
REPORT TO:
FINANCE & MANAGEMENT COMMITTEE

AGENDA ITEM: 10

DATE OF MEETING 4 September 2003

CATEGORY: OPEN

REPORT FROM: PERSONNEL & DEVELOPMENT MANAGER

MEMBERS'

CONTACT POINT: J WILLOUGHBY EXT. 5729

SUBJECT: HUMAN RESOURCE MANAGEMENT –
BEST VALUE REVIEW FINAL REPORT

WARD(S) AFFECTED ALL

REF: CE8

1.0 Recommendations

1.1 That the report be received and the action plan be approved.

1.2 Purpose of Report

1.3 To inform members how the HRM Best Value Review has been undertaken, and the final outcomes / actions being recommended as a result.

2.0 Executive Summary

2.1 The terms of reference for this review were for a review of the whole service to ensure effective and efficient delivery of quality Personnel & Development Services to the authority that also provides value for money; to include a review of the policies and systems that support performance management and the management of change throughout the Authority.

2.2 The review is now complete and has gone through due process, including addressing the four 'C's' Challenge, Compare, Consult & Compete.

2.3 A Baseline Assessment has been prepared and duly challenged.

2.4 The review team has drawn out the key issues they consider the authority should address in relation to HR and have evidenced how they have arrived at these recommendations. These can be found at paragraph 6.1. The Finance & Management Committee approved these key issues in January 2002.

2.5 The key issues have undergone an option appraisal exercise, and proposals for action have been made and challenged.

- 2.6 A range of focus groups have been undertaken, to consult with service users, members, and Personnel & Development staff on the options proposed. The most recent in July 2003. All show Personnel & Development as an improving service.
- 2.7 The IIP Interim Assessment in June 2002, acknowledged improvements in the service provision, in particular relating to Employee Development, and the procedures we introduced to support performance management in the organisation. The assessor considered the organisation had a *'forward looking and professional HR department committed to introducing appropriate change for the right reasons'*. The final IIP report in April 2003 awarded the Authority the Investor in People Award. The Assessor re-confirmed her earlier views on employee development procedures, practice, and availability of the service in her final report and recognised the work done to improve this further, plus the introduction of measures to improve communication, and morale.
- 2.8 Joint working opportunities with other authorities, internal divisions, and the Learning Skills Council have been developed and continue to progress.
- 2.9 A range of comparative data studies have been undertaken. The review team considers the impact of the financial crisis in 1999 clearly affected the 'Organisational Health PI's', and employee morale, which formed a key part of the comparative data of the service at that time. It was a difficult time for such a service to be compared.
- 2.10 The Review Team were informed that before the final report and action plan could be taken to Finance & Management Committee in April, the review was required to undergo a 'reality check' as part of the BV assessment process. This was to be organised by the BVWG and would be done by an external organisation/consultant. This was outside the control of the review team, and was not concluded until October 2002. It delayed the review by some 10 months.
- 2.11 The Action Plan was completed, and forwarded to the BVWG for approval. (**See Annexe A**) Further delays occurred outside the review team's control. However, due to the delays a number of key tasks have been undertaken already by the service, as we could not wait any longer, for the Best Value review to be concluded and the action plan has been cut down considerably, with those tasks already achieved identified in Section 13 of this report. The follow up focus group in July 2003 provided some further suggestions for improvements that were incorporated into the action plan too. The review has also been considered and approved by the Corporate Scrutiny Committee for consideration by this Committee.
- 2.12 The review will no longer be inspected as a stand-alone review. The inspectors will cover HRM when they undertake the Council's Corporate Performance Assessment. Ongoing monitoring processes for the action plan have been identified.

2.13 Further relevant supported reading will be made available for the inspectors, details of relevant documents can be found at **(Annexe B)**.

3.0 Detail

3.1 Terms of Reference

As part of the Best Value process, Members agreed a Best Value Review for Human Resource Management in Year 2. The Best Value Performance Plan identified this review as being justified in terms of improving performance, and providing high quality, value for money services. The Plan identified that both Personnel and Development Service areas would be reviewed. It also indicated that effective policies and systems were required to support Performance management and the management of change throughout the Authority.

3.2 The terms of reference were therefore already clearly identified. It was to be a review of the whole service to ensure effective and efficient delivery of quality Personnel & Development Services to the authority that also provides value for money. This would include a review of the policies and systems that support performance management and the management of change throughout the Authority.

4.0 Scope

This has been a whole service review to look at the level and range of Personnel and Development services being delivered, where and how they are being delivered, and their involvement at corporate, operational and administration levels. The review has applied the four C's, - (Comparison, Challenge, Competition, and Consultation) and produced an implementation plan for improvements.

4.1 An officer review team was established in May 2001, which comprised of: -

- Personnel & Development Manager (Review Team Leader)
- Employee Development Officer
- Personnel Officer
- Council Tax Team Leader
- Environmental Protection Manager (Health & Safety and Best Value Working Group representative)
- Personnel Admin Asst. (Note taker / Administrative support)
- An officer from the Learning Skills Council
- GMB trade union representative
- UNISON representative

4.2 Councillors were allocated to the review team in August 2001, they are:

- Councillor J Carroll
- Councillor M Lauro
- Councillor R Walton

4.3 A project plan along with the terms of reference, and scope of the review and were approved by the Finance & Management Committee on 19 July 2001.

5.0 Baseline Assessment

A Baseline Assessment outlining the current position of the service was completed. The assessment addressed the following areas: -

- Profile of the District
- Scope of the Review
- Democratic Process inc. User & Employee Involvement
- Corporate Vision & Objectives
- Legal Framework
- Current Resources
- Service Costs
- Organisational & Management Structures
- Current Standards, and Best Value Performance Indicators
- SARATOGA Comparative Benchmarking
- Audit Group Comparisons
- East Staffs BC Comparative Benchmarking
- Corporate Employment Policies & Procedures
- Service Providers
- Relationships with other Internal services
- Who are our Stakeholders?
- Local, Regional, and National Context of Service
- Recommendations from Significant Others

6.0 Challenge

The Baseline Assessment was challenged at a review team meeting on 28 November 2001. A further meeting on 19 December 2001 enabled the group to then draw out the key issues for the authority to address. The Finance & Management Committee approved the key issues in January 2002.

6.1 The approved key issues arising from the HRM Baseline Assessment are identified in the table below:-

KEY ISSUE	EVIDENCE
1. Clarification & Communication of role of Personnel & Devt., including areas of overlap with other service providers	Staff Survey P&D Staff Consultation Member Survey Feedback from other internal support service providers
2. Democratic Processes – do existing arrangements support/add value to HRM function. Ethical Standards Agenda. - Employee & Member Devt, & Staff Consultation mechanisms	Change to Council's Structure 2-7-01 Corporate Plan Service Plan ESBC Survey Members Survey
3. Implementation of transparent, and responsible Single Status Agreement, which includes the Single Status Job Evaluation Scheme	Corporate Plan Service Plan National Joint Council Agreements ESBC Survey Local Agreement with Trade Unions Legislation re: Equal Pay Staff Consultation SSSG Terms of Reference
4. Recognition of the importance of People Issues, and dynamic impact legislation has on the service area Need to understand and manage high levels of Sickness Absence & Ill Health Retirements Ensuring People are treated fairly & equitably in employment Supporting the Improvement of Employee Morale	44% of Critical Success factors in Corporate Plan are people related Service Plan Legislation SARATOGA Report BVI's Audit Group Comparison BV Inspectorate Reports ESBC Survey Staff Survey P&D Staff Consultation Members Survey
5. Supporting the ongoing development of a performance management culture	Corporate Plan Service Plan District Audit Letter to Management 1999/00 BV Inspectorate Reports
6. Role of assisting the organisation to develop its customer focus	Corporate Plan Service Plan ESBC Survey Staff Survey
7. Delivery of a Value For Money service & need for continuous audit and review of systems, linked to organisational priorities	Corporate Plan & Service Plan ESBC Survey Best Value Performance Plan P & D Staff Consultation SARATOGA Report

6.2 These key issues have been assessed in an option appraisal exercise, by the review team. The review team has had an external member from the Learning Skills Council. Additionally the Deputy Chief Executive and Policy & Best Value Manager attended these meetings as 'challengers' to the approach taken by the review team and to the options proposed.

6.3 An external reality check was undertaken at the latter stages by an external consultant. Also reports have been taken to the Best Value Working Group, and Corporate Scrutiny Committee for challenges to be made on the process and reports at key stages, outlining findings / recommendations have been made to the Best Value Working Group, and Finance & Management Committee to be challenged.

6.4 External Reality Check

6.5 The main findings of the Reality Check in October 2002 were that the Personnel & Development Division:-

- ❖ 'provide a reasonable service but as they acknowledge, there are areas needing attention. The service aims are clear. Because of the financial problems in previous years there is a considerable element of 'catch up', so all of the targets are challenging.
- ❖ The key aims are being met, but there is room for improvement. Some of the targets need to be more specific.
- ❖ Personnel Division is doing a similar range of work to a comparable size of company in the private sector. More precise comparisons would require benchmarking statistics.'

6.6 When asked if the service would improve he confirmed:-

- ❖ 'Yes subject to maintaining the existing level of resources. There is a long way to go but, if attention is paid to the recommendations, then there are new opportunities for improvement.'

6.7 The key issues he identified were:-

- ❖ Corporate challenges and opportunities
- ❖ Staffing in Personnel
- ❖ Strategic or Admin function?
- ❖ Training and Development
- ❖ Personnel profile
- ❖ Monitoring
- ❖ Use of I.T.
- ❖ Equal Opportunities
- ❖ Role of Line Managers

- 6.8 The key recommendations he made in October 2002, were that the service needs to:-
- ❖ raise our profile and be more proactive
 - ❖ work more closely with line managers to ensure delivery of personnel policies
 - ❖ introduce effective monitoring to ensure policies and procedures are carried out as intended
 - ❖ control and justify costs
 - ❖ introduce successfully Single Status
 - ❖ monitor trends & patterns of Absence levels & ensure managers have feedback
 - ❖ address any teething problems to PDR process
 - ❖ evaluate effectiveness of all Training & Development (internal and external)
 - ❖ review computerised system for recording Training records re: integration with main system
 - ❖ clarify purpose of introduction of Management Development Programme
 - ❖ address issues around poor diversity levels
 - ❖ streamline recruitment processes through use of IT, and pass over more of administration to managers
 - ❖ utilise job specifications from SSJE to develop JD's for posts
 - ❖ evaluate impact of legislation in service plans
 - ❖ have a key role in implementation of Data Protection legislation for employees
 - ❖ identify lead officers for key tasks in the plan
 - ❖ Review efficiency of HR/Payroll system and look at feasibility of new E-HR systems
 - ❖ Clarify role re: Health & Safety training
 - ❖ Change priorities in action plan from customer priorities to organisation's priorities
 - ❖ Consider whether IT training should remain with Personnel & Development
 - ❖ Give line managers more responsibility for dealing direct with external training providers and relevant budgets
 - ❖ Consider outsourcing staff newsletter
 - ❖ Explore possibility of employee forum, but only let it contribute to not control policy direction
 - ❖ Continue with members development programme

7.0 Consultation

- 7.1 A written questionnaire was sent out 40 employees, plus Divisional Managers, and CMT members. The questionnaire was to assess their view of the current level of service, and whether or not they perceived it to be improving, staying the same, or deteriorating. They were also given a further option of confirming whether or not they were aware we undertook the particular areas of service. Results of Staff Survey undertaken identified that:-

- Mainly PO2 – Sc3 Clerical employees responded
- There is a need to clarify the Division's role and improve communication of what we do
- There was a positive recognition of the quality of information available on employment policies
- There was a lack of understanding of responsibilities, i.e. JD's
- There are still ongoing fears / insecurity following LGMB JE and the 2000 organisational review.
- There was positive feedback with employees seeing us as improving service

7.2 Following the advice of the Councillors on the review team, the Employee Development Officer undertook a telephone questionnaire of members. This was to focus on similar themes to the staff questionnaire. A letter that made them aware of what we were trying to do and what to expect preceded it. Members Survey results were as follows:-

- There was again a lack of understanding of our role
- There was a view that through LGMB JE we were seen as management tools
- That low staff morale is our responsibility
- There are currently a limited number using the member development opportunities we provide.

7.3 The Personnel and Development general staff meetings that are held monthly have had the Best Value Review as a standing item since some 6 months prior to its commencement. All relevant documents relating to the review were placed on a shared drive for the staff to view, and a considerable amount of work in preparing the baseline assessment involved the staff. There was a number of the staff on the review team.

7.4 Additionally a specific consultation meeting was held with them, to formally ask their views on the comparative performance data results, and the feedback from the consultation surveys. They provided a group written response to these questions. Their views were:-

- There is a need to clarify our role
- Is the service too wide-ranging?
- SARATOGA report – there were concerns over how it had been presented and recognition that it did not provide a qualitative comparison
- They see the comparison results as a snapshot of a difficult year following the financial crisis.

7.5 In response to the feedback from the Staff questionnaire their views were that: -

- Feel employees generally in the organisation seem insecure
- There is a need for improved communication, and visible leadership at all levels of the authority.
- There is a need to in-build ongoing evaluations of service
- They have already offered some ideas for improvement for next stage of review

- 7.6 A range of focus groups were undertaken, to consult with service users, members, and Personnel & Development staff on the options proposed, and to seek views on prioritisation of tasks. The group utilised this feedback to assist in the formulation of the final action plan. Generally customer priorities matched across the groups, i.e. Members, CMT, & employees, so in the majority of areas we should be able to accommodate them all.
- 7.7 However, there is an exception in that CMT placed Equal Opportunities and the Democratic Process much higher. Whilst our other customers don't perceive these to be big issues for the immediate future, CMT consider some key tasks to cover statutory requirements will need to be undertaken, and this is agreed. There are other statutory tasks that will also have to take priority regardless of customer views.
- 7.8 Also our customers would prefer the one stop shop, - gold star service, where everything including all Personnel related administration, is undertaken by the Personnel & Development Division. This was put to CMT, but their view at that time was that any such approach would only be through IEG solutions, and that our action plan should be within existing staffing resources, therefore we did not follow this up in this Best Value Review.
- 7.9 To provide such a 'gold star' service was therefore not realistic at that time within current organisational resources and priorities. It really would require a follow up review to consider this and additional resources. We have therefore taken the approach in this Best Value review, based on the recommendations of CMT at the time, to have a vision to build the capacity of our managers, to enable them to effectively manage their people resources, with clear statements of standards of our service provision. The key task will be to communicate our approach positively and clearly to our customers. We will be looking at further improvements however, in terms of utilising I.T. facilities to improve service delivery to our customers.
- 7.10 There are a significant number of the Corporate tasks which whilst we can do a lot of the underpinning work, it will be CMT, Divisional Managers and Supervisors that will be required to demonstrate the commitment and input to the processes, if they are to be successful.
- 7.11 A further consultation exercise took place in June 2002. This was the interim IIP Assessment. The Assessor undertook a number of confidential focus groups, and one to one interviews with a cross section of employees. The outcomes of this showed positive improvements in the service since the Baseline Assessment in November 2001, particularly in relation to Employee Development and the procedures supporting Performance Management. The organisation was accredited with 66% of the sub-indicators.

- 7.12 The final assessment was undertaken in March 2003, when the Authority was awarded with Investor in People status.
- 7.13 The IIP Interim Assessment in June 2002, acknowledged improvements in the service provision, in particular relating to Employee Development, and the procedures we introduced to support performance management in the organisation. The assessor considered that *'processes that have been introduced have been done well and the route to the Investor in People Standard is being used for the benefit of the organisation not as a badge gaining exercise.'* The organisation has a *'forward looking and professional HR department committed to introducing appropriate change for the right reasons.'*
- 7.14 The final IIP report in April 2003 awarded the Authority the Investor in People Award. The Assessor re-confirmed her earlier views on employee development procedures, practice, in her final report and recognised the work done to improve this further, plus the introduction of measures to improve communication, and morale.
- 7.15 She stated *'at the first assessment people at senior and middle management levels felt valued and involved and communication to Divisional Management was working well but there was a mixed response below this level. However the impact of the new communication processes and work with line managers has been very positive and people at all levels now feel appreciated and more involved. The PDR process gives the opportunity for structured discussion of performance on an annual basis and people receive informal feedback on a one to one basis and through the core brief process.'*
- 7.16 The Audit Commission in July 2003 undertook a further focus group with employees. This was partly to review the Core Brief process, performance management framework, but also to as a follow up to the BVR review. Their key conclusions that were relevant to this reviews were:-

Conclusions and thoughts of the Audit Commission relevant to the HRM Best Value Review

Clarify role

Clarify where 'management' stops and 'personnel' starts. There was sympathy for the department because of its small size and acceptance that with more resources. Personnel would be able to take a more supportive role than they could accomplish now. People would ideally like there to be more support but recognise the council's financial limitations.

Improvement continues.

Communication

The review of the core brief showed that some managers were not prepared for the meetings and in some cases did not hold them (see audit report).

Focus groups showed things are improving; though there is a long way to go. Staff focus groups demonstrated that all their direct managers had applied the system, and that staff felt that most managers were delivering the system. Generally, there was acceptance that managers were committed to improving the way the council operated. However at the ground level, there was a variable view of the level of buy in due to manager inconsistency in application of the processes and systems, based on managers' perceptions of its value.

The focus groups also demonstrated that not enough was being done to demonstrate leadership from the management team. The core brief was not being used effectively to discuss issues which are on management team agendas, and ask for feedback from staff on their and members' ideas, direction for the council and actions/decisions. Reference was made to Members comments about 'if you don't like it here, leave' and not wanting to hear difficult messages as not demonstrating effective leadership.

Reinstate newsletter

Make core brief properly consultative and on matters of substance being discussed at CMT and by members

Give timely and specific feedback

Rationalise and manage public folders properly

PDR System

(PDR) System needs review and streamlining

Make clear that the annual appraisal has to be done well, but does not have to take a long time (cut to suit circumstances)

Explain how performance information is used

There is a need to explain the 'corporate' parts of the system and their value to services and PDR plans.

Employee feed back information to be in a consolidated format (fewer forms) and for managers give praise for jobs well done.

Training & Development

The council is investing in training and development.

Divide training into essential and desirable

Deliver essential training first

Tell people why they are getting/not getting training

Look at creative ways of developing and motivating long standing staff

Recruitment & Retention

Ensure consultation on Recruitment & Retention Working Group issues / findings in the core brief

Explain outcomes from Recruitment & Retention Working Group

Communicate fair application of incentives to new and existing staff

Recruit as soon as vacancies appear, if post is on establishment and will remain so.

Plan effectively for interim management where there are gaps

Apply same standards for flexible working to all, or define and communicate all eligible, rationale, and process for taking flexible working/working from home

Absence Management

Urgently address fear of new Absence Management system

Investigate the exceptions to improved levels, in those Divisions, i.e. Technical Services & Customer Services.

More training for managers on policy application

Occupational health advisor should be a help for line manager at trigger point

Personnel application of phased returns to work needs investigating

Equal Opportunities

A corporate future development priority, not an immediate staff issue

Officer/Management/Member Relationships

Trusting relationships are starting to be re-established.

Members should be required to have training on what the council does

Members should listen to those doing the work

8.0 Compare

8.1 The Best Value Performance Indicators were analysed in relation to Government National Targets.

- (a) The Division produces a service plan, approved by committee each year, which identifies the current standards, and PI's.
- (b) A wide-ranging service is currently provided to divisions, in addition to a corporate role.
- (c) There is concern over how Financial Crisis may have impacted on BVPI's during the year of comparison.
- (d) BVPI's reflect the organisational health, in areas where the Division does not have direct control over results. The authority has implemented an absence management policy recently to address the issues of ill health.
- (e) Results of BV PI's for the year 1999/2000 showed compared to national targets:-
 - High levels of sickness absence
 - High level of early retirements
 - High level of ill health retirements
 - Some work undertaken on Equalities Monitoring, that needed to be developed further.

8.2 Other comparative PI data and supporting financial information was collated and assessed by SARATOGA for the year 1999/2000. They are a private sector organisation who works in partnership with SOCPO (Society of Chief Personnel Officers). SARATOGA undertook comparisons with other districts on their database, and national figures, which include Private Sector. They also provided their assessment of the key issues/challenges, which arose from this data in a follow up report. The results were as follows:-

- **Employee pay & pensions**, as a % of total expenditure was 25.3%. This is an average level in comparison to other districts, and the national figures.
- **Sickness Absence Rates** were high in comparison to the district and national samples at 4.6%. The levels of sickness absence costs are therefore equally high. They recommend action to particularly target the 'hot spots' of concern.
- **Employee Voluntary Turnover** was healthy at 6.0%.
- **Ill Health Retirements** were very high at 1.4%
- **Involuntary Termination Rates & Early Retirements** were high

- **Recruitment & Equal Opportunities** demonstrated that **female diversity** in the authority was below the diversity within the local workforce, at all levels.
- **Levels of employment for applicants from Ethnic Minority backgrounds** were also below the local workforce diversity. There were also some positive trends emerging however, following recruitment exercises over the last 18 months.
- CRE Standards had not been fully adopted by the authority, and clearly this required urgent attention.
- **Disability Diversity** was relatively low at 18% of local diversity, although this is above average in the district sample, although the appointment rate is poor, with no disabled employees being appointed in the last 18 months.
- **Overall appointments of external candidates** generally were low; this is to be expected bearing in the mind the restructure at that time, and the recruitment freeze for a large part of the year. Also acceptance rate of external candidates was low.
- **Training & Development** in comparison to the SARATOGA district sample, had a larger ratio of Training staff per FTE.
- However, when compared to the national averages, which includes the private sector, the ratio reduced significantly, to demonstrate average staff ratio levels per FTE.
- Economies of scale should be considered and SARATOGA confirmed that the private sector generally invest more in training and development.
- Training costs therefore when compared to the SARATOGA district sample were high.
- However, when compared to the national average, this reduced considerably, and Training costs were well below average.
- The authority's current needs, delivery and effectiveness are what the authority has to consider.
- The levels of training days per FTE compared to the SARATOGA district sample was well above average
- The levels of training days was just below average compared to the national figure.
- It is important to note that good levels of training activity occurred within the authority, despite the fact, that there was no internal training during the first half of the year, due to the financial crisis.

- SARATOGA confirm SDDC, need to ensure that retraining quantity and costs are linked to these organisational outputs.' The newly implemented Performance Development & Review process should assist with this, by providing all employees with the opportunity for a PDR interview, and individual training plan linked to corporate objectives. A local performance indicator has been introduced this year for the first time to measure the level of employees receiving PDR interviews, and having individual training plans.
 - **Personnel Services** When compared with SARATOGA district sample, also demonstrated a relatively large function
 - However, when compared to the national average they were well below average, and sit close to the lowest quartile. The costs of the function are similarly reflected. However the Cleansing the environment Best Value review concluded that Personnel costs were relatively low in respect of Refuse.
 - SARATOGA recognised the need for successful organisations to align HRM policies and strategies to meet corporate needs. The Division's Service Plan demonstrates how the service has made these links.
- 8.3 Additionally, when all this was complete a comparative telephone survey was also undertaken to clarify specific areas agreed by the review team, with our Audit Group authorities. Generally the survey results from audit group authorities seem to reflect the similar outcomes in the SARATOGA benchmarking exercise, and national BVPI comparisons.

BVPI 11	Senior Mgt Posts filled by Women - 5 authorities had better results than SDDC, 3 had poorer results
BVPI 12	Working days lost due to sickness absence – 6 authorities had better results than SDDC, 2 had poorer results
BVPI 13	Voluntary Leavers – 1 authority has a lower turnover, and 7 have poorer levels of turnover
BVPI 14	Early Retirements – 7 authorities had better results than SDDC, and one was poorer
BVPI 15	Ill Health Retirements – 7 authorities had better results than SDDC, and one was poorer
BVPI 16	Staff who meet DDA as % of workforce – 2 had a better result, 1 was the same as SDDC and 5 had a poorer result
BVPI 17	Ethnic Minority Staff as % of workforce – 7 had a better result and one had a poorer result.

Actual No. of Personnel Staff – 3 had a higher number of staff, 2 didn't respond, 3 had a lower number of staff

Actual No. of Training Staff – 2 had a higher number of staff, 2 didn't respond, and 4 had a lower number of staff - (which equated to 1 or zero training staff)

8.4 Work was also undertaken in collating information about the service, its structure, corporate objectives, statutory requirements placed upon it, areas of service provision, corporate policies and the skills and expertise of the staff etc. Comparisons were made with benchmarking data provided by East Staffs BC Best Value Review. This Council is our neighbouring authority, and although different in size and structure, are seen as comparators by our general public. Their survey provided a summary of HR service delivery across their audit group. Areas where outsourcing is typically undertaken is in Occupational Health & Counselling. Results of this survey demonstrate that in relation to the areas of service surveyed:-

- the source of provision was predominantly similar to the arrangements at SDDC. Although the survey did not necessarily cover every service outlined in the Division's service plan, or the level or quality of service in each area.
- When asked 'What are the major issues facing their family group authorities HR services in the next few years' the issues were similar to SDDC's.
- When asked 'What processes do you use for communicating to staff?' the results again reflected similar processes to SDDC's.

8.5 The comparative data analysed in the baseline assessment influenced the selection of the key issues identified, as identified in paragraph 6.1 of this report.

9.0 Compete – Cost effectiveness, partnership opportunities and can anyone else do it better?

9.1 Some analysis has been undertaken of a survey conducted by East Staffs BC, on the areas of work that authorities in their Audit Group have outsourced. This shows a general theme of limited HR outsourcing in small authorities, and more specifically where there is any, it tends to be for Occupational Health services, including Counselling.

9.2 Indications are from previous exercises we have undertaken, that with a small number of employees, service providers are not interested in us on our own. Our contract size is not attractive for wholesale outsourcing. We need to have joint tenders to secure any real benefits / attract any profitable arrangements.

9.3 A number of Joint working opportunities with other authorities, and the Learning Skills Council have developed throughout the life of the review.