

## EMPLOYMENT MATTERS COMMITTEE

30 NOVEMBER 2016

### PROPOSED REORGANISATIONS

Report from: Carrie McKenzie, Chief People Officer

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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 Chief People Officer.

#### 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 on-going reviews that have been previously reported at Employment Matters Committee 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 Transfers to Academies**

- 3.1.1 Academy orders have been received for Hoo St. Werburgh Primary School & the Marlborough Centre, and Walderslade Primary School who will be joining Rivermead Inclusive Trust. The proposed transfer date is 1<sup>st</sup> September 2016.

Transfer to Academy status has been completed

- 3.1.2 An Academy order has been received for Deanwood Primary School. They will be joining the Howard Academy Trust with a proposed transfer date of 1<sup>st</sup> October 2016.

Transfer to Academy status has been completed

- 3.1.3 An Academy order has been received for Pilgrim School who will be setting up their own multi-academy Trust. The proposed conversion date is 1<sup>st</sup> December 2016.

Transfer to Academy status is on target for completion on the proposed conversion date

- 3.1.4 An Academy order has been received for Balfour Junior School who will be joining the Fort Pitt and Thomas Aveling Academy Trust. The proposed conversion date is 1st January 2017.

Transfer to Academy status is on target for completion on the proposed conversion date

#### **3.2 Sexual Health Services – Public Health**

Sexual Health services are going out to tender which involves both NJC and NHS staff.

The contract was awarded to the Kent Community Health NHS Foundation Trust and we are anticipating that 1 member of staff will transfer under TUPE on 1 October 2016, following the conclusion of the formal consultation that commences on 2 September 2016.

The affected member of staff secured a position with KCHT under NHS terms and as a consequence there was no TUPE transfer.

#### **3.3 Review of Early Years and Sure Start Children's Centre Services**

A report was presented to Cabinet on 5 April 2016, proposing a reconfiguration of Council services for very young children and their families. Approval was given by Cabinet for Officers to restructure the service and whilst retaining all 19 Sure Start Children's Centres and reconfiguring the staff 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.

Following a short consultation period, Children's Centre staff from 5 academy trusts were transferred into the Council's employment on 20 May 2016 to bring all relevant staff under the Council's employment prior to the start of the restructure.

A formal consultation period commenced on 23 May 2016 regarding the proposals to restructure the staff team into 8 clusters and to reduce the existing establishment from 135.4 FTE to 109 FTE and concluded on 30 June 2016. Several counter-proposals were received and responded to by 5 July 2016. A total of 31 voluntary redundancy requests were received of which approximately 50% were accepted owing to the need to retain individuals' skills and knowledge for other posts within the new team structure. A selection process for those posts where individuals could not be slotted concluded on 16 September 2016.

This has resulted in 4 staff receiving notice of potential compulsory redundancy with effect from 31 December 2016. The usual redeployment service will be utilised for these 4 individuals.

### **3.4 Future Integrated Youth Support Services**

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.

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 were reported to Cabinet on 5 April 2016.

The Invitation to Tender ended on 3 August 2016 with shortlisted provider interviews held at the end of August. A report will be presented to Cabinet in November 2016.

### **3.5 Children's Services**

Children's Services was restructured in August 2013 following the Ofsted inspections in January and July 2013. Since this time, the whole service has relocated to Broadside, new working practices and services have been put in place and some partners have co-located with Children's Services. Positive changes in practice have been recognised by Ofsted following their inspection during September/October 2015. A plan of action, to respond to the Ofsted recommendations and to drive the service forward over the next two years, has been developed. Further improvements are required to ensure that we build on and sustain the progress made and achieve our mission of being good to outstanding by 2017.

The proposed restructure aims to:

- Address current recruitment and high vacancy levels at Social Work Manager level by making this a more attractive role, with pay scales comparable to neighbouring local authorities;

- Reduce cost and the current significant premium paid to locum Social Work Managers;
- To develop stronger alignment with community resources and partners in developing an area based approach.

The proposal mainly affects the Child in Need and Child Protection Service and the Looked After Children and Proceedings Service, (excluding the Leaving Care Service).

A formal 30 day consultation commenced on 16 March 2016 and ended on 14 April 2016.

There were no redundancies, and the new structure went live on 30 September 2016.

### **3.6 Greenspaces Urban Team**

Early discussions are ongoing with regard to the TUPE transfer of 4 existing staff within the Urban Ranger service to NORSE with an options paper being put to Cabinet on 12 July 2016.

This was agreed at Cabinet and formal consultation commenced with 4 staff members on 2 August 2016. The proposed TUPE transfer date was 1 September 2016 but this was delayed until 1 October 2016.

The transfer of staff was completed on 1 October 2016.

### **3.7 Corn Exchange**

An ITT contract has been issued inviting responses to tender for the Corn Exchange Service. The terms of the tender include a provision for all the existing employees to transfer under TUPE to the new contract provider.

Once the tender process has been completed and considered at Cabinet, formal consultation will commence with staff and Trade Unions.

The tender process is on-going; staff that may be affected by the proposals have been informally advised.

### **3.8 Heritage Service**

A proposal has been submitted to change to generic posts within the Heritage Service which will maximise the flexibility for staff to work across the service.

The rationale document and structure charts have yet to be finalised ahead of any formal consultation.

The service is targeting an implementation date of 1 April 2017.

On completion of the business rationale the service concluded that there was no advantage in pursuing the changes and the review has been set aside.

### **3.9 HRA Development Team**

Due to a loss of funding there is a reduction in borrowing capacity to build further Council Housing.

As a consequence, the need for both the Development Manager and Development Officer post ceases. A proposal has been submitted to delete both of these posts from the current structure.

1 member of staff is affected as the Development Manager post is vacant.

Formal consultation commenced on 8 August 2016 and closed on 12 September 2016.

1 compulsory redundancy was implemented with effect from 30 September 2016, with the one staff member leaving immediately with an agreed payment in lieu of notice.

### **3.10 Parking Services**

There is a requirement to extend the hours of operation to meet Service Plan Targets

The current working pattern for Civil Enforcement Officers (CEO's), Senior CEO's and Supervisors is Monday to Friday 7am to 10pm, Saturdays 7am to 6pm. Sundays and Bank Holidays are staffed on a voluntary basis between the hours of 7am to 1pm.

A proposal is to be submitted to introduce a compulsory twilight shift which will cover Monday – Sunday 7am to 1am inclusive of Bank Holidays except for Christmas Day.

The rationale document is being prepared ahead of the commencement of formal consultation with the staff and trade unions on 16 August 2016. Consultation closed on 14 September with counter proposals being received, considered and responded to by the service management team. The agreed changes are being implemented with effect from 1 November 2016.

### **3.11 Legal Department**

A paper that proposes to enter into a shared service agreement with Gravesham Borough Council is being presented to the Gravesham BC Cabinet on 5 September 2016 followed by the Medway Council Cabinet in October 2016.

Due to a delay in going to Gravesham BC Cabinet new implementation date proposed as 1 April 2017. Shared service agreement meetings are on-going between the two Councils and a paper is going to Medway Council's Cabinet in January 2017.

### **3.12 Partnership Commissioning Division & Social Care Business Teams**

There has been significant change in the needs of the Children and Adults Directorate in the last 12 months. Additionally, further changes anticipated locally and nationally, have necessitated a review of the commissioning and business and intelligence functions across the directorate.

Formal consultation commenced on 26 July 2016 and closed on 26 August 2016.

The division has been renamed Commissioning, Business and Intelligence and the new structure is live as of 1 November 2016.

To date there have been 2 voluntary redundancies and for those 33 staff at risk of redundancy alternative employment has been found for the majority and we are working with the remaining staff to secure alternative employment through the redeployment process. All appointments have been made to the new Heads of Service posts.

## **4 Summary of new Organisational Change proposals.**

### **4.1 Adult Social Care – Heads of Service and Team Managers**

Adult Social Care in Medway is modernising the way that its services are delivered in Medway. In order to deliver the changes required, the Adult Social Care services division will need a strong leadership team and a management culture to implement a new care pathway, which is not only fit for purpose but achieves value for money of the Medway public purse.

The proposal is to delete 3.18fte Head of Service posts and create 2.0fte new Head of Service posts and to delete 8.0fte Team Manager posts and create 6.0fte Operations Manager posts.

Formal Consultation commenced on 3 October 2016 and is closing on 2 November 2016.

### **4.2 Public Health**

Due to a reduction in the Public Health Grant and to reflect changes in service commissioning arrangements implemented under the Health and Social Care Act 2012, a proposal has been developed to restructure and re-align the function to better meet the needs of Medway Council and its external partners.

The proposal is to delete 8.28 FTE posts, of which 2.3 FTE are currently vacant and to create 7 FTE posts.

Formal consultation commences with affected employees and Trade Unions on 8 November 2016 and closes on 7 December 2016

The changes are targeted to be implemented on 1 February 2017.

### **4.3 Schools**

Abbey Court School transferred to Foundation School status with effect from 1 November 2016. Following consultation, all staff have TUPE'd from the Council's employment to be employed by The Governing Body of Abbey Court School.

Consultation has commenced to outsource to Churchill Services Ltd, the cleaning of Burnt Oak School. The school currently employs 5 cleaners and this cohort of staff will TUPE to Churchill's with a proposed implementation date of 1 January 2017.

## **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 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. 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 savings resulting from the various restructures have been reflected in the Council's revenue budget and the cost of redundancies will be met from the earmarked reserve.

## **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 and the support arrangements for staff.

### **Lead officer contact**

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### **Appendices**

Appendix A - Summary of reductions as reported.

Appendix B - Summary of transfers as reported

### **Background Papers:**

None