

Resources and Governance Overview and Scrutiny Committee

Human Resources Subgroup

Minutes of the meeting held on 1 June 2010

Present:

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

Apologies:

Councillor Fisher and Trotman

RG/HS/10/11 Minutes

Decision:

To approve the minutes of the meeting held on 16 March 2010 as a correct record.

**RG/HS/10/12 Integrated Human Resources and Organisational
Development Service**

The Subgroup considered a report of the Deputy Chief Executive (Performance) and City Treasurer, which outlined the work undertaken to integrate and transform the human resources (HR) and organisational development (OD) functions of the Council. The report sought the approval of the Personnel Committee to establish a new senior management structure for the service. Members of the Human Resources Subgroup were invited to comment on the proposals within the report before they were presented to the Personnel Committee on 2 June 2010.

The Deputy Chief Executive (Performance) made a detailed presentation outlining the key headlines within the report which included the background and key priorities, the principles of the 'M People' approach and the proposed new structure for the integrated service. He advised members that the Council had been unable to recruit to the Director of Human Resources and Organisational Development post in April. The Personnel Committee were being asked to approve a new structure which would be led by the newly established role of Assistant Chief Executive (People).

A member expressed some concern that the approach outlined in the M People principles to create a multi skilled, flexible workforce would be at the expense of specialist skills and in some cases, have a negative impact on the quality of the service provided by the Council. The Deputy Chief Executive (Performance) assured members that it was necessary to strike the right balance between generic and

technical skills to deliver Council services during and after the transformation period. He added 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.

The Subgroup asked for clarification on the intention to "assertively" move people into new roles to create vacancies for others to move into. The Deputy Chief Executive (Performance) said that there would be occasions where the Council might have to take action to move people across the organisation if they were unwilling to adapt to new ways of working. The Council expected that most people would view the approach as an opportunity for career development. Assertively moving people into different jobs would be the exception rather than the rule. The Executive Member for Finance and Human Resources added that the integration had to be viewed in the context of the financial challenges facing the Council over the next few years. The Council and Trade Unions recognised the benefits of the integrated service in providing job security, without resorting to compulsory redundancies for Council staff. The subgroup were pleased to see that the trade unions representing staff were on board and they stressed that this should continue throughout the process.

Members discussed the opportunities that would be provided for staff to progress in the Council and the opportunities that would be provided for residents of Manchester. The Deputy Chief Executive (Performance) assured members that the Council would restrict recruitment for entry-level posts for Manchester residents with support for developing career options across the organisation. A member asked how the Council would approach recruitment into professionally graded posts where there were no suitable candidates internally. The Executive Member for Finance and Human Resources said that the Council would look at options for developing existing members of staff and would continue to recruit graduates with a clear programme of training to obtain professional qualifications. The approach taken to training and development would be tailored to the individual and the job.

The Deputy Chief Executive (Performance) said that integrated HR/OD service would focus on improvement, efficiency and developing the workforce to deliver more effective services within the context of substantial cost reductions. It would also develop a single consistent approach to managing employees more effectively. Members acknowledged that the culture change would cause some stress across the organisation, particularly if people were resistant to change but managers needed to ensure that the process of change was implemented properly to minimise stress.

The subgroup warned of the risk that some frontline staff in satellite offices would not feel part of the culture change and that it was important to link the integrated HR/OD service into the Council work on Neighbourhood Focus. It was also important to make the best possible use of technology. The Deputy Chief Executive (Performance) said that there would be a single manager responsible for different functions for each neighbourhood which would go some way to encouraging the 'one team' approach.

Members discussed the appraisal process and how this system would assist the Council to identify individual training and development needs. They emphasised the

importance of ensuring that poor performance and attendance was dealt with effectively rather than redirecting it to another part of the organisation. The Executive Member for Finance and Human Resources acknowledged that there was a need for the management of these issues across all public sector organisations to become more sophisticated.

Overall, members of the subgroup felt that this was a good, well presented report and they were supportive of the approach being taken to integrating human resources and organisational development. Members said that the service was moving in the right direction but there were some reservations about specific parts of the programme raised in this meeting and these would be communicated to the Personnel Committee. The Subgroup requested an update on the progress of the integrated service to the next meeting of the Subgroup in July.

Decision:

1. To endorse the recommendations contained within the report to the Personnel Committee.
2. To ask the Personnel Committee to note the comments of the Subgroup.
3. To ask the Assistant Chief Executive (People) to provide an update on the integration of Human Resources and Organisational Development to the next meeting of the subgroup on 6 July 2010.
4. To ask the Deputy Chief Executive (Performance) to offer their congratulations and support to Sharon Kemp in her new role as Assistant Chief Executive (People) and to acknowledge the difference she had made to the performance information provided to the Resources and Governance Overview and Scrutiny Committee.

RG/HS/10/13 Work Programme

In consideration of the work programme, the subgroup agreed that the item to look at 'Use of Resources Improvement Action Plan – Effective Use of Human Resources' in July was now no longer relevant as the changes to the audit inspection regime had superseded the reasons for the referral from the Audit Committee. They agreed ask the Audit Committee for approval to remove this from the work programme. Members also requested that the report on the Private Sector Housing Restructure should be scheduled for the meeting of the Committee on 6 July 2010.

Members discussed the work programme for future meetings of the subgroup. It was agreed to request the following reports for October 2010:

1. An update on Management of Attendance
2. An overview of staffing arrangements in ICT

It was agreed to request the following reports for January 2011:

- An overview of how the M People programme has been implemented as part of the integration of HR/OD functions.
- An update on the People Strategy Refresh

Decision:

1. To agree the work programme of the Human Resources Subgroup subject to the above amendments.
2. To remove the Use of Resources Improvement Action Plan – Effective Use of Human Resources report from the work programme subject to the approval of the Audit Committee.