

# REPORT FOR DECISION



<b>DECISION OF:</b>	JET HR & Appeals Cabinet
<b>DATE:</b>	JET: 12 <sup>th</sup> August 2019 HR & Appeals: 2 <sup>nd</sup> September 2019 Cabinet: 4 <sup>th</sup> September 2019
<b>SUBJECT:</b>	Human Resources function: Restructure
<b>REPORT FROM:</b>	Councillor Black
<b>CONTACT OFFICER:</b>	Simon Bagley
<b>TYPE OF DECISION:</b>	CABINET KEY DECISION
<b>FREEDOM OF INFORMATION/STATUS:</b>	This paper is within the public domain
<b>SUMMARY:</b>	This report outlines the outcome of the HR/OD review across the Council and makes recommendations about future form and function.
<b>OPTIONS &amp; RECOMMENDED OPTION</b>	<ol style="list-style-type: none"> <li>1. Remain the same</li> <li>2. Support the restructure proposals (recommended option) to ensure a more fit for purpose service, efficiencies are secured and financial savings made.</li> </ol>
<b>IMPLICATIONS:</b>	
<b>Corporate Aims/Policy Framework:</b>	Do the proposals accord with the Policy Framework? Yes
<b>Statement by the S151 Officer: Financial Implications and Risk Considerations:</b>	<b>Proposal supported – it will meet agreed 19/20 savings targets of £200k as determined in Council’s budget.</b>



- Progress work to clarify constitutional provisions for staffing decisions including HR Appeals panel
- Refresh People Strategy principles: identity; culture & workforce priorities
- Communication with HR/OD staff in relation to the review process & to co-design outcomes
- Undertake a squad-led review of every HR policy in consultation with TU
- Review i-Trent capability & options for maximising
- Develop HRMI & technology strategy

However this report concerns only the following additional recommendation:

- Bring together the function into a single corporately-led service, aligned to new departmental structures

## 2.0 ISSUES

In accordance with Council policy and legal requirements, a consultation exercise was undertaken with all employees from within the in scope services across the Council between 18<sup>th</sup> July – 19<sup>th</sup> August 2019, concerning the following proposals:

- Co-location of all Human Resources staff from across the Council
- Establishment of a single, unified service as part of the Council's wider vision of creating a strong Corporate Core
- Dis-establishment of the existing Recruitment and Contracts Team and integrate within a newly established Business Partnering/Operations Team
- Maintain a service dedicated to supporting schools, operated under a SLA basis
- Creation of a People Strategy & Development Team, a Policy & Compliance Team and a People Analytics Team
- All payroll related activity transferred to Payroll Team, with a compensatory resource transfer
- Future delivery of Employee Engagement activity to become responsibility of Communications , Marketing and Engagement Team, with a compensatory resource transfer
- Future delivery of Member Development programme to transfer to Democratic Services
- All Equality and Diversity (non-employment) matters to be transferred to the Policy team, under the leadership of the Chief Information Officer
- Creation of a single Supply Service
- Rationalisation of senior management roles

It is expected that transactional and recruitment activity will reduce in accordance with the budget strategy to minimise all recruitment and agency spend and the expected reduction in services to schools due to acadamisation. The proposed structure places the service below benchmarked costs ensuring that the HROD service is efficient in terms of costs.

The current and proposed structure charts are attached:



Employees have been provided with the opportunity to submit comments throughout the consultation exercise, which will be responded to by senior managers once the final report is agreed.

### **3.0 FINANCE**

Whilst there is likely to be an in-year overspend (due to number of severances/exit costs) the restructure will meet all savings targets for 2019-20 circa £200k via an overall reduction in service costs.

The restructuring of the budgets will now mean a sustainable budget for the future.

### **4.0 CONCLUSION**

The revised structure meets the need to strengthen the Council's managerial capacity and capability, with the service aligned to a more corporate and strategic approach.

It will also deliver efficiencies, strengthen resilience and ensure consistency of approach, by the sharing of scarce resources and professional capabilities, the transfer of knowledge and ability to share learning and experiences.

The restructure will provide opportunity for employee development and career progression, with an overall headcount reduction of the equivalent of 10 FTE posts and an overall cost reduction contributing towards the previous savings targets as referred to above.

Overall the HR function will be much better designed to support the re-organised Council structure.

It is proposed that implementation of the structure will take place from 16th September 2019, however this is subject to formal ratification of a voluntary exit application by full Council on 11<sup>th</sup> September 2019.

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#### **List of Background Papers:-**

Responses to consultation – HR and Appeals and Cabinet Meetings.

#### **Contact Details:-**

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