

EMPLOYMENT MATTERS COMMITTEE

5 NOVEMBER 2003

REVIEW OF HR SERVICES

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1. Summary

- 1.1. This report covers a review of HR Services with a view to making budgetary savings and bringing together the Corporate HR team and the Education and Leisure Personnel and Development Team.

2. Decision issues

- 2.1. According to the Council's constitution it is the responsibility of the Employment Matters Committee to determine this issue.

3. Background

- 3.1 The Council has been striving to achieve a sustainable budget since it came into existence in 1998. A number of measures have been taken to support this, including a reduction of directorates from 6 to 4 in April 2001. The HR function was reorganised at this time and all HR services were subsumed into a single unit in Finance and Corporate Services (with the exception of Education and Leisure, which retained a separate unit).

Elected Members have made it clear that wherever possible front-line services will be protected and consequently they have been considering the support services to assess where savings could be made. HR Services is the first service to be considered and savings of £68,000 per annum have been identified.

- 3.2 There are currently two separate HR functions within the Council – a corporate HR team headed by an assistant director (Tricia Palmer) and a team supporting the education and leisure directorate, headed by a service manager (Ralph Edwards). The corporate team supports all the other directorates, as well as providing payroll services, learning and development and policy development. The joint consultative processes are managed through this team, which also develops all the HR policies and procedures for the Council. The corporate learning and development team supports the training activities for the Council

and helps to ensure that the workforce has all the skills needed to provide good service. The education and leisure team supports schools, the LEA and leisure and is responsible for developing school personnel procedures.

4. Proposal

- 4.1 In addition to a requirement to make savings on support services there are a number of other issues, which can be addressed through this review of HR. The assistant director has a head of profession responsibility for HR in education and leisure, but it is difficult to ensure consistency across the council with services provided from two separate teams. This is evidenced in varying approaches to support on recruitment, disciplinaries and grievances, and equal opportunities. Managers are also given different levels of support depending on where their HR support comes from.
- 4.2 Support to schools is provided by the education and leisure team, although payroll and some learning and development are provided by the corporate team. Whilst the personnel procedures in schools are somewhat different because of the role of governors, there is a need to ensure that the principles are the same across the council as the employer.
- 4.3 The chart at Appendix 1 shows the proposal to amalgamate the Education and Leisure HR unit and the Corporate HR unit. The proposal suggests the removal of a post at service manager level and the down-grading of two posts through changes in duties. The logic behind this proposal is to protect as much as possible the level of service delivery to managers and employees of the Council, whilst keeping the level of disruption to the staff in HR services to a minimum. The posts affected are:
- Head of personnel and payroll – this post will be deleted and will result in a compulsory redundancy. This will mean that the assistant director will be required to take on extra responsibilities in the day-to-day management of the personnel and payroll teams. The two personnel managers in advice and consultancy and the payroll manager will all report direct to the AD, HR Services.
 - Secretary to the assistant director – changed to an administrative officer, which will support the whole team. The assistant director now types most of her own documents, so the support she now requires is management of her diary and general administrative support. This will also free the post to provide much needed support to the rest of the HR team.
 - Organisation development manager – The duties of this post include monitoring performance, developing new strategies including the HR strategy, employee charter, employee competencies. This post is also responsible for employee communications, including the staff survey. The proposal is to downgrade this post through a reallocation of the higher level strategic work to other HR managers. The duties will then include all the project work, such as the employee survey, development of electronic scanning and e-forms, performance indicators and the monitoring of the budget and the SLA.

- 4.4 It is proposed that the Education and Leisure HR team move en bloc to Corporate HR and that the Service Manager (Ralph Edwards) reports direct to the Assistant Director, HR Services (Tricia Palmer). There will be no changes to this team and the services to schools will be unaffected. The current management and consultation processes will continue, such as the service manager attending the directorate management team and the joint consultation arrangements with the trade unions.
- 4.5 These changes could be implemented from 1 January 2003, although the individuals notice period will extend beyond that date. The Council will, of course, be making every effort to support the individual concerned to find suitable alternative work.

5. Consultation

- 5.1 Consultation on this proposal has been carried out with all employees in both the corporate HR team and education and leisure personnel and development. The Education and Lifelong Learning Overview and Scrutiny Committee, Schools and trade unions have been sent copies of a consultation paper and the matter has been discussed at the joint management and teachers associations meeting, the corporate consultative committee and the secondary heads meeting. The written responses and e-mail responses are shown at appendix 2.
- 5.2 The responses generally fall into two areas:
- Support to schools
 - Impact of removing the service manager post in corporate HR.

The main concern from schools is that they would not wish to see the current excellent personnel service diluted as result of the change in line management and they would wish to see a continued dedicated team for schools. The proposal is to move the education and leisure team as it is and there is no intention to change either the level or type of service the schools receive.

- 5.3 The second issue relates to the impact of deleting the post of head of personnel and payroll. The concern is that to lose a post at this level would result in a loss of expertise, particularly in the area of employee relations and would mean that there was limited career progression for HR staff. These points are recognised and will mean that the Ad, HR Services will be directly line managing the personnel and payroll managers.

6. Financial implications

- 6.1 The total savings from this proposal amount to £68,000 per annum.

7. Legal implications

7.1 The staffing changes proposed in this paper will be made in accordance with the Councils procedure and reorganisations and redundancies.

8 Recommendations

8.1 Members are asked to agree the following recommendations:

- (i) That the post of head of personnel and payroll is deleted from 1 January 2004
- (ii) That the duties and grades of the post of secretary and organisation development manager are reviewed
- (iii) That the education and leisure personnel and training team are moved en bloc to corporate HR services, maintaining a dedicated service to schools

8 Background papers

8.1 None

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