

BRISTOL CITY COUNCIL

HR COMMITTEE

10th April 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 BG10-15 officers, including the outcomes of the Voluntary Severance exercise
- Details of the next steps for BG10-15 staff and a timeline for completion
- Details of the plans for the final phase of the Restructure (BG1-9)

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 BG10 or above who are impacted by the proposals
- Representatives of the single status trade unions have been consulted on a weekly basis since October 2013. Special Directorate Joint Consultative Committees have also taken place.

2. External

Not applicable

3. Context

- 3.1 The Organisation Restructure for BG16 and above started on 4th November 2013. This staff group comprised Service Managers as well as Subject Matter Experts. During January the 3rd tier structures were finalised, consultation closed, and job evaluation and all selection activity was completed. This resulted in 2 individual being displaced, 1 of which has now been redeployed in to a vacant Service Manager role.
- 3.2 There are a number of vacant posts in the new 3rd tier structure and recruitment to these posts will commence in April.
- 3.3 The next phase of the Restructure, for BG10-15 (or equivalent) staff, commenced on the 13th January. The main activities carried out to date include:
- Staff briefings for all BG10-15 staff led by Service Directors
 - Voluntary Severance exercise
 - Publication of draft service structures on The Source
 - Consultation period (minimum 45 days) for all staff
 - Staff and manager support sessions on various subjects including managing change, pensions, having difficult conversations
 - Confirmation of Methods of Appointment
 - Job paperwork updates for new or changed roles, and job evaluation where required
- 3.4 A change to the Voluntary Severance policy was agreed with trade unions in January to allow for a different process to be used in the restructure. The new policy removes the 'expression of interest' phase; all staff were instead provided with estimates of redundancy figures to help them to decide whether to apply for Voluntary Severance.

The outcome of the VS exercise was as follows:

- A total of 498 staff applied for Voluntary Severance
- As of 1st April 2014, 252 of these applications have been accepted
- VS decisions have been reviewed several times by SLT and DLTs to ensure that applications have been agreed wherever possible

A small number of late VS applications that have been made following publication of Methods of Appointment are still being considered.

3.5 As with previous phases of the restructure, the aim is to make as many of the required savings as possible without resorting to compulsory redundancies. However, selection activities will be required for BG10-15 staff in some service areas. The proposed timeline for this activity is:

- Ringfence interviews – until 26th April 2014
- Matching displaced staff to vacant posts in structure – w/c 5th May. This will include consideration of any transferred redundancy opportunities

Support for staff facing a selection exercise has been developed. This includes a dedicated page on The Source ('Supporting You Through Change') and several interview skills training sessions.

3.6 The final phase of the restructure for BG1-9 staff will follow the completion of the BG10-15 phase. Detailed planning is currently underway for this phase, but it is likely to commence in May 2014.

This final phase of the restructure will follow the same steps as previous phases, including a Voluntary Severance exercise. Service Directors and Managers will shortly be asked to advise of any roles that should not be offered Voluntary Severance.

3.7 The consultation period for BG1-9 staff will also be for a minimum of 45 days and structures will be shared via The Source.

3.8 A separate Policy, Strategy and Communications redesign project that is part of the Council's Change Programme has been running alongside the BG10-15 restructure. It has been important to ensure that both exercises are aligned and the project teams have been working closely together to achieve this.

3.9 The restructure for Public Health staff has also been running alongside the BG10-15 restructure. The Voluntary Severance exercise and consultation period are in progress.

4. Proposal

The committee are asked to note the progress to date and the plans for the final phase of the Restructure with BG1-9 staff.

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

Legal advice sought - no further comments to add to the report.

(Legal advice provided by *Liam Nevin Service Director Legal*)

Financial

(a) Revenue

Financial (a) Revenue

The restructure forms part of the Council's Single Change Programme. The revenue and cost implications arising from the restructure are included in the Medium Term Financial Strategy approved by Council on 18 February 2014. The restructure is targeted to generate £28m full year savings and is expected to be delivered through voluntary, rather than compulsory, severance across the Council's officer core.

(b) Capital

Not applicable

**(Financial advice provided by Mark Taylor, Service Director
Finance, 2nd April, 2014)**

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, HR Business Partner
- Place)**

Appendices:

None

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

None