

Resources and Governance Overview and Scrutiny Committee

Human Resources Subgroup

Minutes of the meeting held on 16 March 2010

Present:

Councillor Watson – In the Chair
Councillors Clayton, McCulley, and Sandiford
Councillor Priest – Executive Member for Finance and Human Resources

Apologies:

Councillor Trotman

RG/HS/10/06 Minutes

The minutes of the meeting of the Human resources Subgroup on 12 January 2010 were submitted for approval.

The Deputy Chief Executive (Performance) updated members on minute RG/HS/10/02 'Personnel and Organisational Development: Assignment of Post of Director of Human Resources'. He advised the subgroup that the Council were in the process of recruiting the Director of Human Resources and interviews would be taking place on 8 April 2010. The Executive Member for Finance and Human Resources confirmed that he was on the interview panel.

Decision:

To approve the minutes of the meeting held on 12 January 2010 as a correct record.

RG/HS/10/07 Personnel and Organisational Development Integration

The Deputy Chief Executive (Performance) provided members with an oral update on the proposals to integrate the personnel and organisational development functions by merging them into a single human resources function. He informed the Subgroup that this would develop a new approach to staff and management that would form the foundation of the Transformation project. The Head of Personnel had been seconded to support the Director of Transformation to support this process.

The Deputy Chief Executive (Performance) said that service transformation with the focus on improvement, efficiency and the development of the workforce to deliver more effective services within the context of substantial cost reductions. The Human Resources and Organisational Development function would create a new flexible, dynamic workforce with transferable skills to enable employees to move around

different jobs in the Council. It would also develop a single consistent approach to managing employees more effectively. The key component of this new structure would include the development of a shared service centre that would deal with all of the transactional functions of the Council. He added that staff and trade unions would be fully engaged in this process.

A member asked about whether the new workforce plan would result in a reduction in the number of staff employed by the Council and for the Executive Member to clarify numbers and potential cost savings. The Executive Member for Finance and Human Resources said that he was unable to answer the question until the Council knew the details of the Revenue Support Grant settlement post 2011. He added that he was not able to quote the number of staff reductions in crude figures as the total estimate to reduce the cost of the work force by £57m was based on assumed figures from salary reductions. The process of workforce redevelopment was far more complex than this and the number of staff would be reduced through the natural cycle of staff that left the Council every year.

The subgroup emphasised the importance of striking a balance between flexibility of the workforce and ensuring that enough staff had the specialist skills to carry out the work of the Council. They also stressed the importance of ensuring there were adequate measures in place to tackle poor performance. The Deputy Chief Executive (Performance) said that there were a number of specialist 'job families' that would create opportunities for staff to develop specialist careers as well as opportunities to move sideways to broaden their skills. Members felt that routes for career development should be clearly set out to ensure that all staff know about the opportunities available to them.

Members discussed the shared service centre, how this would be developed and the potential savings and impact on staff and how this would provide specialist career opportunities in financial management. Further details on how the transactional functions of the Council would be integrated into the shared service centre and the opportunities that would be provided for staff would be presented to the Personnel Committee on 2 June 2010. The subgroup suggested that they should be given the opportunity to comment on the report prior to the meeting of the Personnel Committee. It was agreed that an additional meeting of the Human Resources Subgroup would be arranged for Tuesday 1 June 2010.

Decision

1. To support the direction of Personnel and Organisational Development integration to develop a single consistent approach to managing the Council more effectively and look forward to future progress reports later in the year.
2. To ask the Committee's support officer to arrange a special meeting of the Human Resources Subgroup on 1 June 2010 to look at the progress of the shared service centre in advance of its consideration by the Personnel Committee.

RG/HS/10/08 Management of Attendance

The subgroup considered a report of the Head of Personnel on the measures taken to manage sickness absences across Council departments. The Head of Personnel informed members that the Management of Attendance Policy was approved by the Personnel Committee on 10 February 2010. Two absence management pilots had been successfully implemented in the Revenues and Benefits and Supported Accommodation services. It was intended that the rollout of a consistent approach to attendance management across the Council would reduce overall sickness levels.

A member asked about the extent of sickness absence in comparison to other Greater Manchester authorities. The Head of Personnel said that the Council had gone from second best to second worst of AGMA authorities but this was largely due to better reporting through the SAP system. Members referred to examples of good sickness management that the Resources and Governance Overview and Scrutiny Committee had recently reviewed, such as the Greater Manchester Fire Authority. They felt that the Council was taking some positive steps to review lessons learned from others to reduce sickness levels.

The pilot schemes had illustrated a varied number of reasons for absence and the second pilot project focussed on training managers in appropriate approaches to supporting employees with stress related issues, which was prevalent in some public facing jobs. Members referred to jobs that were known to be highly stressful such as teaching, and felt that managers should be supported to take action and develop their confidence and skills as much as possible and to take a common sense approach to implement support to deal with stress related absence where required.

The Head of Personnel informed members that a further pilot with Diagnostic Health Solutions (DHS) to test a revised approach to sickness reporting utilising NHS Nurses to provide advice to employees. This had approach had seen significant improvements in other authorities and DHS had promised that there would be a reduction of at least 10% in recorded sickness or their fee would be waved. Members felt that this was an excellent approach which provided good value for money.

Members emphasised the importance of following up all absences and of treating every individual in a consistent and fair way. Overall, the subgroup was impressed with the results of the pilot schemes and agreed that there was a need to strike a balance between taking action to reduce the level of recorded sickness and taking a common sense approach to supporting staff back into work, especially for occurrences of long term sickness. Members welcomed the multi faceted approach to reducing sickness absence and would look forward to see tangible results later in the year.

Decision

To welcome the Management of Attendance Policy and the different approaches taken to reduce sickness levels across the Council.

RG/HS/10/09 Management of Temporary Staffing Arrangements

A report from the Head of Personnel was submitted. The report provided an update on the use and management of temporary staffing arrangements, including the use of secondment opportunities.

The Head of Personnel informed members that further progress had been made in ensuring that temporary staffing arrangements and secondments are used effectively. The dependency on external and temporary staffing arrangements had been reduced through workforce stabilisation strategies in departments across the authority.

Since the last report to the subgroup in October 2009, the Agency Client Group (ACG) had worked with Adult and Children's Services to recruit 51 agency workers to permanent vacancies and this had resulted in a downturn of vacancy ratios from 28% to 2%. There is further work required to develop future management arrangements and support managers to understand the wider recruitment options and ensure these are being consistently applied in the right circumstances. Members commended the reduction in the use of agency staff in Adult and Children's Services and supported the principal of only using agency staff to provide short term cover or for periods of exceptional demand.

The Head of Personnel also informed members that they had decreased the number of secondments advertised across the Council, ensuring that available secondments provided a genuine development opportunity for existing staff. Work would now focus on ensuring that a consistent approach to secondments and temporary staffing arrangements was taken across the authority as part of the workforce transformation project. He added that managers should consider internal recruitment options for short term pieces of work wherever possible.

The report stated that Council services would be able to readily identify a pool of "job ready" employees from a Corporate "Talent Pool" to fill potential vacancies. Some members were concerned that these recruitment processes should be fair and transparent to enable all staff to apply.

Decision

To note the report.

RG/HS/10/10 Workforce Plans and the Transformation Agenda

The subgroup considered a report of the Head of Personnel about Service Workforce Plans 2010-13 and the impact of the Transformation agenda on the development of these plans.

The Chair advised the subgroup that the Resources and Governance Overview and Scrutiny Committee had reviewed service workforce plans as part of an enhanced approach to business planning the previous year. The report provided details of the current position of workforce plans across services and how they fit into the wider transformation agenda. Members acknowledged that there would likely be some

upheaval for services during the transformation programme. A member commented that the transformation project and the move to First Street offices provided a fresh start for many Council departments. It provided the opportunity to develop workforce plans based around the future, and changing needs of services and the organisation.

The Analyse and Improve Manchester (AIM) diagnostic approach has been used alongside the Business Planning process to identify opportunities to streamline services across the Council. "Target Operating Models (TOMs)" have been developed; setting out the vision for future services and how they will transform in line with the Council's aspirations for greater efficiency have been developed. Members referred to the design principles that had been created guide the TOMs, emphasising the importance of making sure that these were used to ensure a consistent approach across each Directorate.

The subgroup requested more detailed updates on the progress of both the Transformation Programme and the workforce opportunities that will arise from these new ways of working to a future meeting of the subgroup in September 2010.

Decision

1. To note the report
2. To request that the Director of Transformation and the Head of Personnel provide a further update on the Transformation Programme and the workforce opportunities that will arise from these new ways of working to the subgroup in September 2010.