

## REPORT TO CABINET

18 April 2018

<b>Subject:</b>	<b>Job Promise 3</b>
<b>Presenting Cabinet Member:</b>	<b>Councillor Steve Trow – Cabinet Member for Core Council Services</b>
<b>Director:</b>	<b>Executive Director – Resources – Darren Carter</b>
<b>Contribution towards Vision 2030:</b>	
<b>Key Decision:</b>	No
<b>Forward Plan (28-day notice) Reference:</b>	N/A
<b>Cabinet Member Approval and Date:</b>	Cllr. Steve Trow
<b>Director Approval:</b>	Darren Carter
<b>Reason for Urgency:</b>	Urgency provisions do not apply.
<b>Exempt Information Ref:</b>	Exemption provisions do not apply
<b>Ward Councillor (s) Consulted (if applicable):</b>	Ward councillors have not been consulted
<b>Scrutiny Consultation Considered?</b>	Scrutiny have not been consulted
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## DECISION RECOMMENDATIONS

### That Cabinet:

- 1) In view of the success of the Job Promise to date, and the confidence of the council in its financial position in 2018-19, that Cabinet support the proposal to endeavour not to make any employees compulsory redundant before March 2019.
- 2) That, during the period of the Job Promise 3, the risks and factors influencing the sustainability of the Job Promise into 2019-20 should be considered.

## 1 PURPOSE OF THE REPORT

- 1.1 Members will be aware that, in April 2015, the council made a commitment not to make any employees compulsory redundant in the following two-year period. This commitment has been known as the “Job Promise.”

In April 2017, a further commitment was made to extend the ‘Job Promise’ process until March 2018. This extension has been known as “Job Promise 2”.

- 1.2. These commitments were made despite the challenging financial environment and were created as a direct result of employees sharing their concerns over job security through the annual engagement surveys.
- 1.3. The promise of a job for all employees in a time of public sector austerity may have seemed unrealistic. However, because of the council’s longer-term financial planning, the impact of the Planned Leavers’ Register, the flexible approach taken in service redesigns and changing job roles and a new, innovative approach to the way HR has managed the redeployment of “at risk” employees, the council has been able to honour its commitment. To date, 90 employees have been successfully redeployed. However, the actual number of redundancies avoided is thought to be much higher, this is due to managers and their teams embracing flexibility to best suit the needs of the council by adopting a collaborative approach.
- 1.4. By being able to redeploy such a large number of employees, the council has avoided having to make redundancy payments of over £1,000,000 and, perhaps, more importantly, has been able to carry out its moral obligation as a responsible employer, to avoid compulsory redundancies.

- 1.5 The Job Promise has not been just a local achievement, with the council being shortlisted and winning national awards as a result.
- 1.6 As the end of the three-year promise in March 2018 approaches, it is now time for the council to consider whether it wishes to extend the existing Job Promise scheme for a further period of time.

## 2 **IMPLICATIONS FOR SANDWELL'S VISION**

- 2.1 Ambition 3 - Our workforce and young people are skilled and talented, geared up to respond to changing business needs and to win rewarding jobs in a growing economy.
- 2.2 Ambition 10 - Sandwell now has a national reputation for getting things done, where all local partners are focused on what really matters in people's lives and communities

## 3 **BACKGROUND AND MAIN CONSIDERATIONS**

- 3.1 The Job Promise initiative has resulted in the council adopting a completely innovative approach to the way it supports individuals facing job uncertainty, with the focus shifting away from exit management and on to redeployment. This was achieved by developing a Resourcing Team committed to meeting the needs of both the employee and the hiring manager.

The focus of the Resourcing Team has moved to proactively matching and placing employees into alternative roles, accepting larger skill gaps, and providing training and support where required to meet any development needs.

The following items are key dependencies for the successful continuation of the Job Promise (Job Promise 3), as in all instances the council will seek to minimise the number of redundancies and endeavours to commit to no compulsory redundancies.

### 3.2 **Recruitment**

The existing restrictions on external recruitment and on the engagement of Agency Workers will remain in place. When it is decided a post can be filled; the council will continue to seek, in the first instance, to redeploy an existing employee into the vacant role.

Vacancies will only be advertised externally in instances where the council is unable to re-train/redeploy existing employees.

Traditionally, restructuring has resulted in job losses, under the Job Promise 3, job security will continue to be maintained where possible, by a supported re-deployment programme which will enable employees to move into suitable alternative roles that become vacant elsewhere within the council, or roles previously occupied by agency workers.

### **3.3. Flexible Workforce**

Many service areas of the council have moved away from the traditional, detailed specific job descriptions towards more generic ones, resulting in on-the-ground flexibility to respond to altered circumstances.

### **3.4. Redeployment**

The success of the Job Promise is a testament to the change of philosophy which has seen a shift away from automatically recruiting from the external marketplace, to one which has seen development plans put in place to re-skill existing employees. Initially individuals have acquired commonly needed transferable skills and then, if specific skills or training needs are identified, a development plan is created, with input from service areas and learning and development. This will continue in Job Promise 3.

Going forward, analysis has shown that there is potential scope across the council (e.g. roles covered by agency workers, turning overtime into posts, natural turnover, impact of Planned Leavers Register etc.) for the council to retrain and redeploy employees where possible. The council will continue to expect managers to plan early, so that sufficient time is available to successfully manage redeployments.

Where an employee faces job uncertainty, before entering the Resource Pool, the directorate in which they currently work should attempt to find a potentially suitable alternative position. It is likely that the individual's skills and experience are best suited within their current directorate and so this option must be explored in the first instance.

### **3.5 With Job Promise 3, the council will endeavour to seek to redeploy employees into reasonable suitable alternative job roles.**

Employees are required to complete a job profile once referred to the resource pool, at the earliest opportunity, or within 2 weeks. Where an employee declines to complete and engage in the process, they will be deemed to have excluded themselves from the benefits of the Job Promise.

Employees will be supported in the new role for up to three months through training and development, where appropriate.

During this three-month supported period, the use of the formal Performance Capability policy will be suspended.

At the end of the three-month period, all normal HR policies and procedures will then apply.

During months four to six in the new role, should it be necessary to invoke the Performance Capability policy, the Manager will consult with Human Resources.

It is recognised that during this three-month support period, there may be exceptional circumstances where a redeployment placement may not have proved suitable for an employee. Where all parties mutually agree that this is the situation, alternative options, including an alternative redeployment or voluntary redundancy, may be considered.

In the event that alternative options have been explored and exhausted, the Council reserves the right to issue notice of redundancy.

- 3.6 In the event that an employee is redeployed to a job graded lower than their original job grade, twelve months pay protection will apply.
- 3.7 Employees in the Resourcing Pool are not limited solely to redeployment opportunities brokered by the council and are given the foundation and skills to be able to potentially seek alternative employment themselves.

## **4 THE CURRENT POSITION**

- 4.1 Having undertaken research into expected levels of turnover, anticipated departmental redesigns, natural wastage, budgetary projections and the anticipated number of employees committed to leaving the council on the Planned Leavers scheme, the council has reached a point where it has a level of confidence about its financial position for 2018-19, sufficient to feel able to propose a further commitment to the period of the Job Promise.
- 4.2 In view of this level of confidence and the success of the programme over the last three years, it is now proposed, therefore, to extend the existing Job Promise by a further 12 months. The extension to the programme will be known as "Job Promise 3" and will continue until March 2019. During this extended period, it is proposed that the council will endeavour not to make any compulsory redundancies and will explore suitable alternative redeployment opportunities until at least this time.

- 4.3 “Job Promise 3” will be achieved by the council continuing its approach to resourcing and flexible working to ensure staffing resource meets demand.
- 4.4 The council will continue its commitment to invest in its workforce to enhance current skill levels, where required, or where necessary to enable Job Promise 3 to succeed.
- 4.5 Members may also be aware of a series of interventions the government is planning to introduce in 2018 which will place restrictions on public sector exit payments.

Currently, it is not clear exactly how these plans will impact on the council or how they will impact on the willingness of employees to volunteer to leave on the Planned Leavers Scheme given that these proposals may result in less attractive exit terms for employees than at present.

Nevertheless, subject to an assessment of the risks and factors influencing the sustainability of the Job Promise beyond March 2019, the council wishes to propose, in principle, the extension into 2018-19.

- 4.6 The Panel are asked to note that the success of the Job Promise would not have been achieved without the positive attitudes and helpful responses demonstrated by our employees and the Joint Trade Unions in the face of the financial challenges.

The proposal to support Job Promise 3 was endorsed by members of the Joint Consultative Panel on 26 March 2018.

## **5 CONSULTATION (CUSTOMERS AND OTHER STAKEHOLDERS)**

- 5.1 There are no specific consultation requirements to be carried out with Customers or Stakeholders as a result of the contents of this report.

## **6 ALTERNATIVE OPTIONS**

- 6.1 As a result of the success of the Job Promise programme over the last three years, focus has moved away from the Councils previous approach when reorganizing its workforce.
- 6.2 Previously, restructuring and downsizing, often included making employees redundant from posts that were no longer required; followed by recruitment to job roles requiring different skills.

- 6.3 The Jobs Promise has enabled the Council to move away from this cycle of 'boom and bust', by investing in its own employees and achieving financial savings.
- 6.4 The redeployment programme has become firmly embedded within the Council and has created flexibility in both organisational design and within its workforce.

## **7 STRATEGIC RESOURCE IMPLICATIONS**

- 7.1 Job Promise 3 will build on the success of the existing Job Promise by achieving savings on the costs of redundancy and recruitment. As such, there are no immediate resource implications. Based on experience to date, it is believed that any costs for re-training will be significantly less than costs associated with redundancy.
- 7.2 There are four main areas of risk associated with the successful delivery of the promise:
- a) Meeting budgetary savings targets whilst endeavoring to guarantee jobs.
  - b) Being able to provide quality support to employees entering the Resource Pool.
  - c) Having an adequate volume of posts in which to redeploy individuals.
  - d) Having suitable posts that match the experience and skill sets of redeployed individuals.
- 7.3 Since the introduction of the Job Promise in April 2015, many of these risks have been mitigated. For example, the effective forward planning of budgets and service re-designs have seen employees assimilated into new posts. The introduction of the Planned Leavers Register, which compliments the objectives of the Job Promise, has also made a significant contribution. Service Managers have also been encouraged to consider options such as the reallocation of duties within job roles and service areas.
- 7.4 Rather than only looking at the internal job market, the Job Promise, in conjunction with the Planned Leavers Register, is supporting effective succession planning by creating space for those seeking career development, and for new talent pipelines such as the council's successful graduate programme and apprenticeship initiatives.
- 7.5 Also, since the introduction of the Job Promise, the number of employees entering the Resource Pool has been manageable. The threshold for that is considered a suitable alternative post has been raised, meaning that with training and development support, employees are able to be matched and redeployed into a wider variety of roles.

- 7.6 In creating the original Job Promise, it was also recognised at the time of introduction that the Job Promise may be inappropriate in certain situations and with some specialist job roles. A list of exclusions was therefore established and are detailed at 15.3.
- 7.7 Whilst these risks have been successfully managed to date, they play a critical part in the consideration of the Job Promise beyond April 2018. Based on the above, however, these risks are not considered to be significant.

## 8 **LEGAL AND GOVERNANCE CONSIDERATIONS**

- 8.1 All processes involved in the Job Promise will be fully compliant with relevant legislation and internal policy.
- 8.2 In the event of restructure / service re-design, the council would seek alternative opportunities for displaced employees through the Job Promise 3.
- 8.3 There will not be a redundancy situation where a reasonable suitable alternative offer of employment is identified.
- 8.4 If the employee refuses to accept the reasonable suitable alternative employment offered they will forfeit the right to a redundancy payment.
- 8.5 Any employees at risk of redundancy who are on Maternity Leave, Adoption Leave or Shared Parental Leave have special protection in that they have an automatic right to be offered reasonable suitable alternative vacancies.
- 8.6 Contracts of employment for employees include the following clause within Statements of Written Particulars Part 1: *You will be required to serve in any post appropriate to your grade, qualifications and experience.*
- 8.7 Job descriptions also include the requirement: *To undertake such other duties as may be appropriate to achieve the objectives of the post or to assist the council in the fulfilment of its corporate priorities commensurate with the postholder's salary, grade, abilities and aptitude.*

## 9 **EQUALITY IMPACT ASSESSMENT**

- 9.1 An initial screening was undertaken in March 2015 when the Job Promise was first introduced. It was agreed at this time that the subject of the statement did not meet the criteria for undertaking a full EIA.

## **10 DATA PROTECTION IMPACT ASSESSMENT**

10.1 There are no specific data protection implications arising from the contents of this report.

## **11 CRIME AND DISORDER AND RISK ASSESSMENT**

11.1 There are no specific crime and disorder implications arising from the contents of this report.

## **12 SUSTAINABILITY OF PROPOSALS**

12.1 There are no sustainability issues arising from the contents of this report.

## **13 HEALTH AND WELLBEING IMPLICATIONS (INCLUDING SOCIAL VALUE)**

13.1 There are no specific health and wellbeing implications arising from the contents of this report.

## **14 IMPACT ON ANY COUNCIL MANAGED PROPERTY OR LAND**

14.1 There are no specific impacts on any council managed land or property.

## **15 CONCLUSIONS AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

15.1 In view of the success of the Job Promise to date, and the level of confidence of the council in its current financial position in 2018-19, it is proposed to extend the existing Job Promise by a further 12 months.

15.2 The extension to the programme will be known as “Job Promise 3” and will continue until March 2019. During this extended period, it is proposed that the council will endeavour not to make any compulsory redundancies and will continue to explore suitable alternative redeployment opportunities until this time, as detailed in this report.

### **15.3 Exclusions from the Job Promise 3:**

- Employees on short-term fixed term/temporary contracts that expire before 31 March 2019 where the employee has less than two years' continuous service at the date of termination.
- Employees who are Chief Officers or Service Managers.
- Employees on Soulbury or Teachers' terms and conditions.

- Employees based in local authority schools or Pupil Referral Units where delegated budgets apply.
- Employees dismissed through disciplinary, performance capability, sickness etc.
- Employees who have already commenced the performance management process.
- Changes driven by new legislation/Government.
- TUPE – i.e. Employees in services which have been identified as in scope for transfer (unless otherwise agreed) e.g. Children's Trust
- Apprentices / Graduates.

## **16 BACKGROUND PAPERS**

- 16.1 Job Promise EIA – 16 March 2015
- 16.2 Job Promise – 19 March 2015 (Joint Consultative Panel)
- 16.3 Job Promise – 1 April 2015 (Cabinet)
- 16.4 Job Promise 2 – 19 January 2017 (Joint Consultative Panel)
- 16.5 Job Promise 2 – 8 February 2017 (Cabinet)
- 16.6 Job Promise 3 – 26 March 2018 (Joint Consultative Panel)

## **17 APPENDICES:**

None

**Darren Carter**  
**Executive Director – Resources**