

EMPLOYMENT MATTERS COMMITTEE

28 JULY 2010

BUDGET PROPOSALS AND IMPLICATIONS FOR STAFF

Report from: Neil Davies, Chief Executive

Author: Tricia Palmer, Assistant Director, Organisational Services

Summary

This report covers the staffing issues in relation to the current in-year budget reductions and outlines the discussions at the Joint Consultative Committee of elected members and trade unions. It contains the timetables for redundancies and identifies the support mechanisms for affected staff.

1. Budget and Policy Framework

- 1.1 The staffing implications of budget reductions are a matter for this committee, which can decide on the policies and processes supporting any changes in staffing.

2. Background

- 2.1 The recent announcements made by the Chancellor of the Exchequer in respect of the emergency budget reductions have resulted in mid-year reductions in Medway of £6m. The background to these budget reductions is contained in the Cabinet report of 29 June 2010. This report is concerned with the staffing implications of making these budget reductions.
- 2.2 The Joint Consultative Committee of Elected Members and Trade Unions discussed the staffing reductions on 13 July 2010 and this report outlines these discussions and notes the support available to affected employees.

3. Posts Affected

- 3.1 Appendix 1 details the posts affected and the individuals concerned have been notified that they are at risk of redundancy. The posts proposed for deletion or reduction are mainly those covered by the reduction in grant funded. However it has also been necessary to identify some posts in other areas of service as some of the funding has been absorbed into the base budget. The original number of posts at risk are 50, although a further 4 posts have subsequently been identified due to a more recent notification of the cessation of the Training Development Agency (TDA) grant which supported workforce development in schools.

- 3.2 In many areas it is possible to identify individual posts providing a service and therefore the post is deleted and there is no selection for redundancy. In other areas, such as finance, and posts supporting primary and secondary strategy there is a reduction in service and therefore it will be necessary to carry out a selection for redundancy. Any selection will be undertaken in accordance with the Council's reorganisation procedure and we are currently consulting with relevant staff and trade unions on the criteria for selection.

4. Consultation

- 4.1 Appendix 2 outlines the timetables for formal consultation, which commenced on 5 July 2010 and provides a minimum of 30 days consultation. The timetables are slightly different depending on the need for selection, and the timetable for staff supporting schools has been extended to take account of the school holidays. Individuals have also been provided with the consultation documentation so that they are able to make individual representations should they wish to do so. Consultation responses and alternative proposals will be considered by the Directors, and in the case of Business Support by the Chief Executive.
- 4.2 The Chief Executive held an early consultation meeting with trade union representatives on 29 June 2010 prior to the publication of the budget proposals. In addition the Assistant director, Organisational Services meet the trade unions on 5 July 2010 at the commencement of the formal consultation.
- 4.3 Service Managers and Assistant Directors have meet with the teams and individuals affected to outline the proposals and answer any questions. These meetings will continue throughout the consultation period.

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. An independent organisation, Next step has been engaged to provide guidance on CV writing, interviewing skills and career advice. Next step is funded by a Government initiative. Workshops have already been arranged for August and September 2010. We are also discussing specialist support, such as financial advice with the employee assistance programme (CareFirst). We also encourage staff to talk to their trade unions to ensure that any alternative proposals are presented and they get the necessary support.
- 5.2 There are regular communications with all staff to keep them up-to-date with the budget proposals. The Chief Executive sends out a fortnightly e-mail and there will be articles in Headlines (staff newsletter). There is also an employee consultation site where staff can make their comments and ask questions. Line managers are encouraged to brief staff on a regular basis.

6. Joint Consultative Committee – 13 July 2010

- 6.1 Appendix 3 outlines the discussion held at the Joint Consultative Committee. A number of proposals in relation to reducing the impact of staff were discussed. These included:

- Reviewing recruitment arrangements and ensuring that displaced staff had early notification of any vacancies
- Reducing the use of temporary staff and consultants
- Undertaking a skills audit, particularly in areas where there are reductions
- Reviewing the current reorganisation procedure to ensure that it is as efficient as possible
- Considering flexible retirement and voluntary redundancy where appropriate.

6.2 The Assistant Director, Organisational Services agreed to take forward these proposals.

7. Risk management

7.1 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. The proposal to review recruitment arrangements and redeploy individuals may go some way to mitigate these risks. In addition discussions will be held on increasing the flexibility of current staff to increase the ability for individuals to move around the authority where the need for services change.

8. Financial and legal implications

8.1 The full budget changes are outlined in the Council report of 29 July 2010 and the costs of any redundancies will be met from reserves. It should also be noted that there will only be part year effect of any savings in staffing.

8.2 The proposed redundancies will be carried out in accordance with the Councils reorganisation procedure, and formal consultation with the trade unions and staff has already commenced. The equalities implications of staffing changes are being closely monitored and an analysis of impact has already commenced. However as there are a number of teams where a selection for redundancy needs to take place it is not possible to confirm the implications until the selection is completed.

8.3 The council must ensure that 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.

8.4 The process adopted must be in accordance with the council's redundancy procedure and comply with the general principles of fairness to avoid the risk of unfair dismissal claims.

9. Recommendation

9.1 The Employment Matters Committee is asked to note:

- The timetables and arrangements for consultation, and that the Chief Executive and Directors will be considering the consultation responses and any alternative proposals.
- The discussion at JCC and the proposals to be taken forward.
- The support arrangements for staff.

Lead officer contact

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Background papers

Cabinet Report - Public Spending Reduction 29/06/10

Appendix 1.xls

Directorate	Division	Team	Post Title	Grade	Comments	No of Posts
BUSINESS SUPPORT	COMMUNICATIONS PERFORMANCE & PARTNERSHIP BIDDING		FUNDING MANAGER	SERVICE MANAGER		1
BUSINESS SUPPORT	COMMUNICATIONS PERFORMANCE & PARTNERSHIP BIDDING		FUNDING OFFICER	B1 (POINTS 27-36)		1
BUSINESS SUPPORT	COMMUNICATIONS PERFORMANCE & PARTNERSHIP RESEARCH AND REVIEW		LOCAL STRATEGIC PARTNERSHIP MANAGER	SERVICE MANAGER		1
BUSINESS SUPPORT	COMMUNICATIONS PERFORMANCE & PARTNERSHIP RESEARCH AND REVIEW		TEMPORARY PROJECT ASSISTANT	UNGRADED		1
BUSINESS SUPPORT	COMMUNICATIONS PERFORMANCE & PARTNERSHIP		SUSTAINABILITY POLICY ASSISTANT	C1 (POINTS 17-26)	VACANT	1
BUSINESS SUPPORT	COMMUNICATIONS PERFORMANCE & PARTNERSHIP		DATA QUALITY OFFICER	C1 (POINTS 17-26)	VACANT	1
BUSINESS SUPPORT	FINANCE SUPPORT	CASHIERS	CASHIER (COUNTER)	D2 (POINTS 12-21)		1
BUSINESS SUPPORT	FINANCE SUPPORT	CASHIERS	FINANCE ASSISTANT	D2 (POINTS 12-21)	VACANT	1
BUSINESS SUPPORT	FINANCE	REVENUE AND BENEFITS	CUSTOMER LIASON OFFICER	C2 (POINTS 22-31)		2
BUSINESS SUPPORT	FINANCE	AUDIT SERVICES	INVESTIGATIONS ADMINISTRATION ASSISTANT	D2 (POINTS 12-21)		1
BUSINESS SUPPORT	FINANCE	AUDIT SERVICES	INVESTIGATIONS OFFICER	B1 (POINTS 27-36)		1
BUSINESS SUPPORT	ORGANISATIONAL SERVICES	WORKFORCE DEVELOPMENT	EQUALITIES OFFICER - OD	B1 (POINTS 27-36)		1
BUSINESS SUPPORT	ORGANISATIONAL SERVICES	WORKFORCE DEVELOPMENT	WORKFORCE DEVELOPMENT ADVISER	B1 (POINTS 27-36)		1
BUSINESS SUPPORT	ORGANISATIONAL SERVICES	HEALTH AND SAFETY	HEALTH & SAFETY ADVISOR	B1 (POINTS 27-36)		1
BUSINESS SUPPORT	ORGANISATIONAL SERVICES	HEALTH AND SAFETY	TRAINEE HEALTH & SAFETY ADVISOR	C1 (POINTS 17-26)		1
BUSINESS SUPPORT	ORGANISATIONAL SERVICES	RESOURCING	RESOURCING OFFICER	C1 (POINTS 17-26)	VACANT	1
BUSINESS SUPPORT	PUBLIC HEALTH	TEENAGE PREGNANCY	CONNEXIONS PERSONAL ADVISOR YOUNG PARENT	C2 (POINTS 22-31)	1 x VACANT	2
BUSINESS SUPPORT	PUBLIC HEALTH	TEENAGE PREGNANCY	CONNEXIONS PERSONAL ADVISOR FOR SEX & RELATIONSHIP EDUCATION	C2 (POINTS 22-31)		1
BUSINESS SUPPORT	PUBLIC HEALTH	TEENAGE PREGNANCY	TEENAGE PREGNANCY PREVENTION OFFICER	C2 (POINTS 22-31)	VACANT	1
REGENERATION, COMMUNITY & CULTURE DEVELOPMENT ECONOMY AND TRANSPORT		TOWN CENTRE MANAGEMENT	CHATHAM TOWN CENTRE MANAGER	PRINCIPAL OFFICER 2 (POINTS 38-48)		1
REGENERATION, COMMUNITY & CULTURE DEVELOPMENT ECONOMY AND TRANSPORT		CONSERVATION	ADMINISTRATIVE ASSISTANT	C1 (POINTS 17-26)	VACANT	1
REGENERATION, COMMUNITY & CULTURE FRONTLINE SERVICES		HIGHWAYS RESPONSE SERVICE	CLERK OF WORKS	B1 (POINTS 27-36)	VACANT	1
REGENERATION, COMMUNITY & CULTURE FRONTLINE SERVICES		HIGHWAYS RESPONSE SERVICE	TECHNICIAN	C2 (POINTS 22-31)	VACANT	1
REGENERATION, COMMUNITY & CULTURE FRONTLINE SERVICES		CAPITAL PROJECTS, ROAD SAFETY AND NETWORKS	ASSISTANT ENGINEER (ROAD SAFETY)	B1 (POINTS 27-36)	VACANT	1
CHILDREN & ADULTS	INCLUSION	INCLUSION TEAM	LEARNING & COMMUNITY DEVELOPMENT WORKER	PRINCIPAL OFFICER 2 (POINTS 38-48)		2
CHILDREN & ADULTS	INCLUSION	EXTENDED SCHOOLS	CLUSTER CO-ORDINATOR (EXTENDED SERVICES)	C1 (POINTS 17-26)		9
CHILDREN & ADULTS	INCLUSION	EXTENDED SCHOOLS	PROJECT OFFICER - OUT OF SCHOOL LEARNING	PRINCIPAL OFFICER 2 (POINTS 38-48)		1
CHILDREN & ADULTS	SOCIAL CARE	SUPPORTING PEOPLE	TEMPORARY SUPPORT SERVICES ASSISTANT	D2 (POINTS 12-21)		1
CHILDREN & ADULTS	LEARNING AND ACHIEVEMENT	ADVISOR - PRIMARY/SECONDARY/SEN	LEAD CONSULTANT/CONSULTANT/ADVISORY TEACHER/TEACHER LEADER	SOULBURY/TEACHER SCALE		11
BUSINESS SUPPORT	ORGANISATIONAL SERVICES	SCHOOL WORKFORCE DEVELOPMENT	SCHOOL WORKFORCE DEVELOPMENT MANAGER	SOULBURY/TEACHER SCALE		1
BUSINESS SUPPORT	ORGANISATIONAL SERVICES	SCHOOL WORKFORCE DEVELOPMENT	SCHOOL WORKFORCE DEVELOPMENT OFFICER	B1 (POINTS 27-36)		1
BUSINESS SUPPORT	ORGANISATIONAL SERVICES	SCHOOL WORKFORCE DEVELOPMENT	ASSISTANT TO SCHOOL WORKFORCE DEVELOPMENT MANAGER	D2 (POINTS 12-21)		1
BUSINESS SUPPORT	ORGANISATIONAL SERVICES	SCHOOL WORKFORCE DEVELOPMENT	SCHOOL WORKFORCE DEVELOPMENT CO-ORDINATOR	UNGRADED - TEMP AGENCY		1
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Appendix 2A

**PROPOSED TIMETABLE
FOR STAFF WHERE POSTS ARE PROPOSED AS CEASING**

Dates	Actions	Actioned By
28/29 June 2010	Advise directly affected employees of proposal	Manager/HR
	Brief whole team	
29 June 2010	Brief Unions on Cabinet paper/proposals	Tricia Palmer/ Trade Unions
29 June 2010	Cabinet Report	
5 July 2010	Issue formal section 188 letter to trade unions	Tricia Palmer
5 July 2010	Send notification to BERR	HR
5 July 2010	Issue formal consultation letter to staff Organisational Change Consultation Paper issued.	
W/C 5 July 2010	Commence formal consultation with staff/teams and trade unions	Manager/HR
July 2010	Hold 1:1 meetings with staff directly affected	Manager/HR
29 July 2010	Full Council consider high level budget issues	
4 August 2010	End of 30 day formal consultation process with staff and trade unions. Final date for comments or counter proposals.	Staff /Unions
W/C 9 August 2010	Consider any counter proposals put forward and respond to staff and unions	Chief Executive/Director/HR
18 August 2010	Prepare and issue redundancy notices Issue redeployment letters and add staff to redeployment register	Manager/HR
24 August 2010	Final date to lodge any appeals against redundancy	Staff
End Aug/Beg Sept	Appeal hearings against selection for redundancy to be held asap after receipt of appeal letter	Senior Manager not previously involved/HR
16 September 2010	Notify Employment Matters Committee of final redundancy numbers	HR

**PROPOSED TIMETABLE
FOR STAFF WHERE THERE IS A DIMINUTION IN POSTS**

Dates	Actions	Actioned By
28/29 June 2010	Advise directly affected employees of proposal	Manager/HR
	Brief whole team	
29 June 2010	Brief Unions on Cabinet paper/proposals	Tricia Palmer/ Trade Unions
29 June 2010	Cabinet Report	
5 July 2010	Issue formal section 188 letter to trade unions	Tricia Palmer
5 July 2010	Send notification to BERR	HR
5 July 2010	Issue formal consultation letter to staff Organisational Change Consultation Paper issued.	
W/C 5 July 2010	Commence formal consultation with staff/teams and trade unions	Manager/HR
July 2010	Hold 1:1 meetings with staff directly affected	Manager/HR
July 2010	Prepare selection for redundancy criteria and share with trade unions for comment	Manager/HR/Unions
July 2010	Issue selection for redundancy criteria to staff	Manager/HR
29 July 2010	Full Council consider high level budget issues	
4 August 2010	End of 30 day formal consultation process with staff and trade unions. Final date for comments or counter proposals.	Staff /Unions
W/C 9 August 2010	Consider any counter proposals put forward and respond to staff and unions	Chief Executive/Director/HR
18 August 2010*	Issue selection for redundancy application form to staff	Manager/HR
1 September 2010*	Closing date for application form	Staff
W/C 6 & 13 September 2010*	Undertake selection interviews and notify staff of outcome	Manager/HR
Between 6 and 20 September 2010*	Prepare and issue redundancy notices Issue redeployment letters and add staff to redeployment register	Manager/HR
	Lodge any appeals against redundancy within 7 days of notice letter being issued	Staff
Beg Oct 2010	Appeal hearings against selection for redundancy to be held asap after receipt of appeal letter	Senior Manager not previously involved/HR
	Notify Employment Matters Committee of final redundancy numbers	HR

*Provisional date subject to holiday arrangements

**PROPOSED TIMETABLE
FOR SOULBURY STAFF WHERE THERE IS A DIMINUTION IN POSTS**

Dates	Actions	Actioned By
28/29 June 2010	Advise directly affected employees of proposal	Manager/HR
	Brief whole team	
29 June 2010	Brief Unions on Cabinet paper/proposals	Tricia Palmer/ Trade Unions
29 June 2010	Cabinet Report	
5 July 2010	Issue formal section 188 letter to trade unions	Tricia Palmer
5 July 2010	Send notification to BERR	HR
5 July 2010	Issue formal consultation letter to staff Organisational Change Consultation Paper issued.	
W/C 5 July 2010	Commence formal consultation with staff/teams and trade unions	Manager/HR
July 2010	Hold 1:1 meetings with staff directly affected	Manager/HR
19 July 2010	Prepare selection for redundancy criteria and share with trade unions for comment	Manager/HR/Unions
21 July 2010	Issue selection for redundancy criteria to staff	Manager/HR
29 July 2010	Full Council consider high level budget issues	
20 August 2010	End of formal consultation process with staff and trade unions. Final date for comments or counter proposals.	Staff /Unions
W/C 23 August 2010	Consider any counter proposals put forward and respond to staff and unions	Chief Executive/Director/HR
W/c 30 August 2010	Issue selection for redundancy application form to staff	Manager/HR
17 September 2010	Closing date for application form	Staff
W/C 20 & 27 September 2010	Undertake selection interviews and notify staff of outcome	Manager/HR
From 4 October 2010	Prepare and issue redundancy notices Issue redeployment letters and add staff to redeployment register	Manager/HR
	Lodge any appeals against redundancy within 7 days of notice letter being issued	Staff
End Oct 2010	Appeal hearings against selection for redundancy to be held asap after receipt of appeal letter	Senior Manager not previously involved/HR
	Notify Employment Matters Committee of final redundancy numbers	HR

**PROPOSED TIMETABLE
FOR STAFF ON TEACHER TERMS & CONDITIONS WHERE THERE IS A
DIMINUTION IN POSTS**

Dates	Actions	Actioned By
28/29 June 2010	Advise directly affected employees of proposal	Manager/HR
	Brief whole team	
29 June 2010	Brief Unions on Cabinet paper/proposals	Tricia Palmer/ Trade Unions
29 June 2010	Cabinet Report	
5 July 2010	Issue formal section 188 letter to trade unions	Tricia Palmer
5 July 2010	Send notification to BERR	HR
5 July 2010	Issue formal consultation letter to staff Organisational Change Consultation Paper issued.	
W/C 5 July 2010	Commence formal consultation with staff/teams and trade unions	Manager/HR
July 2010	Hold 1:1 meetings with staff directly affected	Manager/HR
19 July 2010	Prepare selection for redundancy criteria and share with trade unions for comment	Manager/HR/Unions
21 July 2010	Issue selection for redundancy criteria to staff	Manager/HR
29 July 2010	Full Council consider high level budget issues	
10 September 2010	End of formal consultation process with staff and trade unions. Final date for comments or counter proposals.	Staff /Unions
W/C 13 September 2010	Consider any counter proposals put forward and respond to staff and unions	Chief Executive/Director/HR
W/c 13 September 2010	Issue selection for redundancy application form to staff	Manager/HR
24 September 2010	Closing date for application form	Staff
W/C 27 September 2010	Undertake selection interviews and notify staff of outcome	Manager/HR
From 4 October 2010	Prepare and issue redundancy notices Issue redeployment letters and add staff to redeployment register	Manager/HR
	Lodge any appeals against redundancy within 7 days of notice letter being issued	Staff
End Oct 2010	Appeal hearings against selection for redundancy to be held asap after receipt of appeal letter	Senior Manager not previously involved/HR
	Notify Employment Matters Committee of final redundancy numbers	HR

Medway Council
JOINT CONSULTATIVE COMMITTEE

13 JULY 2010

6pm to 7.30pm

RECORD OF THE MEETING

PRESENT:

Committee members: Councillors Carr, Avey, Kenneth Bamber, Maple, Ruparel, and Mrs Shaw

Trade Union Representatives: Ms S Tipping (UNISON)
Ms T Earnshaw (UNISON)
Ms S Calder (NUT)
Ms J Harries (ATL)
Mr M Ongley (GMB)

1 ELECTION OF CHAIRMAN

Councillor Carr was elected as Chairman for the forthcoming municipal year.

2 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Andrews, Ms J Bell (ASCL) and Mr M Barton (Voice the Union).

3 DECLARATIONS OF INTEREST

Councillor Maple declared a personal interest because he is a Trade Union employee (GMB) and retained his right to speak on the item.

4 BUDGET PROPOSALS AND IMPLICATIONS FOR STAFF

Discussion:

The Assistant Director, Organisational Services gave a detailed presentation in relation to the recent budget proposals and implications to staff. Attached to the agenda was a report that went to Cabinet on 29 June 2010 that considered the recent announcements made by the Chancellor of the Exchequer in respect of the emergency reductions of £6.2 billion in public spending and the further announcements in the emergency budget presented to Parliament on 22 June 2010.

The presentation covered the following areas:

- List of posts to be deleted as part of in year saving

- Timetables and consultation arrangements
- Staff support
- Future budget issues
- Next steps

The committee debated in full the proposals and raised the following issues:

- Had the Council considered carrying out a staff skills audit?
- Had flexible retirement or voluntary redundancy programmes been considered?
- There were concerns that there was a lack of strategy in relation to the recent redundancies?
- Had there been any dialogue with other public sector employers?
- There was a need to complete a Diversity Impact Assessment (DIA) in relation to employees?
- Members were concerned whether the HR teams could effectively deal with the significant number of possible redundancies later on in the year.
- Members were concerned in relation to the proposed redundancies in the education sector and asked if headteachers had been consulted in respect to the proposed loss of primary/secondary school advisors.
- There were questions relating to worries that remaining staff could become demoralised, as they would have the same responsibilities with less staff.
- Members asked if the Council was looking at stopping using consultant and agency staff.
- Members stated that many staff did not realise what transferable skills they had and stated that there was a need to make staff affected aware of these skills.
- That officers should ensure that individuals are informed of redundancies before the press.

The Assistant Director, Organisational Services, the Head of Human Resources and the Head of Human Resources, Schools responded to Members in full and in particular made the following responses:

- that the Council did not have the capacity to carry out such an audit but stated that it may be possible to look at an electronic option.
- It was noted that flexible retirement and voluntary redundancy packages may be looked at in the future and a dialogue had already started with the public sector partners.
- The Assistant Director, Organisational Services responded that she was looking at how to reduce the number of consultants and temporary staff but noted that in certain circumstances the use of consultants and temporary was financially more viable option than using permanent staff.
- She also commended her HR staff as they had supported all initial notification meetings and informed members that she was confident

that her teams would be able to support the redundancy processes. However there may be a need to streamline processes and to review recruitment arrangements and employment contracts to increase flexibility review.

Chairman

Date

Peter Holland

Committee Co-ordinator

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