



## **EMPLOYMENT MATTERS COMMITTEE**

**5 DECEMBER 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 August to 30 October 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 5 September 2018 are set out from paragraph 3 and are shown underlined. Reviews which have commenced and in some cases concluded since the last meeting of the Committee are detailed from paragraph 4 onwards.

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

#### **3.1 Leisure Centre Catering**

3.1.1 Following a TUPE transfer of 23 employees from NORSE to Medway Council on 1 September 2017, a further decision has been taken to outsource the catering services at Strood Leisure Centre and Medway Park. The contract has been awarded to Deep Beat Entertainment Ltd., and all parties are currently working towards a suitable TUPE transfer date.

#### **3.2 Front Line services**

3.2.1 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.

3.2.2 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.

3.2.3 One voluntary redundancy was accepted, we are awaiting for Phase 2 and 3 to start with an expected start date this autumn.

#### **3.3 Innovation Centre - Catering Services**

3.3.1 Medway Norse had advised the Council that they no longer wished to run the catering service at the Innovation Centre and the decision has 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.

3.3.2 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.

#### **3.4 Rivermead School – catering contract**

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

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

#### **3.5 Bradfields School – catering contract**

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

### **3.6 Licensing Shared Service**

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

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

3.6.3 Staffing implications have yet to be 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.

### **3.7 Rochester Coach Park**

3.7.1 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 whom are at risk of redundancy have been approved for voluntary redundancy.

### **3.8 Revs and Bens SopraSteria**

3.8.1 The SopraSteria contract comes to an end on 31 October 2018. The contract has been extended by 6 months. 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.

3.8.2 Management are to meet with providers and provide update information. The service is working towards a transfer date of 1 May 2019.

### **3.9 Medway Grid for Learning (MGfL) SLA online**

3.9.1 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 transfer was effective from 1 September 2018.

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

3.10.1 Consultation has commenced on a proposal to have a Systemic Social Work team to provide clinical interventions and support the implementation of systemic practice across the service area. This proposal will result in a reconfiguration of the Sunlight Assessment Team and Wayfield Contact Service.

3.10.2 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 resulted in 19 staff (including permanent and casual) being made redundant. We successfully redeployed 6 members of staff within the council. The new structure for the Contact and Assessment Service was effective from 1 September 2018.

### **3.11 Danecourt School – Catering Contract**

3.11.1 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 were seconded to The Contract Dining Company for up to 9 months proposed with effect from 1 August 2018 until the transfer is completed. 1 member of staff has resigned with the remaining two members of staff potentially moving to the new provider's employment under a TUPE transfer.

### **3.12 All Saints Nursery**

3.12.1 Following the proposed closure earlier in the year it has now been agreed the nursery will continue and transferred to MAST academy from 01 September 2018 with 5 members of staff.

### **3.13 BASS and Customer Contact Review**

3.13.1 Changes have been made to the operating model of BASS and Customer Contact to meet transformational savings targets. The changes implemented are two fold but were treated as one change in terms of the consultation timetable and process followed.

3.13.2 To maximise the flexible deployment of staff, the proposal to merge the telephony and business support/administration functions of Customer Contact and BASS was put forward. Consultation started on the 7 August 2018 and concluded on 5 September 2018. As a result of these changes 117.98fte posts were deleted in order to create 86.08fte new posts. 2 posts were transferred from BASS to the Leisure service.

3.13.3 In addition, the Customer Contact staff working in the Community Hubs were reduced from 16.53fte to 6fte and line management of these staff was transferred back to the library service.

3.13.4 A total of 133 staff were directly affected by these proposals and there was a total reduction in the service of 23.9fte. 14 staff took Voluntary Redundancy and 12 staff were redeployed to other services in the Council. There were no compulsory redundancies made. The newly formed service is called Customer and Business Support (CABS).

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

### **4.1 Adult Social care**

4.1.1 Following a large scale restructure last year, Adult Social Care have reviewed the service with the help of a consultant firm (Glenesk) and with extensive involvement from staff. Following the recommendations of this review a proposal was put forward for consultation which closed on 15 November 2018.

4.1.2 It is proposed that there is a reduction in management roles and these savings are re-invested into frontline roles. If accepted then there would be 3 staff at risk of redundancy.

## **4.2 Hempstead Infant and Junior Schools**

- 4.2.1 Due to budget deficit predictions which are forecast for the next 3 years, the Governing Body at Hempstead federated schools have undertaken a review of their current staff structure and have consulted with two groups of staff, namely the Headteachers at the Infant and Junior Schools and the Teaching Assistant group at the Infant School.
- 4.2.2 The impact of the review is likely to result in the reduction of one Headteacher post and a reduction of 65 hours per week of Teaching Assistant time (approximately 2fte) with effect from 1 April 2019 for the Headteacher restructure and 31 December 2018 for review of Teaching Assistants.

## **4.3 Family Group Conference Service**

- 4.3.1 The current Family Group Conference contract was awarded to Family Action on 18 July 2012. Following a review, it was highlighted that there was the potential to increase the effectiveness of the service if a more integrated approach was taken. In order to achieve a more integrated approach the decision was taken for the service to be delivered in-house and to form part of the Safeguarding Team.
- 4.3.2 The proposal is for the current staff employed by Family Action (current provider of the service) to TUPE across to Medway Council. The staff will be under the management of the Safeguarding Head of Service
- 4.3.3 The proposal is that 4 members of staff will TUPE into Medway Council with effect from 1 January 2019.

## **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 also the support arrangements for staff.

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### **Appendices:**

Appendix A - Summary of reductions

Appendix B - Summary of transfers

### **Background papers:**

None