (appendix 1)
Set action plan for working towards level 2 of CRE Equality Standard	April 2007	Additional resources allocated. Incorporated into corporate Inclusion, Cohesion and Equality Strategy.

Development of output based measurable competencies	October 2006	Not achieved. Review delayed due to organisational development and the requirement to review the appraisal system to support flexible working
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Other Achievements in 2006/07 (not included in 2006/07 Business Plan)

Review of Key Performance indicators to incorporate a results based accountability approach to performance monitoring
Organisational Development, restructure of senior management posts

4. Service Priorities 2007/08 to 20011/12

A) Key Service Priorities 2007/08 – 2011/12

	Why are we doing this?	What will we do?	When will we do it?	How will we measure our success?	How much time / money will it take?	Who's Accountable?
1	Supports the Corporate Strategy 'An Efficient & Effective Council'	Development & implementation of Transformation Strategy	March 2008	Strategy in place with action plan	50 days	Director of HR
2	Supports the Corporate Strategy 'An Efficient & Effective Council'	Roll out of Flexible Working Project	Timescales identified in Flexible Working project plan	Increase in number of staff working flexibly to be monitored and measures developed to assess the impact in efficiency	25 days + costs as identified and agreed during implementation	Director of HR

3	Supports the Corporate Strategy 'An Efficient & Effective Council'	Development and implementation of an Inclusion, Cohesion and Equality Strategy and Action Plan with Equality Policy	July 2007	Diversity profile	10 days + consultant funding agreed in 2006/07 budget	Director of HR
4	Supports the Corporate Strategy 'An Efficient & Effective Council'	Implementation of proposed restructure	April 2007	Staff changes achieved Monitor turnover levels	16 days HR Advisors & Administrators HAY panel advisors (cost to be confirmed)	Director of HR
	Supports the Corporate Strategy 'An Efficient & Effective Council'	IIP reassessment	March 2008	Re-accreditation	18 days T&DA	Training & Development Advisor
	Supports the Corporate Strategy 'An Efficient & Effective Council'	Development & implementation of a Recruitment strategy to ensure a planned approach to encourage wider participation in expressing interest in working for the City Council	October 2007	Increased response rates and decrease in long term vacancies. Age/gender/race profile.	50 days HR Advisor & administration (involvement from Communications & Procurement) Agency Costs to be advised	Principal HR Advisor
	Supports the Corporate Strategy 'An Efficient & Effective Council'	Resource Review	June 2007	Reduction in overtime costs Reduction in use and cost of agency staff. Process for award of honoraria Vacancy monitoring systems implemented	15 days PHRA	Principal HR Advisor

	Supports the Corporate Strategy 'An Efficient & Effective Council'	Development of a learning portal and recruitment portal in partnership with HIOWLA	2007/08	Efficiency savings from administration Increase in response rates Increase in competency levels	20 days	Director of HR Training & Development Advisor
	Supports the Corporate Strategy 'An Efficient & Effective Council'	Development & implementation of a Retention Strategy to ensure that Council has a planned approach to retaining the key skills and experience required to deliver the service most effectively	December 2007	Turnover levels maintained at national average. Effective skills/knowledge transfer.	22 days HR Advisor	Principal HR Advisor

B) Other Service we aim to deliver 2007/08 – 20011/12

Why are we doing this?	What will we do?	When will we do it?	How will we measure our success?	How much time / money will it take?	Who's Accountable?
Supports the Corporate Strategy 'An Efficient & Effective Council'	CMT/Heads of Service - Management Development linked to the Transformation Strategy	DMS Jan 08 CMS July 07	Increase in qualified managers Course attendance Increase in management competency on appraisal	DMS/CMS Courses paid from 06/07 budget Coaching paid from 06/07	Training & Development Advisor
Supports the Corporate Strategy 'An Efficient & Effective Council'	Support the Accommodation Review to include review of car parking and lease cars	In accordance with timescales identified in review plan	Decrease in office space required Parking made available to support flexible working	10 days	Director of Communities
Supports the Corporate Strategy 'An Efficient & Effective Council'	Review of employment policies in accordance with review timetable	As identified in review timetable	Monitor number of disciplinarys, grievances, Employment Tribunals, absence levels	18 days	Principal HR Advisor

Supports the Corporate Strategy 'An Efficient & Effective Council'	Development of Severance Strategy	2007	Strategy in place	18 days	Principal HR Advisor
Supports the Corporate Strategy 'An Efficient & Effective Council'	Development of suite of standard management reports for workforce planning	2007	Reduction in vacancy & absence rates Turnover levels Diversity profiling	12 days	Principal HR Advisor/ Business Manager
Supports the Corporate Strategy 'An Efficient & Effective Council'	Implementation of EDRMS pilot and full implementation	In accordance with project plan	New processes in place. Reduction in storage requirements	50 days	Business Manager
Supports the Corporate Strategy 'An Efficient & Effective Council'	Continued implementation & development of Selima HR/Payroll system including data auditing	In accordance with system developments	Efficiency gains, - Eforms - Appraisal - Mileage claims - Training	40 days	Business Manager
Supports the Corporate Strategy 'An Efficient & Effective Council' Our Values	Review of Staff Attitude Survey	2008	Most efficient and effective method of measuring staff attitude identified	15 days	Principal HR Advisor
Supports the Corporate Strategy 'An Efficient & Effective Council'	Implementation of Covalent	2007	PI information available for outturn reporting	10 days	Business Manager
Supports the Corporate Strategy 'An Efficient & Effective Council'	Manager development of core manager skills for new and existing managers	2007 – 2011	Recruitment rates Absence rates	36 days costs set out in training budget	Training & Development Advisor
Supports the Corporate Strategy 'An Efficient & Effective Council'	Partnership working with HLOWLA on coaching for senior managers	2007/08	Competency levels	8 days officer time external costs set out in training budget	Training & Development Advisor
Supports the Corporate Strategy 'An Efficient & Effective Council'	Development of E-learning resources & EDCL	2008/09	Increase skill levels. Appraisal monitoring	6 days	Training & Development Advisor

Supports the Corporate Strategy 'An Efficient & Effective Council'	Implementation of Stress Management Action Plan	2008	Reduce stress related absence	30 days	Principal HR Advisor
Supports the Corporate Strategy 'An Efficient & Effective Council'	Absence Management	2007- 2011	Absence rates Stress related absence Turnover rates	75 days officer time per annum + additional absence management training as identified in training plan	HR Advisors
Supports the Corporate Strategy 'An Efficient & Effective Council'	Support for Planning Service Improvement Plan – Action plan	2007/08	tbc	Level of support to be confirmed	HR Advisors
Supports the Corporate Strategy 'An Efficient & Effective Council'	Support for departmental reorganisations	2007/08	Monitoring turnover rates, recruitment rates, absence rates, stress related absence	Level of support to be confirmed	HR Advisors
Supports the Corporate Strategy 'An Efficient & Effective Council'	Development of HR intranet and on line services including VDU assessment, total reward package	Chaos Ergonomics on line VDU assessment July 2007 Total Reward system July 2007	Monitoring reasons for absence statistics, Recruitment & retention rates	5 days 5 days £10 000	HR Advisors

5. Resource Implications

A) Financial

The Human Resources Directorate is small with only 7.1 fte providing a support service to the Council. As such ftes cannot be allocated specifically to service activities.

2006/07 Revised			Exp. £000's	2007/08 Estimate			Service Activity	Exp. £000's
Income £000's	Net £000's	Service Activity		Income £000's	Income £000's	Net £000's		
475,280	0	Business unit	520,370	525,370	475,280	0	Business unit	520,370
212,730	0	Employment Expenses	155,980	177,980	212,730	0	Employment Expenses	155,980
2,000	0	Job Evaluation	2,000	2,000	2,000	0	Job Evaluation	2,000
690,010	0	Total	678,350	705,350	690,010	0	Total	678,350
2006/07 Revised		2007/08 Estimate			2006/07 Revised		2007/08 Estimate	

B) Workforce

A considerable part of the work of the Human Resources Directorate is reactive in providing support to front line services. The Directorate is small and the relatively stable amongst the professional staff. The administrative team were newly appointed at the beginning of the year and have had a number of challenges to cope with including the implementation of an integrated HR/Payroll system. The work undertaken in previous years to provide a sound structure of policies and procedures has continued to support the Directorate’s work and will assist in meeting the challenges of the coming year.

KEY EXTERNAL DRIVERS	KEY INTERNAL DRIVERS
<p>Changes in legislation Change in Government Shortage of skilled and experienced staff</p>	<p>Staff changes Organisational changes Career development Change in focus Changes in roles Cost pressures</p>
WORKFORCE IMPLICATIONS	
<p>To build on and make use of the development in skills of more junior staff gained through internal development in order to retain the skills and get return on investment.</p> <p>Continued involvement in corporate decision making process and corporate projects.</p> <p>Develop senior staff in workforce planning and organisation development projects and develop staff ability to balance a need for pro-active strategy development work at a corporate level with a reactive demand led support service.</p> <p>Skills development of operational staff.</p> <p>Knowledge management and succession planning.</p> <p>Continuous professional development.</p>	

6. Key Performance Indicators

A new set of Local Performance Indicators developed for 07/08 onwards to take account of Outcome Based Accountability and Covalent, the new Performance Monitoring systems. Previous set of local indicators may still be used for internal monitoring purposes.

Ref. No.	What does this show?	Who reports this?	Achieved 2004/05	Achieved 2005/06	Estimate 2006/07	Target 2007/08	Target 2008/09	Target 2011/12
BVPI2a	Equality Standard for Local Government	Business Mgr/Principal HR Advisor	N/A	1	N/A	1	1	2
BVPI2b	Duty to promote race equality	Business Mgr/Principal HR Advisor	N/A	N/A	N/A	100%	100%	100%
BVPI11a	5% top earners who are women	Business Mgr/Principal HR Advisor	26%	33%	26%	26%	32%	32%
BVPI11b	5% top earners who are ethnic	Business Mgr/Principal HR Advisor	0	0	0	3%	4%	4%
BVPI11c	5% top earners with a disability	Business Mgr/Principal HR Advisor	N/A	N/A	N/A	0.2%	0.4%	0.4%
BVPI12	Number of days sick per member of staff	Business Mgr/Principal HR Advisor	7.9	10	8.5	8	8.5	8
BVPI14	Number of early retirements as a percentage of staff	Business Mgr/Principal HR Advisor	0.81	0.6%	0.3%	0	0.19%	0.19%
BVPI15	Number of ill health retirements as a percentage of staff	Business Mgr/Principal HR Advisor	0%	0.2%	0.6%	0%	0.19%	0.19%
BVPI16a	Number of staff with disabilities within organisation	Business Mgr/Principal HR Advisor	1.8%	2%	2%	2%	2.6%	3%

Ref. No.	What does this show?	Who reports this?	Achieved 2004/05	Achieved 2005/06	Estimate 2006/07	Target 2007/08	Target 2008/09	Target 2011/12
BVPI17a	Number of staff from ethnic minorities within organisation	Business Mgr/Principal HR Advisor	1.8%	1.5%	1.3%	1.5%	2%	2%
LPI58	Number of stress related days absence	Business Mgr/Principal HR Advisor	N/A	N/A	N/A	Data not previously collected. Targets to be set following analysis of data on outturn		
LPI59	% staff vacancies	Business Mgr/Principal HR Advisor	N/A	N/A	N/A			
LPI60	% new employees leaving within 12 months	Business Mgr/Principal HR Advisor	N/A	N/A	N/A			
LPI61	Number of voluntary leavers as a % of staff	Business Mgr/Principal HR Advisor	N/A	N/A	N/A	17%	15%	13%
LPI64	Payment of undisputed invoices within 30 days of receipt in HR	Business Mgr/Principal HR Advisor	N/A	N/A	N/A	100%	100%	100%

7. Proposals for Consultation

What research or consultation do we intend to carry out?	How will we be doing it?	When will we be doing it?	How will we use the results?
Staff Attitude Survey to understand perception of staff to key organisational issues and track any changes in attitude over time	Questionnaire to all staff, available on intranet and hardcopy	March	Information will be used to inform corporate and Directorate objectives and the development of employment strategies
Staff consultation to involve service users in the development of strategy, policies and procedures	Interviews, meetings and focus groups with staff and managers. Questionnaires where appropriate	As and when required	To ensure the development of strategies, policies and procedures which have staff and management buy in
Union consultation to keep staff and unions informed of changes likely to affect the way in which they carry out their roles.	Interviews and meetings with staff managers and union representatives.	As and when required	Greater acceptance of change, increased flexibility and capacity to change
Customer Satisfaction Surveys to inform local performance indicators	Questionnaire to percentage of service users	Annual	To ensure service developments are in line with customer expectations and requirements.
Consultation with external reference groups and the community for the development and implementation of the Councils Inclusion, Cohesion & Equality Strategy	Involvement Events held with members of the community, carers, representative organisations and partner organisations. Consultation with reference groups for race, disability and gender.	April 2007	To ensure the development of a strategy and action plans which meets the needs of the community and has community support
Employment market to assess the perception of potential applicants of the Council as an employer	Questionnaires and structured interviews`	Timescale to be identified in project plan developed under Recruitment & Retention Strategy and in line with Communication Strategy	To develop the perception of the Council as the 'employer of choice' in the district and to increase recruitment & retention rates through the development of an employment brand and recruitment and retention strategy

8. Key elements of risk management

Area	Risk number	Rating	Cluster and MAP link	Short name	Risk ownership	Cause	Consequence	Action required
Human Resources 4500 - 4549	4504	B2	Management	Provision of Training and Development to Officers	Alison Gavin	Failure to update case law/new and existing legislation (HR now receives online updates from Consult Gee covering any employment law changes). Failure to apply own procedures. Appraisal process as a tool not implemented properly	Incorrect advice given to staff. Additionally, the Council may be unable to attract staff. Any tribunals will impact upon officer time, finance and reputation as employer of choice	Updated comments and MAPs 05/12/2006 updated short name 28/12/2006
Human Resources 4500 - 4549	4505	B3	Personnel	TUPE (Transfer of undertaking (protection of employment) regulations 1981	Alison Gavin	Failure to apply current legislation and policies	Possible financial implications after any legal action. Reputation as an employer would suffer and therefore an impact on service delivery/staff retention.	Reviewed 24/01/06 Updated comments & maps 05/12/2006