

CHERWELL DISTRICT COUNCIL

PERSONNEL AND GENERAL COMMITTEE
29th April 2009

REPORT OF THE HEAD OF HUMAN RESOURCES

UPDATE TO COUNCIL CHANGE POLICIES

1 Introduction and Purpose of Report

- 1.1 This report seeks early views from the Committee for a number of amendments to the Change Management Policies and some interim approaches to support staff affected by recent Executive decisions to reduce and/or outsource services.

These changes are proposed to ensure that the Council is able to manage change efficiently, fairly and provide maximum protection for permanent staff who are affected by changes in service delivery whilst achieving the savings required to balance the Council's budget.

2 Wards Affected

None.

3 Effect on Policy

- 3.1 Following consultation the changes will require some policy amendments.

4 Contact Officers

- 4.1 Anne-Marie Scott, Head of Human Resources, extn 1731

5 Background

- 5.1 Before the restructure in 2007 the Council introduced a new set of policies covering structural change, redeployment, retirement and redundancy. These policies were designed to support the change required within the organisation to ensure appropriate capacity was aligned with corporate priorities.
- 5.2 At the time the policy framework was designed to afford maximum protection to staff whilst the organisational objective of maximising capacity and aligning services behind corporate objectives was pursued.
- 5.3 Changes to the economic climate during the last 6-12 months have left the Council with a large budget gap and the priority now is therefore to maximise efficiency in service delivery and staffing resource to ensure a balanced budget in 2010-11.
- 5.4 One of the key decisions already taken is to seek to externalise the transactional elements of the revenues and benefits service. This decision has the potential to leave staff at risk of redundancy by the new provider. Other immediate changes involve staff working in Health and Recreation where service provision will be at a lower level in the future.
- 5.6 In making these decisions, the Executive made a firm commitment to take all possible steps

to protect the affected staff. In doing so the Council must be mindful of relevant legislation (primarily TUPE) and current Council policy.

5.7 Early discussions with Trade Unions and staff have explored a number of areas in which support and alternative opportunities may be made available to staff. These include:

- Freezing external recruitment and seeking to fill all vacancies internally (the only exception to this rule being refuse collectors)
- Offering career counselling and re-training to those wishing to move to other parts of the organisation
- Providing targeted training in preparation of cvs/job applications and presenting at interview
- Seeking agreements with other organisation to offer staff potentially at risk vacancies ahead of external recruitment
- Reducing the use of agency/fixed-term staff to maximise the number of vacancies available to current permanent staff
- Identifying affordable access to pension opportunities to staff in relevant areas
- More actively considering request to work flexibly from staff across the organisation to create further opportunities
- Individual and group support via counselling/coaching
- Subscription to the County Council's redeployment service to ensure staff have access to vacancies in other local authorities

5.8 In order to meet the financial targets associated with the changes the Council will also need to consider changes to the current suite of change policies and consultation is underway on changes to the following areas:

- Redeployment – reducing the timescales to ensure that the redeployment/redundancy is achieved earlier
- Redundancy – reviewing payment levels to encourage early voluntary redundancy from more senior posts where greater efficiency can be gained
- Flexible deployment – developing more generic skills/posts with a requirement for flexibility in work area

5.9 Implementation of the steps in 5.7 and consultation on the areas outlined in 5.8 will continue and revised policies brought to the committee for approval at the next meeting. Interim measures are within current the current policy framework although Members should note that the Council's Corporate Equality and Diversity Policy states that "The Council as an employer.....will advertise all vacancies externally (except in exceptional circumstances to be agreed by the Head of Human Resources). CMT have considered current processes and concluded that the current economic climate means the 'exceptional circumstances' rule is applied to all posts in the first instance in an attempt to protect permanent staff from redundancy.

6 Risk Assessment, Financial Effects and Contribution to Efficiency Savings

6.1 The following details have been approved by Karen Curtin.

6.2 Risk Assessment

The risk associated with not approving the recommendations contained in this report is that the Council is unable to fulfil its commitment to afford all possible protection to staff affected by service cuts.

6.3 **Financial Effects**

There are no immediate financial effects contained within this report although the change in policies could create additional costs in the short term in order to achieve longer term savings. These will be calculated and monitored on a case by case basis.

6.4 **Efficiency/Savings**

There are no efficiency savings arising directly from this report.

7 **Recommendations**

7.1 The Committee is **RECOMMENDED** to resolve to:

- (1) Note/comment on the proposed measures outlined in 5.7
- (2) Comment on the proposed changes outlined in 5.8
- (3) Endorse the classification of 'exceptional circumstances' in relation to external recruitment outlined in 5.9