

EMPLOYMENT MATTERS COMMITTEE

19 FEBRUARY 2013

BETTER FOR LESS – PHASE TWO

Report from: Tricia Palmer, Assistant Director, Organisational Services

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Summary

To present Members with an update report on the second phase of the Council's Better for Less Programme, covering the people stream from the period April 2012 until January 2013.

1. Budget and Policy Framework

1.1 It is within the committee's terms of reference to make recommendations on matters relating to employment and it is requested that Members review the information outlined below.

2. Background

2.1 Better for Less is the work that the council is doing to address the future challenges of reduced funding for local government, increasing demand for many of our services and the need to continue to improve the experiences of our customers.

2.2 Four main work streams have been set up to deliver the better for less principles, each lasting 9 months.

2.3 Phase 2 continued with the shared Customer Contact and Administration workstream but also looked at 2 other workstreams Performance and Intelligence and Category Management.

2.4 Performance and Intelligence will be looking at the way we develop our strategies and how effectively we manage our performance and drive improvement across the council. The project will help reduce the number of strategies we have and focus on delivery of the improvements set out in those strategies. We now have a performance and intelligence hub for both of the council's directorates as well as a restructured central hub. This will affect all areas of the council that currently have performance management, service improvement, consultation and engagement activities.

- 2.5 Category Management focuses on the potential to achieve significant savings on our third party spend through more effective procurement and contract management. The first phase of this project will help us to fully identify those savings. In later phases we will work to deliver these savings.
- 2.6 Furthermore, because of the impact of the customer contact, administration, performance and intelligence and category management functions moving out of the teams within the designated service areas, it has been necessary to consider how remaining specialist roles and functions are organised.

3. Analysis

- 3.1 157 staff were included in the consultation for phase 2. The 90 day consultation period began on 23 April 2012 with the undertaking of collective group meetings for staff in each department. These meetings were followed up with open forums for staff to attend, hosted by Neil Davies - Chief Executive, Tricia Palmer - Assistant Director Organisational Services and other members of the Corporate Management Team.
- 3.2 Early preventative measures were taken to preserve the positions of those staff at risk of redundancy by freezing all non essential external recruitment, allowing staff to make a request for voluntary redundancy and reduction of hours. It should be noted that although staff were able to make a request for redundancy this would only be agreed if we had no suitable positions within the new structures for them to undertake.
- 3.3 During the consultation period staff were given the opportunity to submit questions directly to the Better for Less team, their Service Managers or through the Trade Unions. A Better for Less website is in place so these questions and answers can be accessed by everyone.
- 3.4 Further support was provided to staff in phase two of the Better for Less programme by inviting them to attend workshops titled, "The selection process and how to apply for jobs". The workshops' aim was to ensure that staff were supported to apply and be interviewed for opportunities in the new customer contact, administration, performance and intelligence, category management and specialist teams. The feedback from the 54 staff who attended these workshops was very positive.
- 3.5 At the close of consultation and after the final structures had been agreed, Human Resources and the relevant Service Managers undertook a process of matching people to posts. Matching occurs where the duties of the previous role and the new role are 70% or more the same and the grade is the same. 83 people were matched, 52 % of the original 157 people.
- 3.6 The 74 staff that had not been matched were then able to apply for any of the positions within the new structures and were interviewed for those they were shortlisted for over a 4 week period. 52 staff were successful in securing a role.
- 3.7 12 staff were issued with compulsory notice of redundancy, 10 were given voluntary redundancy.

4. Conclusion

- 4.1 The combined work of the Organisational Change team, Human Resources team, Service Managers and the Better for Less team have significantly reduced the number of compulsory redundancies originally forecast at the beginning of phase two.
- 4.2 The training sessions and organisational support provided meant that staff had an opportunity to be fully informed and confident when applying and then undertaking interviews for the new positions.
- 4.3 The council has retained the skills and knowledge of the workforce whilst changing service provision and making financial savings.
- 4.4 Consultation for phase 3a of the programme has commenced. The committee will receive an update on this phase at the next committee.

5. Risk management

- 5.1 The risks in relation to these changes relate to both the services and staff involved. For the purposes of this report it is important to focus on the risk to staff. In addition to the personal implications for employees there are also some risks in losing highly valued skills. As mentioned previously in this report measures have been taken to mitigate these risks.

6. Financial and legal implications

- 6.1 Redundancy costs have been met within the council's budget and will be reported to this committee through the quarterly early retirements and severance payments report.
- 6.2 There are no direct legal implications arising from this report.

7. Recommendation

- 7.1 That Members note the report

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Background papers

None