

EMPLOYMENT MATTERS COMMITTEE

29 FEBRUARY 2012

BUDGET PROPOSALS AND IMPLICATIONS FOR STAFF

Report from: Tricia Palmer, Assistant Director, Organisational Services

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Summary

This report covers new reviews since 1 April 2011 and a summary of Employment Tribunals lodged.

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 Employment Matters Committee on 18 January 2012 considered new reviews since 1 April 2011 and a summary of Employment Tribunals lodged.

2.2 This report provides an update on the present position

3. Summary of the present position

3.1 New reviews from 1 April 2011

The new reviews are detailed on Page 1 of Appendix A. Details of the reviews which are currently in progress are included below.

3.2 Shalder House – Extra Care Service

On 1 November 2011, Cabinet agreed that officers could consult with stakeholders about the preferred option to decommission the service operating at Shalder House.

The service is not cost effective in terms of meeting the needs of those that are supported at Shalder House. The lack of cost effectiveness is primarily relates to the staff/service user ratio, where there are 13 members of staff working in the service and the maximum capacity of the service is 11 people. Over the last 12 months 38 people received a service and their average

length of stay was 49 days (7 weeks). The occupancy rate of the service during the last 12 months was 51%. A recent inspection, in early 2011, by the Care Quality Commission raised minor concerns about the fabric of the building.

The consultation period ended on 15 December 2011, and no detailed counter-proposals were received. On 20 December 2011, Cabinet decided to proceed with decommissioning of the service and consequently 12 staff were put at risk of redundancy. To date 8 of these staff have been redeployed.

3.3 Balfour Centre

On 29 November 2011, the Cabinet gave permission for a formal consultation process to take place with service users and staff about the proposed decommissioning of the Balfour Centre.

The number of attendees at the Balfour Day Centre is falling. This is mainly due to the personalisation agenda, which has encouraged choice and raised expectations from service users and carers. The centre is becoming increasingly expensive to run when benchmarked against other providers of daytime opportunities with support.

There are currently 20 staff posts based at the Balfour Centre. Consultation with these staff commenced on 12 December 2011 and ended on 6 February 2012. Cabinet on 14 February 2012 considered the outcome of consultations and noted the expression of interest from Medway Community Healthcare regarding the Balfour Day Centre and instructed officers to explore this, consult with service users, carers and staff and report back to Cabinet for determination.

3.4 Duke of Edinburgh Team – Youth Services

The Duke of Edinburgh's award, operates to support young people between 14 – 25 years to undertake their Award within secondary schools, voluntary youth groups, Pupil referral units, Alternative curriculum provision, special schools and units and within custody. Currently the team enrolls approximately 1000 young people per year who will take between approximately 1- 2 years to complete each level of the Award at Bronze, Silver or Gold levels.

The current emphasis is to concentrate work to effect outcomes for vulnerable young people and to assist prevention of youth offending. This has resulted in a rise in expedition provision needed by the team beyond the capacity and capability of the current part time field officers. Also demand from the voluntary sector has been decreasing, but rising in schools resulting in more emphasis on support in the day time

Consultation with existing post holders began on 3 December 2011 to reconfigure the resources at Assistant Youth Development Worker and Field Officers levels and to revise the Job descriptions of the part time youth workers at Woodlands Open Award Centre. One set of counterproposals were received, but were not accepted. 2 staff have been promoted, and there is one redundancy. One team member is currently still at risk.

3.5 Schools

There is one school consultation that has been running at Glencoe Primary School. This is due to an overstaffing identified in Teaching Assistants

supporting classes. There are 8 redundancies, 6 voluntary and 2 compulsory, with a redundancy date of 20 February 2012.

4. Support for Staff

- 4.1 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.
- 4.2 The Council has also engaged Job Centre Plus to provide sessions on benefits advice; tax implications and financial advice.
- 4.3 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. Care First has provided a set of learning sessions for managers in managing change.
- 4.4 We also encourage staff to talk to their trade unions to ensure that they get the necessary support. Rev. David Helms, Industrial Chaplain is also providing opportunities for staff to contact him for support.
- 4.5 There have been regular communications with all staff to keep them up-to-date with the budget proposals. The Chief Executive sends out regular e-mails and there have been articles in *The Headlines* (staff newsletter). A bespoke "Achieving Better for Less" website for communicating progress of the review to employees went live in October. 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.

5. Risk management

- 5.1 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 (for example, there is no recruitment to administrative posts) and every effort is made to redeploy staff with transferable skills. This will go some way to mitigate these risks.
- 5.2 There is always a risk that staff will exercise their right to appeal against their dismissal and to date 7 staff have done so.
- 5.3 There have been 15 Employment Tribunal applications lodged from January 2011 to date, where the Council has been a named Respondent. Six of these claims related to redundancy dismissals. To date the Council has successfully defended and won all claims that have gone to a hearing.
- 5.4 There is delegated authority to officers to authorise payment in respect of claims against the Council, in consultation with the relevant Director, where

the claim does not exceed £5,000. This applies to limited cases where it is deemed to be more cost effective to reach a commercial settlement.

6. Financial and legal implications

- 6.1 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.
- 6.2 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.
- 6.3 The process adopted must be in accordance with the Council's redundancy procedure and comply with the general principles of fairness to minimise the risk of successful unfair dismissal claims.
- 6.4 The costs of redundancy and early retirement are continually being evaluated. Full Council on 24 February 2011 agreed that £3 million of the General Reserve be earmarked as a contingency for severance and associated costs as part of the 2010/2011 accounts closure. Any redundancy costs in schools would not be a charge against the earmarked reserves and will be reflected in the Children and Adults Directorate revenue monitoring as a pressure.

7. Diversity Impact Assessments

- 7.1 Service DIAs have been completed on the areas subject to reductions. The staffing DIA for the reductions agreed by Members and Directors in February 2011 was submitted to this Committee on 28 September 2011.

8. Recommendation

- 8.1 The Employment Matters Committee is asked to note:
 - The present position.
 - The support arrangements for staff.

Lead officer contact

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Background papers

Cabinet Report - Public Spending Reduction 29 June 2010

Employment Matters Committee 28 July 2010

Council Report 29 July 2010

Employment Matters Committee 16 September 2010

Employment Matters Committee 2 November 2010

Employment Matters Committee 7 December 2010

Cabinet Report on Budget 21 December 2010

Cabinet Report on Budget 27 January 2011

Employment Matters Committee 1 February 2011

Council Report 24 February 2011

Employment Matters Committee 16 March 2011

Employment Matters Committee 29 June 2011

Employment Matters Committee 28 September 2011

Employment Matters Committee 3 November 2011

Employment Matters Committee 18 January 2012

APPENDIX A		SUMMARY OF REDUCTIONS		

NEW REVIEWS FROM 1 APRIL 2011

DEPT	AREA	NO. OF POSTS	CONSULTATION	OUTCOME	NO. OF REDUNDANCIES	NO. REDEPLOYED OR GOT POSTS WITHIN COUNCIL
BSD	Member Services	1	Not required	Post deleted due to elections outcome	1	0
	Member Services	1	9 Jun 11 for 30 days	As per consultation	1	0
	Teenage Pregnancy	2	11 Apr 11 for 30 days	As per consultation	2	0
	MACLS	1	31 Oct for 10 days.	No Change	1	0
C&A	Youth Offending Team	3	14 June 11 for 30 days.	As per consultation	3	0
	Medway Youth Service	2	17 May 2011 for 30 days.	As per consultation	2	0
RCC	Chatham World Heritage Team	1	31 May 2011 for 30 days.	No change	0	1
	Youth House	1	6 June to 8 July 2011	No Change	1	0
	Home School Support	3	9 June to 11 July 2011	No Change	1	2
	Community Librarians and Acquisitions	1	15 July for 30 days	No change	1	0
	Shalder House - Extra Care Service	12	15 Nov 11 for 30 days	As per consultation	Not yet known	Not yet known
	Balfour Centre	20	12 December 2011 to 6 February 2012	Not yet known	Not yet known	Not yet known
	Duke of Edinburgh Team - Youth	3	5 Dec 2011 to 3 Jan 2012	Not yet known	Not yet known	Not yet known
Schools	Glencoe Primary	8	25 November 2011 - 9 January 2012	Not yet known	Not yet known	Not yet known
TOTALS		59			13	3