
REPORT TO: FINANCE & MANAGEMENT COMMITTEE AGENDA ITEM: 12

DATE OF MEETING: 17 JANUARY 2002 CATEGORY: OPEN

REPORT FROM: PERSONNEL & DEVELOPMENT MANAGER

MEMBERS'

CONTACT POINT: J WILLOUGHBY EXT. 5729

SUBJECT: HUMAN RESOURCE MANAGEMENT –
BEST VALUE REVIEW

WARD(S) AFFECTED ALL

REF: CE8

1.0 Recommendations

- 1.1 To note the progress to-date of the HRM Best Value Review
- 1.2 To accept the findings of the baseline assessment
- 1.3 To agree the key issues facing the authority, to enable them to undergo an option appraisal challenge exercise.

2.0 Purpose of Report

- 2.1 The purpose of the report is to outline to members progress made to-date in undertaking the Human Resource Management Best Value Review, providing a summary of the Baseline Assessment, and the key issues identified for the authority to address.

3.0 Executive Summary

- 3.1 The HRM Best Value Review has been ongoing since April 2001. The review team has made significant progress since the last report to this committee. The Baseline Assessment has now been completed. A summary of which is available at Annexe A.
- 3.2 This has been challenged at a meeting on 28 November 2001. A further meeting on 19 December 2001 enabled the group to then draw out the key issues for the authority to address. These can be found at Annexe B. If approved these will then undergo an option appraisal exercise, which will be reported back to this committee in February 2002.
- 3.3 A number of comparative exercises have been undertaken.
- 3.4 A range of consultation exercises has been undertaken, to consult with service users, members, and Personnel & Development staff.
- 3.5 Some analysis of outsourcing trends has been analysed. There have also been initial discussions, which have lead to some joint working opportunities with other authorities.

- 3.6 Resources remain a pressure, with significant time being required from the Personnel & Development Division.
- 3.7 Timescales although a little delayed currently, should be back on course, by the end February 2002. There are still a number of stages to undertake before the review is complete.

4.0 Detail

- 4.1 Since the last report in July 2001 a Review Team has been established. It has comprised of: -
- Councillor J Carroll
 - Councillor M Lauro
 - Council R Walton
 - Personnel & Development Manager (Review Team Leader)
 - Employee Development Officer
 - Personnel Officer
 - Council Tax Team Leader (*left the group in August 2001*)
 - Environmental Health Manager (Commercial Standards and Licensing)(Health & Safety and Best Value Working Group representative)
 - Personnel Admin Asst. (Note taker / Administrative support)
 - An officer from the Learning Skills Council
 - GMB trade union representative & Manual Worker representative
 - UNISON representative
- 4.2 A significant amount of work has been undertaken to collate and analyse the baseline assessment. A summary of this assessment, key findings and conclusions are attached at Annexe A.

5.0 Baseline Assessment

- 5.1 The assessment has addressed the following areas: -
- Profile of the District
 - Scope of the Review
 - Democratic Process inc. User & Employee Involvement
 - Corporate Vision & Objectives
 - Legal Framework
 - Current Resources
 - Service Costs
 - Organisational & Management Structures

- Current Standards, and Best Value Performance Indicators
- SARATOGA Comparative Benchmarking
- Audit Group Comparisons
- East Staffs BC Comparative Benchmarking
- Corporate Employment Policies & Procedures
- Service Providers
- Relationships with other Internal services
- Who are our Stakeholders?
- Local, Regional, and National Context of Service
- Recommendations from Significant Others

6.0 Applying the 4 C's

- 6.1 Challenge** – a range of data has been collated from existing management information systems, performance indicators, divisional service plan, corporate plan, reports from significant others, committee reports and decisions etc. and analysed to determine a profile of where the service is now.
- 6.2** This work has been predominately undertaken by the Personnel & Development Division, and collated by the Personnel and Development Manager. To challenge this assessment, a meeting was held on 28 November 2001, which brought in 'challengers' from the existing review team, and Corporate Best Value Working Group, to challenge its findings. A further meeting on 19 December 2001 enabled the group to then draw out the key issues for the authority to address. These can be found at Annexe B. If approved these will then undergo an option appraisal challenging exercise, which will be consulted upon. The results will then be reported back to this committee.
- 6.3 Compare** - The Performance Data collated, has been compared in a number of ways.
- 6.4** The Best Value Performance Indicators have been analysed in relation to Government National Targets.
- 6.5** The Division also undertook the services of SARATOGA, which provide a benchmarking service for Local Authority Personnel Services. They are working in partnership with SOCPO – Society of Chief Personnel Officers. SOCPO have produced a number of Local Performance Indicators for the Audit Commission to measure Best Value in Personnel

Services, and SARATOGA, hold the formulae for calculation and database of results for comparison.

- 6.6 The Key comparisons were made against district authorities on the database, that had undertaken the comparative exercise, and against the national averages, which includes the private sector. A follow-up report was provided and analysed.
- 6.7 A comparative telephone survey was also undertaken to clarify specific areas agreed by the review team, with our Audit Group authorities.
- 6.8 Following a meeting with East Staffs BC, some comparative information undertaken during their review this year was also analysed and compared to our position.
- 6.9 **Consult** - A written questionnaire was sent out 40 employees, plus Divisional Managers, and CMT members. The questionnaire was to assess their view of the current level of service, and whether or not they perceived it to be improving, staying the same, or deteriorating. They were also given a further option of confirming whether or not they were aware we undertook the service.
- 6.10 Following the advice of those Councillors on the review team, a telephone questionnaire was undertaken of members by the Employee Development Officer, to focus on similar themes to the staff questionnaire. This was preceded by a letter that made them aware of what we were trying to do and what to expect.
- 6.11 The Personnel and Development general staff meetings that are held monthly have had the Best Value Review as a standing item since some 6 months prior to its commencement. All relevant documents relating to the review are placed on a shared drive for the staff to view, and a considerable amount of work in preparing the baseline assessment has involved the staff. There are a number of the staff on the review team.
- 6.12 Additionally a specific consultation meeting was held with them, to formally ask their views on the comparative performance data results, and the feedback from the consultation surveys. They have provided a group written response to these questions.
- 6.13 **Compete** - Some analysis has been undertaken of the survey conducted by East Staffs BC, on the areas of work that authorities in their Audit Group have outsourced. This shows a general theme of limited outsourcing in district authorities, and more specifically where there is any, it tends to be for Occupational Health services, including Counselling.

- 6.14 Resulting from these initial discussions, work has since commenced to develop an opportunity for a partnership approach to the delivery of Occupational Health Services with East Staffordshire Borough Council, Tamworth Borough Council, and Lichfield District Council. Also initial discussions have taken place regarding the potential for joint working on some specific areas of Employee Development, with East Staffordshire Borough Council.

7.0 Resources

- 7.1 There has been some difficulty over recent months in availability of review team members, and due to the nature of the work at this stage of the project; a significant part of the workload has fallen to the Personnel and Development Team. From 1 April 2001 to 30 September 2001 approximately 400 hours has been directly spent on work for the review by the team, with about one third of this being the Personnel & Development Manager's time.
- 7.2 Additionally there has been the time for the rest of the review team, in terms of meeting on average every 3-4 weeks.

8.0 Timescales

- 8.1 These have fallen behind slightly in terms of collating the baseline, however, it is anticipated that other work that has been undertaken alongside this task, will bring the project back on target by end February 2002.
- 8.2 The following identifies the timetable required to meet the remaining key tasks of the review.
- a) Generate and appraise options against each of key issues – By 1/2/02
 - b) Consult on option appraisal – By 14/2/02
 - c) Report to Finance & Management Committee on option appraisal exercise - 28/2/02
 - d) Report to Corporate Scrutiny Panel – 11/3/02
 - e) Produce Implementation/Action Plan – By 31/03/02
 - f) Report Implementation / Action Plan to Finance & Management Committee – 18/4/02

9.0 Conclusions

- 9.1 The HRM Best Value Review has made significant progress.
- 9.2 The Baseline Assessment has now been completed, and challenged.
- 9.3 The review team has drawn out the key issues they consider the authority should address in relation to HR and have evidenced how they have arrived at these recommendations.
- 9.4 The review is not complete, but has reached a key stage. If the key issues are approved these will then undergo an option appraisal exercise, which will be reported back to this committee in February 2002.
- 9.5 The four C's of Challenge, Consult, Compare, & Competition have been addressed and the report identifies how and at what stages.
- 9.6 Resources remain a pressure, with significant time being required from the Personnel & Development Division. However, timescales although a little delayed currently, should be back on course, by the end February 2002.

10.0 Background Papers

- 10.1 HRM Baseline Assessment Document, Staff Survey, P&D Staff Consultation, Member Survey, Feedback from other internal support service providers, Corporate Plan, Service Plan, ESBC Survey, National Joint Council Agreements, Local Agreement with Trade Unions, Legislation, SSSG Terms of Reference, SARATOGA Report, BVI's, Audit Group Comparison, BV Inspectorate Reports, District Audit Letter to Management 1999/00.