

Personnel and Equalities – Executive Summary

Challenge

- There are many benefits to the current arrangements. The system works well with good relationships between Corporate Personnel and equalities and Derby Homes Personnel.
- The disadvantages of the current service focuses on the strategic element of the service. Derby Homes has little influence in the development of new policies and they are not tailored to meet our specific needs. In addition there is a duplication of effort as Derby Homes has to establish its own collective agreements. This can delay the implementation of policies.
- There are options available in providing the service in a different way each would have its advantages and disadvantages.

Compare

We have received comparable data from 6 of the 7 first round ALMOs and from Commercial Services Department.

- Based on the number of employees Derby Homes is the third smallest ALMO.
- The personnel structures of ALMOs vary considerably but they provide a similar service. All Personnel sections have a HR or Personnel Manager. The grade varies from our P03 to a maximum of £50,000.
- City West Housing and Ashfield Homes have no links with their Council. Most other ALMOs reported that they do receive support from their Council but this is "rare and limited to strategic issues such as Policy Development or help with hearing appeal. All but one report that they want to be independent of their Council within the next 12 months.
- Other ALMOs have charges for Corporate Services varying from £17,000 to £59,000. Our recharge is £87,000 - £248 per employee and CSDs is £287,000 £191 per employee. Equalities is £17,000 per annum. Derby Homes pays the highest central recharge but was the third smallest ALMO. There are also non specified additional costs within the Service Level Agreement.
- Most ALMOs do not use other sources of expert advice such as consultants. Where these are used it is more likely to be to support the

training function. We have used consultants to assist with training and grading issues.

- None of the ALMOs had a separate Equalities advisor or a SLA for Equalities. This service is seen to be part and parcel of the personnel function. Derby Homes pays an additional £17,000 and Commercial Services Department £57,000 ie £38 per employee. They do not have an Equalities advisor in post.

Consult

- At the point of delivery our services are considered to be good or excellent by both our stakeholders and our customers.
 - We seem to be performing less well in the area of training strategy and training delivery.
 - Where managers have used the service for support for grievances and disciplinaries they have rated the service highly.
 - 12% of customers could not rate the attendance management service. Attendance management is key to every managers role and these results could indicate a weakness in our service.
 - The majority of customers receive the service from Derby Homes Personnel. This is consistent with the current model. They consistently report that the service is good, offers support and has a "can do attitude". Having an on site Personnel service is popular.
 - Customers did not understand the costings of the service and were not always clear about the role of Corporate Personnel.
 - We received a lower response to the equalities section of the questionnaire. Comments made include "I find this to be a hidden service". However 44% did rate the service as good or excellent. The highest performing areas were advice on race and disability and the least successful "religion". This is an area of the service that needs to be established as more high profile within the organisation.
 - Some areas of the Service received from Corporate Personnel is used more than others eg Policy development and Appeals.
 - The service from Corporate Personnel is designed to meet the needs of varying Departments and is not tailored specifically for the needs of Derby Homes. This causes duplication of effort and delays in implementation of some issues.

Compete

- The service has never been the subject of open competition.
- The current charge of £87,000 plus other costs not yet determined is very high in comparison to other ALMOs. When number of employees is used as a unit cost our charges are higher than Commercial Services.
- Other ALMOs do not have an additional charge for Equalities
- There are alternatives that could be explored that might present better value for money.
- Other ALMOs do have different models of service provision that appear to be more cost effective.

Conclusion

The quality of service of the Personnel and equalities function at the point of delivery is considered by service users and stakeholders as good or excellent. However the review has identified duplication of effort between Corporate Personnel and Derby Homes Personnel. This leads to delays in some service provision. In addition the cost of the service is expensive in comparison to services received by other ALMOs and by Commercial services Department. Overall the service does not represent value for money.

Issue	The quality of service of the Personnel function at the point of delivery is considered by service users and stakeholders as good or excellent. However the review has identified duplication of effort between Corporate Personnel and Derby Homes Personnel. This leads to delays in some service provision. In addition the cost of the service is expensive in comparison to services received by other ALMOs and by Commercial services Department. Overall the service does not represent value for money.					
Proposed Option	Personnel Services purchased from Corporate Personnel is based on a pick and mix approach.					
Key Risks	Likelihood	Impact			Organisational	Quantified Risk
		Community	Finance	Derby Homes Objectives		
Quality of service provision provided by Derby Homes will suffer.	2	2	2	2	2	10
The City Council may not wish to offer the service.	3	2	2	3	2	12
Loss of key personnel staff Derby Homes	2	2	2	2	2	10
Relationships with the Council Personnel team will deteriorate	2	2	2	2	2	10
					TOTAL	
How will it improve the service?	Increase value for money.					
Public Outcomes	A more flexible service based on actual need.					
Resources/Costs	Fixed over head costs should reduce. If other services have to be purchased additional costs would be					

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Proposed Option	Personnel Services purchased from Corporate Personnel is based on actual services received with payment made at the end of the financial year.					
Key Risks	Likelihood	Impact			Quantified Risk	
		Community	Finance	Derby Homes Objectives	Organisational	
Poor budgetary control	3	3	3	3	3	15
Increased administration	3	3	3	3	3	15
Increased monitoring	3	3	3	3	3	15
Service delays	2	3	3	3	3	14
TOTAL						59
How will it improve the service?	Increase value for money.					
Public Outcomes	A more flexible service based on actual need.					
Resources/Costs	Fixed over head costs should reduce. If other services have to be purchased additional costs would be unpredictable					

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Proposed Option	Derby Homes provides its own Personnel Service and is self sufficient from the Council.					
Key Risks	Likelihood	Impact			Organisational	Quantified Risk
		Community	Finance	Derby Homes Objectives		
Loss of key staff from Derby Homes Personnel	2	2	2	2	2	10
Difficult Personnel issues uses all available resources	2	2	3	2	2	12
Additional personnel resources unavailable to meet needs	2	2	2	2	2	10
Service fails to keep up with new legislative changes and policies fall out of date.	2	2	2	2	2	10
					TOTAL	52
How will it improve the service?	Increase value for money.					
Public Outcomes	A more flexible service based on actual need.					
Resources/Costs	Additional Personnel resources or consultants would be needed to enhance current service.					

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Proposed Option	The Services provided by the Council is placed out to tender.					
Key Risks	Likelihood	Impact			Organisational	Quantified Risk
		Community	Finance	Derby Homes Objectives		
Costs of service increases	2	2	2	2	2	10
Service remains the same.	2	2	2	2	2	10
City Council do not tender	1	1	1	1	1	5
New service provider is unable to deliver a satisfactory service	2	3	3	3	3	15
					TOTAL	45
How will it improve the service?	Choice of service is based on quality and value for money. Derby Homes would be able to set the terms of the contract.					
Public Outcomes	A more flexible service based on actual need.					
Resources/Costs	Outcome is unpredictable and therefore positive outcome cannot be guaranteed.					

