

## **EMPLOYMENT MATTERS COMMITTEE**

**25 JUNE 2014**

### **BUDGET PROPOSALS AND IMPLICATIONS FOR STAFF**

Report from: Tricia Palmer, Assistant Director, Organisational Services

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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.
- 1.2 Directors may agree to reorganisations within their departments subject to there being:
  - no significant service policy implications or clear departure from existing Council policies;
  - no expenditure in excess of budget;
  - no growth in net expenditure beyond the current year;
  - no changes affecting directors or assistant directors;
  - consultation with the Assistant Director, Organisational Services.

#### **2. Background**

- 2.1 The Employment Matters Committee on 17 April 2014 considered new reviews since 1 April 2013 and Employment Tribunals lodged since the previous report.
- 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 position since 17 April 2014.

### **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 Day Care Provision at Robert Bean Lodge and Nelson Court**

The residential elements of these Linked Service Centres transferred to Agincare on 1 September 2013. The Day Care Provision was subject to a review of service, which was completed at the end of September 2013 and attendance figures recently reviewed again. The review highlighted a number of key issues, primarily that both day services are operating at less than half of the commissioned capacity and attendance is declining. As a result the day care services will not be transferring to Agincare and service users are being reviewed with a view to offering alternative arrangements to meet their social care needs.

Formal consultation concluded on 28 March 2014. Six posts were compulsory redundant at Nelson Court with effect from 31 March 2014, and 7 posts have been made compulsory redundant at Robert Bean Lodge with effect from 30 April 2014.

The decision to re-provide day care services also affects the Transport Procurement Unit who provide transport services to both day care units. Formal consultation with the affected staff group concluded on 28 March 2013. It was proposed that 9 posts would be made compulsory redundant. The outcome was 8 compulsory redundancies and 1 redeployment. All affected employees were given the opportunity to access the redeployment service, and other support and assistance.

#### **3.3 Children's Social Care (Phase 2)**

Following the implementation of the Children's Social Care review (Phase 1) a review of the Family Worker role in CSC has now taken place. It is proposed to move the Family Worker role out of the existing Children's Social Care teams and to combine the work they undertake with the prevention support work undertaken within Medway Action For Families (MAFF) in order to create a new Early Help service.

The focus of the new Early Help service will be to support troubled families, and where possible, prevent the need for an escalation to the services of the Children's Social Care teams by early intervention work.

Formal consultation concluded on 26 March 2014. Two requests for voluntary redundancy were received during the consultation process and have been accepted. This enabled the remaining staff pool to be matched to posts in the new structure. The Early Help structure will be implemented with effect from 1 July 2014.

#### **3.4 Balfour Centre**

Further to the transfer out of the direct care staff of the Balfour Day Centre to MCH, the support staff (kitchen, cleaning and transport) were seconded to MCH pending further decisions regarding the extent of the future service requirements. Initially, the secondment was for a six month period, which was extended to 31 March 2014. The secondment of the kitchen and

cleaning staff has now been extended to 30 June 2014. The transport staff were transferred to MCH on 1 May 2014.

### **3.5 Planning**

Staff have been consulted upon proposals to merge the Development Management and the Planning, Policy and Design Services. The proposals have seen the teams managed by a single manager. The objectives of the restructure were to deliver financial savings of approximately £180,000, improve joint working and communication between the Development Management and Planning, Policy, and Design service teams and to provide a more efficient service to customers.

Formal consultation concluded on 18 March 2014. Numerous positive comments were received from the staff group and minor tweaks to the proposals will be implemented. All new posts within the structure were ring fenced to staff who were directly affected by the above proposal. Selection has been undertaken, new structure implemented and no compulsory redundancies made.

### **3.6 Business Administration Support Service**

Staff were consulted upon proposals to re-organise the structure within Business Administration Support Service, in order to realise budget savings as a result of the budget process. Two areas were explored to facilitate this change. The first, the capacity to explore and then improve processes, and the second to increase the flexible deployment of staff to have a team of professionally trained staff who can work in a number of different settings and support different services. This also increases the skill set of staff.

The proposals resulted in the deletion of two C2 Senior Administration Officers, both of which were vacant, 10.65 D2 Administration Officers, 7.65 of which were vacant, one C2 Customer Relations Investigations Officer, and one C2 Meeting Support Officer. The proposals also included the introduction of a Service Improvement and Development Officer post at B1. The consultation process ended on 27 March 2014 and all selection processes have now been completed.

### **3.7 Izzat Day Centre**

Medway Council commissions a number of Older People's Day Care Services for people from the BME Community. The Izzat Day Centre is a non-statutory service provided for the benefit of older people or those with a disability to promote social interaction and provide a range of structured activities for vulnerable people during the daytime. These services and activities enable people to contribute and take part in society and promote community participation. All of these services benefit those who do not fit the FACS criteria.

Consultation commenced on 14 March 2014 and closed on 28 March 2014. all 4 staff will be made redundant, 2 as of 30 April 2014, 1 as of 31 May 2014. The 1 remaining member of staff has been retained until 20 June 2014 before being made redundant to enable the centre to remain open 1 day a week whilst service users seek alternative provision.

### 3.8 **Adult Social Care and Children With Disabilities Team**

Consultation has closed regarding a number of proposed changes to the structure of the Adults Social Care team and the Children's With Disabilities Team. The following changes were proposed:

- To integrate the Learning Disability and Physical Disability care management teams, including the Children with Disabilities team to bring these teams in line with future changes as proposed in the Green paper 'Support & Aspiration: a new approach to special educational needs'. This aims to ensure service users have continuity of care and a smooth transition from childhood into adulthood.
- To begin preparations for the changes arising from the Care Bill. The scale and impact is expected to be very significant.
- The creation of East and West teams for Older People in the Adult Social Work teams
- Supporting the creation of a professional social work environment and to recognise nursing and occupational therapy professionals, clearly identifying the role and contribution that these staff bring to the service whilst facilitating the highest professional standards and the outcome for customer service.

Consultation began on 26 February 2014 and closed on 8 April 2014. Voluntary requests were received and accepted for 3 staff who will all be made redundant by the 29 August 2014 and 1 compulsory redundancy as of 04 July 2014.

### 3.9 **Integrated Transport**

In June 2013 the former Integrated Transport Service was amalgamated with Traffic Management and Road Safety to form a new Service with a wider remit. Temporary management arrangements were put in place, but it was recognised that a full review of the Service was required to rationalise activities and focus resources on high priorities. Consultation has taken place with the whole service ending in April 2014. All new posts within the structure were ring fenced to staff who were directly affected by the above proposal. Selection to these positions is currently taking place. No compulsory redundancies are likely.

### 3.10 **Legal**

Consultation is currently underway with staff and trade unions regarding a number of proposed changes to the structure of the Legal Services Team. This is to ensure that in-house legal teams can offer organisations like Medway Council much better value and a better service than other options.

Formal consultation is due to close on 30 June 2014. Selection for redundancy will commence shortly afterwards

### 3.11 **Finance**

Consultation was undertaken with staff and trade unions regarding a number of proposed changes to the structure of the Finance Teams

The essence of the proposed restructure is that the division would reduce from six service managers to four, the four 'accountancy' teams becoming two, with the functions being split between strategic and operational finance. Internal audit would not be affected, however the revenues and benefits systems team would transfer to finance operations, with sundry debt collection going in the opposite direction and becoming part of the revenues and benefits recovery team. Responsibility for monitoring the Council's collection fund would transfer in its entirety to the Head of Revenues and Benefits.

Formal consultation commenced on 2 May 2014 and concluded on 2 June 2014. Jobs matching and selection process is ongoing.

### 3.12 **Sheltered Housing**

The Homes for Independent Living Structure has been piloted since November 2012. Proposals are underway to formalise the management arrangements for the Team as well as Void Management and Estate Services.

A formal consultation meeting has been arranged for 3 July 2014 to which union representatives have been invited.

### 3.13 **Heritage**

A phased restructure of Heritage Management Functions for Rochester Castle, Temple Manor and Upnor Castle is proposed in order to ensure business continuity during peak visitor period and to ensure:

- Operational management of heritage properties as key visitor attractions
- Delivery of requirements of Local Management Agreement with English Heritage and Medway Cultural Strategy
- Inward investment
- Volunteer development & partnership working
- Event and outreach development

Various options are currently being looked at with a view to starting formal consultation with staff and trade unions shortly to allow the new structure in place by the peak summer season

### 3.14 **Festival, Arts, Theatres and Events**

In view of the extensive financial investments made by the Council into festivals and events and the need for a marked improvement in the financial performance of the Corn Exchange it has been proposed to develop the staffing structure to create a symbiotic relationship between the two operations in order to exploit any financial opportunities. DMT approval has been sought and formal consultation with the staff and Unions is due to start shortly, with an implementation date of September 2014.

### 3.15 **Autism Outreach (including language support)**

In Medway there is currently an Autism Outreach Team (AOT) that comprises two specialist centrally employed teachers. There are also two specialist centrally employed language teacher posts that are part of the Learning Support Service (LSS). Both roles undertake a pivotal role in the support of mainstream schools in the management of pupils whose needs fall within the autistic spectrum.

Consultation is underway with staff on proposals to combine these two areas of work, to form one team. This new team would be known as the Communication and Interaction Outreach Service. The new team would be based at the Marlborough Centre (the only autism unit attached to a mainstream primary in Medway), where a centre of excellence can be developed. Co-locating the new team will allow for a more joined up and flexible response to meet the needs of pupils with autism and language difficulties across Medway.

### **3.16 Partnership Commissioning Review**

Since the implementation of the partnership commissioning structure it has become increasingly clear that due to the volume, complexity and scope of the work required across the Council and CCG, the current structure is not able to effectively manage and deliver the needs of the service.

It is proposed to restructure the Partnership Commissioning Team, the PA support team and Access to Resources Team. This review also proposes to transfer the strategic planning/engagement responsibilities from the Performance and Intelligence division and align these responsibilities more closely with the current Capital Programme team.

Consultation commenced on 9 June 2014 with staff and trade unions on a number of changes to the Partnership Commissioning service including the PA Support team, Access to Resources team and part of the Performance, Planning and Intelligence Service. The consultation will run for 30 days ending on 8 July 2014.

### **3.17 Schools**

There are currently no re-organisation/redundancy processes starting, or being planned to start in Medway Schools.

### **3.18 Transfers to and from the Council**

A spreadsheet is attached at Appendix B.

### **3.19 Housing – Outsourcing of Call Repairs service**

A service contract has been issued inviting bidders to tender for the Call Repairs contract (5 staff). The terms of the tender include a provision for the existing 5 staff members to second the new service provider for an initial 9 month trial period, prior to transferring under TUPE to the contract provider with effect from 1 April 2015.

Shortlisting of bidders took place in November, and following a further selection process, a preferred provider has been identified. A paper is being presented to Cabinet in April 2014 seeking approval to proceed with the awarding of the contract. It is currently proposed that the new service contract would commence from July 2014.

### **3.20 Strood Community Project**

Medway Council currently manages the work programme involving the local delivery of employment advice and services. One of the sub contractors of this contract, Strood Community Project, have given notice that they wish to cease the delivery of the contract.

7 employees will be transferring to Medway Council under TUPE regulations on 1 July 2014.

**3.21 South Thames Gateway Building Control Partnership**

Discussions are currently ongoing between STG and Canterbury City Council regarding Canterbury joining the Building Control partnership. Discussions are ongoing with a possibility of 7 employees transferring to Medway Council under TUPE regulations in the future.

**3.22 Substance Misuse**

A service contract has been issued inviting bidders to tender for the Substance Misuse contract. The terms of the tender include a provision for the existing employee to transfer under TUPE to the new service provider with effect from 1 July 2014.

Shortlisting of bidders took place in February, and following a further selection process, a preferred provider has been identified. It is currently proposed that the new service contract would commence from 1 July 2014.

**3.23 Facilities Management Joint Venture with Norse**

Discussions are ongoing regarding possible further transfers to Medway Norse from the Corn Exchange, the Leisure Centres, and the Youth Centres.

Greenspaces: Corporate contract and Partnership arrangement	General grounds maintenance services and seasonal bedding
Bereavement services contract	General grounds maintenance services and grave digging
Highways	General grounds maintenance services including hedge and tree cutting and traffic management
Medway Norse	General grounds maintenance including golfing greens

The service was previously contracted out to Quadron.

In addition 2 staff from Special Educational Needs Transport and 4 gravediggers were transferred to Medway Norse on 1 April 2014.

**3.24 Quality Assurance & Safeguarding**

The proposal sets out a plan for re-aligning these parts of the service, bringing them together under a dedicated Head of Safeguarding and Quality Assurance with some additional investment in specific areas to ensure robustness. The key objective of the proposal is to support the creation of a professional social work environment that facilitates the achievement of the highest professional standards.

**3.25 Adult Social Care Service Managers**

The current structure is in need of transformation. The Social Work Task Force recommended the establishment of a centre of excellence to represent the social work profession which is now the College of Social Work. Central to the work of the College has been to produce a Professional Capabilities Framework (PCF). The PCF integrates role descriptors and professional

standards for Social Workers, managers and employers. In essence this is the most up to date outline of how adult social care should be arranged to create the environment in which good social work can be practiced. To enable new team configurations and roles to be considered throughout Adult Social Care the roles of Service Manager need to be revised and re-focussed so that the necessary transformation can be achieved.

Consultation commenced on 24 February 2014 and closed on 03 March 2014. The proposal was a reduction of 1 Service Manager post. A voluntary redundancy request was accepted and the member of staff was made redundant as of 08 June 2014.

### 3.26 **Transfers to Academies**

Gordon Infant and Juniors to be converted to an Academy on 1 March 2014 and Bradfields Special School and Delce Junior School converted on 1 April 2014.

## 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. Since 1 April 2014, 54 employees have contacted Care First; 11% of these contacts were due to changes at work or redundancy.
- 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 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.
- 4.6 Medway Adult Learning offer a service to anyone at risk of redundancy or who has been made redundant in the past six months. 'Skills for Redundancy' is a free service being delivered from the Canterbury Street, Gillingham office.
- 4.7 The service provides candidates with an initial 9 hours of guided learning and will include personal diagnostic assessments with regard to literacy, numeracy and ICT skills, personal strengths and weaknesses and areas for development.
- 4.8 The second stage, if required, is an additional 30 hours of guided learning covering areas such as CV writing, interview skills, mock interviews - with



written feedback, personal and social skills, application process, researching and job searching skills, goal setting and personal progression.

## **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 has been one Employment Tribunal applications lodged since the last report to this Committee (6 February 2014), where the Council has been a named Respondent. To date the Council has successfully defended all claims that have gone to a hearing.

## **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 or is in the process of taking 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, where the relevant threshold has been met.

6.3 The process adopted must be in accordance with the Council's Organisational Change Policy (including redundancy) and comply with the general principles of fairness to minimise the risk of successful Employment Tribunal claims.

6.4 The costs of redundancy and early retirement are continually being evaluated. Full Council on 20 February 2014 agreed to use £500,000 of the £3 million redundancy reserve to fund 'pay and grade' however the balance remains available to fund severance and associated costs. 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.

6.5 The savings resulting from the various restructures have already been reflected in the Council's revenue budget.

## **7. Diversity Impact Assessments**

7.1 Service DIAs have been completed on the areas subject to reductions.

## **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**

Employment Matters Committee 19 February 2013

Employment Matters Committee 18 April 2013

Employment Matters Committee 4 July 2013

Employment Matters Committee 26 September 2013

Employment Matters Committee 20 November 2013

Employment Matters Committee 6 February 2014

Employment Matters Committee 17 April 2004

APPENDIX A		SUMMARY OF REDUCTIONS				
NEW REVIEWS SINCE 1 APRIL 2013						
DEPT	AREA	NO. OF POSTS AFFECTED	CONSULTATION	OUTCOME	NO. OF REDUNDANCIES	NO. REDEPLOYED OR GOT POSTS WITHIN COUNCIL
BSD	MACLs - Curriculum Team	27	6 June 2013 for 21 days	20 existing staff have been appointed to posts within the new structure	5 voluntary and 3 compulsory	0
	Communications and Marketing	20	20 May 2013 for 30 days	No Change	3 voluntary and 1 compulsory	1
	ICT	22	21 June 2013 to 22 July	Most of the original proposals implemented with some minor changes post consultation	2 voluntary	0
	HR	9	8 January 2014 for 30 days	5 staff obtained posts within the new structure and 2 staff were issued with notice of redundancy.	2 voluntary	0
	Category Management	2	7 January 2014 for 30 days	No change	2	0
	BASS	5.5	26 February to 27 March for 30 days	Not yet known	Not yet known	not yet known
	Legal Services	21	29 May 2014 for 30 days	Consultation to close on 30 June 2014. Awaiting comments as part of	Not yet known	Not yet known
	Finance	83	2 May 2014 for 30 days	Proposals going ahead. Recruitment process currently underway	Not yet known	Not yet known
C&A	Integrated Prevention Service	8	15 Mar 2013 for 30 days	5 staff were slotted to posts within the new structure and 2 staff were issued with notice of redundancy.	1	1
	Commissioning and Traded Services	1	10 Oct 2013 for 14 days	Most of the original proposals implemented with some minor changes made following consultation	Not yet known	
	Sure Start Nursery/Pre-school	15	7 May 2013 to 3 June 2013	No compulsory redundancies as most staff accepted term time only contracts, one voluntary redundancy accepted to avoid selecting for compulsory manager	1 voluntary	1
	Children's Social Care	25	13 August 2013 for 30 days	Staff slotted into posts within the new structure. Vacancies at higher grades advertised as an opportunity for promotion.	0	25
	Watersports	3	22 October 2013 for 30 days	Proposal to be implemented with effect of 1 April 2014	3	0
	Nelson Court	6	14 March for 14 days	Day care services being re-provided. Compulsory redundancies for 6 employees	6 compulsory	0

	Robert Bean Lodge	7	14 March for 14 days	Day care services being re-provided. Compulsory redundancies for 7 employees	7 compulsory	0
	IZZAT	3	14 March for 14 days	Reprovision of non-FACS eligible service	2 voluntary 1 compulsory	0
	Adult Social Care Service Managers	5	24 February to 3 March	1 voluntary redundancy	1 voluntary	0
	Adult Social Care and Children with Disabilities Team	99	24 February to 8 April	Majority of staff were slotted to posts within the new structure with only 4 redundancies	3 voluntary and 1 compulsory	0
	Quality Assurance & Safeguarding	24	6 May to 04 June		Not yet known	not yet known
	Autism Outreach and LSS	4	23 May to 21 June 2014	not yet known	Not yet known	not yet known
	Partnership Commissioning	31	9 June to 8 July 2014	Not yet known	Not yet known	not yet known
RCC	Greening the Gateway	1	13 - 17 January 2014	Unable to secure further funding for the project.	1 compulsory	0
	Transport Procurement Unit	9	14 March for 14 days	Day care services being re-provided. Compulsory redundancies for 9	8 compulsory	1
	Planning Service	38	17 February 2014 for 30 days	It is intended that these changes will involve no compulsory redundancies	1 voluntary	0
	Integrated Transport Service	33	26 March 2014 for 34 days	Proposal to be implemented with effect from July 2014	0	0
	Sheltered Housing	TBC	3 July 2014 for 30 days	Consultation to close on 2 August 2014.	Not yet known	Not yet known
	Festivals, Arts, Theatres and Events	14	Awaiting dates		Not yet known	Not yet known
	Sports centres	2	18 Dec 13 to 10 Jan 14	1 voluntary redundancy, other post is ringfenced and subject to interview as new posts created in the structure	1 voluntary	0
<b>TOTALS</b>		<b>517.5</b>			<b>47</b>	<b>34</b>

<b>APPENDIX B</b>				
<b>TRANSFERS IN SINCE 1 APRIL 2013</b>				
<b>DEPT</b>	<b>AREA</b>	<b>NO. OF STAFF</b>	<b>DETAILS</b>	<b>EFFECTIVE DATE</b>
RCC	Traffic Operations	1	Contract brought back in house	01-May-13
Public Health	Public Health	64	National transfer to local authorities	01-Apr-13
<b>TOTAL</b>		<b>65</b>		
<b>TRANSFERS OUT SINCE 1 APRIL 2013</b>				
<b>DEPT</b>	<b>AREA</b>	<b>NO. OF STAFF</b>	<b>DETAILS</b>	<b>EFFECTIVE DATE</b>
RCC	Drivers & Escorts - Balfour Centre	3	Transferred to Medway Community Healthcare	01-May-14
	Platters Farm Lodge	50	Transferred to Strode Park Foundation	01-Apr-13
C&A	Robert Bean Lodge and Nelson Court	85	Transferred to Agincare Group	01-Sep-13
	Balfour Centre and Embedded Teams	25	Transferred to Medway Community Healthcare	15-Apr-13
	Facilities Management Joint Venture	155	Transferred to Norse Commercial Services	01-Jun-13
Council	Facilities Management Joint Venture	6	Transferred to Norse Commercial Services	01-Apr-14
		<b>324</b>		
<b>SUB TOTAL</b>				
	Woodlands Primary School	179	Converted to an Academy	01-Apr-13
Schools	Skinner Street	45	Converted to an Academy	01-Sep-13
	AllHallows	30	Converted to an Academy	01-Sep-13
	Saxon Way	55	Converted to an Academy	01-Sep-13
	Kingfisher	47	Converted to an Academy	01-Sep-13
	Lordswood	84	Converted to Academy	01-Nov-13
	Wayfield	56	Converted to Academy	01-Nov-13
	Gordon Infants and Juniors	83	Converted to Academy	01-Mar-14
	Delce Juniors	55	Converted to Academy	01-Apr-14
	Bradfields	163	Converted to Academy	01-Apr-14
<b>SUB TOTAL FOR SCHOOLS</b>		<b>797</b>		
<b>TOTAL</b>		<b>1121</b>		