

EMPLOYMENT MATTERS COMMITTEE

14 JUNE 2017

ORGANISATIONAL CHANGE

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Summary

This report covers new reviews and transfers since the last report on 30 November 2016.

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 on 30 November 2016 are set out from paragraph 3 and are shown underlined. Reviews which have commenced and in some cases concluded 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 Corn Exchange

An ITT contract was issued inviting responses to tender for the Corn Exchange Service.

Three bids have been received and are in the process of finalising the preferred bidder.

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

3.2 Legal Department

A paper that proposed to enter into a shared service agreement with Gravesham Borough Council was presented and agreed at Gravesham BC Cabinet on 5 September 2016.

Employees from Legal Services at Gravesham Council transferred to Medway under TUPE Regs. on 1 April 2017. Shared Service between the Councils is successfully up and running

3.3 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 went live 1 November 2016.

The review resulted in 2 voluntary redundancies and 1 compulsory redundancy and 3 staff were redeployed.

3.4 Adult Social Care – Heads of Service and Team Managers

Adult Social Care in Medway is modernising the way that its services are delivered. 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 public purse.

The proposals were 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 closed on 2 November 2016.

There were no counter proposals received. 2 Staff have been made redundant and 6 staff have been redeployed with effect from 1 December 2016.

3.5 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 was developed to restructure and re-align the function to better meet the needs of Medway Council and its external partners.

The proposals were to delete 8.28 FTE posts, of which 3.3 FTE are currently vacant and create 7 FTE posts.

Formal consultation closed on 7 December 2016.

Changes were successfully implemented with the new structure effective from 1 April 2017.

3.6 Schools

The cleaning of Burnt Oak School was outsourced to Churchill Services Ltd resulting in 5 cleaners TUPE transferring on 1 February 2017.

4 Summary of new Organisational Change proposals.

4.1 Pest Control

It was agreed at Cabinet on 20 December 2016 that the Pest Control Service will TUPE transfer out to Medway Norse.

Consultation with 5 affected staff members and trade unions commenced on 27 January 2017 and concluded on 13 March 2017.

Employees successfully TUPE transferred to Medway Norse on 1 April 2017.

4.2 Payroll

In October 2016 Gravesham Council approached Medway to run their payroll and expenses service. The HR service presented a specification and a chargeable service level contract was agreed.

Consultation with the affected employee commenced on 16 February 2017.

Employee successfully TUPE transferred to Medway Council on 1 April 2017

4.3 **ICT**

The ICT service staff structure has been in place for around 5 years and was designed to provide support for corporate desktop, applications and networking infrastructure. The changes to desktop working practices and application/web development have meant that support requirements in these areas have altered sufficiently for the ICT management to consider whether the current staffing resource meets the future needs of Medway Council.

The proposals are the delivery and change management teams will merge into one and the service desk and technical desktop support teams will merge into one.

The new proposed structure will reduce overall headcount by 5 FTE posts.

A rationale document was presented to and agreed by CMT in February 2017.

Formal consultation commenced with affected staff group and trade unions on 19 May 2017.

The proposed implementation date is 1 July 2017.

4.4 **Regeneration Delivery**

Consultation is underway to review of current structure to meet the needs of the service.

The new proposed structure will reduce the overall headcount by 2 FTE posts. No redundancies are anticipated as new posts are being created.

The proposed implementation date is of 1 July 2017.

4.5 **South Thames Gateway (STG) Building Control Partnership**

A decision was taken by Canterbury City Council (CCC) to join STG partnership. We are currently ascertaining if TUPE applies due to change of work location.

Discussions and work ongoing with CCC, with a proposed implementation date of 1 April 2018.

4.6 **Scheme Cleaners**

A report was considered and agreed by Cabinet on 7 March 2017, which proposed the transfer of the scheme cleaning contract to Medway Norse.

Formal consultation commenced with the 6 affected employees on 28 March 2017 and ended on 21 April 2017. All staff TUPE transferred on 1 May 2017

Transfer Completed.

4.7 Child Health Services (Public Health)

The Council and Medway CCG are proposing recommissioning the Child Health Services over 2017/18 which consists of the 0-19 Healthy Child Programme (HCP) and community paediatric health services. . A market engagement event commenced on 13 March 2017 to obtain the views of the public and this has been followed by a procurement exercise.

There are ongoing informal discussions with potential affected staff members who may be eligible for TUPE.

4.8 Internal Temp Supply Pool

Consideration is being given to the creation of an alternative delivery model and the creation of a Local Authority Trading Company as a subsidiary of Medway Commercial Group (MCG) was agreed at Cabinet on 17 January 2017. This was called in to be discussed at scrutiny on 31 January 2017 with no further action in respect of cabinet's decision.

There are ongoing informal discussions with the staff group.

The implementation date is still to be confirmed.

4.9 Rangers

A report was considered and agreed by Cabinet on 7 March 2017 which proposed the transfer of the Countryside Rangers to Medway Norse.

Formal consultation commenced with the affected employees on 28 March 2017 and ended on 21 April 2017. Eleven employees were affected by this outcome.

The TUPE transfer was successfully implemented 1 May 2017.

4.10 Library Services

There is a proposal which may result in the closure of the Library at Thomas Aveling and a proposal to make changes at Grain Library.

There are ongoing informal discussions with 5 affected employees.

4.11 Highways and Design

There is a proposal to reorganise the Highway and Design service to enable delivery of a more cost effective service.

HR are awaiting confirmation of a meeting with the Service Manager to discuss the rational, timescales and staffing implications of this proposal.

4.12 Aut Even and Parklands

There is an ongoing discussion about the suitability of the accommodation of Aut Even and a requirement to expand the service offer available at Parklands. To enable the expansion of the service offer at Parklands it was

proposed that the management structure of both Aut Even and Parklands be brought together and then a more detailed piece of work to be undertaken to review the possibility/viability of bringing both services together, on one site.

Consultation closed 06 April 2017 and changes were implemented as of 01 May 2017. No redundancies were made.

4.13 Men in Sheds

There is the re-procurement of the Men in Sheds project and this will involve the TUPE of employees between third parties.

The implementation date is still to be confirmed.

4.14 Leisure Centre Cleaners

Agreement was given in March 2017 for the transfer of the cleaning services from the leisure centres to Medway Council. This was initially scheduled to be completed by 1 April 2017, however discussions are ongoing between management regarding the budget and funding of posts.

This will potentially involve the TUPE transfer of 15 employees back into Medway Council.

The implementation date is still to be confirmed, once the budget issues are resolved.

4.15 Innovation Centre Receptionists

Agreement was given in March 2017 to transfer the reception duties at the Innovation Centre back to Medway Council.

Consultation with the 1 affected employee was undertaken and the TUPE transfer was successfully implemented as of 1 May 2017.

4.16 Crematorium and Registration

There has been a review of the current structure in relation to its ability to meet the needs of the service.

No redundancies are anticipated as posts proposed to be deleted are vacant and there are a number of proposed new posts being created.

The implementation date is still to be confirmed.

4.17 Environmental Health Shared Services

There are ongoing discussions with Gravesham Council and Tonbridge and Malling Council regarding the possibility of creating a shared Environmental Health Service.

This would involve the TUPE transfer of approximately 60 employees.

4.18 Brook Car Park

There has been a decision to operate the Brook car park as a Pay & Display car park.

This will have staffing implications with redundancies expected. The final draft of the rationale documentation is being finalised by management before final agreement on the date to commence formal consultation with staff is confirmed.

4.19 SEN Transport

There is a proposal to TUPE transfer SEN Transport back to Medway Council.

This information was received from management on 05 May 2017, but with no indication of a transfer date. Awaiting further information.

4.20 Duke of Edinburgh

A Cabinet decision was taken on 20 December 2016 that the Duke of Edinburgh Scheme would no longer be delivered by Medway Council, and that the South East Regional D of E would deliver the Award scheme with an associated two year funding agreement.

Consultation ran for 20 days from 7 March 2017 to 27 March 2017. No counter proposals were received and the service ceased on 7 April 2017 resulting in 5 members of staff being made redundant (2.6 FTE).

4.21 Health for Learning

It was proposed that the current service cease from 31 March 2017 which would involve the loss of 1.4fte employees.

This review was implemented on 1 April 2017 and 2 Staff have been made redundant.

4.22 Business Intelligence

It was proposed that the Client Financial Affairs Team transferred from Adult Social Care to the Business and Intelligence Service within Commissioning, Business & Intelligence so that all operational finance functions are overseen by the Head of Business and Intelligence.

The roles and responsibilities of the Personalisation and Finance Lead and the Corporate Appointee and Deputy were combined to create a new role of Personalisation and Client Finance Lead at Range 7.

Consultation commenced on 28 February 2017 and ended on 14 March 2017. One counter proposal and 2 sets of questions were received during the consultation period. Whilst these were not accepted, some useful points relating to the Corporate Appointee and Deputy post role were received.

One voluntary redundancy was received and accepted. The review was implemented on 10 April 2017.

4.23 Children's Advice and Duty Service (CADS)

It was proposed that the CADS team be reconfigured to create a Multi Agency Safeguarding Hub and teams aligned to replicate the pod model currently in place within the Safeguarding service.

Formal consultation commenced with staff and trade unions on 5 April 2017 and ended on 18 April 2017. No redundancies were anticipated.

No counter proposals were received. New posts were ring fenced to staff affected by the proposal and appointments to the new structure are currently underway.

4.24 Adult Social Care – Phase 2

To further progress the transformation programme in Adult Social Care consultation commenced on 19 May 2017 with the following teams: Mental Health, Older People, 25+ Disability, OT, Intake Services, Safeguarding, DoLs and Hospital Team.

In order for the service to become fit for the future, changes in the approaches to how specialist services work together to provide holistic assessments of individuals and carers and a move to generic locality teams is deemed to be required. A proposal has been developed to restructure the team's inline with a new care pathway and with the eye to future integration with health colleagues and to meet the increasing need and demand for adult social care in Medway.

The proposal is to introduce new posts of Integrated Practice Manager, Integrated Practitioner and Integrated Practitioner alongside a number of other new roles. This will result in the reduction of some types of roles and therefore there is the potential for some staff to be at risk of redundancy, however, there are a number of existing vacancies and temporary posts in place that will mitigate the impact on permanent members of staff.

Formal consultation closes 18 June 2017.

4.25 Tier 2 Services (CAMHS)

On 4 April 2017 Cabinet agreed the award of the contract for the provision of the Medway Young Persons' Wellbeing Service to North East London NHS Foundation Trust (NELFT).

This will involve the TUPE transfer of 8 employees from 1 September 2017.

4.26 Transformation of Early Help Services

A report was presented to Cabinet on 9 May 2017, providing details of transformation plans for Early Help services, including Children's Centres, through the establishment of integrated hub buildings in each of

the existing four Children's Services areas to target resources and improve the impact of support for children and families.

The Cabinet agreed the proposal to consult with trade unions and affected staff in accordance with the Organisational Change Policy, and to note that the Director of Children and Adults Services, in consultation with the Portfolio Holder for Children's Services (Lead Member) will consider and bring recommendations back to Cabinet on 8 August 2017.

This decision was subsequently called in to the Children and Young People Overview and Scrutiny Committee. The Committee considered the call in on 30 May 2017 where it was agreed to accept the Cabinet decision and take no further action.

4.27 Schools

An Academy order was received for Riverside Primary school who will be joining the Rainham Mark Academy Trust. Transfer to Academy status has been completed as of 1 April 2017.

An Academy order was received for St. Margaret's Infants school who will be joining the Westbrook Academy Trust. Transfer to Academy status has been completed as of 1 April 2017.

An Academy order was received for Thames View Primary school who will be joining the Howard Academy Trust. Transfer to Academy status has been completed as of 1 April 2017.

An Academy order has been received for Mierscourt Primary school who will be joining the Howard Academy Trust. The proposed conversion date is 1 September 2017.

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

An Academy order has been received for the Rowans Pupil Referral Unit who will be setting up their own Multi-Academy Trust. The proposed conversion date is 1 June 2017.

Barnsole Primary school have had their Academy order to set up as a multi-academy trust approved. Transfer to Academy status has been completed as of 1 May 2017.

An Academy order was received for Pilgrim School they are setting up their own multi-academy trust. Transfer to Academy status has been completed as of 1 December 2016.

An Academy order was received for Balfour Junior School who be joined the Fort Pitt and Thomas Aveling Academy Trust as of 1 January 2017.

An Academy order has been received for Bligh Federation. The school will be joining Barnsole Primary Trust. The proposed conversion date is 1 September 2017.

4.28 Consultation on a proposal to change the current rates payable for business mileage

The Council has a significant number of allowances, special payments and discrepancies within the overall additional payments scheme which needs reviewing and harmonising. This need for a wider review is not born from the need for cost savings but rather a need for us to harmonise terms and ensure the payments are fair and justified and all those receiving them should be and those who maybe should be receiving them but aren't do.

The first of the proposed changes is associated with the business mileage rates and the council has commenced consultation with the Trade Unions on a proposal to move away from following the NJC "Green Book" schedule of rates claimable for business mileage, and to apply the HMRC "AMAP" business mileage rates. The proposal is to introduce this change for new members of staff with effect from 1 July 2017, and for current members of staff from 1 October 2017, again this will not lead to any significant saving for the Council but instead provides us with an opportunity to come into line with other LA's and the national picture.

Consultation is ongoing and a report will be brought to the Employment Matters Committee as this consultation progresses.

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 individual budget areas.

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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Appendices

Appendix A - Summary of reductions as reported.

Appendix B - Summary of transfers as reported