

SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL:

**SERVICE PLAN FOR HR & PAYROLL SERVICE
2009/10 TO 2011/12**

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Portfolio Holder/s: Cllr Mark Howell, Staffing Portfolio Holder

SERVICE PLAN OVERVIEW

1. Key Functions and Responsibilities

The HR and Payroll service is a corporate support function. The purpose of the service is to drive organisational people development; support the Council in attracting and retaining the right people, providing an environment to maximise performance, influencing and supporting organisational change and in achieving equality and diversity. The service ensures that the Council implements employment best practice and the statutory requirements in the various employment, health & safety and equalities acts. The Payroll team aims to ensure the timely and accurate payment of salaries and wages to all employees and members and the provision of statutory information to HMRC.

- Recruitment and retention of employees – ensuring policies, practices and processes conform to relevant employment and equalities legislation and follow best practice.
- Performance management – ensuring policies and processes follow industry best practice and conform to relevant employment legislation.
- Development of policies and practices to support organisational development in particular, the identification of corporate learning opportunities and effective training provision so that employees can perform to their full potential.
- Payment of salary and allowances to employees and elected Members.
- Provision of pay and allowance information in accordance with HMRC and statutory requirements.
- Management of sickness absence and capability issues.

2. Context

a) External Drivers

The following external drivers will influence the service

<p>Political</p> <ul style="list-style-type: none"> • Changes to employment legislation – statutory dispute procedures, extension to flexible working rights, new immigration system • Extension to the Equalities duty placed on Local Authorities • Outcomes of stayed ET cases – Age discrimination challenges • Equal Pay – outcomes of cases • New employment vetting system and overhaul of CRB checks 	<p>Economic</p> <ul style="list-style-type: none"> • Council budgets and financial position • Changing economy/credit crunch • Downturn in private industry • Issues with the housing market – making it more difficult for individuals to relocate
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<p>Social</p> <ul style="list-style-type: none"> • Changes to lifestyle trends • Changes to demographics • Housing costs and availability • Transport issues • Skills shortages • Ageing workforce 	<p>Technological</p> <ul style="list-style-type: none"> • Systems development to enable roll out of further Resourcelink modules • Move to on-line recruitment processes • Changes in the use of technology in advertising
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b) Key Partners

The HR & Payroll team are currently working with the following partners:

Huntingdonshire DC, Fenland DC, East Cambs DC – Shared services project

Cambridgeshire County Council, Cambridge City Council, Cambridgeshire Horizons – Growth Agenda joint recruitment campaign and shared Urban Design team.

Cambridge City Council and Fenland DC - joint procurement of the integrated HR/Payroll system (Resourcelink) from Northgate.

Addenbrookes Occupational Health team for the provision of advice. The County Council are currently undertaking a tender process for the future provision of Occ Health service. SCDC will be considering the outcome and selection of the new provider before deciding whether to enter into collaborative procurement arrangements with the County Council.

Cambridgeshire County Council and other county partners in the joint procurement of advertising, agency staff and occupational health contracts which deliver cost savings and improved services.

c) Strengths and Weaknesses

<p>Strengths</p> <ul style="list-style-type: none"> • Team skills and experience • Enthusiasm • Professional and committed workforce • Breadth of knowledge 	<p>Weaknesses</p> <ul style="list-style-type: none"> • Large number of complex corporate projects and initiatives to support • Lack of technical systems expertise to enable better use, support and develop Resourcelink system
<p>Opportunities</p> <ul style="list-style-type: none"> • Shared Services • Service reviews • Management Development programme • Succession Planning • Equalities agenda/EIA's • Investor in People project • Housing Futures 	<p>Threats</p> <ul style="list-style-type: none"> • Potential equal pay claims • Loss of key staff/turnover • Lack of budget to deliver HR/organisational development initiatives • Efficiency saving requirements • Political change/balance of authority • Services exposure to competition • New national indicator set and performance management framework • Loss of momentum on improvement programme

3. Service Objectives

Service objectives have been developed to take account of the Council's new aims, approaches and actions for 2009 to 2010.

Council's Aims (3 A's – Aims, Approaches, Actions)

- ***We are committed to being a listening Council, providing first class services accessible to all***
- ***We are committed to ensuring that South Cambridgeshire continues to be a safe and healthy place for you and your family***
- ***We are committed to making South Cambridgeshire a place in which residents can feel proud to live***
- ***We are committed to assisting provision for local jobs for you and your family***
- ***We are committed to providing a voice for rural life***

HR & Payroll Service Objectives

To support the Council in attracting and retaining the right people:

- Provide support & advice to service areas on the recruitment & selection of staff
- To provide support and guidance on vacancy and advertising management
- Provide support and advice to managers on the appointment of staff
- Provide support and advice on retention issues
- Provide support and guidance to service managers on performance management issues
- Developing skills and competencies to deliver the council's objectives
- Support organisational change initiatives
- Promote and achieve equality & diversity in employment

To provide a HR & Payroll service to meet the needs of service areas and ensure compliance with statutory requirements:

- To provide up to date policies, procedures & guidance to employees & managers
- Support and advise service areas on employment related issues

To ensure the timely and accurate payment of salaries to all employees and members and to provide statutory information to HMRC & other government bodies:

- To ensure that employees and members are paid accurately and in a timely manner
- To complete year end processes to deadlines
- To implement annual pay and allowance awards
- To provide employee and member pay data to HMRC and other external bodies as per statutory requirements
- To provide information to the LGPS administering organisation to ensure the accurate and timely collection of contributions and payment of pensions
- To Pay Mileage claims

4. Our Customers

The HR & Payroll service provides an internal service to staff, at all levels, and elected members. Customer/staff satisfaction rates are used as a means of consultation and a measure of customer feedback.

External customers include Cambridgeshire County Council Pensions section, other local authorities, partners, Farmland Museum, Her Majesty's Revenue & Customs, Dept of Work & Pensions.

5. Progress/Performance Overview

BVPI 12 Sickness absence – has shown improvement in relation to long-term cases following the review of absence management processes and reporting. However, further action is required to improve short-term/repeat absences occurrences.

A review of the Workforce Action Plan has confirmed that all key actions and initiatives for 2008 are either completed or on target for completion. The WFP has been refreshed (Cabinet 09.10.08) to take account of new organisational challenges and the action plan has been revised accordingly. New actions have been built into the HR Payroll service plan.

Turnover reduced in 2008 to 9.54% against a target of 11%

Achievements

- Completion of the recruitment of new corporate manager New Communities
- Joint working with county partners to recruit growth agenda posts and to form a joint urban design team
- Quality of employment advice to managers on service reviews, absence management and performance issues
- Implementation of relevant legislation (Age-duty to consider, Flexible Working, Equalities)
- Review of Family Issues policy
- Review of Probation Guidance
- Development of a management competency and learning framework
- Review of Work Experience programme
- Agreement with the trade unions and commencement of the Job Evaluation project
- Implementation of new system hierarchy in Resourcelink
- Supporting the Equalities work including the procurement of corporate equalities training contract
- Progress towards Investor in People accreditation
- Review of Contract mileage payments

Work outstanding/ongoing

- Review of corporate policies (CRB, Employment of Offenders, Relocation policy (underway),)
- Progressing the roll out of HR/Payroll system modules
- Introduction of e-induction for new employees
- Support to Housing Futures Project
- Job Evaluation project
- Review of Contract Hire scheme

6. Resources

budget and outturn for 2006/07 and budget for 2007/08 summarised. Template to be circulated separately

7. Value for Money Overview

Ratio of HR staff to employees is 1:153
Industry average for organisations of 530 employees is 1:108

Ratio of Payroll staff to employees is 1:286

The cost (2007/2008) of the HR function per employee is:

2005/2006 - £715

2006/2007 - £632

2007/2008 – £665

Costs of HR as a percentage of organisational running costs:

2005/2006 - 0.57%

2006/2007 - 0.62%

2007/2008 - 0.73%

Cost of training as a percentage of organisational running costs:

2005/2006 - 0.27%

2006/2007 - 0.38%

2007/2008 – 0.50%

8. Workforce Overview

The HR & Payroll team consists of the following:

1 x Human Resources Manager (FT)

2 x HR Officer (FT)

1 x Payroll Officer (FT)

2 x HR co-ordinators (PT)

1 x HR/Payroll co-ordinator (PT)

1 x Payroll Assistant (PT)

1 x Job Analyst

Job knowledge and competency levels are good and each team member has personal objectives and a development plan. CPD is essential in order to maintain and improve professional knowledge. Coaching and mentoring within the team has been a key aspect in developing HR co-ordinators during the year. A key issue is the shortage of experienced HR and Payroll staff in the marketplace and therefore it has been difficult to fill vacancies if they arise on the team. Temporary agency staff have been used to provide additional support at busy times. Service resilience is a particular issue in the Payroll area where much of the system and process knowledge is held by one Officer. This is being address through the development of process manuals.

9. Equalities Overview

A key issue facing the HR service is the workload entailed in supporting the organisation to achieve level 2 of the Equality Standard for Local Government. Considerable resources were allocated to the development and procurement of a

corporate training programme for employees and Members. HR and Payroll processes and policies will also need to be reviewed, using the Equality Impact Assessment method, and revised, where necessary, to ensure best practice. Improvements to Family issues policy and flexible working will help to recruit and retain a diverse workforce.

10. Risk Overview

Key risks areas have been identified in the service risk register:

- Threat of Equal Pay claims, this would be a significant strain on HR and Payroll resources as well as a financial risk for the Council
- Council budget/financial constraints may restrict or prohibit some planned training, succession planning and development initiatives
- Difficulties in recruiting key staff to provide capacity in service areas
- HR and Payroll team resilience is a concern
- Delay in HRP system development and module roll out
- Corporate IT or HRP system failure.

11. Other Elements of the Service Plan

The HR & Payroll Improvement plan includes four key cross cutting areas:

- Equalities including Equal Pay
- Management Training & Succession Planning
- Contract Hire Scheme, Travel reimbursement & Subsistence review