

**Working together to create a borough of opportunity
Predictive Equality Impact Assessment (PEIA) (V.2)
FOR ALL COUNCIL DECISIONS ONLY**



Title of report or proposal:

Re-organisation of human resources

Describe in full the aims, objectives and purpose of the proposal, including desired outcomes:

The proposal wishes to centralise all H & F human resources staff and functions into Assistant Chief Executive's Department. A review of the HR function in Hammersmith & Fulham was commissioned in 2006 from SOLACE. Their brief was to examine the scope, priorities, effectiveness, organisation, capability and efficiency of HR in the centre and in departments. The overriding aim is to seek a solution, which will reduce costs while improving service levels.

Improvements to the role and operation of HR will deliver a better, cost-effective service relevant to the business needs of the organisation. The headline findings from the SOLACE review are:

- Highly committed HR staff and pockets of good practice.
- Lack of strategic focus and direction and Organisational Development resource.
- Inconsistency of policies and their application, of services delivered and standards of delivery.
- Expensive and over staffed. HR staff/staff ratio high for London.
- Managers, staff, HR not clear what HR role is or could be.
- High level of HR administration activity.
- Poor communication.
- Concerns about Trent's ability to deliver.
- Appetite for change (but concerns about HR disengagement from the business).
- Perceived gap between current skills and capabilities of HR staff and those needed.

The recommended model addresses the challenge of improving consistency and making savings through centralising with meeting the business needs of departments. The new HR and OD offer sets out to balance the needs of the whole organisation with those of individual services.

The outcomes expected:

- Delivery on key corporate priorities e.g. concluding single status negotiations, support to managers to reduce sickness levels, improved appraisal and performance management introduced and embedded.
- Focus on change management and talent management through diverting resources.
- Realise efficiencies (MTFS projected savings £250k 07/08, £500k 08/09).
- Consistency of service - 'One Council' rather than individual departments.
- Customer satisfaction across departments.
- Simpler, speedy procedures used across organisation.
- Manager's self-service through Trent investment.
- Improved training and development offer to staff (including HR staff).
- Clarity and confidence in HR and management roles.

Department:

Assistant Chief Executive

**Form and report MUST be checked and countersigned by the Principal Policy Officer
(Organisational Development)**

Officer Responsible: (to be completed by the report author)

Email completed form to PEIA@lbhf.gov.uk

Pinakin Patel on behalf of Lesley Courcouf, Assistant Chief Executive

(Signature, Print Name, Contact Number and Email Address)

Principal Policy Officer: (to be completed by the Principal Policy Officer (OD))

Signed off by Pinakin Patel at 17:08 on 27/06/07. Email pinakin.patel@lbhf.gov.uk Tel 020 8753 5727

PLEASE ANSWER THE FOLLOWING QUESTIONS:

1. Who are the main people that this decision will affect?

The proposal will directly affect current HR and OD staff, including temporary staff and indirectly affect Council staff and managers.

Following the re-organisation the current headcount of 88.5 HR staff working across the council will reduce to 75 staff over a two-year period. The proposals will result in MTFs savings of £250k in 07/08 and £500k in 08/09. The following points should also be noted:

- There are three Assistant Director posts in the new structure. Two permanent appointments will be externally advertised. The third will be a temporary appointment for two years and will be advertised internally. These senior posts are necessary at this time to ensure that the transfer to the new structure is achieved smoothly and with minimum disruption to services. The need for three Assistant Directors is not believed to be necessary in the medium term.
- An assessment process will be used to ensure that posts are filled by appropriately qualified staff.
- Occupational Safety unit will transfer to the Environment Department as part of this re-organisation.
- Trent Team will transfer from the Finance Department to ACE as part of this re-structure.
- The Learning and Development Team will incorporate staff and resources from departments. A small team will remain in Community Services for professional training for Social Services.

2. Identify the risks that could prevent the planned outcomes

Reversal of the decision by Cabinet and/or the Corporate Management Team.

3. Could the proposal have a positive impact on a) race b) disability c) gender d) sexual orientation e) age f) belief system groups? (Please provide evidence e.g. user feedback, complaints, monitoring?)

a) b) c) d) e) f) The proposal will have a positive impact in terms of equalities for the following reasons:

- Consistent and robust approach and application of HR and OD policies, procedures and processes across all departments in H & F
- The transfer of the TRENT team from Finance to ACE will improve the quality and frequency of equalities monitoring/reporting of employment and training
- Four new HR/OD Business Partners with remits and responsibilities to mainstream and activate the diversity agenda within Departments
- Strengthening of the Corporate projects team will help to mainstream diversity in H & F's business processes
- All HR staff will have the opportunity to apply for any of the 75 or so posts that come up- an excellent opportunity for increasing the diversity of the H & F HR community
- Strengthening of the training function will provide greater development and training opportunities for staff

4. Could the proposal have a negative impact on a) race b) disability c) gender d) sexual orientation e) age f) belief system groups? (Please provide evidence e.g. user feedback, complaints, monitoring?)

a) b) c) d) e) f) There will not be any direct adverse impact on any of the above groups. However, there will be a reduction in the number of staff approx 13 staff. Some of these will be agency staff. The recruitment process is robust and will ensure fairness across the change process.

5. Can any negative impact of the decision be justified?

There will be a negative impact but not in terms of equality and diversity however. The need to have an excellent and effective HR and OD function, together with the Council's Value for Money priority, has necessitated this change. H & F's HR function needs to respond proactively, positively and promptly to the transformational changes which are happening in H & F.

6. If you have undertaken any internal/ external research or consultation(s) please list these below:

Staff were consulted throughout the process using staff events, meetings, newsletters and email.

7. Do you need to undertake any further consultation? If so, what and with whom?

No further consultation is required.

PLEASE EMAIL COMPLETED FORM TO PEIA@lbhf.gov.uk

**Contact: Pinakin Patel, 020 8753 5727
Assistant Chief Executive's Department
London Borough of Hammersmith & Fulham**