

Agenda item:

Decision maker: Cabinet Member for Resources

Subject: HR, Legal & Performance Business Plan Priorities 2015 – 2016

Date of Decision 16th July 2015

Report By: Head of HR, Legal & Procurement

Wards affected: All

Key decision (over £250k): No

1. Purpose of report

This report presents provides a summary of the priorities, risks and future vision of the HR, Legal & Procurement Directorate.

2. Recommendations

That the Cabinet Member for Resources notes the contents of the summary and receives regular updates on progress being made to deliver the identified priorities

3. Background

The HR, Legal & Procurement business plan for 2013-2016 has previously been agreed by the Cabinet Member for Resources.

Following the recent senior management restructure, directors were asked to review existing business plans, and provide a summary statement showing:

- (i) Their key priorities for 2015/16
- (ii) Their plans to innovate and transform the directorate
- (iii) Their drivers of cost and demand
- (iv) Their biggest risks and strategies to mitigate the risks
- (v) How service resilience will be maintained
- (vi) How the directorate will look in 3 years' time

The summary statement for HR Legal & Procurement is attached at appendix A

4. Reasons for recommendations

To inform the Cabinet Member for Resources of the vision, priorities and risks for the Directorate

5. Equality impact assessment (EIA)

No EIA has been completed in respect of the plan itself, but individual activities and strategies contained in the plan will be subject to appropriate EIAs.

6. Legal implications

There are no legal implications arising from this report.

7. Head of financial services' comments

The Service objectives set out in the summary statement are to be achieved within the approved 2015/16 Budget. The impact of future savings targets on resources available will be reviewed as part of the rolling review of Service Business Plans.

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Signed by:

Appendices:

Summary Statement

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
HR, Legal & Procurement Business Plan 2013 – 2016	HR Team, Civic Offices

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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Signed by:

Appendix A

HR, Legal & Procurement Directorate

Statement of Priorities for 2015/16

Service Vision

My overall vision for the service is to:

- Provide **excellent support** to all client services, responding to their needs and focussing on solutions
- Maintain **effective governance and assurance**, based on an appropriate assessment of risk
- **Drive improvement** by promoting best practice and leading change

This vision remains current even though the organisation is changing significantly. Ongoing funding reductions mean that the council is constantly having to transform: reducing its workforce, restructuring services, developing new delivery models and introducing new ways of working. As the capacity of the organisation reduces, the challenge of maintaining effective governance increases. And the emergence of new policy agendas requires agile, responsive and innovative solutions.

All of this means that strong, skilled and highly professional corporate services are more important than ever. The challenge is to maintain the corporate services that the council needs (and meeting greater demands) whilst continuing to cut costs and reduce in size.

Key Priorities for 2015/16

Priority	Performance Measures
Support key strategic agendas, e.g. combined authority, skills, health integration	<ul style="list-style-type: none"> - Complete 80% of strategy work plan - Apprenticeships increased in line with member aspirations
Provide co-ordinated support for regeneration schemes and other major projects	<ul style="list-style-type: none"> - No failures or excessive delays to projects as a result of poor support - Legal, procurement and other support is seen to add value to projects
Support the development of new delivery models, including input from HR, Legal and Procurement	<ul style="list-style-type: none"> - No failures or excessive delays as a result of poor support - Support is seen to influence and add value to projects
Identify and develop new commercial opportunities, in particular by providing services to other organisations in and around the city	<ul style="list-style-type: none"> - Achieve 50% of funding for directorate through external income or recharges

Support organisational change, including workforce planning and talent management	<ul style="list-style-type: none"> - Redeploy 50% of staff at risk of redundancy - 90% completion of PDRs across the council - Fill vacant posts within 60 days (average) - No Employment Tribunal cases lost due to poor HR practice
Develop options to reduce workforce costs and improve efficiency, including through robust absence management, modern approaches to employment relationships, and improved arrangements for staff sourcing	<ul style="list-style-type: none"> - Staff sickness reduced in accordance with Employment Committee aspiration - Reduce spend on agency staff and consultants - Subject to member direction, review elements of employment package and implement changes
Build capacity and skills to ensure effective management of the Highways PFI and support and contribute to renegotiations	<ul style="list-style-type: none"> - New team structure implemented and embedded - New operating procedures in place - Complaints responded to in accordance with corporate procedures
Drive better value from contracts across the council	<ul style="list-style-type: none"> - Contract savings delivered in accordance with measures defined by strategic contracts board
Maintain core BAU provision in critical areas such as Internal Audit, Child Protection and preparing for inspections	<ul style="list-style-type: none"> - Complete 100% of audit plan - Maintain 95% procurement compliance - Complete child protection cases in 26 weeks

Plans to innovate & transform

<p>The overall drive is to remove non value-added work through:</p> <ul style="list-style-type: none"> - Enabling managers and staff to be more self-sufficient by: further developing HR Self Service, improving intranet content, and providing training and development - Continuing the use efficiency reviews within the service, using Systems Thinking interventions where appropriate - Increased use of technology within the service, especially IKEN (Legal), Oracle (HR) and INTEND (Procurement) - Work with Solent NHS to develop joint provision of services

Directorate's drivers of cost & demand

Principle drivers of demand are as follows:

Legal - client instruction (including soc care, pfi, LEP, regen projects, planning, litigation)

HR - org change, political priorities, management support, training & development needs, new delivery models, TUPE transfers

Strategy - inspections, new agendas, partnership demands, governance

Audit - audit plan, special investigations

Procurement & Commercial - contract reviews, client instructions, pfi

For all parts of the directorate, the principle costs are salaries, and so costs are wholly driven by the need to retain suitable skilled staff within the directorate. The specialized nature of the work, and the competition for talent, means that salary costs in some parts of the directorate (e.g. legal, procurement) are relatively high and are subject to considerable market pressure.

Reduced capacity across council directorates creates additional demand within the HRLP Directorate as higher levels of support are sought.

5 biggest risks & strategies to mitigate

Risk	Mitigation
Reduced capacity resulting from budget savings	<ul style="list-style-type: none"> - Pursue additional income streams - Interventions - Channel shift/Management self-sufficiency - Joint working
Recruitment & retention of key staff as economy continues to grow	<ul style="list-style-type: none"> - Workforce planning - Succession planning - MSPs where appropriate
Reduced effectiveness of governance (due to lack of capacity, complacency, political requirements)	<ul style="list-style-type: none"> - "smarter" governance through effective business partnering
Increased dependency on external income (volatility/lack of security)	<ul style="list-style-type: none"> - Develop wider client base - Focus efforts on securing other public sector clients
Project risks	<ul style="list-style-type: none"> - Early input to projects - Effective governance

Service resilience

The challenge for the service is to maintain sufficient critical mass in terms of skills, knowledge and capacity to continue to meet the council's needs into the future. I plan to secure this by:

- Ensuring that we are first choice provider for internal and external clients
- Developing a multi-client delivery model
- Developing the staff within the directorate and giving them the opportunity to work with multiple clients
- Working with Solent NHS and other partners to explore shared services
- Ensuring that the directorate's contribution to projects and schemes is properly charged

How directorate will have changed over next 3 years

- A multi-client operation, providing services to a range of clients within the City and the surrounding area. Clients to include: health sector (CCGs), schools, other public bodies in city, other councils, care providers, 3rd sector organisations. Skills within directorate developed to support this model, including commercial, client management, business development and sector specific skills (eg.HR skills for health clients)
- Focussed on added-value work, with transactional tasks automated and a greater level of self-sufficiency amongst managers and staff
- Change of balance between cash-limit funded work and chargeable work, with some areas (e.g. Legal, Learning & Development) becoming self-funding
- Services delivered increasingly on a business partnering basis, with smarter approaches to ensuring effective governance and compliance

Jon Bell
Director of HR, Legal & Procurement
May 2015