

## **EMPLOYMENT MATTERS COMMITTEE**

**5 SEPTEMBER 2018**

### **ORGANISATIONAL CHANGE**

Report from: Carrie McKenzie, Assistant Director - Transformation

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#### **Summary**

This report covers new reviews and transfers for the period 1 April to 31 July 2018.

#### **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 - Transformation.

#### **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 13 June 2018 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.

### **3. Summary of ongoing Organisational Review consultations**

#### **3.1. Children's Centre – closure of All Saints nursery provision**

- 3.1.1 Following a public consultation on the future organisation of Early Help services, Children's Centres and Early Years services, Cabinet met on 8 August 2017 and approved a new arrangement for services, to be in place by 1 January 2018. This is consistent with the decisions of Cabinet on 9 May 2017, and reflects the budget agreed by Full Council in February 2017.
- 3.1.2 Formal consultation with staff/trade unions commenced on 1 November 2017 in respect of closure. Following consultation a bridging solution was found for the period January – August 2018 and agreed by the Director and Lead Member.
- 3.1.3 With effect from September 2018, the All Saints Nursery (MHR) will cease to be a Medway Council establishment, and responsibility will be transferred to All Saints Primary Academy (Medway Anglican Schools Trust). It is expected that three staff will TUPE to the Medway Anglican Schools Trust.
- 3.1.4 With effect from September 2018, the Tramways Nursery will cease to be a Medway Council establishment, and responsibility will be transferred to Luton Infant School. It is expected that two staff will TUPE transfer to Luton Infant School.

#### **3.2 Leisure Centre Catering**

- 3.2.1 Following a TUPE transfer of 23 employees from NORSE to Medway Council on 1 September 2017, Cabinet on 4 September 2018 will consider a proposal to outsource the cafes at Medway Park and Strood sports centres to an external provider.

#### **3.3 Front Line services**

- 3.3.1 The service is looking at a complete transformation of the Front Line Services division to deliver efficiency savings with an initial meeting being held with the Division's management team on 18 July 2017.
- 3.3.2 Phase One of the project has concluded with two Service Managers moving into their new posts on 1 April 2018 with the remaining two deferred until further notice.
- 3.3.3 One voluntary redundancy was accepted, we are awaiting for Phase 2 and 3 to start with an expected start date in the autumn.

#### **3.4 Innovation Centre - Catering Services**

- 3.4.1 Medway Norse had advised the Council that they no longer wished to run the catering service at the Innovation Centre and the decision had been made to return the running of the service back to the Council, resulting in a transfer of services, but with no subsequent TUPE of staff. The transfer took place on 22 December 2017.

3.4.2 A further decision was taken to outsource the café service. A procurement exercise was undertaken, but no suitable bids were received. HR are awaiting information to determine if Medway are to tender again or if the service is remaining in-house.

### 3.5 Rivermead School – catering contract

3.5.1 The catering contract for Rivermead School was awarded to Caterlink Limited.

3.5.2 Due to the timescales for admitted body status into the LGPS (Local Government Pension Scheme) staff were seconded to Caterlink Ltd. for a temporary period from 1 August 2017 for a 6 month period ending 31 January 2018, with a further extension to 31 August 2018. With effect from 01 August 2018, 2 members of staff are proposed to be transferred under TUPE to Caterlink Ltd.

### 3.6 Bradfields School – catering contract

3.6.1 The catering contract for Bradfield's School has been awarded to Chartwell's Limited. Due to the timescales for admitted body status into LGPS (Local Government Pension Scheme), 3 members of staff will be seconded to Chartwell's effective from 1 August 2018 for a period of no longer than 9 months.

### 3.7 Partnership Commissioning – SEN Travel

3.7.1 The commissioning for SEN Transport was carried out under a contract with Medway Norse up to 31 July 2017, at which point the service was taken back in-house and two staff members were transferred into the council under TUPE from NORSE.

3.7.2 It was then necessary for the service to review the processes for commissioning and resource allocation for SEN Travel Assistance and to implement a range of policy and process changes to provide more rigorous cost control.

3.7.3 Following consultation the team has been reorganised resulting in the deletion of 3 existing posts but the creation of 5 new posts, however, there was one compulsory redundancy.

### 3.8 Licensing Shared Service

3.8.1 Initial discussions have commenced on a proposal to enter into a Licensing Shared Service with Gravesham Borough Council.

3.8.2 A report was presented to the Licensing and Safety committee on 26 June 2018; the Business Support Overview & Scrutiny on 5 July 2018; Cabinet on 10 July 2018 and Full Council on 19 July 2018.

3.8.3 Staffing implications have as yet not been finalised. Cabinet and Council agreed the proposals to establish a shared licensing service with Gravesham Borough Council. The service is working towards a transfer date of 1 January 2019.

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

##### **4.1 Rochester Coach Park**

As part of the Rochester Riverside Regeneration project the site occupied by the Coach Park will be developed and the current facility will close. In order to accommodate Dickensian Christmas, the closure date will be 9 December 2018. Formal consultation has commenced. Two staff will be at risk of redundancy, one of whom has already submitted a voluntary redundancy request.

##### **4.2 Revs and Bens SopraSteria**

The SopraSteria contract comes to an end on 31 October 2018. The contract is mainly for scanning and indexing of work. 6 staff are currently working on the contract, but it is likely that only 4 people (3.8FTE) will transfer under TUPE.

4.2.1 Management are to meet with providers and provide update information.

##### **4.3 Medway Gateway for Learning (MGfL) SLA online**

4.3.1 It has been agreed that MGfL SLA Online system is to TUPE Transfer back to Medway Council from Medway Commercial Group (MCG.) This involves the transfer of one member of staff and formal consultation has commenced. The proposed transfer date is 1 September 2018.

##### **4.4 Sunlight Assessment Team & Wayfield Contact Service**

4.4.1 The proposal is to have a Systemic Social Work team to provide clinical interventions and support the implementation of systemic practice across the system, with a more flexible service developed to provide a range of services, which resulted to the Reconfiguration of the Sunlight Assessment Team & Wayfield Contact Service.

4.4.2 Following the end of the consultation process 8 posts have been deleted and 5 new posts have been created for the new Contact & Assessment Service. This will result in a number of staff at risk of redundancy. The new structure for the Contact & Assessment Service is proposed to be effective from the 1 September 2018.

##### **4.5 Danecourt School – Catering Contract**

4.5.1 The catering contract for Danecourt School had been awarded to The Contract Dining Company Ltd. Due to the timescales for the admitted body status into LGPS 3 Members of staff will be seconded to The Contract Dining Company for up to 9 months proposed with effect from 01 August 2018 until the transfer is completed.

##### **4.6 All Saints Nursery**

4.6.1 Following the proposed closure earlier in the year it has now been agreed the nursery will continue and is proposed to transfer to MAST academy from 1 September 2018.

4.6.2 5 Members of staff are proposed to transfer under TUPE with the service.

#### **4.7 School Services Team**

4.7.1 In order to realign the resource within School Services in preparation for changes to the delivery of the casual admission processes and to deliver savings agreed by Cabinet, formal consultation was undertaken on proposals to reorganise the School Services Team structure.

4.7.2 Following the end of consultation there was one compulsory redundancy and the new team proposals came into effect on the 23 April 2018.

### **5. Support for Staff**

5.1 The Council recognises that change can be an unsettling time for everyone and every effort is made to support staff. In addition to the individual meetings with managers, the HR service provides 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 her for support.

### **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, with redundancy costs met from use of a dedicated severance reserve and from 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 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