

Decision under Delegated Powers

Officer Requesting Decision

Improvement and Organisational Development Manager

Officer Making the Decision

Chief Executive

Recommendation

That approval be given to amend the contract for the provision of HR services with Leicestershire County Council to bring the transactional HR service back in house, resulting in the creation of 2 part time (21 hours) HR Administration Assistant posts within the Improvement and Organisational Development Team, effective 3rd February 2014.

Reason

To improve the delivery of transactional HR services to the authority.

Authority for Decision

Section 8.1, items (iii) and (vi) of the Constitution gives delegated authority to Chief Officers to do anything which facilitates, or is conducive or incidental to, the implementation of decisions properly authorised by the Council or a committee of the Council, the Cabinet or a committee of the Cabinet.

Section 8.2, item 6 of the Constitution gives delegation to the Head of Paid Service to agree changes to the establishment, within budget and without major service or policy implications, affecting no more than five posts (irrespective of their post number) in any single case.

Decision and Date

Approved  17/02/2014

Background

In May 2010, Cabinet agreed that the HR Service for Charnwood Borough Council (CBC) would be provided by Leicestershire County Council (LCC). This came into effect on 1st November 2010, when 6 staff were TUPEd to LCC, who from that date provided all HR services, encompassing:

- HR Administration
- HR Helpline for Line Managers (ESC Helpdesk)
- HR Advice Service
- HR Consultancy Service
- HR Business Partner

In the three years since the start of the contract, there have been various issues regarding the delivery of service, particularly with the transactional HR service, incorporating the administration and helpdesk service, provided by LCC through the East Midlands Shared Service (EMSS), formerly the Employee Service Centre. Various meetings have been held to discuss improvements and various actions have been undertaken by both LCC and CBC to improve the service, however in September 2013, the Corporate Management Team agreed that the transactional service should no longer be provided by the EMSS. Discussions with LCC about how this could be accommodated were ongoing until January 2014, when it was agreed by both parties that this part of the service should be brought back in house and be provided by CBC.

This will result in the creation of 2 part time posts, HR Administration Assistants, Scale 3, both working 21 hours, reporting to the Improvement and Organisational Development Manager, at a cost of £24,600 (based on the top spinal point for the grade. The 2 posts will provide some resilience for holidays and sickness.

The HR Advice service and the delivery of policy will continue to be delivered by the Strategic HR function within LCC, consisting of a full-time HR Manager, an HR adviser (4 days/week), an HR assistant (2.5 days /week) and full-time adviser providing policy development. This means the majority of the HR service is still delivered by LCC, in line with the original Cabinet approval and as evidenced by the fact that the contract with LCC will still cost £180,000 (current contract for 2014-2015 is £209,055). The cost also includes management overheads and resilience to ensure CBC receives an HR service from LCC even if all our named staff are on leave or off sick.

The Business Partner service will now be provided as and when required, and charged at a day-rate. However with a full-time HR Manager this should be very limited. The cost for the Business Partner consultancy will be covered from the balance, of the draft budget for 2014-2015, £4,455 (£209,055 - £180,000- £24,600).

This amendment is within the budget and purpose of the original cabinet decision.

HR Advisor: Steve Copeland

Summary of Comments from HR: To ensure the delivery of an effective transactional HR service it is necessary to recruit an employee to work

alongside the strategic HR Team to deliver recruitment and issue and amend contracts of employment. HR fully support this action.

HR seen recommendations (both draft and final, if amended): Yes

Financial Implications

HR Service	2013-2014 Current HR Budget (already paid to LCC) (February & March)	2013-2014 Required Budget (February & March)	2014-2015 Draft Original HR Budget	2014-2015 Required Budget
HR admin (temp for Jan/Feb @£10.98/hour for 37 hours for 8 weeks)		3,250 (Refund requested from LCC)		
HR admin (2 permanent part- time posts - 21 hours @ Scale 3 (top spinal point))				24,600
HR Advice		30,000 (already paid to LCC)		180,000
HR Consultancy (ad-hoc @£450/day)		1,247 (Refund requested from LCC)		4,455
Total Cost	£34,497	£34,497	£209,055	£209,055

Therefore the required budget for the rest of 2013-2014 is within the current budget and also provides budget, £1247 for any Consultancy required from the Business Partner during February and March. As the cost of the original HR service has already been paid to the end of March, a refund of £4,497 has been requested from LCC. This is the difference between the amount already paid £34,497 for February and March and the cost of the new service from LCC for the same period, £30,000.

The overall cost of the service for 2014-2015 is £204,600, leaving a balance of £4,455 to provide approximately 10 days consultancy from the Business Partner, as required.

Risk Management

List risks in table below or state that 'No specific risks have been identified with this report'.

Risk Identified	Likelihood	Impact	Risk Management Actions Planned
Reduced level of service during the transition of HR back to CBC			A temp is being recruited to cover the work until permanent staff are recruited. The HR advice team will provide additional cover during the transition period, until the new staff are up to speed on the processes and systems.

Key Decision:

No

Background Papers:

Cab 13 May 2010 Item 15 Future provision of Human Resources Service (exempt)