

BRISTOL CITY COUNCIL

HR COMMITTEE

16th January 2014

Report of: Service Director – Human Resources

Title: Organisation Restructure

Ward: N/a

Officer Presenting Report: Richard Billingham

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RECOMMENDATION

The HR Committee are asked to note progress on the Organisation Restructure since the last meeting and the proposed activities for the next phase.

Summary

This report outlines:

- The progress with the Organisation Restructure for 3rd tier officers, including the outcomes of the Voluntary Severance exercise
- Details of the consultation taking place and a timeline for completion
- Details of the plans for the next phase of the Restructure

Policy

1. The Council's Managing Change, Voluntary Severance and Recruitment and Selection Policy are all applicable.

Consultation

1. Internal

- The Mayor, Party Group Leaders and the Interim Senior

Leadership Team have all been consulted.

- Employees at BG16 or above who are impacted by these proposals
- Representatives of the single status trade unions have been consulted on a weekly basis since October 2013.

2. External

Not applicable

3. Context

- 3.1 Following completion of the restructure for Strategic and Service Directors, the next phase of the Organisation Restructure started on 4th November 2013. The scope of this phase was staff earning above £45,000 (below Service Directors) or BG16 (or equivalent) and above. This staff group comprises of Service Managers as well as Subject Matter Experts; the majority, but not all, are 3rd tier officers.
- 3.2 As per the 2nd tier restructure, the first activity in this phase of work was to offer Voluntary Severance to all staff. This exercise was completed in line with the Voluntary Severance Policy, the outcomes are as follows:
- 61 staff Expressed an Interest in taking Voluntary Severance and requested redundancy and pension (if eligible) estimates
 - Of these, 36 applied for Voluntary Severance
 - As of 3rd January 2014, 17 of these applications have been accepted
 - Of the remaining applications, some have been refused due to the high costs. Others are still being considered pending completion of the current consultation on 3rd tier structures.
- 3.3 Whilst the Voluntary Severance application period was running, Service Directors were asked to draft 3rd tier structure proposals that achieved the required budget savings. These were released for consultation to affected staff and trade unions on 10th December 2013. The consultation will run for a minimum of 30 days in line with the Council's Managing Change Policy. Proposed completion date is 16th January 2014.
- 3.4 Generic job paperwork for this staff group has been produced, made up of a role and employee profile. There are 2 sets of job paperwork – one for Service Managers and another for Subject Matter Experts. The draft generic paperwork is being consulted on alongside the proposed structures.

- 3.5 The aim is to make as many of the required savings as possible without resorting to compulsory redundancies. However, some selection activities may be required if staff are displaced or in a ringfenced situation. The proposed timeline for this activity is:
- End of consultation period – 16th January 2014
 - Selection activities (e.g. ringfence interviews) – w/c 20th January
 - Matching displaced staff to vacant posts in structure – w/c 27th January
- 3.6 In order to meet the required timelines for completing the restructure, staff briefings to launch the next phase will take place 6th – 9th January. The scope of this phase is staff earning between £25,000 and £45,000 or BG10 – 15 (or equivalent). The briefings will be led by a number of different Service Directors.
- 3.7 The Voluntary Severance process has been streamlined for this group of staff. All staff in scope will be provided with redundancy figures and pension figures (if eligible) in a letter at the start of the application period, rather than having to request these figures. The Voluntary Severance policy has been revised to reflect this change in the process.
- 3.8 The application period will then run for 3 weeks – from 13th to 31st January.
- 3.9 There will be some specific groups of staff who are not offered Voluntary Severance, where it is clear that their roles and/or individual skill set is critical to maintaining effective service delivery. However this will only apply in exceptional circumstances (agreed with Service Directors) and staff will be informed in advance. All other staff will have the opportunity to express an interest in Voluntary Severance.
- 3.10 The consultation on 4th and 5th tier structures will run at the same time as the Voluntary Severance process, to allow staff to make an informed decision on whether to apply based on potential changes to their role / service. Consultation packs will be issued w/c 13th January and the consultation will run for a minimum of 45 days.
- 3.11 The restructure for Public Health staff will run to a separate timetable, due to the added complexities around staff terms and conditions. A timeline is currently being agreed with the Strategic Director, Neighbourhoods and Interim Director of Public Health – details of this will be advised at the next meeting.

4. Proposal

The committee are asked to note the progress to date and the plans for the next phase of the Restructure.

5. Other Options Considered

Not applicable

6. Risk Assessment

The priority risks attached with the Restructure to date are summarised below:

Risk	Mitigation
Loss of knowledge and experience as a result of staff taking Voluntary Severance, jeopardising future service delivery.	Loss of skills and knowledge is one of agreed criteria for assessing which VS requests will be accepted Ensure that VS applications are considered cross-Council to understand the impact beyond immediate team/directorates.
Cost of the voluntary severance exercise is too high and impacts on the savings that will be realised from the restructure	Work with Finance to model the potential redundancy costs and the pension strain at each tier. Ensure the cost of VS for each individual is one of the selection criteria considered for each application
The timescales are too quick and staff are not supported through the change; negative impact on service delivery	All statutory consultation guidelines are followed and all staff must have a documented 1:1 discussion as part of consultation. Supporting mechanisms in place for managers and staff – weekly manager briefings, dedicated page on The Source, Employee Assistance Programme, pensions surgery

Public Sector Equality Duties

- 8a) Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
- i) Eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
 - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to --
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
 - iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - tackle prejudice; and
 - promote understanding.
- 8b) An Equalities Impact Assessment has been drafted and will be continuously updated in accordance with progress during this review. The Equalities Team are providing direct support and guidance in this process.

Legal and Resource Implications

Legal –

The Council should continue to consult with employees and their recognised trade unions and have due regard to any amendments to the Equalities Impact Assessment. (Kate Fryer, Solicitor).

Financial
(a) Revenue

The restructure forms part of the Council's Single Change Programme. The revenue costs arising from the restructure are included in the Medium Term Financial Strategy.

(b) Capital

Not applicable

(Financial advice provided by Shahida Nasim, Finance Business Partner, 7th January 2013)

Land

Not applicable

Personnel

There will be on-going consultation with trade unions and employees throughout the restructure and this will be carried out in accordance with the agreed HR policies.

(Personnel advice provided by Mark Williams, Service Manager)

Appendices:

None

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985
Background Papers:

None