

EMPLOYMENT MATTERS COMMITTEE

19 FEBRUARY 2013

BUDGET PROPOSALS AND IMPLICATIONS FOR STAFF

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Summary

This report covers new reviews and transfers since the last report and a summary of Employment Tribunals lodged.

1. Budget and Policy Framework

1.1 The staffing implications of budget reductions are a matter for this committee, which can decide on the policies and processes supporting any changes in staffing.

2. Background

2.1 The Employment Matters Committee on 29 November 2012 considered new reviews since 1 April 2011 and a summary of Employment Tribunals lodged.

2.2 The Committee on 29 February 2012 agreed that future reports include details of the transfer of staff to and from other employers; this is set out from paragraph 3.1 onwards.

2.3 This report provides an update on the present position.

3. Summary of the present position

3.1 Reviews

The reviews are detailed in Appendix A. Progress on current reviews is set out below.

3.2 Legal Services – Litigation Team

Consultation closed on the 5 December on the proposal to redress the fact that the team need more resources at a professionally qualified level and fewer resources at a part-qualified level. This was achieved by reducing the team at PO1 level by one full time equivalent (FTE) and using this saving, as well as the reduced need to “buy in” external professional resource, to increase the team at PO2 level by one FTE.

3.3 **Achieving Better for Less**

There is a separate report on this agenda on Achieving Better for Less.

3.4 **Schools**

All re-organisations last reported were finalised and effective from 1st September 2012. The September – December period traditionally has minimal redundancy consultations. Currently we have two consultations that have commenced: -

- Saxon Way Primary – Pastoral team, Teaching Assistants and supervisors rationalisation of roles and hours to meet the needs of the School, to be implemented January/February 2013.
- Sherwin Knight Infants and Juniors Federation – re-organisation of the senior leadership team and office team, in preparation for the schools amalgamating in September 2013.

Details are attached at Appendix B

3.5 **Transfers to and from the Council**

A spreadsheet is attached at Appendix C.

3.6 **Balfour Centre**

Consultation is commencing on the transfer of staff working at the Balfour Centre to Medway Community Healthcare on 1 April 2013.

3.7 **Linked Service Centres**

The decision was taken at Cabinet on 14 February 2012 to outsource the three Linked Service Centres and adopt the implementation plan as detailed in the DIA. Cabinet on 15 January 2013 decided to award the contract for Platters Farm Lodge to Strode Park Foundation. Cabinet on 12 February 2013 will be making a decision on Nelson Court and Robert Bean Lodge. The transfers are due to take place on 1 April 2013.

3.8 **Mental Health Services**

The transfer of 57 staff to the Council was achieved on 1 February 2012. This was a transitional arrangement pending further proposals to Cabinet on options in June 2012. Cabinet on 12 June 2012 considered a number of options and decided to retain the service in Council management and to review the matter after a twelve month period, setting out the weightings on the advantages and disadvantages of any options put forward for future delivery of the service.

3.9 **Transfers to Academies**

St James VA School moved to Academy status on 1 December 2012. Woodlands Primary is now scheduled for conversion in April 2013.

3.10 **Public Health**

Consultation commenced with staff on 22 January 2013 on the transfer of staff into Medway Council under the Cabinet Office “Staff Transfers in the Public Sector Statement of Practice” (COSOP) guidance. The Human Resources functions of both Medway and the NHS are working together to

effect a smooth transition of staff. Consultation concludes on 26 February 2013.

3.11 Traffic Operations

The provider of traffic operations to Medway Council (AMEY), which involves monitoring traffic problems, delays and emergencies within Medway, was given notice to terminate with effect from 30 April 2013. This was to ensure a more cost effective Service could be deliverable in house. One individual is subject to TUPE regulations and consultation is ongoing with a view to transfer to Medway Council on 1 May 2013.

4. Support for Staff

4.1 The Council recognises that this is an unsettling time for everyone and is making every effort to support staff. In addition to the individual meetings with managers, the HR service is providing support for affected employees and wherever possible we will redeploy individuals into new roles.

4.3 The Council's employee assistance provider (Care First) provides a free counselling and information line 24/7, 365 days a year. The Care First information line is managed by Citizen Advice Bureau trained advisers and can offer advice on a wide range of issues, which affect daily life such as employment, benefits, housing, debt etc. 598 employees have contacted Care First since 1 April 2012.

4.4 We also encourage staff to talk to their trade unions to ensure that they get the necessary support. An Industrial Chaplain is also providing opportunities for staff to contact him for support.

4.5 There have been regular communications with all staff to keep them up-to-date with the budget proposals. The Chief Executive sends out regular e-mails and there have been articles in *The Headlines* (staff newsletter). There is a bespoke "Achieving Better for Less" website for communicating progress of the review to employees. There is also an employee consultation email address where staff can make their comments, suggestions for saving money and ask questions. Line managers have been encouraged to brief staff on a regular basis.

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. Recruitment arrangements have been reviewed (for example, there is no recruitment to administrative posts) and every effort is made to redeploy staff with transferable skills. This will go some way to mitigate these risks.

5.2 There is always a risk that staff will exercise their right to appeal against their dismissal and to date 12 staff have done so.

There have been two Employment Tribunal applications lodged since the last report to this Committee (29 November 2012), where the Council has been a named Respondent. Both of these claims related to redundancy dismissals.

To date the Council has successfully defended all claims that have gone to a hearing.

- 5.3 There is delegated authority to the Assistant Director (Legal and Corporate Services) to authorise payment in respect of claims against the Council, in consultation with the relevant Director, where the payment does not exceed £5,000, and with the Chief Finance Officer and the relevant Portfolio Holder where the payment exceeds £5000 but does not exceed £10,000. This applies to limited cases where it is deemed to be more cost effective to reach a commercial settlement. Due to exceptional circumstances one claim, for a school, was settled for over £10,000.00.

6. Financial and legal implications

- 6.1 The proposed redundancies are being carried out in accordance with the Council's reorganisation procedure, and formal consultation with the trade unions and staff has taken place.
- 6.2 The Council must ensure that the process for any proposed redundancies complies with the required statutory obligations to inform and consult employees both collectively and individually under Section 188 of The Trade Union and Labour Relations (Consolidation) Act 1992. The Council is also under a duty to inform the secretary of state under Section 193 of the above Act about proposed redundancies.
- 6.3 The process adopted must be in accordance with the Council's redundancy procedure and comply with the general principles of fairness to minimise the risk of successful unfair dismissal claims.
- 6.4 The costs of redundancy and early retirement are continually being evaluated. Full Council on 24 February 2011 agreed that £3 million of the General Reserve be earmarked as a contingency for severance and associated costs as part of the 2010/2011 accounts closure. Any redundancy costs in schools would not be a charge against the earmarked reserves and will be reflected in the Children and Adults Directorate revenue monitoring as a pressure. In some circumstances schools are liable for redundancy costs.

7. Diversity Impact Assessments

- 7.1 Service DIAs have been completed on the areas subject to reductions. The staffing DIA for the reductions agreed by Members and Directors in February 2011 was submitted to this Committee on 28 September 2011.

8. Recommendation

- 8.1 The Employment Matters Committee is asked to note:
- The present position.
 - The support arrangements for staff.

Lead officer contact

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Background papers

Cabinet Report - Public Spending Reduction 29 June 2010

Employment Matters Committee 28 July 2010

Council Report 29 July 2010

Employment Matters Committee 16 September 2010

Employment Matters Committee 2 November 2010

Employment Matters Committee 7 December 2010

Cabinet Report on Budget 21 December 2010

Cabinet Report on Budget 27 January 2011

Employment Matters Committee 1 February 2011

Council Report 24 February 2011

Employment Matters Committee 16 March 2011

Employment Matters Committee 29 June 2011

Employment Matters Committee 28 September 2011

Employment Matters Committee 3 November 2011

Employment Matters Committee 18 January 2012

Employment Matters Committee 29 February 2012

Employment Matters Committee 11 April 2012

Cabinet Report on the Balfour Centre and Mental Health Services 12 June 2012

Employment Matters Committee 18 July 2012

Employment Matters Committee 13 September 2012

Employment Matters Committee 29 November 2012

APPENDIX A		SUMMARY OF REDUCTIONS				
NEW REVIEWS SINCE 1 APRIL 2012						
DEPT	AREA	NO. OF POSTS	CONSULTATION	OUTCOME	NO. OF REDUNDANCIES	NO. REDEPLOYED OR GOT POSTS WITHIN COUNCIL
BSD	Legal Services - Litigation Team	1	5 Nov 12 for 30 days	No Change	1	0
	MACLS Closure of Green Street	3	14 May 12 for 30 days	No redundancies due to change in working patterns /arrangements/sites for caretakers and refectory staff	0	3
RCC	Housing HRA	7	26 May 12 for 30 days	No change	2	5
	Telehealthcare	3	29 Aug 12 for 30 days	New structure implemented	1	2
Council Wide	Better for Less Phase 2	157	23 April to 23 July 12	Phase 2 proposals were implemented	22 (10 voluntary)	135
	Better for Less Phase 3a	77	9 January to 7 February 2013	Not yet known	not yet known	not yet known
TOTALS		248			26	145

APPENDIX C				
TRANSFERS IN SINCE 1 APRIL 2012				
DEPT	AREA	NO. OF STAFF	DETAILS	EFFECTIVE DATE
RCC	CCTV	17	Partnership between Medway, Swale, Maidstone and Gravesham	01-Apr-12
	Deangate Ridge Golf Course	2	From Foxy's Golf Limited	07-Aug-12
	Traffic Operations	1	Contract to be brought back in house	01-May-13
C&A	Hi Kent	2	Contract brought in house	01-Apr-12
	Public Health	70	National transfer to local authorities	01-Apr-13
Schools	Napier Primary	6	Cleaners transferring in to school	01-Aug-12
	Pilgrim	4	Cleaners transferring in to school	01-Aug-12
	Woodlands	4	Catering Staff transferring in to school	01-Aug-12
TOTAL		87		
TRANSFERS OUT SINCE 1 APRIL 2012				
DEPT	AREA	NO. OF STAFF	DETAILS	EFFECTIVE DATE
RCC	Stirling Centre	14	Transfer to new operator	01-Oct-12
C&A	CAMHS Tier 3	3	Transferred to Sussex Partnership	01-Sep-12
	Link Service Centres: Platters Farm Lodge	54	Contract awarded to Strode Park	01-Apr-13
	Link Service Centres: Robert Bean Lodge and Nelson Court	111	Decision to be made at Cabinet on 12 February 2013	01-Apr-13
	Balfour Centre	20	Initial secondment. If successful, transfer to Medway Community Healthcare	01-Apr-13
SUB TOTAL		202		
Schools	Greenacre	157	Converted to an Academy	01-Apr-12
	High Halstow Primary	29	Converted to an Academy	01-Apr-12
	All Faiths Primary	56	Converted to an Academy	01-Jun-12
	Chattenden Primary	41	Converted to an Academy	01-Jul-12
	Robert Napier	202	Converted to an Academy	01-Sep-12
	Glencoe Junior	46	Converted to an Academy	01-Sep-12
	Elaine Primary	78	Converted to an Academy	01-Sep-12

	Woodlands Primary School	179	Converting to an Academy	01-Apr-13
	St James VA	42	Converted to an Academy	01-Dec-12
SUB TOTAL FOR SCHOOLS		830		
TOTAL		1032		