

Redundancy and Redeployment Update

Finance and Administration Committee, item 9

Committee: Finance and Administration Committee

Agenda Item

Date: 31 January 2008

9

Title: Redundancy and Redeployment Update

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Item for noting

Summary

This report represents the promised update on the progress of the consultation on proposed redundancies and redeployment that were agreed at the special Finance and Administration Committee on 15 January. It also sets out an assessment of the overall service impacts that are likely following the reductions in staffing that the organisation has undergone in the last twelve months.

Recommendations

1. That members note the actions described in the report.
2. That the position in respect of the Tourist Information Centre in Saffron Walden and the Energy Efficiency Surveyor are also noted.
3. Members should consider whether, in the light of information provided to them they wish to reconsider any of the proposals currently under consideration, and instruct officers accordingly. Should no change be recommended the council will proceed to selection processes where applicable and the issuing of formal redundancy notices.

Background Papers

Previous reports to Finance and Administration Committee and to Council on the financial and staffing position of the council.

Impact

| | |
|----------------------------|--|
| Communication/Consultation | Consultation is underway with staff, the public and specific stakeholders. |
| Community Safety | Implications for the Community Safety partnership depend on the success or otherwise of being able to redeploy a member of staff into the role of Community Safety Officer. If the post cannot be filled by redeployment, it will need to be recruited externally. |
| Equalities | No specific implications. |
| Finance | As described in the report |

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| Human Rights | No specific implications |
| Legal implications | |
| Sustainability | See commentary on the position of the Energy Efficiency Surveyor within the Building Surveying team. |
| Ward-specific impacts | The impacts are district-wide, though the change in the provision of the Tourist Information Centre would have specific implications for the town of Saffron Walden. |
| Workforce/Workplace | The implications of these proposals for the workforce are significant and severe. There is no prospect of avoiding redundancies entirely, though every effort continues to be made to minimise the number. However, failure to achieve financial stability would, in the end, place a greater number of staff and the services they provide, in greater jeopardy. |

Background

1. The council meeting on December 11 instructed officers to develop proposals to achieve a reduction of £1 million per annum in the cost of staffing at the council. Following that instruction, proposals were prepared and endorsed at the meeting of this committee which took place on January 15.
2. Since that date, the council has been in a process of consulting staff about the proposed reductions, and in particular, consulting those staff who are at risk of redundancy about their specific positions.
3. Staff were notified by their managers of their position over the period of January 16-17. In most cases, an initial face-to-face meeting took place on 16 January, followed 17 January with written notification. On receiving written notification, 'at risk' staff were also informed of the availability of redeployment opportunities, the redundancy payment that they would receive were they to become redundant and the process of consultation that was to be undertaken.
4. Once the staff who were at risk were informed personally of their position, the report which was considered in private session at the January 15 meeting was placed in the public domain. It was sent by e-mail to all staff at this point. One of the purposes of this report is to provide further details for members of the overall service impact of the reductions that the organisation has or will undergo as a result of these proposals.

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5. The Chief Executive met Unison on behalf of the staff on January 23 and a number of specific issues were raised by the union. Predominantly, these questions related to individual redundancy proposals and whether the view that management had taken on who was at risk was correct. In a number of instances, the union wished to understand why certain posts had been designated 'at risk' without including postholders who arguably might be considered to be doing similar work. This view is being considered by management with the support of human resource specialists and a response will be made. It is expected that the discussions will continue over the next few weeks.
6. It should be emphasised that the phase of activity which began on January 15 was one of consultation. At risk notices were issued, but no redundancy notices have yet been issued. The issue of redundancy notices will only commence following this meeting should the committee confirm that they intend to confirm proposals.

Service issues

7. A number of specific proposals have been receiving particular attention with a view to avoiding the need for redundancy. These are further detailed below.

Tourist Information Centre

8. As anticipated in the January 15 report, the proposal to shed responsibility for the tourist information centre and potentially close the service has attracted significant public opposition and there is no doubt that were the centre to close, there would be a significant impact on the services available in the town.
9. Discussions have been undertaken with Saffron Walden Town Council with a view to the town council assuming responsibility for the TIC – in a similar way to many other town councils in the country (for example, Bishops Stortford). Discussions have been positive, there is a determination on both sides to reach agreement and it is anticipated that a supplementary report will be issued before the committee meeting with an update for members to consider.

Energy Efficiency Surveyor

10. The proposal to place this post 'at risk' was made with great reluctance. It was clear from the discussion at the committee meeting that that reluctance was shared by many members of the committee. There is no doubt that the efforts the council has made, and the efforts made by the individual postholder in this arena, have brought great credit to the council and has achieved real success both in the council's own energy usage but also on the wider energy efficiency and climate change agenda. Urgent consideration has been being given to this proposal with a view to finding

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alternative approaches. Again, it is hoped that a proposal can be developed for members to consider on the day of the committee.

Other proposals

11. Meanwhile, management, staff and partners continue to explore opportunities for alternatives to redundancy in respect of the other proposals. The principal alternative that is being explored is the opportunity for further support for partnership activity from the resources of partnerships rather than the cost of certain activities being fully borne by the district council. It is not likely that any further proposals will be available by the time of the committee meeting. Should that position change, the committee will of course be updated at the meeting. However, at the time of writing it is likely that the recommendation from officers will be that all other proposals for redundancies are confirmed by the committee.

Service impacts

12. During the last year, there has been a series of successive pressures placed on staffing budgets which have led to a significant ongoing reduction in staff numbers. These reductions have already had an impact on service levels. Further reductions are proposed, and these will have a further impact on service levels. The appendix to this report sets out an assessment of these impacts in tabular form to enable members to have a full picture of the shape the organisation is now in.
13. Members will recall the succession of events:
 - The budget as set in February 2007 assumed that savings equivalent to 5% of the staffing budget would be achieved by turnover and vacancy management;
 - Since June 2007, no external recruitment has been allowed unless specifically authorised by the Strategic Management Board;
 - The October council meeting agreed a revised senior management structure which – indirectly – has resulted in the departure of two directors. The council has also been operating without a permanent Director of Resources since the previous postholder's departure in October.
 - In November, following member authority given at October council, ten members of staff were allowed to take voluntary redundancy. All but one of those ten have now left the organisation;
 - The proposals considered on 15 January instigated further reductions in terms of vacancies to be deleted and redundancies. They also placed – effectively – a freeze on external recruitment until all possibilities of redeployment have been resolved. Although this is designed to protect the position of staff who are 'at risk', it does have the effect of prolonging the holding of existing vacancies and those which arise and thereby placing greater pressure on the staff who remain.

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Conclusion

14. At the Finance and Administration Committee meeting on January 15, there was clear concern that the full impact of the proposals being made at that meeting needed to be considered in public by the council. This report, and the subsequent budget-setting meeting offers an opportunity for that debate.
15. However, the council faces a serious set of challenges if it is to be in a position to set a legal and sustainable budget for 2008-9 and if it is to have an effective medium term financial strategy in place for the coming years. Many of the decisions the officers are bringing forward for members' consideration are unpalatable in the extreme, but the consequences of failing to have a viable financial strategy in the short and the medium term would be more severe and would have implications for the ability to continue to represent the interests of Uttlesford as a service provider and to offer leadership in representing the interests of the community on wider issues.

| Risk | Likelihood | Impact | Mitigating actions |
|---|-------------------|---------------|---|
| That services cannot continue to operate effectively | 2 | 4 | Alternative sources of funding will be sought and alternative means of delivery – through changed working practices, partnership working etc – will be explored to ensure delivery can continue to the highest reasonable level. |
| That the decisions taken do not lead to a sustainable budget being established for 2008-9 | 2 | 4 | The Chief Executive and the Chief Finance Officer and other senior managers will continue to offer robust and clear advice to members of the consequences of the decisions being considered. |
| That the council's longer term financial position remains fragile | 1 | 4 | The approach in the last twelve months has been to make deliberately pessimistic assumptions in terms of both income and expenditure. Any unexpected developments should therefore be 'good' rather than 'bad' news. The Medium Term Financial Strategy will be revised to reflect current expectations and a strategy to restore reserves to an agreed level will also be developed. |

(Note: the likelihood and impact scores given above are on a 1-4 scale with 1 being the lowest likelihood/impact and 4 being the highest).

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Appendix: Service Impact Table

| Service area | Staff reductions | Impact on service | Mitigating actions |
|-------------------------------------|---|--|--|
| 1. Strategic Management | Reduction in number of directors from five to three; current position is that only two directors are in post, plus acting Chief Finance Officer. Chief Executive will leave at end of February 2008 | <p>Central capacity of the organisation is compromised. Ability to respond to new initiatives or to work effectively to promote Uttlesford's interests in county/regional forums are limited due to loss of numbers and need to focus principally on internal financial position.</p> <p>Freeze on recruitment of Director of Central Services will leave reporting lines of several heads of division unclear, while the persistence with interim arrangements in a number of other divisions will continue to promote uncertainty and to limit capacity.</p> | <p>Support is being sought from Building Capacity East;</p> <p>Interim management arrangements will be put in place pending decision on recruitment of new Chief Executive;</p> <p>Activities and actions of the council will need to be prioritised to reflect the available resources.</p> <p>Heads of Division understand the situation and are responding accordingly.</p> |
| 2. Assistant Chief Executive's Unit | <p>1 full time post in legal/land charges</p> <p>Reorganisation of staff proposed to create new Enforcement Team.</p> | <p>Legal and land charges section are not able to provide the level of service previously enjoyed by those applying for searches (whether official or personal). We were working to a target of 6 working days turnaround. We are now back to the former national PI of 10 working days. We have had to increase the amount of notice we require for a personal search and restrict further the number we can accommodate in one day. We are also now less responsive to enquiries re deeds etc.</p> | <p>No way of mitigating this without the additional staff member.</p> |

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| Service area | Staff reductions | Impact on service | Mitigating actions |
|-----------------------|---|---|--------------------|
| 3. Building Surveying | <p>1 Senior Building Surveyor (From 01/04/07)</p> <p>1 Energy Efficiency Surveyor (On current redundancies list)</p> <p>0.4 Technical Admin Assistant</p> | <p>Senior Building Surveyor: Vacancy held open from 01/01/07 and eventually given up as saving. Generally level of service maintained through increased output of rest of surveying staff and adjustments to working practices. Limitations have had to be imposed on size and complexity of jobs received from major partners Weston Homes which has reduced fee income from this source.</p> <p>Energy Efficiency Surveyor: All work undertaken by post holder would effectively cease and Council's carbon management programme curtailed. Energy savings would not be made and higher expenditure by Council on fuel bills will result.</p> <p>0.4 Admin Post: Cover for other admin absences reduced and admin procedures will take longer to be completed. Adjustments to working practices and flexibility of admin team will mitigate worst effects. Service level retained to acceptable but lower standard. Important to maintain service level for street naming and numbering activity as this will a chargeable service from 01/04/08.</p> | |

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| Service area | Staff reductions | Impact on service | Mitigating actions |
|---|---|---|--|
| <p>4. Community Engagement</p> <p>Author: Alasdair Bovaird Version date: 25 January 2008</p> | <p>Democratic and Electoral Services lost two posts through voluntary redundancy – Democratic Services Manager and Members’ Assistant/Chairman’s PA</p> <p>Communications will lose one post (communications officer) through the current process</p> <p>The TIC’s four posts will either be made redundant or transfer to the town council</p> | <p>Democratic/Electoral is now operating at the minimum workable staffing level. Support for the CSAT meetings has been pulled.</p> <p>The member support and chairman’s PA role has been largely absorbed into the PA team, particularly by the Leader’s PA, but we are already seeing limitations to this arrangement, not least in terms of cover for evening events. It will probably not be possible to offer the same level of support to members, and the chairman, as has previously been the case.</p> <p>Concerns about capacity at election time. Also any changes to the political management arrangements will have an impact on the service, but until it is known what those changes are it is difficult to predict whether the current staffing level will be adequate.</p> <p>The vast majority of the communications officer work will be absorbed by Head of Division who will be losing the TIC as a managerial responsibility but will still be managing the museum, the print service and democratic and electoral services. Role may have to be largely limited to media relations and the council magazine, in whatever form it takes next year although it is difficult to assess the impact until the new arrangements settle in.</p> | <p>A temporary structure has been out in place, by which the Electoral Services Officer has stepped up to manage both sides of the service. Under him is one full time committee officer (post filled until end March by exec assistant to chief exec and it is on the redeployment list) and two part time committee officers, plus two part time elections officers.</p> <p>OR team report on democratic services is awaited. Proposals may ease some of the problems.</p> |

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| Service area | Staff reductions | Impact on service | Mitigating actions |
|-----------------------------|--|--|-----------------------------------|
| 5. Chief Executive's Office | <p>Executive assistant to the Chief Executive post will be deleted following completion of current secondment;</p> <p>PA to the Chief Executive now part-time;</p> <p>Reduction in number of PAs in office to reflect reduced number of directors.</p> | <p>Impacts very similar to those identified in Strategic Management. Limited support available to work of senior management and the leader.</p> <p>PAs team are absorbing some of the work of the former Members Assistant (see Community Engagement).</p> | See Strategic Management. |
| 6. Development Control | <p>Head of Division</p> <p>2 enforcement officer posts</p> <p>1 planning officer post</p> <p>2 clerical/technical assistants</p> <p>1 part time clerical officer</p> <p>1 planning officer post on redeployment list.</p> | <p>There has already been a small decline in DC performance in the third quarter compared to the second although we are still above BV109 targets. Service is expected to remain at or above BV109 standards but this will involve a decline in speed of decision from the very high levels we have been achieving. The G2 applications will impact significantly on the administrative workload of the department, and it is hoped to gain external funding for the two clerical/technical posts. The service is now operating at and beyond maximum capacity and is very vulnerable to staff absences.</p> | There are no mitigation measures. |

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|-------------------------|--|---|--|
| 7. Environmental Health | <p>1 x part time Commercial Team EHO post – 12 hours per week</p> <p>1 x full time Commercial EHO post – 37 hours per week</p> <p>Reduction of part time hours from vacant post not filled – 6 hours per week</p> <p>1 Full time Health Promotion Officer</p> <p>1 full time Corporate Health and Safety Officer</p> | <p>Reduced resource for the delivery of statutory food hygiene inspections and the health and safety inspection programme. Likelihood of not meeting PI/BV166 increased. Reduced ability to cover reactive events such as food poisoning outbreaks, complaints, prosecutions or accident investigations.</p> <p>Reduction in statutory enforcement function in respect of the smoking ban. Loss of promotional activities in the areas of food safety, health promotion, Heartbeat Awards, partnership working on Community health projects, UDC presence at public community events such as SW Food Fair and carnival, No smoking day, school talks, care of the elderly etc.</p> <p>Reduction in monitoring and delivery of the Corporate H&S function and guidance available to managers and staff. Lack of co-ordination of health and safety across the council increases the risk of exposing the council to enforcement action, claims for negligence and adverse publicity.</p> | <p>Use of temporary contractors to carryout food premises inspections on a consultancy basis to maintain inspection target.</p> <p>In terms of health promotion, the service provided will be eliminated. This will impact on current programmes of activity, notably the support being given to local schools to deliver healthy school meals etc.</p> <p>Health and safety responsibility will fall to managers to ensure it is being properly implemented but without guidance and assistance of the Corporate H&S Officer.</p> |

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|--------------------------------|---|--|---|
| 8. Finance | Head of Finance Principal Accountant (Technical) | Hopefully improved service at ground level. Big impact at management/strategic level. | Possible partnership with county |
| 9. Housing and Planning Policy | The Economic Development team will have lost one full time member of staff and four part time staff. | This will impact on the ability to engage with the business community, support for market towns partnership activity and continuity of established products like the visitor guide. The target date for the economic development strategy will need to be reviewed. Access to county and regional promotional vehicles, for example details of Uttlesford accommodation on the East of England Tourism website, would not be affected. | The potential for alternative arrangements to support market towns projects is being explored with the Saffron Walden Initiative, Saffron Walden Partnership Board and Essex County Council. Discussions have commenced with neighbouring district councils about joint working. We still hope to be able to publish a 2008/9 Uttlesford Visitor Guide, provided advertisers do not withdraw support. Successful transfer of the TIC to Saffron Walden Town Council is likely to be regarded as an important factor. |
| 10. Housing Management | 6.6 posts will have been lost: a right to buy leasehold officer (0.6), elderly persons officer, sheltered housing officer, senior architectural surveyor, a plumber, a painter and a general building operative | The impact on the service due to the loss of the depot staff will not be great since the HRA and General Fund budgets were already being reduced. However, the service to the elderly is under some pressure as are the targets surrounding the work of the right to buy officer | Teams are being restructured to cope with the reduced staffing levels, and a review of the approach to delivering the sheltered housing service is underway. |

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|--|--|---|--|
| 11. Human Resources | <p>1 post made voluntarily redundant from 31 March</p> <p>1 temporary post deleted from 18 January</p> <p>Post in Operations Directorate is part-time and funded to 23 April only.</p> | Both posts are professionally based and the loss to the service requires fundamental rethink of delivery. | Essex CC will be approached to provide interim funding and talks will be opened to explore future partnership to mitigate loss of service. |
| 12. Information & Communication Technology | <p>System Analyst (0.2 FTE)</p> <p>Revs & Bens system Analyst</p> <p>GIS Officer (0.6 FTE)</p> | IT - restructure means reduced support desk service, can no longer aim for first point resolution (until redeployed person trained up). There has also been a significant impact to IT of the head of division focusing almost 100% on Finance. To try and address most of the issues we have restructured. Support Desk PI will probably drop. | |

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|----------------------------------|---|---|---|
| 13. Partnerships and Performance | <p>Project Support Officer P/T</p> <p>Sports Development Officer</p> <p>Community Development Officer</p> <p>Reduction from two managers on community development/partnership to a single manager.</p> <p>Funding Officer P/T</p> | <p>Project management support i.e. toolkit and monitoring will cease.</p> <p>Sports development and youth initiatives work will be significantly reduced. Will need to explore alternative ways of working and funding.</p> <p>Role in Uttlesford Futures will change. Will need to consider support and contribution to the partnership across the council.</p> <p>Funding advice and assistance to voluntary groups will cease. Monitoring of grants provided by the council will need to be reviewed and reallocated within Community Partnerships team.</p> | <p>Partnership boards will be asked to consider what support the partnership needs and to determine how this will be provided by partners or directly in the form of additionally funded posts.</p> |

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| 14. Revenue and Support Services | <p>Corporate Administration – 1 f/t position surrendered to cover Allpay charges. 2 p/t posts lost through redundancy (equates to 1fte).</p> <p>Mailroom – 3 p/t posts lost through redundancy (equates to 0.6fte).</p> <p>Housing Benefits – 1 post (0.7fte)</p> <p>Council Tax – 1 post (equates to 0.5fte).</p> <p>Corporate Debt – 2 posts (equates to 1 fte).</p> <p>Non Housing property – 1 post.</p> | <p>Administrative and word processing support will be considerably scaled back, stopped or reflected back to front line services.</p> <p>Mailroom service standards will be revised and the mailroom will only respond to unplanned work with reasonable notice.</p> <p>In a post OR environment, the benefits service is just about processing claims within top quartile performance, but not within local targets. Claim processing accuracy is not in top quartile performance or local target. This may improve in the future now that a further post held open for redeployment purposes can be filled.</p> <p>Fewer visits will now take place with the risk that occupations and new property will be picked up at a less timely rate.</p> <p>Risk of reduced service on sundry debt recovery and quality control.</p> <p>The Council has lost architect expertise in property management. Head of Division and other staff are providing limited service.</p> | <p>Additional support will be needed from front line services in the event of staff absences from the mailroom (this already happens to some extent).</p> <p>Proposing to introduce a generic visiting team with Housing Benefits in an attempt to mitigate.</p> |

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| 15. Street Services | Waste Manager Waste Supervisor District Monitoring and enforcement officer HGV driver Loaders x 2 Street Sweeping (2 Agency posts) | No overview of control of use of resources. Workforce issues not dealt with. General lack of capacity. Customer liaison and problem solving unaddressed. More people need to be involved with supporting the service. General lack of capacity, reduced ability to cover within and out of hours. Keyholder and security of depots reduced No investigation or enforcement of environmental crime. Monitoring of BVPI's grounds maintenance , abandoned vehicles reduced One crew short on kitchen waste round. Reactive element of the service is greater to deal with litter complaints. | Head of Division covering role and working closely with team to cover the role Two crew members to be made charge hands. Acceptance of diminished responsiveness A new corporate enforcement team will be established. Reconfiguration of remaining officers work will be negotiated. Brown bin collection reduced from 6 rounds to 5. A review is been undertaken by the team to use current resources to best advantage. |