

EAST HERTS COUNCIL

HUMAN RESOURCES COMMITTEE - 19 OCTOBER 2006

REPORT BY INTERIM DIRECTOR OF ORGANISATIONAL DEVELOPMENT

5. PEER REVIEW FINAL REPORT

WARD(S) AFFECTED: None

RECOMMENDATION - that (A) the Peer Review Final Report, appended to the report now submitted, be noted, and

(B) Members feedback any ideas for officers to consider when they draft an action plan to implement the recommendations from the Peer Review report.

1.0 Purpose/Summary of Report

1.1 To present the Peer Review final report (see Appendix 'A5' (pages 5.6 – 5.27)). Comments are sought in response to the report and it's recommendations/areas for improvement. Members are also asked to feedback any ideas on what they think should be considered for inclusion in the action plan, which officers will be preparing shortly.

2.0 Contribution to the Council's Corporate Objectives

2.1 Implementing the recommendations from the Peer Review Report will contribute towards ensuring the Council meets the following objectives:

Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.

Objective: Provide adequate, effective and sustainable resources to deliver council priorities, with 2.5% efficiency each year and a Council Tax increase under 5%.

Objective: Ensure effective performance management is used to

deliver success and continuous service improvement year on year by 2% overall.

Objective: Improve overall resident satisfaction with the Council by 2% and staff satisfaction by 2% (using the most recent Best Value Performance Indicator Survey, our Residents Survey and our Staff Survey as the measurement tool)

3.0 Background

3.1 East Herts Council agreed for Consultancy EIB (Excellence in Business) in partnership with IDeA (Improvement and development Agency) to conduct a Peer Review of our Human Resources policies and processes and how we manage people across the organisation. This review is of key importance, as East Herts needs the right Human Resources policies and processes to be in place, as part of re-organisation.

3.2 Normally this would cost approximately £8,000 + expenses; however IDeA have launched an initiative to provide every Council in the district with one free Peer Review as they are keen to pilot this type of review. Council responded to this request and therefore we received this peer review free of charge.

3.2 The overall purpose of the Peer Review, conducted on the 7th and 8th of September 2006, was to ascertain the effectiveness of people management across the organisation and the contribution by the Human Resources function to this and the transformation of the Council.

3.3 Prior to the Peer Review the Council completed a self assessment, presented to August Human Resources Committee, to give the Peer Review background information on the Council and also to identify where we think our strengths, weaknesses and areas for improvement are, and the areas we wished the Peer Review to focus on.

4.0 Report

4.1 It is acknowledged that the Council's level of performance in the areas of Human Resources policies and processes and how we manage people across the organisation has not historically been strong and therefore should be a key focus for improvement. Improvement in these areas is also essential in order to facilitate the organisation becoming excellent.

4.2 Commissioning the Peer Review was a positive sign that East Herts is a council that is looking to continually improve and open itself up to rigorous external challenge in order to improve.

4.3 The Peer Review Team was made up of people who come from a variety of backgrounds:

- Councillor Alan Dean, Liverpool City Council, Elected Member;
- Paula Grainger, IDeA, Regional Skills & Capacity Advisor - Yorkshire & Humberside;
- Jonathan Hambling, Warrington Borough Council, Human Resources Manager;
- Richard Roddie, Review Manager, Partner, Excellence in Business;
- Kelly Sandiford, IDeA, Assistant Director (Skills & Development);
- John Williams, Malvern Hills District Council, Corporate Performance Manager.

4.4 A summary of the key priority areas for improvement, in the Executive Summary of the Peer Review report, are:

- Clearly define and communicate the role and responsibilities of managers in dealing with people management issues, both positive and negative.
- Develop a comprehensive 'Leadership and Management Development Programme' for the new Directors and Heads of Service ensuring that it is in place in time to support the changes associated with the re-organisation and transformation of the Council. It will be important to develop a 'bespoke' programme, based on consultation with these officers, rather than opt for an 'off-the-shelf' package.
- Improve the arrangements for and the role of 'leaders' (including elected members) in recognising the contribution and efforts of officers towards achieving the Council's targets and objectives.
- Develop a balanced set of people management related performance indicators as well as arrangements for monitoring, reporting and acting on these.
- Undertake a consultation exercise to establish what managers expect/require from the Human Resources function and, based on the service a 'modern' function should be producing, establish a 'service level agreement'.
- Review the capacity within the Human Resources function for the provision of strategic advice to the Council following the completion of the Interim Director for Organisational Development's contract.

This should be combined with ensuring the Human Resources Strategy is implemented and providing strategic direction for the management and development of officers.

4.5 In response to the Peer Review report recommendations, officers will now produce an action plan. Ideas from Members are sought in regard to what they would like officers to consider for inclusion in the action plan.

5.0 Consultation

4.6 The Review Team conducted interviews and focus groups from a cross section of staff and members. The final report is based on the feedback from this consultation.

6.0 Legal Implications

6.1 There are no legal implications directly related to this report. Although there may be legal implications from implementing the Peer Review report recommendations, related to ensuring the Council has the correct policies and processes in place, delivers value for money and to support the restructuring process and enable the Council to become 'excellent'. Any implications will be detailed in a subsequent report to Human Resources Committee when the action plan is presented.

7.0 Financial Implications

7.1 There are no financial implications directly related to this report. Although there may be financial implications from implementing the Peer Review report recommendations, related to ensuring the Council has the correct policies and processes in place, delivers value for money and to support the restructuring process and enable the Council to become 'excellent'. Any implications will be detailed in a subsequent report to Human Resources Committee when the action plan is presented.

8.0 Human Resource Implications

8.1 There are no human resource implications directly related to this report. Although there may be human resource implications from implementing the Peer Review report recommendations, related to ensuring the Council has the correct policies and processes in place, delivers value for money and to support the restructuring process and enable the Council to become 'excellent'. Any

implications will be detailed in a subsequent report to Human Resources Committee when the action plan is presented.

9.0 Risk Management Implications

- 9.1 There are no risk management implications directly related to this report. However, there is a risk that without implementing the recommendations from the Peer Review report, the Council will not have the right Human Resources policies and processes in place, including people management processes, to support the restructuring process and enable the Council to become 'excellent'. Any implications will be detailed in a subsequent report to Human Resources Committee when the action plan is presented.

Background Papers

None

Contact Member: The Portfolio Holder for Human Resources is the Leader, Cllr Tony Jackson ext 1642

Contact Officers: Simon Hawkins ext 2244
Gerald Balabanoff ext 1401
Tina Nash ext 1635