

# **Corporate Resources Department**

## **Service Plan 2017 - 18**

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## **Introduction**

The Corporate Resources department in its current form was constituted in 2013/14 and consists of the five divisions which make up the Corporate Core of the organisation, with the added responsibility for the development of a cohesive approach to the delivery of services which the authority trades in competition with other providers. Corporate Resources have a key role in driving change and in enabling the delivery of savings and service improvements across Derbyshire County Council. We also have a key role in keeping the organisation running on a day to day and year on year basis, paying suppliers and staff, keeping our IT systems running and supporting the democratic process amongst many other things.

This plan is intended to capture some of the synergies between the different parts of the Directorate and make the links at a corporate level to our delivery of the five key Council Pledges:

- A Local Derbyshire
- A Derbyshire that Works
- A Healthy Derbyshire
- A Safer Derbyshire
- A Derbyshire that Cares

Corporate Resources is also a key player and strategic driver in the delivery of the Council's four priority areas of Innovation, Income Generation, Thriving Communities and Partnership Working.

## **Operational Context**

The Corporate Resources Department is the 'engine room' and core of the operations of Derbyshire County Council. Our role is to help deliver the complex and wide ranging infrastructure that the Council needs to operate efficiently, effectively and legally, and support the other areas of the Council to meet their strategic objectives. It also takes a lead role in enabling and advising members and colleagues on strategic matters in our own areas of expertise. In the current climate of shrinking budgets and

significant organisational change, Corporate Resources staff assume a key role in recognising and leading on opportunities to help the Council to embrace new ways of working to meet the objectives of its strategic plan.

The Corporate Resources Department consists of the following key divisions and functions.

- **Human Resources:** The HR Division provides direction and leadership to the Council on HR strategy, policy and best practice as a single employer. With a workforce of 36,000, including schools, the Division also provides transactional services through the Shared Service Centre, including SAP HR development, payroll, recruitment, vetting and contracts. The SSC income is in excess of £1million providing payroll and recruitment services to schools and partners. The operational HR function provides support to managers and staff within the Chief Executive's Office and the Corporate Resources Department on a range of issues including the application of corporate policies, workforce changes and matters relating to individuals. Services of this nature for Children's Services, Adult Care and Economy, Transport and Communities Departments are delivered through devolved departmental operational HR Teams, with a corporate and consistent approach enabled through the Strategic HR Group. The HR function across the Council was the subject of an external review during 2016, which concluded that the Council should retain a devolved model in the medium term but that a more collaborative, consistent and corporate approach to HR should be adopted, with the Council's HR Service Partners taking the lead in delivering this.

The HR Division plays a key role in facilitating and co-ordinating the Council's employee relations framework and in ensuring statutory requirements and good practice are observed. The HR Division also leads on pay and reward matters, organisational development, resourcing, for example Resources@Derbyshire and workforce planning, essential in a period of workforce changes and reductions. Learning and development is a key strand of our work and although budgets are delegated to services, the team provides a department role alongside its corporate role of co-ordinating and guiding the overall strategy.

Corporate employee well-being services, comprising occupational health, counselling and health and safety, undertake preventative work both within and outside the workplace and are fundamental in supporting our workforce through difficult times whilst maintaining services. The HR Division also provides an operational health and safety function for managers and employees within the Chief Executive's Office and the Corporate Resources Department to maintain the

highest possible standards and provides mail, printing and scanning services across the Council through the Derbyshire Business Centre.

- **Corporate Property:** Corporate Property manages the land and property holdings of the Council. A complete 'end to end' service is currently provided, including strategic management of our estate through our asset management function, a full design service and a highly skilled operational arm. The business of corporate property has a workforce of 1,640 with an income in excess of £40m including 22 apprentices.

Corporate Property also provides work to the majority of our schools on a buyback basis as well as delivering contracts won in open competition, in addition to supporting our own corporate estate. Derbyshire County Council is one of the last County authorities in the UK to provide such a highly skilled and experienced design and building service directly.

Our asset management function works alongside colleagues in DCC and across the wider public and private estate to ensure that we get maximum value from our assets. Increasingly, this entails co-location and joint working opportunities for staff and services but also the identification of land assets where joint working would deliver even wider benefits. The Corporate Property division also contains our Disability Design Service which acts as an agent on behalf of the disabled residents of Derbyshire to adapt their homes by accessing Disabled Facilities Grants. The purpose of an adaptation is to modify disabling environments in order to restore or enable independent living, privacy, confidence and dignity for individuals and their families. Corporate Property also host the Council's Carbon and Energy Management Team , which aside from working with property and other colleagues to manage and reduce the Council's energy and water spend and ensure compliance with relevant energy legislation, is also working with the Chief Executive's Unit to develop renewables as an income generation opportunity for Derbyshire.

In 2015/16, Corporate Property restructured significantly to not only generate major savings but also to make a clear separation between the delivery of property services and a corporate landlord function. The corporate landlord function is working on a programme of consolidating property budgets and building management functions to ensure a consistent and joined up approach and enabling the Council to make the most efficient use of its property assets.

- **Finance:** The Finance Division co-ordinate the use of the Council's financial resources and provide direction and leadership on financial strategy, policy and best practice. Currently, a key role is supporting the Council to deliver on the budget reductions as a result of reduced government funding, demographic pressures and other pressures such as equal pay claims and the rising costs of waste disposal. The division leads on setting the Council's budget and financial strategies and on working with members and managers to monitor expenditure and assess the value for money of everything we spend as a Council.

Whilst most finance functions are delivered directly by the Corporate Finance Division, including SAP Finance and Procurement system development a number of financial management functions and some transactional payment activity remains directly provided by staff in the three largest departments.

The division has a key public-facing role in that it delivers services which pay our providers, monitors and collects debts and provides leadership on the procurement of goods and services across the Council, whilst delivering operationally on the implementation of the majority of procurement activity across the Council. Good procurement practice is essential in ensuring that the Council obtains maximum value for money and frees up resources to maintain front line services. In recent years, the Council's corporate and IT procurement functions have saved £13.7m which has been made available directly to service departments.

The Derbyshire Pension Fund is run in-house within the Corporate Finance Division and is a high performing and low cost fund with assets under investment of around £3.5bn. The County Council administers the pension fund on behalf of over 160 employing authorities, including the County Council, has over 90,000 members and pays pensions of around £100m per year. Also included within the finance division is our risk and insurance team, which supports the Council's risk management process and ensures that sufficient and appropriate insurance cover is provided in a cost effective manner.

The Finance Division includes the Council's internal audit function which works with management to ensure that proper controls are in place to help prevent fraud and deliver maximum value from public money.

The division is responsible for ensuring the Council's borrowing and cash resources are effectively managed to minimise the revenue costs (around £55m per annum) of loans outstanding, and maximise revenue income (around £4m per annum) from investments.

In 2017, as part of a restructure of senior management within the Department, the finance division will be joined with the ICT division under the leadership of a single director of finance and ICT.

- **Transformation/ ICT:** The Transformation/ ICT Division provides ICT services to over 7,500 employees including systems that are critical in our engagement and connection with the community of Derbyshire. The ICT service is provided predominantly in house and the demands on the service are continually increasing. From 2017 onwards, the service will be renamed the ICT division and will sit alongside finance under the leadership of a single director.

In 2016, the Council's draft ICT Strategy was subject to external review and recommendations were made for changes to the service that will improve efficiency and service delivery to staff and citizens. A key element of this will be the successful procurement and implementation of a redesigned internet, email and mobile working solution which will give us the platform on which to build our strategy for the future.

The ICT Service supports over 240 business systems delivered to over 230 locations across the County. Management of the Council's telephony service is undertaken by the division, which also provides telephone and on-line service desk facilities for users. The Service Desk responds to approximately 70,000 ICT issues and service requests per year and has a customer satisfaction rating of over 90%.

In addition to supporting the Council's ICT systems and services on a day to day basis, over 300 ICT related contracts are also actively managed, including the overall SAP development programme and the delivery of SAP based business intelligence. Currently the service is working with Service Departments on 78 new ICT projects to support required changes to service requirements.

Also attached to the division is the Information Governance Team who lead on information governance and security issues across the Council, including ensuring that we retain our ISO270001 and PSN accreditations.

During 2017, the service will produce a revised strategy, building on an 'Office 365' mobile solution and capturing the learning from work on SAP, in property services and from the external review. This will set out how the Councils IT will be developed to support and enable the delivery of excellent IT services to staff and the people of Derbyshire.

- **Legal and Democratic:** Our Division is committed to providing a high quality and value for money legal and administrative service to the Council.

Our legal team has a diverse range of skills reflecting the wide range of Council services and has made considerable savings over recent years by delivering high quality work in house rather than paying expensive external fees. Our legal expertise includes child care, environmental services, commercial and common law, equalities law, corporate litigation, education and adult care, rights of way and safety of sports grounds.

Legal Services, working in partnership with Children's Services, secured savings of £500,000 over a four year period by leading on a joint procurement exercise for childcare barristers' services with Nottinghamshire County Council. We were also a leading partner in the establishment of the East Midlands Law Share arrangement and have recently established a shared solicitor post with Derbyshire Dales District Council which will provide significant advantages to both Councils. In partnership with the local family and magistrates' courts and Derby City Council and with expert technical advice from ICT colleagues, we have implemented a project to digitalise court documents which delivers significant efficiencies to the Council but also contributes to the smoother running of the judicial process.

We will also be exploring with other Departments the best legal vehicles to use in order that the Council can take maximum advantage of future income opportunities.

As well as providing legal services, the Division also includes the Democratic Services Team who support the delivery of effective local government. This includes committee support, Overview and Scrutiny and the overall management of the democratic process. In addition, the Director of Legal Services serves as the Council's monitoring officer, advising on legal and governance issues.

This Division also includes the Council's Registration Services which register over 12,000 births, deaths and marriages at a range of registration offices and external venues across Derbyshire.

- **Traded Services:** In 2014/15, the Council made the decision to invest in a two year post at Assistant Director level to develop the Traded Services programme. The remit of the post was to look at the range of services currently traded by the Council and develop a strategy and plan for retaining and developing business.

As most of the Council's traded business is done with schools, the initial focus was school engagement and the implementation of an action plan to improve how we interface with schools. A cross-Council Traded Services strategic group has been established to look both schools and non-schools trading and identify and develop opportunities and a second task and finish group supports the Assistant Director in decision and development around trading with schools.

The Directorate overall earns a significant level of income from selling its services to schools and this position will need to be considered in the face of the accelerating academisation agenda. Currently, the Council generates £44m in income from trading with schools and £11m from non-schools trading.

A recent survey of schools who use our services has demonstrated that these schools value the presence of a co-ordinating resource and the work that the team has done to improve communications and accessibility to services for our schools. With this in mind, a revised funding model to support the work of the team going forward will be put before Cabinet in 2017.

## POLICY CONTEXT

Derbyshire County Council is facing a difficult financial challenge, with budget reductions in the region of £110m required over the period 2016/17 to 2019/20. This is in addition to budget reductions already achieved from 2010 to 2016. Where possible, Corporate Resources has met the savings challenge by tightening processes, using technology to deliver savings



and working more flexibly and efficiently and deleting vacancies arising through natural turnover. However, along with the rest of the Council, we are now in a position where we need to give rigorous consideration to how we apply increasingly scarce resources to meet service need and there will be inevitable changes in how we deliver services as well as the resources we have available to support initiatives outside of our 'business as usual'.

With the County Council undergoing a period of transformational change, the role of Corporate Resources in working with departmental colleagues and with the Innovations Team to deliver this change is significant. Corporate Resources staff will play a key role in advising colleagues and in generating strategies and innovations to support business change. It is this imperative that has driven the generation of the key business objectives for the Corporate Resources Directorate for 2017/18 and the medium term.

The Council has previously recognised that the delivery of the Council's savings plan and change agenda will require considerable input from Corporate Resources, at a time when the pressure on front line services is such that there is an expectation that significant savings will come from the so-called 'back office'. As a consequence, during 2015/16 we carried out a fundamental review of our property services and reviewed a number of our procedures in finance and in the coming 12 months will be continuing to implement the findings of reviews of our Human Resources functions and our draft ICT Strategy. In both cases we will be ensuring that we are maximising the outcomes for the resources deployed across the Council and will look at systems, process and structures.

We will also be implementing a significant reduction in senior management posts within the department. This involves reducing from five directors to three and deleting three deputy director's posts. Whilst this represents a significant loss in terms of expertise and senior leadership capacity, it is essential that these changes are made in the face of such a significant savings challenge.

During the year, the department was instrumental in the successful establishment of the Council's wholly owned property development company, Derbyshire Developments Ltd. This company will seek to make use of surplus Council property to develop a mix of housing and potentially other development opportunities whilst retaining a social purpose, with the aim of creating capital income and/or a revenue stream to offset cuts to the Council's budget.

The Directorate is currently considering the impact of the Government's apprenticeship levy and the increased requirements for the public sector to deliver more and a wider range of apprenticeships. Against the backdrop of workforce reductions this needs to be balanced against skills, learning and development and workforce planning and we are working to develop a robust and high quality DCC apprenticeship offer that will address skills shortages and provide employment and training opportunities to people of all ages within Derbyshire.

### **Key Departmental Objectives**

The following are the key departmental objectives for 2017/18 and the Council Pledges they support. If these objectives are approved as the overall priorities for the department, each Division will then produce a plan setting out how that Division will contribute to their delivery. Ultimately, these objectives will be cascaded through the performance management process to individual employee's own contributions through the 'My Plan' process.

We will:

- 1) Design and implement an action plan for Service Improvement in HR, ensuring that we are making the best use of increasingly scarce resources and have the capacity and capability to meet the requirements of the Council Plan. (A Derbyshire that Works)
- 2) Put in place and ICT Strategy for the Council that delivers service efficiencies and improvements for both employees and people in our communities (A Derbyshire that Works)
- 3) Improve the corporate approach to workforce realignment, vacancy management and redeployment to minimise redundancies and agency staff costs (A Derbyshire that Works, A Derbyshire that Cares)
- 4) Support our staff by working with services to offer a "guaranteed minimum hours contract" to those relief staff who want one, building on work carried out during 2016/17 to extend the offer (A Derbyshire that Works, a Derbyshire that Cares)

- 5) Improve our recruitment process including the procurement of a new E-recruit system (A Derbyshire that Works, A Derbyshire that Care)
- 6) Move to the next phase in the implementation of our Corporate Landlord approach to reduce property running costs, ensure statutory compliance of our buildings, deliver a consistent approach to managing Council buildings e.g. introduce a standard level of accommodation for council services across the county. (A Safer Derbyshire, A Derbyshire that Works)
- 7) Put in place a corporate strategy for learning and development across all levels of the Council, including a leadership development strategy tailored to meet the needs of the Derbyshire service transformation programme and an enhanced apprenticeship scheme. (A Derbyshire that Works, A Derbyshire that Cares)
- 8) Complete our management restructure, reducing the number of senior management posts and looking at opportunities to join up elements of our services, improving performance and generating the possibility of further efficiencies in service delivery (A Derbyshire that Works)
- 9) Procure and implement a new internet, email and mobile working solution that will provide the cornerstone of our future ICT Strategy and provide significant opportunities for service departments to operate more efficiently and effectively (A Derbyshire that works)
- 10) Implement a new SAP based mobile working solution in Corporate Property which will create savings by improving the efficiency of services and processes, improve our responsiveness and service to customers and provide valuable development and learning for the implementation of similar projects across a wide range of Council services (A Derbyshire that Works)
- 11) Review our current and potential traded activity to ensure that we are in the best position to maximise our income from trading in the future (A Derbyshire that Works)

- 12) Design and implement an apprenticeship strategy that maximises the Council's return on investment from the apprenticeship levy, assists us in meeting our public sector apprenticeship target and delivers our apprenticeship ambitions in offering real opportunities for young people to develop within the Council's workforce (A Derbyshire that Works)