

FROM: Audit and Risk Manager **SUBJECT:** Human Resources Management
TO: Chief Executive **DATE:** 26 April 2019
C.C. Head of Finance
HR Manager
Portfolio Holder (Cllr Andrew Mobbs)

1 Introduction

- 1.1 In accordance with the Audit Plan for 2019/20, an examination of the above subject area has been undertaken and this report presents the findings and conclusions drawn from the audit for information and action where appropriate.
- 1.2 Wherever possible, findings have been discussed with the staff involved in the procedures examined and their views are incorporated, where appropriate, into the report. My thanks are extended to all concerned for the help and cooperation received during the audit.

2 Background

- 2.1 Human Resources management is a centralised function at the Council with the service coming under the management of the Chief Executive.
- 2.2 This audit is concerned with the strategic aspects of Human Resources management as opposed to the day-to-day management of staff.

3 Scope and Objectives of the Audit

- 3.1 The audit was undertaken to test the management controls in place.
- 3.2 In terms of scope, the audit covered the following areas:
- People strategy and action plan.
 - Performance indicators and management information.
- 3.3 The audit programme identified the expected controls. The control objectives examined were:
- The overall management of staff helps the Council to meet its objectives
 - HR Management staff are working towards agreed actions
 - The Council can demonstrate that the management of its staff is meeting agreed objectives
 - Senior Management are aware of the overall staffing picture
 - Areas of 'poor performance' are identified and addressed to ensure that the Council can meet its objectives

4 Findings

4.1 **Recommendations from Previous Report**

4.1.1 The report relating to the previous audit of this topic, undertaken in March 2017, did not include any recommendations.

4.2 **People Strategy and Action Plan**

4.2.1 There is a clear link between the People Strategy 2016-2020 and the Council's objectives. One of the three key themes of the Council's Fit for the Future (FFF) programme is 'People' and this is clearly referenced in the People Strategy document.

4.2.2 The action plan supports the strategy and is broken down into six key themes:

- Equality and diversity
- Workforce planning and performance
- Leadership and organisational development
- Employee wellbeing, reward and recognition
- Communications and involvement
- Learning and development

4.2.3 The People Strategy document sets out the arrangements in place which are agreed by SMT and formally approved by the Employment Committee.

4.2.4 The current strategy was presented to SMT along with the action plan. The action plan has been amended since approval; this is to be expected as actions have been completed and additional actions have been added.

4.2.5 The action plan is available on the intranet as an operational document. This allows the relevant owners for the actions to edit and update the document as progress is made.

4.2.6 Once approved the action plan is not presented again to the committee. The plan is monitored, viewed and updated by different groups. Updates regarding the plan are provided to them on a quarterly basis. Minutes available for SMT and Employment Committee show the updates provided and any actions agreed.

4.2.7 The Human Resources (HR) Manager advised that the items on the action plan were mainly generated following the Investors In People (IIP) report. The report highlighted a number of areas where the Council needed to improve. The report was shared with various groups within the Council and key themes were identified, this leading to the items in the action plan.

4.2.8 The Workforce Steering Group (WSG), a strategic level group, 'owns' the People Strategy Action Plan and works with other groups within the Council to ensure actions are carried out and are successful. They work with the People Strategy Action Group (PSAG) and the People Strategy Steering Group (PSSG).

4.2.9 The PSAG is made up of various staff members and includes input from staff groups, including Staff Voice and Unison reps. They communicate and liaise

with staff regarding the priorities identified, and feedback the information to SMT.

- 4.2.10 The PSSG is a subgroup of the Employment Committee with the membership of the group being a mix of Councillors, SMT and the HR Manager.
- 4.2.11 The groups discuss specific priorities and key themes rather than being overwhelmed by the details. Employment Committee also get updates on the main themes and priorities rather than the detail of the action plan.
- 4.2.12 One of the objectives is to reduce staff absence. To help meet this objective a key focus area was identified (staff health and wellbeing). A separate Health and Wellbeing Action Plan has been drawn up using a combination of BUPA and Warwickshire County Council themes as well as incorporating local events such as the 'Regency Run' and national days like the 'Random act of kindness day'. The actions utilise various tools such as the big buttons on the intranet and using the staff break and informal meeting area (The Space).
- 4.2.13 Unison are working on a staff wellbeing questionnaire with HR which will be used to help identify and reduce stress triggers to help improve staff health and wellbeing. This came about after a Unison inspection highlighted concerns about work-related stress, not just when staff have clocked in but when they are off work (evenings and weekends). As part of the questionnaire they are also incorporating parts of the 'Thrive at Work' document, a Coventry City Council document formed in partnership with West Midlands Combined Authority, which encourages companies to promote staff wellbeing to create a better workforce.
- 4.2.14 A sample of actions that have been completed and actions in progress identified on the up-to-date action plan were viewed and discussed with the HR Manager. Evidence was obtained to support the actions completed and to show that steps were being taken to allow them to meet agreed target dates for other actions.

4.3 **Performance Indicators and Management Information**

- 4.3.1 The HR Manager advised that the performance indicators are agreed as part of the Service Area Plan for the Chief Executive's Office.
- 4.3.2 The management information provided to SMT is a subset of the information compiled by the HR team. The HR Manager advised that this brings together the information SMT want to see rather than all of the collected data. Further details can be asked for whenever they require it.
- 4.3.2 HR management information is reported to both SMT and Employment Committee on a regular basis. The minutes showing the information shared and updates provided are published on the Staff Intranet; Employment Committee meetings are also published on the WDC Internet.
- 4.3.3 There were a couple of areas identified in the IIP report as areas in need of improvement. These have formed some of the key themes in the action plan. One of the areas picked up on was training for new managers. Actions have been taken to improve this and evidence to support the improvements was found to be in place.

4.3.4 Benchmarking against other councils is undertaken for some of the performance indicators, including sickness absence and staff turnover. This allows HR and SMT to compare performance and monitor improvement against similar areas.

5 **Summary & Conclusion**

5.1 Following our review, we are able to give a SUBSTANTIAL degree of assurance that the systems and controls that are currently in place in respect of Human Resources Management are appropriate and are working effectively.

5.2 The assurance bands are shown below:

Level of Assurance	Definition
Substantial Assurance	There is a sound system of control in place and compliance with the key controls.
Moderate Assurance	Whilst the system of control is broadly satisfactory, some controls are weak or non-existent and there is non-compliance with several controls.
Limited Assurance	The system of control is generally weak and there is non-compliance with controls that do exist.

6 **Management Action**

6.1 There are no recommendations arising from this report.

Richard Barr
Audit and Risk Manager