

DECISION-MAKER:	CABINET
SUBJECT:	SOUTHAMPTON TRANSITION EMPLOYMENT PROJECT (STEP)
DATE OF DECISION:	18 SEPTEMBER 2012
REPORT OF:	CABINET MEMBER FOR RESOURCES
STATEMENT OF CONFIDENTIALITY	

BRIEF SUMMARY

This report seeks approval to review and implement enhanced redeployment and recruitment policies and processes. The enhanced arrangements will be managed through the Southampton Transition Employment Project (STEP). The new arrangements will provide a holistic approach to the retention, redeployment and recruitment of staff and the use of agency and temporary staff. The purpose of the review is to implement improved measures for staff who are displaced in the organisation by ensuring that they are given priority when vacancies arise and by providing an enhanced level of training, assistance and other options.

Having complied with Rule 15 of the Council's Access to Information Procedure Rules:

RECOMMENDATIONS:

- (i) To approve the high level principles for STEP as outlined in this report, including the extension of the redeployment period from 3 to 4 months and the implementation of a short and long term strategy.
- (ii) To approve consultation with staff and unions on the details of the final long term solution following a review of work to be undertaken between October and March 2013.
- (iii) To delegate authority to the Head of Legal, HR and Democratic Services after consultation with the Cabinet Member for Resources to amend any HR policies and procedures to support the proposals.
- (iv) To delegate authority to the Head of Legal, HR and Democratic Services to take any such necessary actions to enable this project to proceed and be implemented.

REASONS FOR REPORT RECOMMENDATIONS

1. This report is presented as a general exception item in accordance with Rule 15 of the Access to Information Procedure Rules of Part 4 of the Council's Constitution. Amendments to Regulations 5(2) and 9(2), 2012 require 28 days notice to be given to all Key Decisions comes into effect on 10th September 2012. It has not been possible to meet the requirement of 28 days notice.
2. The current recruitment and redeployment arrangements need to be reviewed in order to facilitate the change programme within the organisation and to ensure staff are given as much support as possible when jobs are changed or deleted.
3. Staff need clarity of the options which are available to them and assistance and training to ensure that their attributes and qualities are best used by the

organisation.

4. Recruitment procedures need to be reviewed so that they are flexible and efficient to ensure that costs are minimised and that services are maintained.

DETAIL (Including consultation carried out)

5. Current HR policies and processes were adopted to address a very different organisational environment to the one which now exists. Budget cuts and organisational changes to meet Central Government savings targets mean that staff roles and posts have changed and some posts have been displaced to accommodate new working practices and savings proposals.
6. The challenging financial climate means that the organisation is going through significant change which may well result in further reductions. One of the Authority's priorities is to retain as many of its staff as it can by focusing on flexibility of working practices and making best use of the skills and talents that its current staff hold. Therefore a new set of policies and processes need to be considered to ensure that its valuable human resource is managed effectively and that people are properly cared for in this changing environment.
7. When designing a new way of working, there are a number of over arching principles to which the Authority wants to adhere. These are, that the solution must:
 - Be both financially and operationally sustainable
 - Maximise flexibility in the use of budgets and staff
 - Maximize the effectiveness of the redeployment process to get the right people in the right jobs
 - Build a positive working environment through a collaborative approach with the workforce and the unions
 - Encourage existing talent to stay with the council by building career pathways
 - Treat people well by maximising their chances of redeployment
 - Be enforced and adhered to by managers
8. The way that changes are brought in to the organisation is also important. The Authority wants change delivered quickly but in a practical way that is supported by managers. In order to achieve this, it is proposed that the longer term vision for the management of staff recruitment and redeployment is supported by a shorter term pilot to assist staff who are already, or who are likely to be displaced.
9. The short term strategy will therefore address the immediate issue of staff currently on the redeployment register and will also allow for a bedding in period whereby policy and procedural changes, costs and savings can be assessed prior to a wider roll out of new policies and processes.
10. The following paragraphs detail the features of the proposal.

11. **Short Term Plan (October 2012 to March 2013)**

The actions which will be carried out in this period include:

- The length of time staff are on the redeployment register (as a consequence of budget decisions) to be extended from 3 to 4 months, to allow additional time for training and support. This period would then be their notice period.
- Consideration and assessment of an additional 'compromise agreement' payment for staff not wishing to be redeployed
- Improved assessment of staff on the redeployment register to facilitate improved matching to a wider range of permanent and temporary posts
- Development of a personal training programme where staff are taken through personal assessment and training options and integration with other relevant agencies such as Job Centre Plus, outside agencies and other Council departments
- Development of an improved intranet and written information on options for staff and guidance for managers which integrates with the training programme
- A review of the use and control of the temporary pool, to ensure it is being used in the most efficient way and to the benefit of existing staff and services
- A review of the use of casual, temporary and agency staff
- Development of 'personal assessment' software
- Development of detailed policies to support the changes
- Production of a further report to Council to agree the long term strategy

12. **Long Term Strategy (from April 2013)**

The long term strategy will also likely encompass the following additional features

- A central Employment Agency (EA) which will manage all staff recruitment and redeployment
- The Employment Agency will ensure that
 - Staff resource is managed and monitored as a single entity
 - Displaced staff are properly assessed as to their skills and abilities, with an emphasis on the abilities of staff as well as their past experiences to ensure staff are given every opportunity to be matched to vacant jobs
 - The use of temporary staff is both reduced from current levels and minimised thereafter and that temporary posts are used to help staff who need to be redeployed
 - The use of agency and casual staff is minimised to reduce costs and posts filled wherever possible using staff on the redeployment register
 - Processes are managed automatically using new systems. A new intranet micro site will support the process and 'personal assessment' software will help manage the assessment of staff

capabilities skills and job matching.

- Staff who are placed on the redeployment register will be guided, assisted and mentored through
 - Detailed assessment of strengths and skills and assigned a personal careers advisor
 - structured training plans and 'hand held' through a series of training options including working for other areas within the Authority
 - Introductions to external agencies and internal managers who can direct redeployed staff to permanent jobs
- Allow staff with a permanent post to voluntarily place themselves on the redeployment register to move to new areas of work

Additional incentives will be considered to create 'churn'; that is movement of staff within and out of the Authority

13. Proposals have been discussed with Trade Unions and ongoing consultation will continue between October 2012 and March 2013 prior to the finalisation of policies and processes.

ALTERNATIVE OPTIONS CONSIDERED AND REJECTED

14. Two other options have been considered; do nothing or delay implementation to April 2013.

Do Nothing

Whilst existing systems and policies have had some success there is a need to review the Council's Policies in the light of challenging Central Government imposed savings targets, changes and restructures. The Administration, management and unions want to ensure that staff are cared for in the best way possible whilst achieving required savings and changing the way the Council works. The current policies and processes are not giving the desired outcomes.

15. **Delay Implementation until April 2013**

This option does not assist staff affected by recent savings proposals and other changes agreed previously by the Council.

RESOURCE IMPLICATIONS

Capital/Revenue

16. The proposals in this report will require a revenue budget of £210,000 in 2012/13 to cover the following items, provision for which is held in the Organisational Development Reserve:

2012/13

Set up costs intranet Micro site	£ 10,000
Increased redeployment period	£100,000
Employee assessment and job matching, systems and resources	£ 50,000
Staff support and management costs	£ 50,000
Total	£ 210,000

2013/14 and ongoing

These costs and savings will be assessed between October and March, but may include

- Software purchase and maintenance costs
- Increased redeployment period costs
- Training and staff support costs
- Project Management costs
- Reduced costs through more effective management of vacancies, the redeployment register and temporary staff

Property/Other

17. None.

LEGAL IMPLICATIONS

Statutory Power to undertake the proposals in the report:

18. Section 111 Local Government Act 1972.

Other Legal Implications:

19. None.

POLICY FRAMEWORK IMPLICATIONS

20. None at present.

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SUPPORTING DOCUMENTATION

Appendices

1.	None.
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Documents In Members' Rooms

1.	None.
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Integrated Impact Assessment

Do the implications/subject/recommendations in the report require an Integrated Impact Assessment to be carried out.	Yes/No
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Other Background Documents

Title of Background Paper(s) Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	None	
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Integrated Impact Assessment and Other Background documents available for inspection at:

WARDS/COMMUNITIES AFFECTED:	none
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