

Report of	Meeting	Date
Corporate Director (Human Resources)	Corporate and Customer Panel	20 th November 2007

BUSINESS IMPROVEMENT PLAN MONITORING STATEMENT – HUMAN RESOURCES DIRECTORATE

PURPOSE OF REPORT

1. To report progress against the key actions and performance indicators included in the Human Resources Business Improvement Plan for the second quarter of 2007/08.

RECOMMENDATION(S)

2. To note the report and actions included in it.

EXECUTIVE SUMMARY OF REPORT

3. The Human Resources Directorate continues to make good progress against the actions outlined in the business improvement plan.

Specific progress has been made in the following areas:

- Job Evaluation
- Continuous Improvement in BVPI 12 Sickness Absence

Overall performance is improving, although actions are outlined for the Corporate Health BVPI's that require some improvement.

The Directorate is currently undergoing a restructure that is effective from the 1st January 2008. The Directorate's budget is on track, with efficiencies achievable in the second half of the year.

CORPORATE PRIORITIES

4. This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the central Lancashire sub region		Improved access to public services	
Improving equality of opportunity and life chance		Develop the character and feel of Chorley as a good place to live	
Involving People in their Communities		Ensure Chorley is a performing Organisation	✓

BACKGROUND

5. The Business Plan monitoring reports progress against the key actions and performance indicators included in the 2007/08 Business Improvement Plan for the Human Resources Directorate. The report covers the period of 1 July to 30 September 2007.

BUDGET UPDATE

SERVICE LEVEL BUDGET MONITORING 2007/2008 SEPTEMBER 2007

ORIGINAL CASH BUDGET

	£'000	£'000
Add Adjustments for In year cash movements		
Transfer from Earmarked Reserve		483
Slippage from 2006/2007		
- Use of AMF Reserve		
Virements for other Services		17
- Transfer of Health & Safety from H.R. to Finance		36
Transfer from contingency		
Cabinet approved decisions		
Delegated Authority decisions		(40)

ADJUSTED CASH BUDGET

Less Corporate Savings:		_____
		496

CURRENT CASH BUDGET

FORECAST

		496

EXPENDITURE

- Recruitment Advertising		
- Recruitment Expenses		
- Occupational Health		
- Consultants fees	27	
- Training costs	1	
- Salary costs: maternity cover, secondment and restructure	7	
- Agency staff	3	
- Job Evaluation Scheme		-
- Legal fees	22	(7)
Expenditure under (-) or over (+) current cash budget		1

	<u>3</u>
INCOME	
- Staff secondment	57
Income under (+)/ over (-) achieved	<u>(19)</u>
FORECAST CASH OUTTURN 2007/2008	(19)

Key Assumptions

534

- Young Persons Development 1.5 FTE, £5K costs per person per year
- Job Evaluation pay modelling additional costs to be funded from a combination of savings already achieved (JE Reserve £17,477) and virement to be identified from within Human Resources.

Key Issues/Variables

The income from staff secondment has risen to match agreed increased salary costs. A 6 months contract extension for temporary/agency staff has been included, to maintain current levels of service, pending the restructuring of the Human Resources Directorate.

Key Actions

Closely monitor activity against JE and Training budgets.

SERVICE DEVELOPMENTS

6. During the second quarter the following key actions were due to be completed, progress against these actions is summarised in the table below:

Milestone	Progress
Review E recruitment to improve access for all sections of community	All Lancashire Districts, LCC and the two Unitary Authorities are currently in discussion with JGP a Public Sector On Line Recruitment Agency on the procurement of a Lancashire portal for all Councils to jointly advertise vacancies. Discussions are at an early stage.
Include equality monitoring questions in customer satisfaction surveys and monitor responses	A satisfaction survey has been produced and will be sent out with all job applications.
Adopt the new pay policy, communicate results of JE to all employees and undertake employee appeals.	Team briefs were held throughout the Council advising employees of the new pay policy. All employees have been written to explaining how JE has affected them personally and their post. The 20 days allowed for employees to lodge an appeal has past and appeals will shortly commence, envisaging completion

	before Christmas.
Research HR/Training software and liase with other Local Authorities	Research is still being undertaken.
Analyse trends and reasons for absence, produce action plans. Review the current occupational health contract.	Actions completed, a report of the occupational health contract is currently being prepared. Sickness absence is currently 3.2 days after the first 6 months of the year.

PERFORMANCE INDICATORS

7. Set out in the table below is a summary of the key performance indicator data for the first quarter

Indicator Description	Target at 30 th Sept 2006	Performance at 30 Sept 2007	Comments
BVPI 11a % Of Women in Top % of Earners	35	31.25 Red Triangle	
BVPI 11b Black and Ethnic Minority Employees in top 5% of earners	0.5	06.25 Green Star	
BVPI11c Disabled employees in top 5% of earners	9.57	12.5 Green Star	
BV012 Days/ Shifts Lost to sickness (Corporate)	4.5	3.25 Green Star	
BV14 Early Retirements	0.43	0.93 Red Triangle	
BV15 Ill Health Retirements	0	0 Blue Circle	
16a % Disabled employees	4.02	3.01 Red Triangle	
BV17a % Ethnic Minority Employees	1.95	2.73 Green Star	
Human Resources- Sickness Absence	4.5	0.74 Green Star	
Human Resources - Invoices Processed within 30 working days	96.7	91.83 Red Triangle	

In summary the position is as follows:

Status	Number
Green Star	5
Blue Circle	1
Red Triangle	4

Overall performance is positive, but the following indicators have not reached their targets in the second quarter:

- % of women in the top 5% of earners
The top 5% of earners equates to 17 employees within the Council. The previous performance and current target of 35% has not been achieved as 1 senior female member of staff within the top 5% has left the authority. Her post was subsequently recruited to with the best applicant for the post being appointed, who on this occasion was a male.
- % of early retirements
Due to Directorate restructures which resulted in significant staffing savings there have been a number of people leaving the Authority. Due to statutory notice periods and the requirements of the service 3 employees whose employment had been due to terminate before the 1st April 2007 did not retire until after this date. Their early retirement was therefore moved forward into the 2007/08 monitoring period.
- % of disabled employees
As a result of the transfer of both the Housing stock and the Property function a number of employees who consider they have a disability have been TUPE transferred to CCH and Liberata respectively. Employee personal details are to be updated in the next quarter, this may identify any current employees who consider him/herself to have a disability since personal details were previously updated almost 3 years ago. Positive action will continue to encourage applicants from all sections of the community to apply for vacant posts within the Council. Although the best possible applicant for vacant positions will always be appointed regardless of gender, age, disability, race, religion and belief or sexual orientation.
- Human Resources – Invoices processed within 30 working days.
As a result of problems in the first quarter the BVPI is below the Directorates target. Actions and processes have now been adopted that shows an improvement in the latest figure. Every effort is now being made to continually improve this figure, however due to the relatively small number of invoices that the Directorate processes, the number of invoices processed over 30 working days in the first quarter will have an ongoing affect on the BVPI.

RISK MANAGEMENT UPDATE

8. The major risks to performance and achievement of the Business Improvement Plan were the possible effect on morale and service delivery following job evaluation, and the Directorates restructure. Job Evaluation is being effectively managed as previously stated within the report. The Directorate is currently undergoing its own restructure, this is currently being managed and will be complete by the end of December.

VALUE FOR MONEY AND EFFICIENCIES UPDATE

9. Set out in the table below is a summary of the progress against the expected efficiency gains for 2007/08.

	ESTIMATED VALUE OF GAIN £	VALUE OF GAIN ACHIEVED IN SECOND QUARTER £
Procurement of Occupational Health Service	5,000	0
Restructure of the HR Directorate	67,940	0
Total	72,940	0

The review into the Councils Occupational Health Service has been completed, savings will be identified within the subsequent report. The HR Directorate restructure will be effective from the 1st January 2008, when savings will be achieved.

EQUALITY AND DIVERSITY UPDATE

10. The Directorate is working towards its equality actions and targets. A workshop with Shenaz Matadar was held to equality impact assess all new HR policies adopted within the last 6 months.

IMPLICATIONS OF REPORT

11. This report has implications in the following areas and the relevant Directors' comments are included:

Finance		Customer Services	
Human Resources		Equality and Diversity	✓
Legal			

COMMENTS OF THE DIRECTOR OF POLICY AND PERFORMANCE

12. The actions outlined above will support the delivery of the Council's Equality Scheme approved by Cabinet in December 2006.

LORRAINE CHARLESWORTH
CORPORATE DIRECTOR (HUMAN RESOURCES)

There are no background papers to this report.

Report Author	Ext	Date	Doc ID
Lorraine Charlesworth	5159	13 Nov 2007	