

**TO: EMPLOYMENT COMMITTEE
5 JULY 2017**

**RESTRUCTURE OF COUNCIL WIDE SUPPORT SERVICES – EMPLOYMENT
IMPLICATIONS
(Director of Corporate Services – Human Resources)**

1 INTRODUCTION

- 1.1 The purpose of this report is to identify the staffing implications arising from the restructure of Council Wide Support Services (CWSS) and note the corresponding redundancy requirements.

2 RECOMMENDATIONS

The Employment Committee is recommended to:

- 2.1 **Note the new structures for CWSS identified in Appendix A with implementation from 1 September 2017.**
- 2.2 **Note that the postholders listed in Appendix B were declared redundant (in accordance with Council policy with the costs being met from the Structural Changes Fund and subject to any redeployment opportunities offered to those affected)**

3 REASONS FOR RECOMMENDATIONS

- 3.1 Implementation of the new structures is required, along with improvements to technology and more efficient processes, to achieve the savings target for the Council Wide Support Services Transformation Review.

4 ALTERNATIVE OPTIONS CONSIDERED

- 4.1 Initial proposals, based on the outputs of the Plan Phase of the project, were approved by the Senior Leadership Group and Corporate Management Team at the Gateway Review in January 2017. Two consultation phases have since taken place with staff in scope. This report outlines the final proposals.
- 4.2 Redeployment opportunities will be considered up to the point of redundancy.

5 SUPPORTING INFORMATION

- 5.1 Support services play a key role and are essential to service delivery. However if we are to maintain the delivery of front line essential services we must reduce the cost of support services.
- 5.2 Functions in scope are: Finance (including Procurement), HR (including Learning and Development and Health and Safety), Property, ICT and Legal. Performance Management and Business Intelligence also fall under the scope of the Council Wide Support Services project but are subject to a separate review which is currently in the Analyse Phase.

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- 5.3 There are 196 staff from across the Council in scope, which equates to 176 FTE.
- 5.4 The project aimed to achieve savings of 10% (£800,000) during the first two years of implementation (2017/18 and 2018/19). Excluding the indicative target set for the Business Intelligence part of the review, the target savings for the services covered in this report was £745,000.
- 5.5 A Target Operating Model (TOM) has been developed which is a new way of organising how support services are delivered. There will be two hubs of equal importance – the Support Hub, where high volume tasks will sit and most of the new re-engineered, more efficient processes will sit and the Enabling Hub which contains the Strategic Centre, Business Partnership and Centres of Expertise elements.
- 5.6 Self service will be the default mode for managers and staff and this will be enabled with improved ICT systems and intranet support pages.
- 5.7 Staff for each function will be centralised and co-located. Functional centralisation is the most appropriate model to facilitate future shared services with other partners.
- 5.8 The new model has a number of benefits: it delivers savings now with further savings after 2 years; it's scalable with the changing size and shape of the Council to meet our changing requirements; it improves resilience by aggregating resource; it supports increased professionalism as staff can provide their expertise where it is needed across the Council; it delivers a consistent service across the Council; and it challenges existing ways of doing things and simplifies processes.
- 5.9 New structures for each function were developed that broadly achieved 10% cost saving against the baseline salary costs and aligned with the requirements of the new 'to be' processes and the TOM. Following debate at the Corporate Management Team, it was agreed to increase support from part-time to full-time posts for HR services supporting recruitment to children's social care and schools, reducing the savings achieved by £33,000. The new structures reflect these changes and will be implemented on 1 September. The structures are shown in Appendix A.

The total savings achieved from the new structure will be £712,000 in a full year. and around £415,000 in 2017/18

The review of Performance Management and Business Intelligence is still to conclude and is, therefore, excluded from this report.

- 5.10 The proposals impact on the following areas with the staffing details outlined in Exempt Appendix B. The proposed termination date shown is for calculation purposes only and the exact termination date will be agreed with the individual and their Chief Officer, balancing the service impact with the need to maximise savings. In all cases the termination date will be no later than 31 August 2017 as the new structure is to be implemented from 1 September 2017.

5.11 Human Resources

The new HR service was designed to meet the objectives of the TOM. This model is a substantial departure from the existing traditional model of providing effective HR and organisational development services to the Council. It not only requires the HR service to develop but also requires the development of managers to embrace the new way of working and engaging with the new service to facilitate the wider transformational change the Council is seeking. Resources and the introduction of a new integrated HR system (iWork) have been created and developed to facilitate self

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serve and organisational development. The introduction of Strategic HR Business Partners (BP) will be key to ensuring the successful implementation of the new HR service. These roles are more strategic than the previous Heads of HR and have combined responsibility for departments as opposed to a dedicated BP per department. This has resulted in a reduction at a senior level but with less operational focus and more strategic input at an earlier stage to facilitate transformation and organisational development.

The introduction of an Organisational Development (OD) Manager is also a critical change in the new structure. This has been necessary as it is central to the Council's Transformation Programme. The learning and development delivery team has been reduced to allow for this given the savings target. Alternative, less expensive and more self reliant development e.g. action learning sets, coaching and e-learning will replace the more traditional approach to learning and development in a more "classroom" environment.

A clear separation of a schools HR traded service has also been developed to facilitate a dedicated and commercially viable service to schools. This separation and dedicated service will also facilitate further development to this service should this be required after the CYPL transformation is complete.

STAFFING IMPACT: 6 STAFF (FTE 5.29).
(Volunteers: 4 Compulsory Redundancies: 2)

Ref 1 in Exempt Appendix B

5.12 ICT

The new structure was designed to meet the objectives of the TOM. Many posts were deleted as teams were being centralised from departments and would therefore no longer exist. Managers posts were deleted from Corporate Services teams to allow for the structure to become broader so that teams, led by team leaders, could become more focussed on delivering in their areas.

Team sizes in some cases have been reduced, in part to accommodate the savings required but also to take account of more efficient processes, increased self-service and improvements to ICT systems being in place. New roles were created to join together departmental roles, in particular applications support, along with the business partners to ensure the strategic link with departments remains robust.

Deleted posts:

Desktop Services Manager (CS)
Network Manager (CS)
Systems Support Manager (CS)
Head of ICT (CYPL)
Head of Business Systems (ECC)
Business System Manager (ASCH&H)
Business Support Manager (ECC)
Business Support Analyst x3 (ECC)
Application Support Officer (CYPL)
IT App Support Officer (CYPL)
Business Support Officer (CYPL)
System Support Officer (ASCH&H)
System Support Analyst (ASCH&H)

Reduction in posts:

Desktop Officer -2 (CS)

Senior Systems Officers -2 (CS) (were called Senior Systems Analysts)

ICT Project Manager -2 (CS)

New posts:

Application Team Leader

Application Support Officer x 6

Systems Team Leader

Desktop Team Leader

ICT Support Hub Manager

Business Partners x 2

ICT Project Manager (Lead)

ICT Administrator (increased from 0.6 to 1.0 FTE)

ICT Architect Officer

STAFFING IMPACT: 6 STAFF (FTE 6).

(Volunteers: 4 Compulsory Redundancies: 2)

Ref 2 in Exempt Appendix B.

5.13 Finance

The Business Process Re-engineering work undertaken last autumn identified that the area with greatest scope to realise process efficiencies through the use of technology was in relation to the budget monitoring process. This is therefore where most change is proposed, both in terms of introducing new systems and processes and reducing the number of posts at grades E and F in the new structure.

A key difference moving ahead is that the only posts dedicated to supporting particular directorates will be the Finance Business Partners. These roles are felt to be partially but not materially changed from the current Head of Finance / Group Accountant roles that provide strategic financial support to Directors and their Chief Officers.

All other roles will be in generic resource pools and be able (over time) to cover work as priorities dictate at the time. This will require a flexible working approach, both within and across teams.

Where similar posts exist in different departments currently, the proposed structure proposes a move to standardised role titles and job descriptions, except where posts have specific elements that cannot easily be standardised at this time.

There are currently 12.6 FTE staff at grades E and F. In the proposed structure, the number of posts at these grades reduces by 4 to 8.6. There are currently no vacancies at these levels.

All the proposed roles at these levels vary to some extent from the current posts. There are 5 Senior Accountancy Assistant posts at grade F which will provide the main day to day contact for budget managers and 4 new roles:

- Accountancy Support Manager (grade E)
- Capital and Treasury Manager (grade E)
- Exchequer Services Manager (grade E)
- Finance Support Manager (grade F)

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There are also 5 Senior Accountancy Assistant posts at grade F which are similar to existing posts.

There is also one fewer post proposed at grade H, where there is a current vacancy.

It has not been possible to fill the Accountancy Support Manager post from internal candidates, as none have the necessary skills and experience, therefore an external recruitment exercise will need to be undertaken.

STAFFING IMPACT: 5 STAFF (FTE 4.59).
(Volunteers: 3 Compulsory Redundancies: 2)

Ref 3 in Exempt Appendix B.

5.14 Procurement

In terms of the TOM, the scale of the Procurement function is too small to support the concept of a Business Partner model, with Support and Enabling Hubs.

Using the definition of Procurement identified last year, only the Corporate Procurement team contains staff who are fully in scope for the CWSS review. Some staff in ASCH&H and CYPL are partly in scope, while large parts of their roles involve commissioning specialist care packages for individuals. This means that it is also difficult to adopt a fully centralised model for Procurement.

In order to promote closer working of staff involved in procurement in different parts of the Council, the structure proposes the creation of a “virtual” Procurement team. This indicates an expectation of closer working arrangements to share skills, knowledge and expertise, without introducing a formal structural change at this point.

The proposed structure achieves the required 10% saving by deleting a vacant Procurement Officer post at grade G.

This represents a reduction in the level of resource within the Corporate Procurement team of 20%, meaning that there will be a corresponding reduction in the level of support available to the Council. Work is under way to identify the highest priority tasks for the remaining Procurement staff, using the principles adopted by the CWSS review overall of using technology and streamlining processes to enable greater self-service.

STAFFING IMPACT: No impact on staff in post

5.15 Property

In accordance with the target operating model the functions within the Property team have been realigned to sit within the new framework and the facilities team will now report into the Head of Operations as part of the Support Hub.

The savings target has been met through the deletion of vacant posts within the team. There are no changes proposed to the remainder of the team and the CYPL property team will remain in CYPL to maintain the focus on integrated working on pupil forecasting and school place planning alongside the schools property programme.

STAFFING IMPACT: No impact on staff in post

5.16 Legal

Changes to the structure of the Legal Team to meet the savings target were agreed at Employment Committee in December 2016. The Legal Service is working with West Berkshire Council to develop a business case for a shared service. This will be completed in the next 4 months.

STAFFING IMPACT: None arising from this report

The Process

- 5.17 Information provided in points 5.1 to 5.9 above outline the rationale for developing the Target Operating Model for Council Wide Support Services. Officers scrutinised the requirements for each of the functions based on the new TOM and developed new structures, considering what the staffing impact will be. Where staffing reductions in multi-occupancy posts are required, if no suitable voluntary redundancies/early retirements emerge, the method of selecting employees for available posts follows the Council's Redundancy Handling Procedure and takes into account the following factors:

- Skills/experience
- Attendance/disciplinary record
- Length of service

Any recommended redundancy or severance payments thereafter are brought to this meeting and will be made in accordance with the relevant legislation and/or statutes, and the Council's Policy on Early Retirements and Redundancies.

- 5.18 Whilst the Council does not have a voluntary redundancy policy, it does encourage and give serious consideration to those people who volunteer for redundancy during a restructuring exercise. Where possible the Council will approve voluntary redundancies if they are affordable and where consideration has been given to maintain the necessary skills for the service. Of the 17 redundancies proposed in Appendix B, 11 are voluntary redundancies. There are a very few cases where requests for VR have been turned down as the employee has the required skills and experience for the future service. In addition, if after serious consideration by panels of existing employees suitability for new positions it has been concluded that there are no suitable internal candidates for new roles these will be opened up to redeployment candidates. If the position still remains unfilled then external advertisement may be necessary.
- 5.19 In the majority of cases the notice period will broadly align to the effective date. In some cases the individuals will not have the opportunity to work their full notice period between notification of redundancy and the effective date; in these cases, the balance of notice will be paid as pay in lieu of notice. In both cases the cost of notice will be met from the Departmental Staffing budget.

Conclusion

- 5.20 The total number of Full Time Equivalents affected by these proposals is 15.88. The actual headcount is 17.

As the process of actively seeking redeployment opportunities will continue right up to the termination date, some staff will secure alternative posts with the Council

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between the date of decision on redundancy and the effective date as specified on the exempt appendices.

6 ADVICE RECEIVED FROM STATUTORY AND OTHER OFFICERS

Borough Solicitor

- 6.1 The HR process has been undertaken in line with the Council's Organisational Change protocol and Employment law requirements. With regard to the latter it is clear that the statutory definition of redundancy has been met in all cases (i.e. the requirement for staff to carry out work of a certain kind has ceased or diminished.) Procedurally, appropriate consultation has taken place and steps are being taken, to secure suitable alternative employment where possible as an alternative to redundancy.

Borough Treasurer

- 6.2 Savings achieved through the Council Wide Support Services review (excluding at this stage the Business Intelligence functions) total £712,000, very close to the original target. One-off severance costs for staff affected total £528,000 and will be met from the Structural Changes earmarked reserve, giving an overall payback period of 8 months.

Equalities Impact Assessment

- 6.3 An Equalities Screening Record Form has been completed which identifies no adverse impact on any of the protected characteristics.

12 (70%) of the redundant employees are over 50. 5 are 30-49 (29%) and none are under 30. 41.3% of the non schools workforce are over 50 and 46.6% are 30-49. It should be noted that 12 (70%) of the redundancies were voluntary redundancy (VR) requests and only 5 (29%) are compulsory. Of the 12 VR requests, 10 were over 50 (83%) and 2 were 30-49 (16%). It is expected that there will be a greater proportion of requests for redundancy from those over 50 where it results in early retirement facilitating early access to pension schemes.

When reviewing which Directorates the staff were from the distribution is 12 (71%) from Corporate Services, 1 (6%) from ASCHH, 4 (24%) from ECC and none from CYPL.

Service areas are responsible for EIAs on the service impact of any major changes.

Strategic Risk Management Issues

- 6.4 Failure to implement proposals involving staff reductions will result in significant alternative savings needing to be found in the Council's budget.

7 CONSULTATION

Principal Groups Consulted

- 7.1 Employees affected have been individually consulted. Trades unions have been formally consulted throughout the process.

Background Papers

None.

Contact for further information

Alison Sanders, Director of Corporate Services ext. 5621

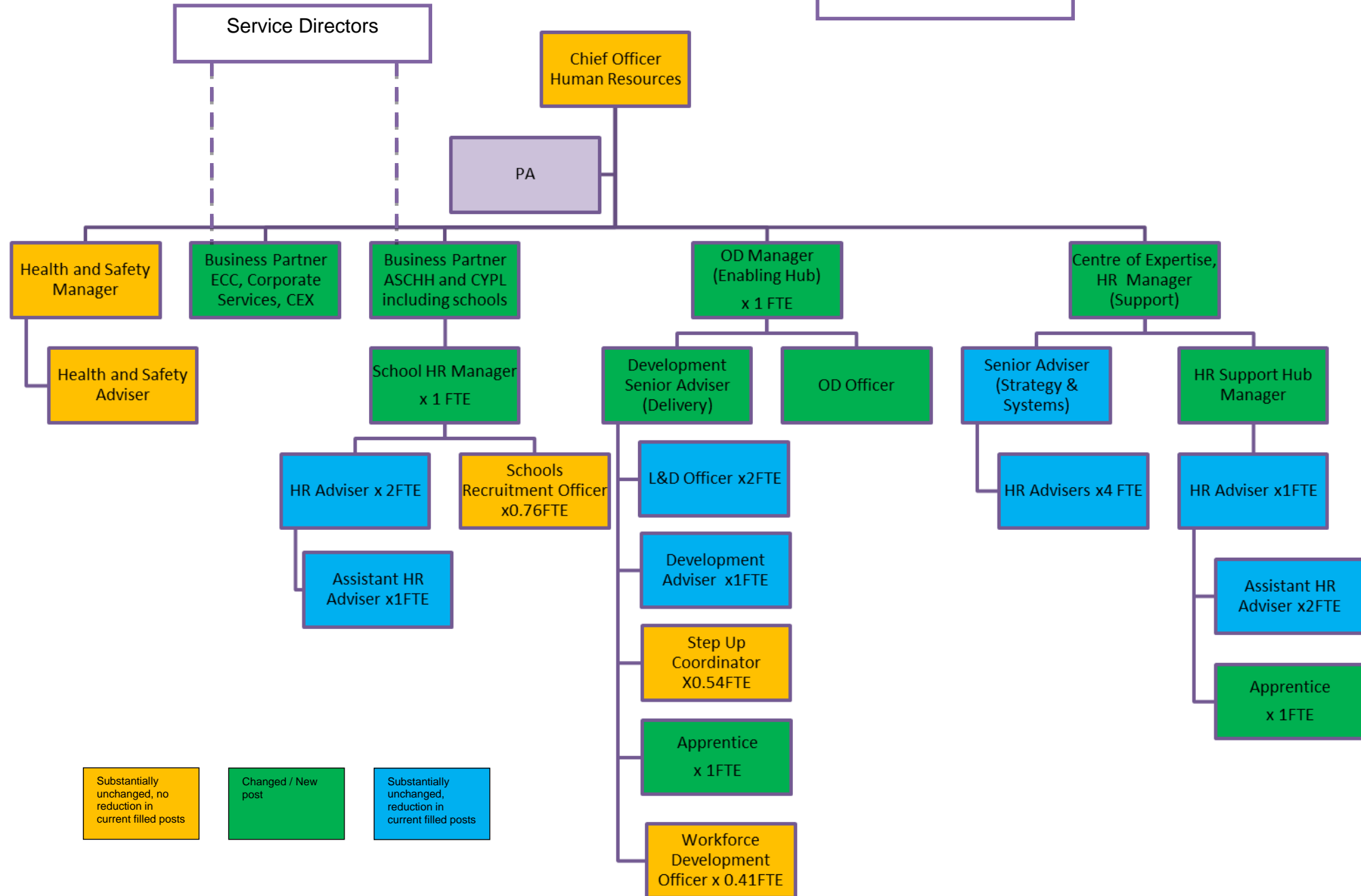
timothy.wheadon@bracknell-forest.gov.uk

Nikki Gibbons, Chief Officer: Human Resources ext. 2049

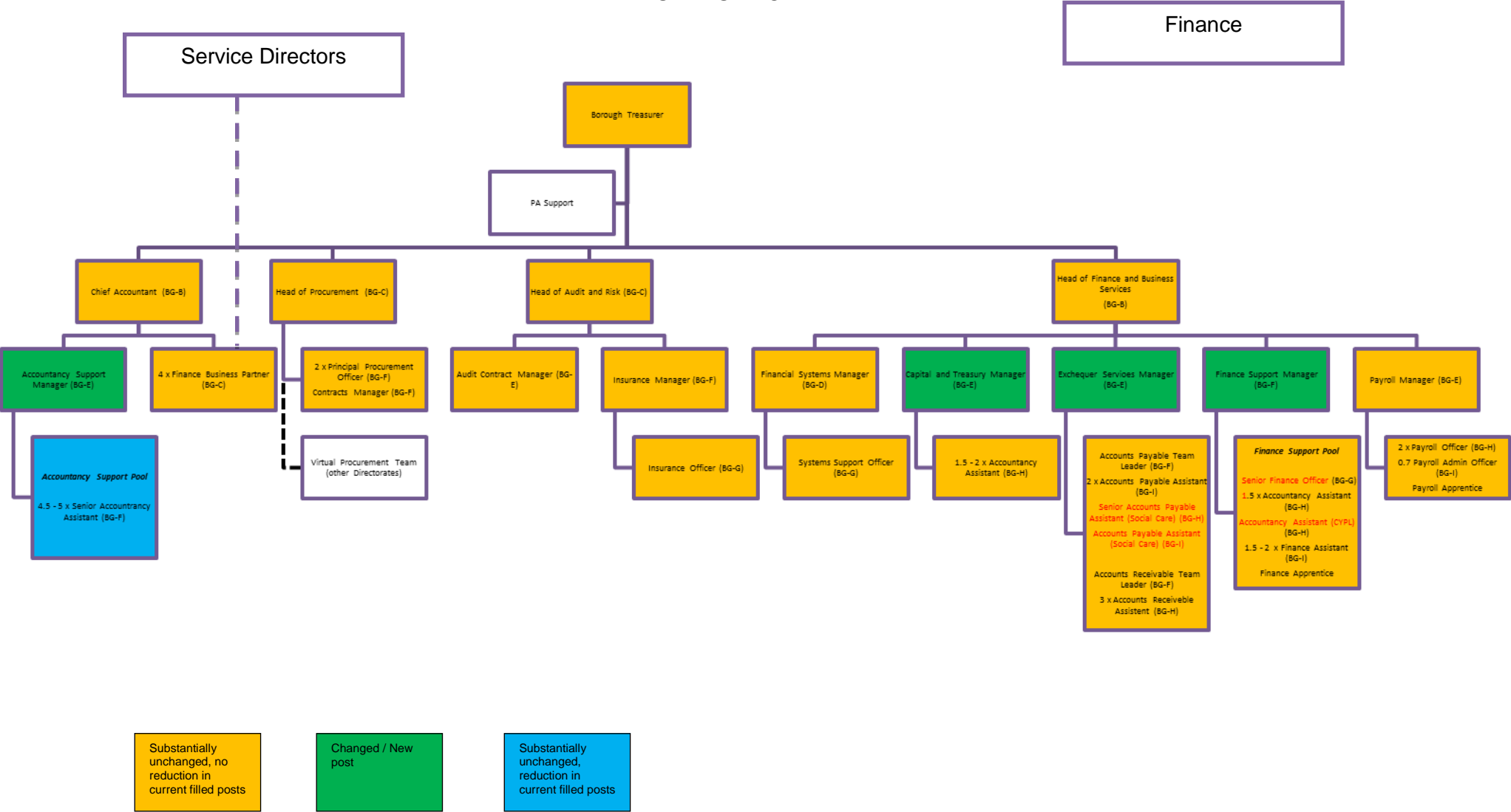
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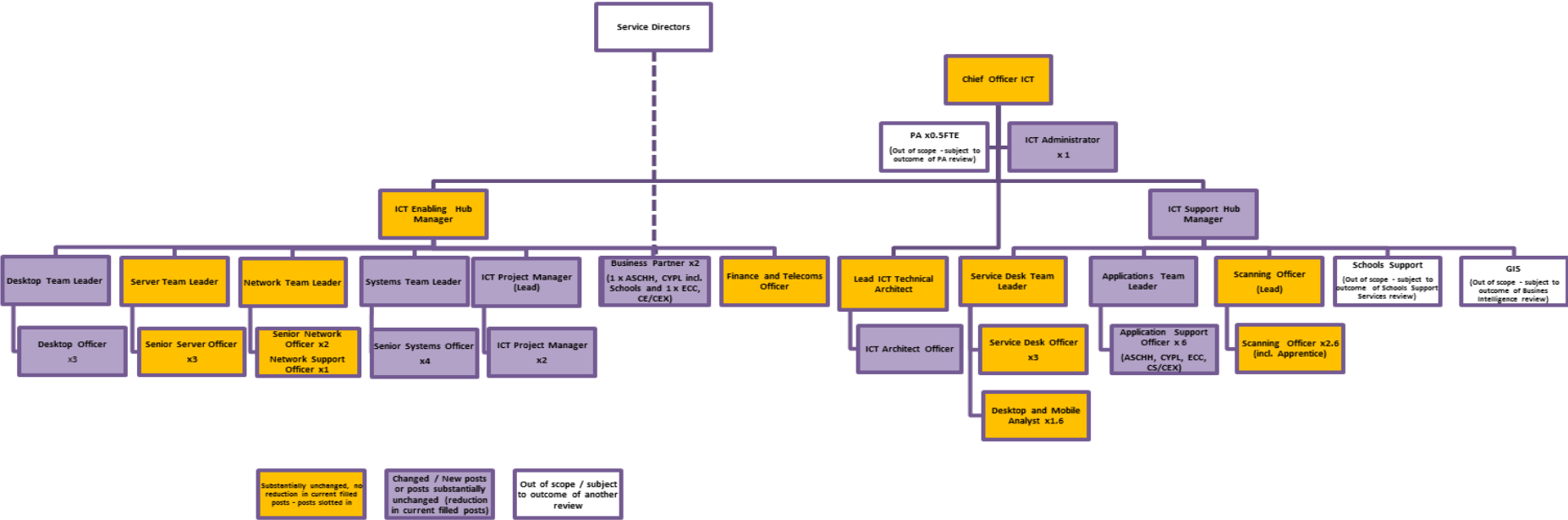
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Initial Equalities Screening Record Form (Appendix C)

Date of Screening: May 2017	Directorate: Corporate Services	Section: HR
1. Activity to be assessed	Council Wide Support Services Review 2017 – Staff Restructure	
2. What is the activity?	<input type="checkbox"/> Policy/strategy <input type="checkbox"/> Function/procedure <input type="checkbox"/> Project <input type="checkbox"/> Review <input type="checkbox"/> Service <input checked="" type="checkbox"/> Organisational change	
3. Is it a new or existing activity?	<input checked="" type="checkbox"/> New <input type="checkbox"/> Existing	
4. Officer responsible for the screening	Nikki Gibbons	
5. Who are the members of the screening team?	Angela Lee	
6. What is the purpose of the activity?	<p>Implementation of the new CWSSR Target Operating Model across all council support services (HR, ICT, Finance, Procurement and Property) in order to achieve efficiencies, implement new ways of working and make organisational change necessary to achieve the required budget savings. This screening will impact assess if any part of the workforce will be disproportionately impacted by the implementation of the staff restructure, The new ways of working, self service, technology and process changes are not part of this screening..</p> <p>Redundancies are handled in line with the Council's organisational change policy/procedure.</p>	
7. Who is the activity designed to benefit/target?	<p>The review is designed to provide more efficient and effective support services to business functions across the Council and is based on:</p> <p>Self-Service: Increased use of technology and digital tools to automate transactions and streamline processes for all services in scope</p> <p>Transaction Hub: Delivering simpler tasks across common services, providing core organisational support and contact with users</p> <p>Business Partners in each directorate: Professionals working with strategic leaders and line managers to deliver core objectives and effective support services</p> <p>Strategic Centre: Includes HR, Finance and ICT and would deliver complex tasks and develop strategy, vision and policy</p> <p>Centres of Expertise: Function specific (Legal, Property and Procurement) with specialist knowledge</p>	

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	delivering consistent support to all areas of the Council			
	The implementation of the TOM will benefit the Council (including Members and staff) and the local community the Council serves by enabling the provision of quality Corporate Services in a more efficient and effective way and will provide: <ul style="list-style-type: none">• greater opportunities for career progression for staff• a scalable model of delivery for the future• a single, uniform, coordinated approach to Advice & Strategy• simplified processes with greater use of self serve for managers and services			
	Staff fully participated in the engagement and consultation process which was extended in light of the useful suggestions made by staff. Selection processes allowed staff in each functional group to express up to 4 preferences for roles they wished to be considered for. Panel interviews took place by functional area and panels included independent officers representing service Directorates.			
	Staff – 17 members of staff will be made redundant if no further suitable redeployment can be found. It is part of our organisational change procedure to seek alternative employment for all those at risk of redundancy.			
Protected Characteristics	Please tick yes or no		Is there an impact? What kind of equality impact may there be? Is the impact positive or adverse or is there a potential for both? If the impact is neutral please give a reason.	What evidence do you have to support this? E.g equality monitoring data, consultation results, customer satisfaction information etc Please add a narrative to justify your claims around impacts and describe the analysis and interpretation of evidence to support your conclusion as this will inform members decision making, include consultation results/satisfaction information/equality monitoring data
8. Disability equality	Y ✓	N	Minimal impact.	1 person out of 17 has declared a disability. Due to the small sample size this equates to 5.8%. The non school workforce has 3% with a declared disability.
9. Racial equality	Y	N ✓	None	All are White British The non school workforce is 86.4% White British.

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10. Gender equality	Y	N ✓	None	Six males (35%) and eleven females affected (64.7% female). The non school workforce is 71% female.
11. Sexual Orientation equality	Y	N ✓	None	15 individuals identified as heterosexual (88%) and 2 did not specify orientation. The non schools workforce is 83.7% heterosexual.
12. Gender re-assignment	Y	N ✓	None	No known instances of staff concerned having had gender reassignment.
13. Age equality	Y	N ✓	Broadly neutral	12 (70%) of the redundant employees are over 50. 5 are 30-49 (29%) and none are under 30. 41.3% of the non schools workforce are over 50 and 46.6% are 30-49. It should be noted that 12 (70%) of the redundancies were Voluntary Requests requests and only 5 (29%) are compulsory. Of the 12 VR requests, 10 were over 50 (83%) and 2 were 30-49 (16%). It is expected that there will be a greater proportion of requests for redundancy from those over 50 where it results in early retirement facilitating early access to pension schemes.
14. Religion and belief equality	Y	N ✓	None	11 identified as Christian (64.7%), 1 as "other" (5.8%) and 5 as "none" (29.4%). In the non schools workforce 54.4% are Christian and 3.6% other, with 28.8% identifying as having no religion.
15. Pregnancy and maternity equality	Y	N ✓		None known
16. Marriage and civil partnership equality	Y	N ✓		None known
17. Please give details of any other potential impacts on any other group (e.g. those on lower incomes/carers/ex-offenders) and on promoting good community relations.	<p>The range of grades affected is broad and includes grades D (5 / 29%), E (2 / 12%), F (5 / 29%), G (3 / 18%), and H (2 / 12%).</p> <p>The distribution by function is 6 (35%) from HR, 6 (35%) from IT and 5 (29%) from Finance.</p> <p>When reviewing which Directorates the staff were from the distribution is 12 (71%) from Corporate Services, 1 (6%) from ASCHH, 4 (24%) from ECC and none from CYPL.</p>			

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18. If an adverse/negative impact has been identified can it be justified on grounds of promoting equality of opportunity for one group or for any other reason?	The small numbers involved can make comparisons on the basis of percentages misleading.		
19. If there is any difference in the impact of the activity when considered for each of the equality groups listed in 8 – 14 above; how significant is the difference in terms of its nature and the number of people likely to be affected?	<p>The personal characteristics of the individuals to be made redundant are not known to decision makers at the initial stages ie when the decisions are taken to reduce and redesign services.</p> <p>The numbers affected are small and this can lead to a disproportionate impact on percentages.</p> <p>There is no significance perceived in the adverse impacts identified.</p>		
20. Could the impact constitute unlawful discrimination in relation to any of the Equality Duties?	Y	N✓	No. There is no evidence that discrimination is a factor in the selection of services to be reduced or employees to be made redundant.
21. What further information or data is required to better understand the impact? Where and how can that information be obtained?	None		
22. On the basis of sections 7 – 17 above is a full impact assessment required?	Y	N✓	The explanations offered above are deemed sufficient not to warrant a full EIA. The impact on the individuals At Risk of redundancy is mitigated by seeking redeployment for them; by holding individual meetings with them to discuss their skills and experience, and to explain their severance package. Posts in the teams affected are “ringfenced” for At Risk employees. Other posts which become vacant during this period are looked at on a case by case basis, and those which could potentially provide a redeployment opportunity are advertised internally only to allow those At Risk to apply before any external competition is considered.
23. If a full impact assessment is not required; what actions will you take to reduce or remove any potential differential/adverse impact, to further promote equality of opportunity through this activity or to obtain further information or data? Please complete the action plan in full, adding more rows as needed.			
Action	Timescale	Person Responsible	Milestone/Success Criteria

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Ensure equality of opportunity throughout the redeployment period	During notice period	CO:HR & HR Heads of Service	Maintenance of Corporate At Risk Register and preferential consideration for suitable vacancies arising during the notice period Provision of ongoing HR support to staff At Risk
24. Which service, business or work plan will these actions be included in?	N/A		
25. Please list the current actions undertaken to advance equality or examples of good practice identified as part of the screening?	Individuals will be individually contacted by an HR adviser to discuss possible redeployment, and to help them where necessary with CVs and other aspects of job search.		
26. Chief Officers signature.	Signature: Nikki Gibbons Date: May 2017		