

Human Resources (HR) – Update

1. This report provides an update of the current strategic workload priorities in HR, including progress made in the management review exercise to deliver £8m annual savings from staffing costs which form part of the people management savings outlined in the council's business plan.

Workload Priorities

2. The strategic workload priorities of the HR Strategy & Policy team are: -

- a. **HR policies & procedures** – The team are continuing to review and update existing policies and procedures and are developing new policies where needed. Good progress has been made with 18 new or revised policies successfully implemented in 2010. The status of the 2010 schedule of policies is attached in Appendix 1, and the policy schedule for 2011 is attached in Appendix 2.

The new “house style” policy template has received excellent feedback from staff, managers, members and external bodies. This template aims to provide policy and procedure information in a consistent format. “Plain English” has been used to aide the understanding of the policies, and all policies give clear guidance on the responsibilities of managers in the deployment of the policies. The revised redundancy pay, redundancy and appointments policies have been key in supporting the management review exercise, and again feedback has indicated that the policies and supporting information have enabled service directors and managers to manage this exercise well.

As outlined in the previous update dated 18th November 2011 the revisions to the policies are subject to consultation with a stakeholder panel (managers from across the council), trade unions and HR managers and staff. Revisions to policies and procedures and new policies are also subject to an equality impact assessment to ensure any equalities issues are considered and where necessary changes are made to remove any issues identified.

- b. **HR Direct** – The development of a new self service HR tool for managers and employees to replace the current HR Online tool continues. The team are currently loading information on to the new website, with the aim of “going live” early in February 2011.

The website content and navigation has been developed using feedback from a range of key stakeholders and from a council wide survey about the existing HR web tool. Extensive user testing will take place as the website is developed, and the site, when launched, will have an on-going survey available so feedback about the website can be collected, and changes made if necessary.

- c. **Workforce planning** – The development of a workforce planning framework has been completed, and will be tested in HR & OD prior to implementation. Implementation is planned for April 2011, but this may be delayed due to further planned redundancies at that time.

Workforce planning ensures the effective analysis of workforce data and the development of actions to ensure a workforce is developed that has the skills and knowledge needed to deliver services now and in the future. The aim is to support each service area to ensure they have a skilled, motivated, flexible and diverse workforce in place to deliver value for money services that make a difference to the

communities they serve. A separate report was presented to the committee on 18th November 2010.

d. Supporting the achievement of 12% annual savings in people management costs.

Corporate and service directors are in the process of completing proposals that will deliver 12% savings in their service areas. HR has provided details of the actions needed and timescales to support the development of these proposals. Once these proposals have been agreed, revised department and service structures will be developed and those staff to be placed at risk of redundancy identified.

It is proposed that the formal consultation for the majority of the redundancies required will commence in late February 2011, subject to a range of actions and timescales being met.

HR are planning the support needed for this exercise, and will provide briefings, communications and access to the information and tools required by managers to complete this redundancy exercise to deliver the savings needed.

e. Supporting on-going service reviews to deliver savings and service improvements.

Some service reviews are planned for early 2011 in Waste and Leisure. HR are already providing support to these reviews ensuring the right steps are taken, including consultation with the trade unions and the staff affected. It is anticipated that both service reviews will be concluded by June 2011.

Further service reviews are planned and HR will continue to provide the support needed to complete these activities.

Management Review.

3. The formal consultation period for the redundancies from the management review commenced on 10th November 2010, when all staff identified as at risk of redundancy attended collective consultation meetings across the county. Staff who attended those meetings were given packs of information including redundancy and where applicable pension quotes, together with an application to apply for voluntary redundancy. The initial deadline for applications for voluntary redundancy was 26th November 2010. Progress since the collective consultation meetings is detailed below: -

- a. A total of 571 managers were placed at risk of redundancy for one of the following reasons: -
- Their post has been deleted from the proposed new structure, or reduced to a lower number within the proposed new structure, or;
 - Their post has substantially changed as a result of other elements of the proposed restructure – for example the addition or deletion of duties, or;
 - Their post is within the affected service area and is a grade above or below any post which is likely to be removed or substantially changed, and could be a suitable alternative employment opportunity for someone whose post has been deleted.
- b. It was anticipated that a minimum of 240 posts, and therefore redundancies, would be necessary to deliver the annual savings of £8m required. However, a number of vacant manager posts have been deleted as part of this exercise to deliver some of the savings and to reduce the number of redundancies required. As a result the

current number of actual redundancies required is 213. These redundancies, together with the deleted vacant posts, will provide the annual savings in excess of £8m.

- c. The deadline for receipt of applications for voluntary redundancy was 26th November 2010. At that date a total of 142 applications had been received. Since then 114 of those applications have been accepted, and 28 declined. Applications have been declined where the applicants have key skills and knowledge that the council wishes to retain, and where those redundancies would have had an impact on service delivery.
- d. Of the 114 applications for voluntary redundancy accepted, 57 have already left the employment of the council. Whilst they have been paid in lieu of their notice this early release will enable some savings to be made earlier than expected.
- e. Service directors, with the exception of Finance, have now completed the process to confirm ownership and appoint to the managerial posts in their structures. Staff who remain displaced have now been given a further opportunity to apply for voluntary redundancy. The final deadline for applications for voluntary redundancy for all service areas except Finance is 21st January 2011. Staff who remain displaced after that date will face compulsory redundancy, which will result in a lower redundancy payment.
- f. The process for Finance has been delayed because the initial consultation with staff has resulted in a number of changes to the proposed structures. The consultation period for staff placed at risk of redundancy in this service area has been extended by 2 weeks to allow further consultation on the changes to the structures. As a result some redundant staff in this service area may remain in employment with the council until after 1st April 2011.
- g. It is anticipated that all other staff redundant as a result of this exercise will have left the council's employment by 31st March 2011.

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