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Date 13 July 2011

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SUPPORT SERVICES OVERVIEW AND SCRUTINY PANEL

Date: Thursday 21 July 2011

Time: 10am

Venue: Warspite Room, Council House

Members:

Councillor James, Chair

Councillor Lowry, Vice Chair

Councillors Berrow, Casey, Delbridge, Evans, Lock, Murphy, Rennie, Reynolds, Stark and Stevens.

Members are invited to attend the above meeting to consider the items of business overleaf.

Members and officers are requested to sign the attendance list at the meeting.

Please note that unless the chair of the meeting agrees, mobile phones should be switched off and speech, video and photographic equipment should not be used in meetings.

Barry Keel
Chief Executive

SUPPORT SERVICES OVERVIEW AND SCRUTINY PANEL

AGENDA

PART I – PUBLIC MEETING

1. APOLOGIES

To receive apologies for non-attendance by panel members.

2. DECLARATIONS OF INTEREST

Members will be asked to make declarations of interest in respect of items on this agenda.

3. MINUTES

(Pages 1 - 10)

To confirm the minutes of the Support Services Overview and Scrutiny Panel held on 23 June 2011.

4. CHAIR'S URGENT BUSINESS

To receive reports on business which, in the opinion of the Chair, should be brought forward for urgent consideration.

STRATEGIC WORKFORCE OVERVIEW

(Pages 11 – 22)

The Assistant Director for Human Resources and Organisational Development will submit a report on a Strategic Workforce Overview. This report will cover the following agenda items: 5, 6, 7, and 8.

5. STAFF TERMS AND CONDITIONS

The Assistant Director for Human Resources and Organisational Development will provide an update on Staff Terms and Conditions (using the report as attached to the Strategic Workforce Overview).

6. SENIOR MANAGEMENT RESTRUCTURING

The Assistant Director for Human Resources and Organisational Development will provide an update on Senior Management Restructuring (using the report as attached to the Strategic Workforce Overview).

7. REDEPLOYMENT POLICY

The Assistant Director for Human Resources and Organisational Development will provide an update on the Redeployment Policy (using the report as attached to the Strategic Workforce Overview).

8. SCHOOL ACADEMY TRANSFERS

The Assistant Director for Human Resources and Organisational Development will provide an update on School Academy Transfers (using the report as attached to the Strategic Workforce Overview).

9. RELOCATION OF THE REGISTER OFFICE TO POUNDS HOUSE (Pages 23 - 28)

The Head of Capital and Assets will provide an update on the relocation of the Register Office to Pounds House.

10. TRACKING RESOLUTIONS AND FEEDBACK FROM OVERVIEW AND SCRUTINY MANAGEMENT BOARD (Pages 29 - 30)

To receive a copy of the panel's tracking resolutions and any feedback from the Overview and Scrutiny Management Board on issues which concern this panel.

11. WORK PROGRAMME (Pages 31 - 34)

To receive the panel's work programme for 2011/2012.

12. EXEMPT BUSINESS

To consider passing a resolution under Section 100A(4) of the Local Government Act 1972 to exclude the press and public from the meeting for the following item(s) of business on the grounds that it (they) involve the likely disclosure of exempt information as defined in paragraph(s) of Part I of Schedule 12A of the Act, as amended by the Freedom of Information Act 2000.

PART II (PRIVATE MEETING)

AGENDA

MEMBERS OF THE PUBLIC TO NOTE

that under the law, the Panel is entitled to consider certain items in private. Members of the public will be asked to leave the meeting when such items are discussed.

NIL.

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Support Services Overview and Scrutiny Panel

Thursday 23 June 2011

PRESENT:

Councillor Lowry, in the Chair.

Councillor Stark, Vice Chair.

Councillors Mrs Aspinall, Berrow, Casey, Delbridge, Mrs Dolan, Evans, Murphy, Thompson and Wildy.

Co-opted Representatives: Janet Isaac, University of Plymouth

Apologies for absence: Councillors Lock, James, Rennie, Reynolds and Stevens.

Also in attendance: Councillor Ian Bowyer – Cabinet Member for Finance, Property and People, Councillor Steven Ricketts – Cabinet Member for Performance, Transformation and Governance, Councillor Richard Ball – Cabinet Member for Customer Services, Adam Broome – Director for Corporate Support, Neville Cannon – Assistant Director for ICT, Mark Grimley – Assistant Director for Human Resources and Organisational Development, Chris Trevitt - Head of Capital and Assets, David Northey – Head of Finance and Paul Chapman, Head of Value for Money and Efficiencies.

The meeting started at 10.00 am and finished at 12.15 pm.

Note: At a future meeting, the committee will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.

1. TO NOTE THE CHAIR AND VICE CHAIR

The panel noted the appointment of the Chair and Vice Chair as agreed at the Annual General Meeting held on 20 May 2011.

Election of Vice-Chair

Agreed that Councillor Stark is appointed as Vice Chair of the Panel for this meeting.

Welcome

The Chair welcomed the newly elected councillors and newly appointed members to the first meeting of the Support Services Overview and Scrutiny Panel.

2. DECLARATIONS OF INTEREST

The following declaration of interest was made in accordance with the code of conduct in relation to items under discussion at this meeting –

Name	Subject	Reason	Interest
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Councillor Mrs Dolan Minute 12. Work Programme School Governor of Devonport High School for Girls Personal

3. **APPOINTMENT OF CO-OPTED REPRESENTATIVES**

The panel agreed to confirm Janet Isaac as co-opted representative to the panel for the municipal year 2011-2012.

4. **MINUTES**

Agreed that the minutes of the meeting held on 10 March 2011 are confirmed as a correct record.

5. **CHAIR'S URGENT BUSINESS**

There were no items of Chair's urgent business.

6. **TERMS OF REFERENCE**

Members reviewed the terms of reference and agreed that they are noted subject to the following amendments –

- (1) the word 'review' replace 'consider' in bullet point five so that the sentence reads 'To review Equality Impact Assessments against new and existing policies';
- (2) the word 'consider' replace 'investigate' in bullet point six so that the sentence reads 'To consider local issues to find out how the council and its partners can improve to meet the needs of local people'.

7. **VALUE FOR MONEY (VFM) UPDATE**

Paul Chapman, the Head of Value for Money (VFM) and Efficiencies, provided the Panel with a VFM Quarterly Update. Councillors were informed that –

- (a) the VFM team comprised of two members of staff; Paul Chapman, Head of VFM and Efficiencies and Laura Harris, VFM Programme Manager;
- (b) achieving VFM was a key priority for Plymouth City Council and was monitored by internal delivery plans to achieve financial savings and deliver improved or the same standard of services;
- (c) each departmental budget remains the individual Director's responsibility with an overview being provided by the Corporate Management Team(CMT);
- (d) there were currently no central government external monitoring arrangements or central data reporting mechanisms although this was being

reviewed by the Department for Communities and Local Government (DCLG). The Council were still required to demonstrate delivery of VFM to other external auditors through the delivery plans and external auditor reports on specific projects such as the Procur 2 Pay project;

- (e) the 2010-2011 budget outturn was just £105k over on the budget of £201,930M;
- (f) in 2010-2011 the council realised savings of £9.185M which was the reason for coming in so close to the challenging outturn budget;
- (g) two of the major projects that assisted the council in achieving high levels of savings were the Procure 2 Pay project and a project in Children' Social Care – Residential Care;
- (h) savings of £13.3M needed to be achieved in 2011-2012 to meet this years outturn budget;
- (i) to achieve this challenging target cross-cutting delivery plans had been created; these would be monitored by CMT and through quarterly performance and finance reports;
- (j) VFM undertook analysis which included benchmarking through The Chartered Institute of Public Finance and Accountancy (CIPFA), using a performance team to review performance against finance and utilising scorecards to report on VFM performance against key performance indicators;
- (k) benchmarking would be proactively used in future to monitor against similar authorities and to enable a full picture to be developed for budget setting in 2012-2013;
- (l) going forward, the Council aimed to continue to develop the approach of driving VFM from capital investment by ensuring that invest to save projects were carefully considered and evaluated to ensure that they provide a maximum return on investment. Current projects included the Accommodation Strategy, the Care First system and the launch of a new transaction website.

In response to questions raised it was reported that –

- (n) the biggest financial impact in 2011-2012 was proposed to be in the Procurement department as there were a number of cross-cutting implications for the whole authority, in order to achieve the greatest savings possible the Council have enlisted the assistance of an external company to deliver the highest level of efficiencies corporately;
- (o) the tangible savings of £60K in the ordering of non-catalogue items was across the whole department and was £10K above the proposed target set at the start of 2012-2011;

- (p) the council's expenditure of purchasing goods and services was approximately £228M, in order to reduce this figure there was a commitment to develop a supply chain with more locally based companies.

Agreed to recommend to the Overview and Scrutiny Management Board that departmental delivery plans are shared with the relevant scrutiny panels so that value for money in each service area can be monitored to identify where efficiencies have been achieved.

8. **CORPORATE SUPPORT DEPARTMENTAL OVERVIEW**

Councillor Steven Ricketts, Cabinet Member for Transformation, Performance and Governance, Councillor Richard Ball, Cabinet Member for Customer Services, Councillor Ian Bowyer, Cabinet Member for Finance, Property and People, Adam Broome, Director for Corporate Support, Neville Cannon, Assistant Director for ICT and Mark Grimley, Assistant Director for Human Resources and Organisational Development presented an overview of the Corporate Support Directorate.

The panel was informed that –

- (a) scrutiny was recognised to be an important aspect on holding decision makers to account although, there was a need to avoid duplication of scrutiny as the Corporate Support directorate was cross-cutting and was subjected to being scrutinised from this panel, Customers and Communities Overview and Scrutiny panel and the Audit Committee;
- (b) the 2011-2012 Corporate Support budget was £26.849M which was a demanding target to meet as it was a reduction of approximately £5M on the previous years budget;
- (c) the Corporate Support Directorate consisted of five separate departments; these departments have had their own successes in 2010-2011 and face their own individual challenges for 2011-2012. The departments, their successes and challenges included–
 - Customer Services and Business Transformation
- (d) received Govmetric Council of the year in 2010-2011, led a staff wellness programme where sickness was reduced by 47 per cent year on year and introduced a new telephony system;
- (e) received over 1 million contacts per year, which was only 32 per cent of total contact with the council; the national benchmark was 81 per cent, improving this percentage was one of the challenges facing the department;
- (f) other major challenges in the department for 2011-2012 included inputting council 'info points' into libraries and developing a single system transactional web site;

- Finance, Assets and Efficiencies

- (g) realised efficiencies and savings in 2010-2011 from Phase I of the Accommodation Strategy, a departmental restructure and improved carbon management as well as increasing income through an out of hours debt collection programme;
- (h) had become a more effective service by implementing 'buyer' roles in the procurement department, publishing council spending on anything over £500 and improving the budgeting setting process;
- (i) in 2010-2011 a major restructure had begun in the Revenues and Benefits, Customer Services and Incomes and Creditors section and the Cashiers section had been closed; this restructure would be further taken forward in 2011-2012;
- (j) other delivery plans in 2011-2012 included the restructuring of corporate properties, further savings in procurement of £1.2M, Phase II of the Accommodation Strategy and an attempt to maximise government funding on Housing Benefit;

- Information, Communication and Technology (ICT)

- (k) delivered in 2010-2011 a new telephony system, the tell us once programme, protocols on information sharing with partners and achieved savings of £500K, and through the sale of licenses for software packages realised an income generation of £100K;
- (l) delivered new technologies such as the Microsoft Lync system on Floor 4, Civic Centre, a Care First system upgrade and enabled hot-desking to be rolled out. To achieve this ICT awarded contracts to two providers, all of these improvements ensured that ICT were a more reliable service in 2010-2011 with a 99.74 per cent reliability rate on all secure systems;
- (m) aspired to reduce the number of systems and applications used corporately, which would enable the delivery of a single version of the truth and improve the sharing of information with partners whilst keeping data secure;
- (n) in 2010-2011 there would be a number of challenges which included meeting the needs of the organisation with reduced resources, professionalise data management with staff training and less systems and endeavour to agree a long-term vision and investment for future ICT service provision;

- Human Resources and Organisational Development (HR & OD)

- (o) so far in 2011-2012 have assisted in the establishment of Academies,

held discussions with unions on terms and conditions, delivered the Enterprise Leadership Programme and automated on-line recruitment and redeployment;

- (p) faced significant challenges across the forthcoming year which included managing down the cost of the workforce whilst minimising the number of redundancies;
- (q) further demands faced this year included a re-ballot into terms and conditions, developing a single point of contact with the roll-out of new enterprise software systems and developing trading with school academies;
 - Democracy and Governance
- (r) in 2010-2011 a number of efficiencies and savings were achieved which included major in-year savings in the region of £500K on legal advice provided on major-projects, implementation of 'tell us once' in Registration Service and the completion of insurance tender and review of risk financing strategy;
- (s) had a successful year with elected members receiving individual training assessments for the first time, risk management performance scoring very highly against nationally benchmarked standards and the Electoral Service exceeding Electoral Commission Performance Standards;
- (t) in 2011-2012 challenges for the department would include seeking to adopt a new constitution, relocation of the Register Office, the implementation of the Localism Bill and potential changes to the Coroners Service and the Justice Act.

Following questions from members it was reported that –

- (u) the council had undertaken to analyse pay point transactions and it was hoped that libraries would be able to provide a similar service in the future;
- (v) Customers and Communities Overview and Scrutiny Panel would be reviewing communication with customers using social networking means.

Agreed that Adam Broome, Director for Corporate Support would distribute to all panel members the analysis of customers using pay point services.

9. **UPDATE ON CORPORATE PROPERTY - CORPORATE ACCOMMODATION STRATEGY**

Chris Trevitt, Head of Capital and Assets presented a report on the Corporate Accommodation Strategy and informed councillors that –

- (a) the Accommodation Strategy was an invest to save project with the aim of providing financial savings by predominantly reviewing the ways of working within the Council; part of this was to review the buildings that the council occupied to identify ways of using office space more efficiently;
- (b) the first phase of the strategy was launched in August 2010 and reviewed all corporate properties, as a result of the review the council planned to vacate and dispose of a number of properties, to enable the vacation there was also a need to utilise other properties in a more efficient manner;
- (c) the first phase of the strategy was approaching the point where a resolution on the future of the Civic Centre site was needed to progress further so as a result the strategies second phase had been brought forward.

A Gantt chart was circulated to members illustrating the schedule of the Accommodation Strategy. Following questions from members it was reported that –

- (d) the chart would be amended to be more easily understandable and readable and re-circulated to members after the meeting;
- (e) no contracts had been signed for the disposal of vacant sites;
- (f) when properties were vacated the sites were left in a safe condition, however, if the property had no future sale value then the property was demolished and the land left in a safe condition to be sold as appropriate given the state of the property market;
- (g) parking and accessibility was an issue at Pounds House, although, work was planned to rectify this situation in order to progress the transfer of the Register Office to Pounds House.

Agreed that –

- (1) Councillor Bowyer, Cabinet Member for Finance, Property and People would be involved in requests for reports or presentations at an earlier stage to ensure that panel members receive the correct and relevant information;
- (2) Chris Trevitt, Head of Capital and Assets would provide a report to the next meeting of the panel on Pounds House to cover aspects including future use, user accessibility and consultation.

10. **FINANCE AND PERFORMANCE REPORT (FOURTH QUARTER)**

The Joint Finance and Performance Report was noted.

11. **DRAFT WORK PROGRAMME 2011/2012**

The panel noted the previous work programme for 2010-2011 and agreed to recommend to the Overview and Scrutiny Management Board the following items for inclusion for 2011-2012 Support Services OSP work programme:

- update on terms and conditions;
- review of senior management restructuring;
- review of the redeployment policy;
- update on the appraisal process;
- sickness review;
- school academies transfer;
- ICT Strategy;
- social networking and communication review;
- coroner's service review;
- procurement update;
- future of cashiers and pay points;
- value for money - Quarterly update;
- accommodation strategy;
- people's Strategy;
- data sharing between agencies.

12. **TRACKING RESOLUTIONS AND FEEDBACK FROM OVERVIEW AND SCRUTINY MANAGEMENT BOARD**

The panel noted their tracking resolutions and were informed that there was no feedback from the Overview and Scrutiny Management Board.

13. **FUTURE DATES AND TIMES OF MEETINGS**

The panel noted the dates and times of its future meetings, as follows –

Thursday 21 July 2011
Thursday 15 September 2011
Thursday 27 October 2011 (provisional)
Wednesday 23 November 2011
Thursday 19 January 2012
Thursday 15 March 2012

14. **EXEMPT BUSINESS**

There were no items of exempt business.

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PLYMOUTH CITY COUNCIL

Subject:	Strategic Workforce Overview
Committee:	Support Services Overview & Scrutiny Panel
Date:	21 July 2011
Cabinet Member:	Councillor Bowyer
CMT Member:	Director for Corporate Support
Author:	Mark Grimley, Assistant Director
Contact:	Mark Grimley, Assistant Director
Ref:	
Key Decision:	No
Part:	PART I

Executive Summary:

This paper is at the request of the Corporate Services OSP to review strategic workforce matters and the Council's general direction for the workforce. This paper provides:

1. An overview of the current workforce and strategic direction
2. Position statement on employee terms and conditions
3. Update on the Council's Senior Management Restructure identified within the Council's Medium Term Financial Strategy (Budget Delivery Plan)
4. Review of the Council's redeployment procedure and support for employees
5. Impact statement following the transfer of school staff to Academy Status

Please note, all statistics quoted are for 1st April 2011, unless otherwise indicated.

Corporate Plan 2011 – 2014:

The Council's workforce is integral to the delivery of our Corporate Plan through the direct delivery of services and indirectly as a major employer within the City. Our interface and joint working with partners across the public, private and third sectors also impacts on the key strategic decisions regarding the workforce and outcomes for the City.

**Implications for Medium Term Financial Plan (MTFS) and Resource Implications:
Including finance, human, IT and land**

The Council's core wage bill is around £90 million per year, rising to around £130 million to include on-costs, overheads and contributions. These are provided for within the Council's Medium Term Financial Plan (MTFP) and approved by Full Council at the annual budget setting.

Workforce costs, size and structures are controlled through the Human Resources & Organisational Development department through Establishment Control procedures, under the authority of the Head of the Paid Service and Section 151 Officer.

Other Implications: e.g. Community Safety, Health and Safety, Risk Management and Equality, Diversity and Community Cohesion:

No direct implications.

Recommendations & Reasons for recommended action:

Recommend to Support Services Overview and Scrutiny Panel that:

- I To note the position on the Council's workforce and key areas of interest.

Alternative options considered and reasons for recommended action:

None required.

Background papers:

- Corporate Plan 2011 – 2014
- People Strategy 2008 – 2011
- Single Status Agreement 2008
- Medium Term Financial Plan
- Council Budget 11/12 and Budget Delivery Plans

Sign off:

Fin		Leg		HR		Corp Prop		IT		Strat Proc	
Originating SMT Member: Mark Grimley, Assistant Director Human Resources & Organisational Development											

I.0 STRATEGIC CONTEXT

I.1 In 2008, the Council adopted a People Strategy broadly linked to the National Workforce Strategy key themes of:

- Organisational Development
- Leadership Development
- Skills Development
- Recruitment and Retention
- Pay and Rewards

I.2 The Strategy is due for a refresh during 2011. To this end, the Council is seeking not to create a new strategy but to further develop and sharpen the focus on the workforce. Whilst the national strategy focuses on activities, Plymouth is integrating workforce strategy within the Council's Strategic Plan with a focus on the following outcomes:

- Increasing workforce productivity
- Optimising workforce structures
- Better workforce integration and planning with partners
- A more skilled and flexible workforce
- Services designed around the customer

I.3 Within the Council's Corporate Plan the following areas are identified as key contributors to achieving these outcomes, and contributors to other organisational strategies such as the Corporate Accommodation Strategy, ICT strategy and transforming the organisation:

- Supporting staff through changes
- Review of terms and conditions, including further development of appraisals and competencies
- Flexible working schemes
- Enhancing of leadership capacity
- Defining key skills sets and auditing the Council's position for a skills baseline
- Recruiting for the future and retaining quality employees
- Realignment of corporate development activities
- Managing by measurable outcomes
- Development of online capabilities for workforce management and development

I.4 The Council has a good foundation for achieving our outcomes. Over the past few years significant work has been undertaken to put in place the basic building blocks for strong workforce management. A number of external drivers has focussed the Council predominantly on pay and grading through the Single Status Agreement that addressed equal pay across the Council through the implementation of a single pay and grading structure.

I.5 Nonetheless, the Council's workforce is a complex structure. We employ 4,684 staff directly (providing 3,656 FTE) across the Council's services. Additionally, we are the local education authority for 70 maintained schools, employing a further 3851 people (2691.55 FTE) (excluding casuals)

- 1.6 Over the past couple of years, the Council has seen a reduction in headcount resulting from the transfer of staff to Plymouth Community Homes (516 employees) and the recent transfer of school staff to the different styles of Academies (1,868 employees (Section 5). A further reduction through establishment control has allowed the Council to reduce the size of the workforce whilst minimising redundancies. (See section 4)
- 1.7 The Council has a range of complex terms and conditions resulting from National Collective Bargaining arrangements these include (Table One):

TABLE ONE: TERMS AND CONDITIONS NEGOTIATION BODIES

National Body	Local Name	Number of Employees
JNC Chief Executives	Chief Executive	1
JNC Chief Officers	Chief Officers	29
NJC Local Government	Green Book	6,653
NJC Craft Workers	Red Book	13
Soulbury Committee	Soulbury	79
Conditions of Service for Teachers in England and Wales	Teachers	1,713
JNC Youth and Community	Youth Workers	76
Other		245
TOTAL		8,809

- 1.8 The Council has a good record of employee relations. Our Trade Union Facilities Agreement recognises 7 unions for the purposes of Collective Bargaining at a local level and 12 unions/associations in total. Each month, the Assistant Director HR & OD meets with lead representatives and regional officers from the trade unions. Each directorate has a local Joint Consultative Committee (JCC) and the Council has a Corporate Joint Consultative Committee on which Members sit for employer-staffside discussions.
- 1.9 The Cabinet Member for Finance, Property & People is the employer representative on the Regional Provincial Council for the purposes of regional consultation and national negotiations.
- 1.10 Staffing structures, terms and conditions and resourcing are a statutory responsibility (Local Government and Housing Act 1989) of the Council's Head of Paid Service. For Plymouth City Council this is the Chief Executive.
- 1.11 A structure chart of the Council's Chief Officers is set out in Appendix A.

KEY INFORMATION

- 1.12 The Council's turnover in 2010/11 saw a net reduction in the number of employees of 256 FTE. The turnover rate is 11.18%, as expected for an organisation this size. The net reduction reflect tighter controls around new-hires and keeping vacancies open for longer to allow for redeployment. All posts are subject to internal redeployment and internal advertisement for 4 weeks prior to any external advertising.
- 1.13 A new online recruitment website has improved the efficiency and effectiveness of the Council's attraction and hire approach. Advertising costs are reduced as is manual work making external recruitment more cost effective when and as is necessary.
- 1.14 In 2010, the Council spent around £102,000 on advertising external positions. In the first 5 months of 2011, we have spent £33,000 – a 66 per cent reduction in the same period in 2010.

- 1.15 The new competency and appraisal system has introduced performance related pay through appraisal-linked increments with the first increments paid in October 2010. In the 2010/11 appraisal round, 94% of employees received an appraisal. This is a 4% increase on the previous round of appraisals. From the appraisals undertaken, 11% exceeded expectation, 85% met expectations and 4% did not meet expectations. The percentage of employees not meeting expectations fell from 8% to 4%. Following consultations with managers, 360° feedback form has been simplified, the system changed so that incorrect dates cannot be input and managers will now receive additional reports.
- 1.16 Control of agency staff has improved following the award of the temporary workers contract in 2010. Corporately a threshold (of 5% of the total wage bill) has now been set to monitor the use of agency staffing. A combination of the new contract and tighter controls for agency staffing has seen a 8% reduction in agency spend. In 2010/11 the Council spent £6.5 million representing 5% of the total wage bill. Agency spend is now reported quarterly to Cabinet as part of the corporate performance reporting requirements. At the end of 2010/11, agency spend was 4.6% of the monthly wage bill.
- 1.17 Sickness absence continues to be a concern for the Council. In August 2011, Cabinet will receive a report from each of the directors on measures being taken to tackle sickness absence. Management reporting improvements has seen an increase in reporting of sickness absence and better management information. For 2010/11, sickness absence stood at 12.6 days per FTE (this figure excludes school-based employees). The Council's Management Team (CMT) have agreed a rigorous target of 6 days per FTE to be achieved by the end of the financial year 2011/12. Each Director, Assistant Director and manager will be expected to include targets for managing attendance within their appraisals this year.
- 1.18 The Council implemented a new apprenticeship programme, vastly increasing the number of potential apprenticeship places available to younger people in the city and those who have been out of work and requiring an investment in skills, training and on-the-job experience. Currently, the City Council has 21 apprentices towards a target of 50 for 11/12, 75 for 12/13 and 100 for 13/14.
- 1.19 As part of the Terms and Conditions Review, a Voluntary Release Scheme was introduced at the beginning of April 2011. 181 expressions of interest have been received by the closing date of 30 June 2011. To date, 82 employees have been approved and 8 had left, as at 8 July 2011. To minimise any potential claims from employees leaving the Council, all employees sign a legal 'compromise agreement'.
- 1.19 During 2010/11, 43 staff were made redundant, of which 25 received a redundancy payment. This figure included those made redundant from the closure of the Devonport Regeneration Company Partnership (DRCP). A total of 131 employees were 'at risk' at some stage during 2010/11. This means that 2/3 employees at risk of redundancy found alternative employment in the Council.
- 1.20 In the first quarter of 2011/12, 17 employees left through redundancy (predominantly as a result of grant funding ending) and there are currently 30 employees currently 'at risk' of redundancy, seeking suitable alternative employment through redeployment. However, the Council's target is to improve our rate of placement to only 1/8 people being made redundant during 2011/12 due to improved redeployment and vacancies created by the voluntary release scheme.

FURTHER REPORTS IN 2011/12

- 1.21 The Council's Audit Committee has requested a report and position statement at their next sitting on the progress of equal pay claims and equal pay within the Council. This will be provided under Part II as the disclosure of information may be prejudicial to current legal proceedings and the Council's defence of the claims.
- 1.22 Cabinet have required a report on the Council's sickness levels to be provided to August Cabinet with Directors presenting their individual directorate and departmental positions.

2.0 TERMS AND CONDITIONS

- 2.1 The Council's financial position is reported and planned through the Medium Term Financial Strategy. For the MTFs, workforce related costs have allocated an £18 million saving against the total cost of the workforce. This represents a reduction in workforce costs of 14 per cent over three years.
- 2.2 The Council's strategy to address this was to ensure where practically possible, we should maintain existing service provision and seek to protect employment within the Council through a managed reduction in workforce numbers. The approach and rationale is set out below. (Table 2)

TABLE TWO: WORKFORCE COST REDUCTIONS RATIONALE

PROPOSED ACTION	REASON AND IMPACT
Increasing productivity	Making better use of staff through greater performance and new ways of working allows the Council to continue to deliver services with less people and at lower cost. This also requires the Council to look at the skills required to make the best use of technology and assets as well as the people. Areas for productivity increases includes generating more income, reducing absence, extending hours of operation, improving speed and consistency of delivery.
Managing down the workforce	Using the opportunity for natural turnover and deleting vacancies to reduce the establishment of the Council. This minimise the need for compulsory redundancies and minimises the cost of exits and new hires.
Service reorganisations	Realigning services to reduce duplication, administration and make better use of technology. This includes considering the point of access for our customers and clients and moving more service delivery to more cost and time effective mechanisms of delivery (e.g. web services). Developing new methodologies for change management that mean faster pace of change, ease of improvements and greater involvement of staff.
Harmonising terms and conditions	Reducing the range and differences between terms and conditions of groups of staff primarily to remove overheads from the process of managing the workforce. Extending the hours of operation to meet the needs of the customer without increasing our costs. Removing continuing inequalities within the workforce for terms and conditions that still present a potential risk for litigation (equal pay claims) and addressing key strategic objectives (e.g. reducing carbon footprint through travel, corporate accommodation moves etc).
Voluntary Release Scheme	Providing a mechanism for volunteers to leave the Council to ensure that those who face redeployment have a greater chance of securing another position within the Council.
Reducing workforce overheads	Developing simplified structures, terms and conditions and reducing paperwork and authorisation processes to reduce the cost of administering the workforce and specifying a simpler payroll system to reduce database and ICT costs.

- 2.3 Terms and conditions are negotiated nationally. Plymouth City Council has limited scope for negotiating terms and conditions at a local level, although other authorities have sought to remove key elements within the national agreement. For the purposes of this paper, the terms and conditions referred to are those on the Green Book and chief officer terms and conditions.

- 2.4 Terms and conditions are determined through a national bargaining mechanism. Part One and Part Two of the Green Book are determined nationally. Part Three are areas that can be determined locally.
- 2.5 In August 2010, as the Council's financial position was becoming clearer following central government announcements, the employer and trade unions worked together on a series of potential measures and impact assessments. Following the finalisation of the Council's draft budget, £18 million of savings was allocated to workforce savings over three years. A negotiation team from the Council, headed by the Director for Corporate Support met with the trade union negotiation teams to set out proposals in relation to productivity savings, changes to terms and conditions and proposed changes to the workforce size and shape.
- 2.6 Both sides entered into the negotiations in recognition of the exceptional circumstances local government organisations faced and were determined to ensure that, to the best of our ability, the Council could continue to maintain frontline service delivery, continue the improvement in the performance across services, reduce service delivery costs and, where possible, avoid compulsory redundancies.
- 2.7 As a major employer in the city, both sides were mindful that any significant, compulsory reduction in the workforce over a short space of time would have a detrimental impact on the economy of the city and place further pressure on the council.
- 2.8 The proposals seek to standardise terms and conditions related to working hours, reducing the overall number of enhancements and wage types across the workforce into a single rate for working patterns. They also reduced the variance in enhanced rates or compensatory hours (TOIL/flex) to establish a fairer, more transparent system for all employees working beyond their contractual hours or outside the normal hours of operation. This will modernise the Council's ability to respond to customer needs through more flexible hours of operation. Other terms and conditions have been amended in line with statutory allowances. To support these proposals, the package included the procurement of an Employee Benefits Scheme to suit the needs of a diverse workforce and give lifestyle choices. The proposals do affect some employees more than others, which has been recognised, so a detriment package has been designed to support employees most affected.
- 2.9 The three Single Status Trade Unions (Unison, GMB and Unite) balloted their membership in March 2011. At the beginning of April 2011, the Council was notified of the outcome: Unison had voted in favour of the changes and the other two unions had a 'no' vote.
- 2.10 The Council continued working with the trade unions and proposed that the entitlement to an additional 5 days' annual leave would continue, and not be reduced to 3 additional days. This change, along with 'Statements of Assurance' for certain work groups, has enabled the two trade unions to re-ballot their membership by either postal ballot or workplace ballot. The proposed implementation date for the collective agreement is 1 August 2011, with specific dates for certain changes.
- 2.11 A full equalities impact assessment (EIA) was undertaken at key stages of the development of proposals and negotiation stages. The EIA's were shared with the trade unions and their legal representatives.

3. SENIOR MANAGEMENT RESTRUCTURE

- 3.1 The senior management restructure is being lead by the chief executive. It is a line for each directorate within the budget delivery plans to achieve savings cumulatively of £1.05 million by year 3 of the financial plan.
- 3.2 The structure and resources required for the senior management of the Council is a function of the Head of Paid Service. Chief Officers, as set out in the Council's Constitution, are appointments of the Chief Officer Appointment Committee. Only the chief executive, as Head of Paid Service, is an appointment of the Full Council.
- 3.3 The chief executive is consulting colleagues at present in terms of the future shape of the Council, in line with the Council's published corporate plan. This report is expected to be published in September 2011 once discussions with those potentially affected have been completed over the summer.
- 3.4 Consideration within the Terms of Reference has been given to recommendations from the Overview and Scrutiny Management Board in relation to the capacity of the chief officer tiers to ensure the city and Council priorities can still be delivered.
- 3.5 The existing senior management structure chart is set out in Appendix A.

4. REDEPLOYMENT PROCEDURE AND SUPPORT

- 4.1 The Council has committed to ensuring we minimise redundancies resulting from changes in how we conduct business and deliver services and the reduction in the workforce. The previous system was manually administered and provided little information to employees about their options, access to other opportunities across the Council – including training and skills development in new roles – and had no information about where employees could find assistance (financial, job seeking and planning) for redundancy or retirement.
- 4.2 An overhaul of our approach to redeployment now puts the employee at the centre of the system with more tailored programmes and earlier access to information and support delivered through in-house training and partnerships with the public and third sector.
- 4.3 As part of these improvements, the redeployment system will be delivered online, utilising the Council's online recruitment system. This allows the Council to integrate redeployment as part of the usual hiring process which includes candidate match and up-to-date information about internal positions and restricted positions for those within the redeployment pool.
- 4.4 Under the Council's 'workforce options' paper we have set out a protocol in relation to reducing the number of external hires and give priority to those in redeployment, as well as opportunities to create apprenticeship positions across the Council.

For redeployees:

- Simple electronic skills profile (with option to upload additional documents e.g. CV) which will be automatically stored against them in the system upon completion
- All redeployment-specific vacancies viewable in one central place
- Able to view and 'apply' for vacancies online (simple 'application' process)

For recruiting managers:

- Ability to proactively search for suitable redeployees
- Red-star system 'flag', to prioritise redeployee interest above other interested parties

- 4.5 All employees are expected to participate in the redeployment process and this now includes the requirement to use the online recruitment system. Employees without a work PC or internet access will still be expected to use any IT resources available to them either at home, in their workplace, in libraries or the Civic Centre.
- 4.6 Additional support and guidance is now available in partnership with the Job Centre Plus and Pertemps, the Council's sole agency supplier. This includes early workshops to assist in understanding how to apply internally for positions, completing application forms and participating in interviews.
- 4.4 Job Centre Plus provide guidance to those who are in the redeployment pool to understand the benefits system and their entitlements, including financial planning advice in the event of redundancy.
- 4.5 Pertemps provide information in relation to registering as an agency worker, with access to opportunities through the agency to temporary positions across the city.

5.0 TRANSFER OF STAFF TO ACADEMIES

- 5.1 Over the past 12 months, Plymouth City Council has seen the establishment of 10 Academy Schools. This has resulted in the transfer of 1,868 employees to new employers.
- 5.2 All existing maintained schools already have a relationship with the local education authority (the Council) that provides statutory and discretionary services to schools. Schools have delegated budgets and for some services the Council operates a 'trading fair' arrangement for the purchases of services from the Council. Schools do have the discretion to use alternative providers within the market.
- 5.3 The impact of the transfer on services that the Council trade has been minimal to date, however changes in how Academies operate, as well as the Council's own overheads, will result in services being reconfigured to within new resource levels and demands from the Academy sector – whilst maintaining and improving services to the maintained sector.
- 5.4 For Human Resources & Organisational Development, our main traded services are personnel advisory services, payroll and pension administration. Other services with limited traded services include recruitment, health and safety and occupational health (brokered services).
- 5.5 The impact on Human Resources & Organisational Development has been most severely felt through the withdrawal of Academies from the traded payroll services. However, this was not unexpected due to the high level of overhead costs on our current payroll provision compared to the market. We had already been reducing these costs through 2010 to become more competitive.
- 5.6 Following discussions between Academies and the Council, HR & OD produced a new offer for Academies that will ultimately benefit the education sector as a whole and the Council through the development of a more innovative product-based service, allowing schools to buy smaller packages of services that are more flexible to their needs.
- 5.7 The impact of the loss of payroll and some traded personnel services is in the region of £80,000 for 2011/12. This has already been covered through the deletion of vacant posts within payroll services. For 2012 onwards, we expect to see an increase in income generation as the new HR and payroll platform provides greater flexibility and reduced costs – as well as supporting on-line purchasing of services and advice on an ad-hoc basis.
- 5.8 Corporately, the Council has an impact assessment group, led by the Department for Children & Young People to ensure that we can assess over time the direct impact on traded services, and the indirect impact of increased overheads within the Council resulting from the transfer of around 15% of our employees and some traded services into the Academy Sector.
- 5.9 We are aware that there are a number of primary schools discussing the move to academy status the expectation is that decisions will be made once the new national funding formula is announced for both LA schools and Academies. In addition the Roman Catholic Diocese is preparing to move all their schools to Academy status but again no date has been agreed. All of this will reduce the funding available within the LA and inevitably some very difficult decisions will need to be taken regarding whether some services will continue to be viable in the future.

APPENDIX A: SENIOR MANAGEMENT STRUCTURE (CHIEF OFFICERS)

CHIEF EXECUTIVE'S DEPARTMENT

- Chief Executive (Head of Paid Service)
- Assistant Chief Executive
- Head of Policy, Performance & Partnerships
- Head of Communications

CORPORATE SUPPORT DIRECTORATE

- Director for Corporate Support (Section 151 Officer)
- Assistant Director, Democracy & Governance (Monitoring Officer)
- Assistant Director, Finance, Assets and Efficiencies
- Assistant Director, Customer Services & Business Transformation
- Assistant Director, Information & Communications Technology
- Assistant Director, Human Resources & Organisational Development

DIRECTORATE FOR CHILDREN & YOUNG PEOPLE

- Director of Services for Children & Young People
- Assistant Director, Learner & Family Support
- Assistant Director, Lifelong Learning
- Assistant Director, Children's Social Care
- Assistant Director, Policy & Performance

COMMUNITY SERVICES DIRECTORATE

- Director of Community Services
- Assistant Director, Culture, Sport & Leisure
- Assistant Director, Environmental Services
- Assistant Director, Safer Communities
- Assistant Director, Adult Health & Social Care

DEVELOPMENT & REGENERATION DIRECTORATE

- Director for Development & Regeneration
- Assistant Director, Planning Services
- Assistant Director, Transport & Highways
- Assistant Director, Strategic Housing
- Assistant Director, Economic Development

PUBLIC HEALTH

- Director of Public Health (Joint appointment with the NHS)

CITY OF PLYMOUTH

Subject: Relocation of the Register Office to Pounds House
Committee: Support Services Overview & Scrutiny Panel
Date: 21 July 2011
Cabinet Member: Councillor Bowyer
CMT Member: Director for Corporate Support
Author: Chris Trevitt – Head of Capital & Assets
Contact: Tel: 01752 305441
e-mail: chris.trevitt@plymouth.gov.uk
Ref: CT/I
Key Decision: No
Part: I

Executive Summary:

This report provides an update on the proposal to relocate the Register Office to Pounds House, which forms part of the second phase of the Accommodation Strategy. The report covers the history and previous use of Pounds House, the detail of the proposal to relocate the Register Office including parking and access and the consultation process.

The report confirms the progress to date and the potential timeline for remaining activities

Corporate Plan 2011 – 2014:

The Accommodation Strategy delivers value for money for communities and supports other corporate priorities in reducing the cost of the property estate to the council and thus freeing up finances for front line services. In particular this element of the strategy meets the service needs to provide appropriate accommodation to respond to customer requirements and supports the growth agenda by making available a city centre site for potential regeneration.

**Implications for Medium Term Financial Plan and Resource Implications:
Including finance, human, IT and land**

The Accommodation Strategy forms part of the Council budgetary delivery plans for the next three years

Other Implications: e.g. Section 17 Community Safety, Health and Safety, Risk Management, Equalities Impact Assessment, etc.

Delivery of this element of the Accommodation Strategy does not impact negatively on these areas. There are currently DDA and anti social behaviour issues with the Lockyer Street site which will be removed as a result of this scheme

Recommendations & Reasons for recommended action:

To note the report.

Alternative options considered and reasons for recommended action:

None.

Background papers: Cabinet reports for the following

Accommodation Strategy approval – June 2009
Phase 2 business case – March 2011

Sign off:

Fin		Leg		HR		Corp Prop		IT		Strat Proc	
Originating SMT Member											

1.0 Introduction

1.1 Accommodation Strategy

The proposal to relocate the Register Office from Lockyer Street to Pounds House forms part of the Accommodation Strategy second phase. The Accommodation Strategy seeks to provide revenue financial savings by using council accommodation space more efficiently and provide improved environments for clients and partners.

1.2 Pounds House

Pounds House is a Grade II listed 19th Century country house which was bequeathed to Plymouth City Council.

The building was fully refurbished following a major fire approximately 20 years ago. The outside of the building was redecorated in 2005 along with the repairs to the boundary wall and fountain.

Until 2008 the ground floor of the building was used for catering and other functions including weddings. The first floor was used as office space until the end of 2007. Both areas were commercially let by the city Council to external organisations.

Prior to this the building had a variety of uses including as a Register Office.

Following the vacation of the building by the external organisations, the council was concerned that by leaving the building vacant this would attract vandalism and potential anti social behaviour. To alleviate this immediate problem the ground floor of the building was used by the team developing the Life Centre project. The venue was used successfully for this purpose as a design office and was also used for public and project meetings and presentations during the planning process.

Since the Life Centre team moved to accommodation on the construction site the building has been used temporarily by the excellence cluster, part of the Directorate of Services for Children and Young People. This team is earmarked to move as part of the wider Accommodation Strategy.

The Council needs to secure a permanent use for the building commensurate with its setting to safeguard its long term future.

1.3 Proposal to relocate the Register Office.

Following several options being considered the preferred option is for the Register Office to be relocated from its current base in Lockyer Street. This will give potential advantages to the service which is currently compromised by the size and layout of its current location given the increased competition from hotels which are now able to hold ceremonies. It will also enable the service to co-locate with other complimentary functions, like the coroner and bereavement services, which it cannot do from its current base.

The current Register Office building in Lockyer Street is over 30 years old and in need of major refurbishment in particular the heating system. There are also issues with access which renders the building not fully compliant with the Disabled Discrimination Act. Also due to the city centre location of the site there are regular issues with anti social behaviour and rough sleepers.

The proposal to utilise Pounds House enables the Coroners service to co-locate with the registration service which frees up the current accommodation in The Crescent, thus saving the leased costs of those premises, but also allows benefits of direct communication creating a quicker and smoother bereavement journey for clients. Location closer to Derriford Hospital and access to the A38 provides a shorter and less complicated journey for many registration informants. The Registration Service provides services to all citizens, not only within the city but also residents of East Cornwall and South Devon as well as visitors from further afield. Close proximity to the A 38 provides easy and inviting access to couples requiring specialist marriage preliminaries from outside the city and those making application for British Citizenship as well as future service provision in conjunction with the UK Border Agency. Moving to Pounds House would encourage couples and families, from the city and beyond, to arrange and celebrate their life events in surroundings befitting the occasions.

1.4 Detail Plans for Pounds House

Ground floor and external areas – The two large rooms could be split into ceremony rooms and Court style hearing rooms for both the Coroner and Register offices. The size of these rooms is being investigated to see if they can be permanently split them and avoid a shared facility. In the entrance it is proposed to install a small reception area and shared waiting space. The room adjacent to the entrance will account for a small buffet type prep area and offices. Further back is a room with substantial steel supports; this room was part of the old bunker arrangement and will be ideal for the Register secure store room.

The ground floor lends itself quite nicely to visitors as the area is all on one level which means disabled access doesn't appear to be an issue, the building also contains a lift.

Outside to the rear of the ceremony room there are two steps which will be retained with the external decorative floor tiles and a temporary ramp will be required. From here the same level continues around the building to the parking areas. An existing ramp also makes it possible for disabled people to access the park.

The Parks team have recently planted an avenue of trees along the path leading away from the building, this produces a nice back drop for photographs together with the fountain and garden area.

First floor - This level will house the majority of the office staff for both services. Due to the nature of the works involved the majority of the area will be split into small offices. The data provision within the building is good due to recent upgrades for wiring and hub room.

The majority of the building works will be incurred on this level due to the existing layout however a large proportion of the existing walls are lightweight stud partitions which can be easily removed. The high level Victorian ceiling omit the need for suspended ceiling repairs or replacement unlike the current situation in Lockyer street which has suffered from roof leaks.

Second floor - This level is not accessible by the lift and only houses a few usable rooms. The use of this area is still be examined but is likely to be staff meeting rooms and storage.

Parking at Pounds House has already been enhanced by the removal of redundant external stores and will be further enhanced by the removal of trees within the current parking area. This will provide in total 25 parking spaces adjacent to the building. This compares to just 19 spaces at the existing Lockyer Street site.

Access to the site is via Outland Road which is one of the main arterial routes in the city served by several bus services including the Park & Ride service from the north of the city and

the city centre. The immediate access off Outland Road will be improved by widening the access into the pedestrian footpaths either side to facilitate long wedding cars.

The access road from Outland Road will be adjusted with pull ins to ensure safe access is provided for vehicles and pedestrians.

1.5 Consultation

Consultation has taken place with the local area committee, Compton & Peverell in November 2009, which supported the proposals.

Cabinet members were consulted in as part of the approval process in March 2011.

The decision was also approved at Full Council in April 2011

The decision was the subject of Overview and Scrutiny Management Board in April 2011.

Consultation is on going with residents and local business from around the existing Lockyer Street site, clients of the registration service, Friends of Central Park, GP surgeries, Hospital Bereavement Service, Approved Premises, Funeral Directors and staff.

1.6 Timescale

Surveys are currently being completed on the drainage to the site and final layout drawings are being produced. These need to be agreed with all stakeholders and the necessary tender specifications drawn up.

The intention is to source tenders in the autumn of this year with a view to a start on site in the new year. The works will take approximately 6 months to complete so the building would be ready for occupation at the end of next summer.

There are statutory processes for the Register Office service to go through to move addresses so the precise opening date will be dependant upon this process but is expected to be at the end of 2012.

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TRACKING RESOLUTIONS

Support Services Overview and Scrutiny Panel

Date/Minute Number	Resolution	Explanation/Minute	Officer	Progress	Target Date
43 03.11110	that the function of the Local Strategic Partnership (LSP) and its resource plan for asset resource and finance be submitted to the Panel.	The LSP's functions were discussed as part of the Plymouth Report.	Giles Perritt, Head of Policy, Performance and Partnerships	Agenda item Local Strategic Partnership (LSP) Resource Plan added to the Work Programme. No date has been set.	
66 10.03.11	an update on the service restructure be provided at a future meeting of the panel;	Following the Revenues and Benefits update members wished to be informed on progress of the restructure at a future meeting.	JP Sanders, AD for Customer Services and Business Transformation and Malcolm Coe, AD for Finance, Assets and Efficiencies	Added to the work programme, awaiting a date to be set.	
8 23.06.11	<u>Agreed</u> that Adam Broome, Director for Corporate Support would distribute to all panel members the analysis of customers using pay point services.	As part of the Corporate Support Departmental Overview members were informed of the closure of the Cashiers office and wished to be presented with analysis of customers using pay point services.	Adam Broome, Director for Corporate Support	Members emailed the analysis on 13 July 2011.	21 July 2011
9 23.06.11	Chris Trevitt, Head of Capital and Assets would provide a report to the next meeting of the panel on Pounds House to cover aspects including future use, user accessibility and consultation.	Members heard an update about Corporate Property and requested that a further report be provided on Pounds House.	Chris Trevitt, Head of Capital and Assets	A report has been included on the agenda and Chris Trevitt has been invited to attend.	21 July 2011

Overview and Scrutiny Management Board

Date/min number	Resolution / Recommendation	Explanation / Minute	Response	Explanation
7 23.06.11	<p><u>Agreed</u> to recommend to the Overview and Scrutiny Management Board that departmental delivery plans are shared with the relevant scrutiny panels so that value for money in each service area can be monitored to identify where efficiencies have been achieved.</p>			

Grey = Completed (once completed resolutions have been noted by the panel they will be removed from this document)

Red = Urgent – item not considered at last meeting or requires an urgent response

Proposed work programme	J	J	A	S	O	N	D	J	F	M	A
Monitor and review the Revenues and Benefits Service											
Other Issues											
Budget and Performance Report	23										
Review Data Sharing between agencies (referred by O&S Management Board 2010/11 – OSMB 97a (2) refers)											
City and Council Priorities											
Value for Communities											
Task and Finish Groups											
Revenues and Benefits, Cashiers, Incomes and Creditors and Customer Services				TBC							

Key:

New Item

Deleted Item

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