

EMPLOYMENT MATTERS COMMITTEE

9 SEPTEMBER 2015

PROPOSED REORGANISATIONS

Report from: Tricia Palmer, Assistant Director, Organisational Services

Author: Carrie Mckenzie, Head of HR and Organisational Change

Summary

This report covers new reviews and transfers since the last report.

1. Budget and Policy Framework

- 1.1 The staffing implications of reorganisations are a matter for this committee, which can decide on the employment policies and processes supporting any changes.
- 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 This committee considers new organisational reviews and also includes details of the transfer of staff to and from other employers.
- 2.2 An update on reviews which were initially reported at Employment Matters Committee on 17 June 2015 are set out from paragraph 3 and are shown underlined. Reviews which have commenced since the last committee are detailed from paragraph 4 onwards.
- 2.3 A summary of all reviews reported within this paper and all transfers to and from the council since the last Employment Matters Committee are attached at Appendix A and B.

3. Summary of ongoing Organisational Review consultations

3.1 Medway Adult and Community Learning Service (MACLS)

Consultation has been undertaken on proposals for a new staffing structure which realises budget savings.

The revised structure aims to enable the Service to:-

- * Ensure performance and standards rise across all sectors and that effective action is taken where there is not timely improvement
- * Enable curriculum staff to have clear roles, responsibilities and accountabilities that ensures a consistent approach to quality and planning across the Service
- * Realise a budget deficit of £400K
- * Be responsive to the likely further budget reductions in grant income and be able to achieve a sustainable budget
- * Move towards an increasing amount of the service's direct delivery teaching being taught by sessional staff to increase flexibility and reduce costs

Formal consultation ended on 20 May 2015 where a number of alternative proposals were received.

The review of these proposals is currently on hold to allow on-going discussions on partnership arrangements with Mid-Kent College. However, a number of staff have taken voluntary redundancy which has reduced the budget deficit to £240K

3.2 School Effectiveness and Inclusion

Formal consultation was undertaken on a proposal to delete two service manager posts, one of which was already vacant, within this Division and to replace these with one new post which would be responsible for both the SEN (Special Educational Needs) and Inclusion service areas. Formal consultation closed on 26 February.

As a result of these proposals, one member of staff has been displaced and is currently being considered for redeployment.

No redeployment opportunities were found and the member of staff has now left the council as a compulsory redundancy.

3.3 Old Vicarage

On 30 September 2014, Cabinet agreed to the possible transfer of the Old Vicarage children's home to the independent sector through a procurement exercise.

Staff have been informed of the plans, however the procurement timeframe has yet to be confirmed.

As an interim measure and until the procurement process is completed, the staff have had an extension of their secondment to Whistle Dawn, who are the management company currently managing the home on behalf of the Council.

An agreement was reached to re-tender once the contract with the current provider expires in October 2015.

3.4 Transfers to Academies

The following schools, St. Margaret's CEVC Junior, St. John's CEVC Infant and All Saints CEVC Primary have been granted Academy Orders to join Medway Anglican Schools Trust (MAST). The original proposed transfer date was 1st July. A Land issue at one of the schools has resulted in a delay of the conversion and it is expected that the conversion will now take place on 1st September 2015 with staff expected to transfer on this date.

Danecourt Special School has been granted an Academy order to independently convert. The proposed date for TUPE transfer of the staff is 1st September 2015.

Academy orders have been received for Twydall Primary, Byron Primary & Temple Mill Primary. All three will be sponsored Academies which will result in the TUPE transfer of the staff accordingly. Dates for these transfers are yet to be confirmed.

3.5 Housing Estate Services (Caretakers)

A service contract has been issued inviting responses to tender for the Estate Services – Caretakers. The terms of the tender include a provision for the existing 8 employees to transfer under TUPE to the new contract provider.

The tender process has been completed and a Gateway 3 contract report proposing the new provider is scheduled for consideration at Cabinet on 7 July 2015.

The contract was issued to NORSE Commercial Services and a project board has been set up to TUPE existing staff with effect from 5 October 2015.

3.6 CCTV Alternative Delivery model

A report seeking permission to commence the outsourcing of the management of the CCTV service and associated personal safety services was approved by Cabinet on 15 July 2014.

A service contract has been issued inviting responses to tender for this service. If successful, this would result in the TUPE transfer of 41 employees to the new provider.

A decision is currently awaited on whether the alternative delivery model is to proceed.

Further work is on-going and a decision is expected by the end of October 2015.

3.7 Early Years – Playwork Adviser

Following the conclusion of a three year secondment to one of Medway's Academies one member of staff has returned to the Council but as the Playwork service (Aiming High) is no longer provided by the Council, the substantive role was redundant.

Formal consultation was undertaken with staff and Trade Unions.

One member of staff has been displaced and is currently undertaking a trial period having been redeployed into another role.

The trial was unsuccessful and the member of staff has left the council under a compulsory redundancy.

3.8 Medway Action for Families

The Council has provided funding to Medway Youth Trust to carry out work on its behalf. A decision has been made to bring this work back in-house, resulting in a TUPE transfer of one individual into Medway with effect from 1 May 2015 for the remainder of her fixed term contract due to expire on 31 March 2016.

3.9 Audit Services

Discussions are ongoing regarding the transfer of Housing Benefit functions to the Department of Work and Pensions (DWP). An initial mobilisation meeting arranged for 12 August 2015 will provide further information. If this is to proceed it will involve the TUPE transfer of staff to DWP with an implementation date of February 2016.

The transfer is to proceed with further mobilisation meetings planned to agree the detail.

3.10 Villager Project

Management are in the process of putting together a DMT paper to propose transferring the Villager service to Medway Norse. Communication is ongoing to determine whether TUPE would apply and whether staff transfer.

DMT have agreed to outsource the service to Norse with effect from March 2016. There is one council employee affected by this and consultation will commence in due course.

4 Summary of new Organisational Change proposals.

4.1 Schools

This report only reflects reorganisations/redundancies that have taken place in maintained schools that buy advice & consultancy services. Work undertaken at Academies and non-Medway schools are not reported here.

Delce Infants have undertaken consultation on a restructure of their Children's centre staff to be able to offer a wider range of universal and targeted sessions; further narrowing the health and education gaps. This has been achieved by removing an unqualified post and replacing it with a qualified post, which has resulted in 1 member of staff being placed at risk of redundancy. Notice has been issued to end on 31st August 2015 and the council are currently seeking redeployment opportunities.

4.2 Old Vicarage

Formal consultation was undertaken on a proposal to delete the current posts of Cook, Kitchen Supervisor and Domestic Assistant and to introduce a new post of Housekeeper/Cook at the Old Vicarage.

Formal consultation ended on 29 April 2015. As a result of this proposal, two members of staff will be leaving the Council on 23rd August on the grounds of voluntary redundancy and one member of staff has been appointed to the new post.

4.3 Governor Services

Formal consultation was undertaken on a proposal to delete the two part time roles of Governor and Governance Manager (vacant) and the Governor Training Manager and replace them with a full-time Governance Services post.

Formal consultation ended on 3 July 2015. As a result of this proposal, the new post was ring fenced to the member of staff directly impacted by the proposal. An interview was held on 16th July and the employee was successfully appointed.

5. Support for Staff

- 5.1 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.
- 5.2 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.
- 5.3 We also encourage staff to talk to their trade unions to ensure that they get the necessary support. An Industrial Chaplain is also provides opportunities for staff to contact him for support.
- 5.4 There have been regular communications with all staff to keep them up-to-date with the budget proposals and other changes. 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.

6. Risk management

- 6.1 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 and every effort is made to redeploy staff with transferable skills. This will go some way to mitigate these risks.
- 6.2 The council have formally declined to enter into a conciliated settlement via ACAS in relation to a former employee who was made compulsory redundant from her role as a Playwork Adviser. This is a statutory step ahead of any Employment Tribunal hearing, the ex-employee may now submit an application to the tribunal services.

To date the Council has successfully defended the vast majority of claims that have gone to a hearing.

7. Financial and legal implications

- 7.1 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.
- 7.2 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.

- 7.3 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.
- 7.4 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 of £967,000 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.
- 7.5 The savings resulting from the various restructures have already been reflected in the Council's revenue budget.

8. Diversity Impact Assessments

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

9. Recommendation

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

Lead officer contact

Carrie Mckenzie, Head of HR and Organisational Change 01634 332261
carrie.mckenzie@medway.gov.uk

Background Papers

None

Appendices

Appendix A - Summary of reductions as reported.

Appendix B - Summary of transfers as reported

APPENDIX A						
SUMMARY OF REDUCTIONS AS REPORTED IN THE BUDGET PROPOSALS AND IMPLICATIONS FOR STAFF PAPER DATED SEPTEMBER 2015						
DEPT	AREA	NO. OF POSTS AFFECTED	CONSULTATION	OUTCOME	NO. OF REDUNDANCIES	NO. REDEPLOYED OR NOW IN OTHER POSTS WITHIN COUNCIL
BSD	Audit Services	6	28 January to 26 February 2015	Proposal to delete one Principle Auditor post. One staff member displaced who has left the Council.	1 compulsory	0
	Communications and Marketing	3	28 January to 26 February 2015	Consultation to close on 30 June 2014. Awaiting comments as part of consultation process. Consultation concluded with three staff members displaced who have left the Council.	3 compulsory	0
	Govenor Services	2	1 June to 3 July 2015	Proposal to delete 2 x part-time posts and add one full-time post on to the structure	0	1
C&A	Schools Commissioning and Traded Services	15	28 January to 26 February 2015	2 staff members displaced, one redeployed one redundant	1 compulsory	1
	Early Years	1	9 March to 23 March	1 member of staff displaced, currently in trial period of redeployment. The redeployment was unsuccessful and the member of staff has left the council on compulsory redundancy.	1 compulsory	0
	Schools Effectiveness and Inclusion	2	28 January to 26 February 2015	Two posts deleted from the structure and replaced by one new post. 1 member of staff displaced and is currently in the redeployment pool. The redeployment was unsuccessful and the staff member has now left the Council on compulsory redundancy.	1 compulsory	1
	Children's Social Care - Admin. Hub	35	1 March to 31 March 2015	One post deleted from the structure. One staff member displaced and has left the Council.	1 compulsory	0
	Self Directed Support Team	1	1 March to 31 March 2015	One post deleted from the structure. One staff member displaced and has left the Council	1 compulsory	0
RCC	Front Line Services Support Team	1	20 January 2015 to 18 February 2015	Due to go to consultation on 20 January 2015. Consultation concluded with one staff member displaced and has left the Council.	1 compulsory	0
	Regeneration and Economic Development	1	15 November to 17 December 2014	Proposal to delete the Project Co-ordinator (Greenfit) post. One staff member displaces and has left the Council	1 compulsory	0
	Highway Services	2	28 January to 26 February 2015	Proposal to delete 2 x Engineer posts and introduce 1 x Senior Engineer. One staff member displaced and has left the Council	1 voluntary	0
	Safer Communities	3	28 January to 26 February 2015	Proposal to delete 3 x posts. One staff member was displaced but has been successfully redeployed.	0	1
	Waste Services	1	28 January to 26 February 2015	Proposal to delete 1 x post. One staff member displaced and has left the Council	1 compulsory	0
	Public Health	3	24 February to 25 March 2015	Proposal to delete 3 x posts. Three staff members were displaced, of which two have secured posts within the new structure and one has left the Council.	1 compulsory	2
	Economic Development	5	None required	5 staff members on fixed term contracts were released at their respective end date.	0	0
	Villager Transport	1	by end February 2016	1 staff member displaced.	tba	tba
Total		82			14	6

APPENDIX B

SUMMARY OF TRANSFERS AS REPORTED IN THE BUDGET PROPOSALS AND IMPLICATIONS FOR STAFF PAPER DATED SEPTEMBER 2015				
Transfers IN				
DEPT	AREA	NO. OF STAFF	DETAILS	EFFECTIVE DATE
C&A	Medway Action for Families	1	Transfer in for the remainder of a fixed term contract to expire 31 March 2016	01-May-16
SUB TOTAL		1		
Transfers OUT				
DEPT	AREA	NO. OF STAFF	DETAILS	EFFECTIVE DATE
Nothing reported				
Schools				
DEPT	AREA	NO. OF STAFF	DETAILS	EFFECTIVE DATE
Nothing reported				
SUB TOTAL		0		
SUB TOTAL FOR SCHOOLS		0		
TOTAL TRANSFERRED OUT		0		
TOTAL TRANSFERRED IN		1		
NET TOTAL		1		

