

Governance and Resources Scrutiny Commission report – Workforce Strategy and the support available to employees as the organisation changes – Discussion Item

1.0 Introduction

The Commission has requested a report on what the Council is doing to support employees through the process of changes to services, particularly relevant in the current climate as resources are reducing and it is often necessary for Divisions to propose reductions in staffing and/or changes to jobs to ensure service delivery is optimised whilst resources are reducing. Specifically, the Commission has requested information on support for those who are involved in restructuring and staff reductions.

The Commission has also requested information on the composition of the Council's workforce and how we monitor both changes to the workforce and staff morale as services change and reduce.

2.0 General Approach

The Council's general approach and ethos to managing employees can be found within the Workforce Strategy, "Think People", which is attached at Appendix 1. This strategy was approved by the Chief Executive and the Hackney Management Team as the key document outlining the relationship between the Council and its employees. All managers are expected to adhere to the principles. This strategy details the terms of engagement with our employees and how we support them.

3.0 Workforce Composition

The Council produces an annual workforce profile (latest copy attached at Appendix 2). This is used in order for us to analyse the composition of the workforce and also ensure that changes that have occurred during the year (for example due to redundancy), have not impacted disproportionately on any particular group and if they have, to understand the reasons why. The latest report shows no disproportionate impact. In addition, equality impact assessments are completed as part of every restructure proposal.

In terms of the size of the workforce, direct comparisons across years are very difficult due to transfers of functions, making it impossible to compare like with like (for instance transfer in of recycling service, transfer in of the learning trust, transfers between the Council and the NHS). The current workforce numbers can be found at Appendix 2. In terms of redundancies, over the period from 2010/11 to now, approximately 700 staff have left by reason of redundancy, and the workforce has reduced by approximately the same number of Full Time Equivalent posts. This includes

approximately 190 as part of a corporate voluntary redundancy scheme in 2010. There is another corporate voluntary redundancy scheme currently accepting applications.

4.0 Monitoring staff morale

The Council undertakes a bi-annual staff survey, which asks a comprehensive set of questions to measure and monitor a large number of factors, including staff morale. The latest survey from late 2013 is attached at Appendix 3 and the next survey has been confirmed for Spring 2016. This survey is carried out independently and benchmarks us against local government norms. Reports are further broken down by Directorate to ensure that each Corporate Director can take action based on the responses from their own staff. In general, the Council is proud of the results of this survey, especially considering the difficult context.

5.0 Specific Actions for those employees facing restructures

There are some specific ways in which the Council supports employees through change, focussing on support for employees going through restructures:

- 1) **Improvement on statutory requirements in terms of consultation periods.** The Government has reduced statutory consultation periods to 45 days for larger staffing reduction proposals, and the council has retained 90 days as a local policy.
- 2) **Training and Development** - to enable employees to do other jobs within the Council and also externally. Our redeployment policy provides for at risk employees to be given reasonable training so that they have the opportunity to apply for internal jobs.
- 3) **Extending notice periods** – the requirement is that each employee is given their contractual notice period, which can be between 1-13 weeks. The Council has a local policy of giving all employees not less than 12 weeks’ notice. This is a significant commitment in terms of giving the employee additional time to secure alternative employment.
- 4) **Enhancing Redundancy** – The Council currently adds a further 70% to the employee’s redundancy payment as an additional severance payment. This is becoming increasingly rare in local government and is a significant financial commitment on the part of the Council to the employee who is leaving us.
- 5) **Enhanced notice terms for voluntary redundancy** – The council recognises that volunteers for redundancy can be beneficial for the individual and the Council. As such, the Council pays 6 weeks pay in lieu of notice for those employees that volunteer for redundancy
- 6) **Employee Assistance Programme** – a free helpline available for all employees to discuss any concern with an independent person, and can be useful to employees going through restructure consultations
- 7) **Support with alternative employment** – for some time, the Council has used an external and free service to support employees in finding alternative employment. This service has very recently had its funding withdrawn and is not accepting new referrals at the current time. We understand that alternative funding may be available shortly and in the meantime HR and OD have sourced, and are in the process of implementing, alternative support to assist at risk employees with applying for jobs and interview skills.

- 8) **Training courses for managers** - particularly relevant to this topic are courses in change management which are currently being developed to compliment existing provision

Conclusion

The Commission is asked to note and comment upon this briefing, and ask questions as it feels appropriate

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