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To: Policy and Resources Cabinet Committee – 27th September 2012

Subject: Human Resources Division – update on restructure

Classification: Unrestricted

Recommendations

The Committee is invited to note the proposals for the restructure of the Learning and Development function in the Human Resources Division and consider the changes made to the rest of the Division and its service delivery as a result of its restructure in July 2011.

Introduction

In March 2011, the Corporate Policy Overview and Scrutiny Committee received a paper on the proposed restructure of what is now the Human Resources Division. The paper outlined the new structure for the Division and highlighted the purpose and principals of the centralised service.

The restructure of the majority of the Division was implemented by July 2011 so there is now slightly more than a year's experience of the effectiveness of the new organisational structure. A decision was made to delay the restructure of organisational development, including the delivery of learning and development activity, whilst some external review and opinion was commissioned and considered. The details of the small, strategic organisational development team were finalised in April 2012 and appointments made to the two senior posts. Following an externally commissioned "lean review" of the learning and development delivery teams, staff and interested stakeholders have been consulted on for the introduction of a new single team. The outcome of the consultation is currently being considered and the new structure will be implemented from 1st November 2012. This final activity will complete the restructure of the Division.

The current structure chart for the Division is shown at Appendix 1.

Learning and Development Restructure

The delivery of Learning and Development activity is a key issue for service directorates and it has been critically important to ensure that the revised structure can deliver the quality and quantity of training required. The new structure reduces the number of in-house trainers employed by the Authority, centralises and reduces the administrative support posts and plans for greater

use being made of externally commissioned training, e-learning and systems technology for booking courses and budget management.

The proposal as it was shared with staff is shown at Appendix 2. The final structure will be shared with the committee at the meeting once all the feedback from the consultation exercise has been fully considered. The revised structure will reduce the cost of the learning and development team by approximately £600,000 in a full financial year.

Review of the impacts of the Human Resources Restructure.

As noted, the majority of the changes to the HR model of service delivery have now been in place for 13 months. Overall the restructure has been successful in its aims of delivering significant budget savings (£3m since April 2011), driving consistency in HR advice and supporting the one council approach. There are further improvements to be made, but progress has been rapid and sustained.

This section of the paper reviews progress made in each of functions of the new division.

- **Business partners (HRBP).** The four senior professionals holding these posts are very closely aligned to the Directorate(s) they support and are members of each Directorate Management Team. They work closely with senior officers. Key areas of focus within the part of the organisation each business partner supports include
 - using business insights to drive change in people management practices to deliver business plans and enhance business unit performance
 - organisational and people capability building
 - longer term resource and talent management planning
 - intelligence gathering of good people management practices internally and externally, to raise issues that managers may not be aware of.
 - Close liaison with external partners on HR issues affecting professional groups

The posts report to the Corporate Director of Human Resources and form the HR strategy group along with the heads of the other main HR functional groups. Effectively, the Business Partners are the conduit between the organisation and the HR function to ensure each can influence the other to create HR and OD strategy and processes that improve the performance of individuals and the services delivered. These posts do not have line management responsibility but have resource available to them from elsewhere in HR.

The HRBP function has been essential in our success so far. It has ensured that the massive restructuring across all service directorates has been supported from design through to implementation with much more consistency than before. Liaison with the HR centres of excellence has helped them to focus on service needs, and apply more consistent service models than previously. The Business partners consistent presence in service directorates, especially at DMTs, continues to support the KCC vision of the 'Self Sufficient

Manager'. They are taking an increasing role in OD activity and service directorates are already benefitting from the coordination of OD initiatives by HRBPs.

- **HR Employment Strategy.** This group will have responsibility for **Employee Relations, Reward, Organisation Design and Employment Policy**, including workforce equality and diversity; development of management information and strategic use of Oracle systems. These are small teams of policy specialists. It also include the **HR Business Support team**, the team of business support personnel officers who advise managers on the management of change; wellbeing; restructures; TUPE; redundancy and re-organisations; cases (discipline, grievance, harassment and bullying); managing employee performance and attendance management; recruitment and retention practice; and workforce planning. The bringing together of this team has without doubt improved consistency and quality of practice across the Authority, aided flexibility and allowed a better understanding of all parts of KCC across the whole HR group. The team regularly canvasses opinion on its service delivery. The feedback shows that:

- 97% of customers rate HR Advisors as excellent (80%) or good (17%)
- Advice given is rated as good or excellent in terms of clarity (95%), flexibility (95%), and timeliness (95%).
- 80% of customers felt we completely understood their business and what they wanted to achieve and a further 19% thought we did mainly.
- 77% felt our administration was completely well managed and professional and 18% felt it was mainly.
- 55% had complete confidence in us and 34% were very confident.

- **Health and Safety.** There is one team of health and safety professionals providing support across the business. Advisors are allocated to lead the relationship with specific business units, but a single team has allowed more flexibility and improved prioritisation and responsiveness. It has enabled what is a comparatively small team to provide a sustained level of support. Feedback from the business has been consistently positive.
- **Organisation Development.** This new group includes the strategic and policy aspects of workforce development and learning and development and has responsibility for organisation development strategy, workforce strategy and change management frameworks, and workforce development of both KCC professions and sectors such as social care. The team has already delivered significant progress in all these areas.
- **HR Business centre.** This includes, amongst other smaller teams, payroll and personnel services, the Schools Personnel Service and Learning and Development. The improvements realised from the restructure of this team can be summarised as follows:

Savings, efficiencies and resilience

- New processes implemented and economies of scale realised – reduced overall costs for delivery
- Better systems – moved all of schools over from external supplier to in house Criminal Record Bureau (CRB) solution. Excellent feedback, saving for the service (@ £50K pa) and reduced pricing passed on to schools of £4 per check

Enhanced collaboration between the teams

- Pooling expertise – much more collaboration / cross-over between Teacher Recruitment & Retention (TR&R), SPS Consultancy, Specialist schools training and L&D (training admin, staff standard, head teacher recruitment)
- Planned relocation providing Property with valuable solution and moving operational team to one location
- Greater business focus with an overarching view of the products enhancing marketing strategies and delivering more income.

One function – no duplicates

- Merger of SPS and ESC operations with cross-training and reduced management & staff costs. Best practice applied to both teams' processes
- CRB team merged, delivering savings on location costs and a more resilient, effective team
- More support for delivery of training in schools from Consultants, TR&R and L&D

Greater income and opportunities

- Increased income from Specialist Training in schools with Consultants now taking on training as part of their role
- Use of TR&R intelligence to feed into schools and offer a more 'value-added' service supporting long-term plans and strategies to attract further business

Conclusion

The Committee is invited to comment on the proposals for the new learning and development team and note the impact of the broader HR restructure.

Background Documents

“Restructure of Personnel and Development” Corporate Policy Overview and Scrutiny Committee March 2011.

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