

EMPLOYMENT MATTERS COMMITTEE

3 FEBRUARY 2016

PROPOSED REORGANISATIONS

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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 2 December 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 Old Vicarage

- 3.1.1 In 2012 Medway Council awarded a contract to Hexagon Care (Northern Care) to manage its Old Vicarage children's residential home. Agreement was reached to the secondment of Medway staff to Hexagon and for Hexagon to employ all future staff under their terms and conditions of employment.
- 3.1.2 As Hexagon Care's contract expires in November 2015, a paper was presented to Procurement Board in September 2015 seeking agreement to extend the current arrangements until 31 January 2016. This has now been agreed.
- 3.1.3 The paper also highlighted that this was only an interim measure until such time that the Old Vicarage was outsourced in its entirety as part of Medway Councils longer term vision.
- 3.1.4 Discussions are continuing regarding the timescales of the outsourcing project.

3.2 Transfers to Academies

- 3.2.1 Rivermead School converted to Academy status on 1st January 2016 forming its own Academy (The Rivermead Inclusive Trust). All but three Council employed catering staff have TUPE'd to the Academy.
- 3.2.2 Byron Primary school (sponsored by The Westbrook Trust) converted to Academy status on 1st January 2016.
- 3.2.3 Twydall Primary school is being sponsored by Rainham Mark Grammar School with a proposed transfer date of 1st February 2016. Staff employed in the Children centre will not transfer to the Academy and will remain employees of Medway Council.
- 3.2.4 No new Academy orders have been received for Medway schools.

3.3 0-25 Service

- 3.3.1 The 0-25 team was established following the restructure of the Adult Social Care division and provides support to children and young people up to the age of 25. The aim of this service is to support children and their parents through a range of interventions including short breaks, overnight respite and direct payments.
- 3.3.2 Formal consultation ended on 16 December 2015. No counter proposals were received.
- 3.3.3 The posts of family worker posts (8.06fte), Social Care Officer -Deaf Blind Intervener (1.00fte) and Assistant Family Worker (0.54fte) will be deleted from the 0-25 structure and the funding used as follows.

- 3.3.4 From 1st February 2016 the support for families with disabled children will transfer to the Integrated Family Support service including the responsibilities of the Social Care Officer. Five new posts (5fte) of Key Worker will be created. The post holders will be expected to undertake twilight (3-7pm) and occasional weekend work. The posts will be based at Broadside.
- 3.3.5 A new Short Breaks Service is being developed within the SDS Team and one new post (Short Breaks Coordinator) will be created.
- 3.3.6 The remainder of the budget will be used to increase social worker capacity in the 0-25 team.
- 3.3.7 Due to the level of vacancies there are no planned redundancies.

3.4 CCTV Alternative Delivery model

- 3.4.1 A report seeking permission to commence the outsourcing of the management of the CCTV service and associated personal safety services was approved by Cabinet in November 2015.
- 3.4.2 A service contract was issued inviting responses to tender for this service. Subsequently, a contract has been awarded to an in-house bid which will result in the TUPE transfer of 43 employees to the new provider, with a new company being set up early in 2016.
- 3.4.3 Preparation meetings are taking place and the proposed implementation date for the alternative delivery model is 1 April 2016.
- 3.4.4 Meetings with the staff and Trade Unions have been scheduled for early February 2016

3.5 Audit Services

- 3.5.1 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 1 March 2016.
- 3.5.2 The transfer is to proceed with further mobilisation meetings planned to agree the detail. Exact numbers to transfer to DWP will not be known until early February 2016.

3.6 Villager Project

- 3.6.1 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.
- 3.6.2 DMT have agreed to outsource the service to Norse with effect from 1 April 2016. There is one council employee affected by this and consultation will commence in due course.

3.6.3 The council are awaiting a TUPE letter from NORSE to commence the consultation which we are expecting to receive during January 2016.

3.7 Medway Parenting Support Service

3.7.1 The service currently employs one Senior Family Practitioner, one Family Practitioner (0.6 FTE) and one temporary Family Practitioner (0.4 FTE) specialising in ADHD.

3.7.2 It was proposed to move the Parenting Support Service into the Integrated Family Support Service.

3.7.3 Formal consultation ended on 8 December 2015, with no counter proposals being received. As a result, the Family Practitioner roles transferred to the Integrated Family Support Service on 4 January 2016 with the Senior Family Practitioner being deleted from the structure. The post holder has been placed at risk of redundancy.

3.8 Schools

3.8.1 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.

3.8.2 No redundancies or restructures have taken place in Medway schools.

3.9 Internal Audit & Counter Fraud

3.9.1 Following consultation, a new shared service for audit and fraud was agreed with Gravesham Borough Council and obtained Cabinet approval on 24 November 2015. This commenced on 1 December 2015, prior to the TUPE out of Housing Benefit fraud functions to DWP as detailed at 3.7 in this report.

3.10 Substance Misuse Programme – Public Health

3.10.1 Cabinet agreed on 27 October 2015 a proposal to bring the Substance Misuse Programme back in to the council. This will result in the TUPE transfer into the council of one employee from Kent County Council.

3.10.2 The transfer was concluded on 1 January 2016.

3.11 Sexual Health Services – Public Health

3.11.1 Sexual Health services are going out to tender which involves both NJC and NHS staff and there are potential implications for pensions and admitted body status.

3.11.2 Early discussions with the commissioning team are taking place and we are awaiting an update.

3.12 Benefit Assessment Team

3.12.1. Serco currently provide a benefit assessment service to the council for change of circumstances, which complements the current in-house provision. This has been in place for the past three years and Customer Contact have recently entered into discussions with the provider to cease this arrangement.

3.12.2 As a consequence of these discussions, seven Serco employees were TUPE'd into the Council with effect from 1 December 2015.

3.13 Senior Management Review

3.13.1 Cabinet agreed on 27 October 2015 to the commencement of consultation to a proposal to re-structure the council's senior management team and create a new Regeneration, Culture and Transformation directorate.

3.13.2. There are 9 established posts directly affected by the review, including Deputy Director, Regeneration, Community and Culture, and Assistant Directors for Organisational Services, Communications, Performance and Partnership, customer Contact, Democracy and Governance, Housing and Generation, and four Heads of Service.

3.13.3 The following new posts will be created, Assistant Director (AD) Transformation, AD Physical and Cultural Regeneration, Head of Safer Communities and Greenspaces, Head of Regeneration Delivery and Head of Transformation

3.13.4 The recommended proposal is estimated to realise budget savings of c£300K.

3.15.5 As well as consultation with the individuals affected, the whole workforce was invited to comment on the proposals. The consultation closed on 4 December 2015 with a final proposals paper being presented to Council on 21 January 2016.

3.15.6 The new structure is timetabled to be implemented by 1 April 2016.

4 Summary of new Organisational Change proposals.

4.1 Internal Audit & Counter Fraud

4.1.1 Following the implementation of the shared service with Gravesham Borough Council on 1 December 2015 and prior to the TUPE out of Housing Benefit fraud functions to DWP (as detailed at 3.7 in this report) a proposal was put forward to undertake a review.

4.1.2 The key objectives of the review are to:

- Mitigate the reduction in budget through the loss of grant funding
- Develop a multidisciplinary team to respond to fluctuations in demand
- Enable team to work at both sites and provide management/supervisory support at both sites

- 4.1.3 The current proposal involves the deletion of four posts, with the creation of three posts, creating a risk of redundancy for one staff member.
- 4.1.4 Formal consultation commenced with staff and trade unions on 8 December 2015 and ends on 13 January 2016.
- 4.1.5 The new structure has a proposed implementation date of 1 April 2016.

4.2 Public Health

- 4.2.1 As part of wider Government action on deficit reduction, the 2015/16 public health grant to local authorities has been reduced by £200 million nationally. This resulted in a £1.042million reduction to our in-year grant.
- 4.2.2 The Chancellor's autumn statement of November 2015 also flagged further reductions in public health grants, although the grant will be ring-fenced for a further two years. It is anticipated that the additional reduction in 2016/17 will amount to £402,255.
- 4.2.3 Within this environment it has been necessary to review existing staffing structures to ensure that the remaining resources are in the right place to focus on delivering public health outcomes effectively. This review has resulted in a proposal to reduce staffing levels by 3.8 fte.
- 4.2.4 A formal 30 day consultation will commence on 12 January 2016 with staff and trade unions.

4.3 Tier 2 Service

- 4.3.1 A formal 30 day consultation commenced on 9 December 2015 to restructure the Tier 2 service. The team will sit alongside colleagues in children's social care and also the Integrated Family Support Service, strengthening the front door offer of support and improving integrated working with teams that often are working with the same children and families.
The posts of Senior Practitioner (1.00fte), Primary Mental Health Worker (4.00fte), Connexions PA/Mental Wellbeing (1.00fte), and Behaviour Support Caseworker (2.00fte) will be deleted and replaced with new roles.
- 4.3.2 It is proposed that the new Tier 2 team will consist of a Team Manager (1.00fte), 4 x Primary Mental Health Support Worker (4.00fte) and 4 x Mental Health Keyworkers (4.00fte). In addition 3 dedicated Primary Mental Health Practitioners will be created to strengthen the front door offer. These roles will ensure timely and holistic responses to contacts where there are concerns about a child or young person's emotional health and well being.
- 4.3.3 The consultation period will close on 7 January 2016.

4.4 Review of Early Years and Sure Start Children's Centre Services

- 4.4.1 A report was presented to Cabinet on 12 January 2016, proposing a reconfiguration of Council services for very young children and their families. The recommended option is to retain all 19 Sure Starts Children's Centres and reconfigure staffing into a smaller number of clusters. This would enable a defined offer of front line services focusing on statutory safeguarding and early help, school readiness and attainment, and alignment with child health services.
- 4.4.2 The Cabinet instructed officers to commence consultation with all stakeholders on reconfiguring services, including the proposal for significant changes to the management and staffing and a reorganisation of the early year services. The findings of the consultation will be reported to Cabinet on 5 April 2016, with full implementation by 1 January 2017.

4.5 Future Integrated Youth Support Services

- 4.5.1 A report was presented to Cabinet on 12 January 2016, seeking approval to prepare Medway Integrated Youth Support Services for future outsourcing. The proposal is to package the Youth Services and the Youth Offending Services with the YES IAG (Connexions) contract into a commissioning package from January 2017.
- 4.5.2 The Cabinet agreed to the commencement of consultation with young people and local residents to inform the specifications of the new service. The outcomes of the consultation together with the outline specification will be reported to Cabinet on 8 March 2016.

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.

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.

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Background Papers

None

Appendices

Appendix A - Summary of reductions as reported.

Appendix B - Summary of transfers as reported