

WIRRAL COUNCIL

COUNCIL EXCELLENCE OVERVIEW AND SCRUTINY COMMITTEE

15 SEPTEMBER 2011

SUBJECT:	EARLY VOLUNTARY RETIREMENT / VOLUNTARY SEVERANCE AND ORGANISATIONAL CHANGE
WARD/S AFFECTED:	ALL
REPORT OF:	DIRECTOR OF HR, LAW AND ASSET MANAGEMENT
RESPONSIBLE PORTFOLIO HOLDER:	COUNCILLOR ADRIAN JONES
KEY DECISION?	NO

1. EXECUTIVE SUMMARY

This report provides a detailed outline of the Early Voluntary Retirement/Voluntary Severance (EVR/VS) exercise and the organisational change which took place as a result. This includes information on the decision making process, the service changes and their impact, the support programme and redeployment, service re-modelling, and support for managers and employees.

2. BACKGROUND AND OVERVIEW

On 12 July 2011, The Council Excellence Overview and Scrutiny Committee asked that a further report be brought to the next meeting which would look at the effect on employees of remodelling / redeployments and the support in place for individuals.

The Interim Chief Executive wrote out to all employees (non schools) on 8 October 2010 inviting expressions of interest to leave the Council under the EVR/VS scheme. The EVR/VS exercise resulted in 1181 employees leaving the Council between 31 December 2010 and 22 July 2011. A breakdown of the EVR/VS process by Department is attached at Appendix One.

3. KEY ISSUES

The extent of the change meant that a number of areas of targeted support needed to be put in place:

1. Support for employees in their personal decision making process about whether to accept EVR/VS
2. Support for those employees being redeployed as a result of service changes

3. Support for the organisation to re-model structures as a result of the leavers
4. Support for all managers and employees delivering in a smaller, re-modelled organisation
5. Improved communication to ensure that all employees were communicated with effectively.

4. Support for employees in their personal decision making process about whether to accept EVR/VS

4.1 Communication of EVR/VS offer

The Council has undertaken EVR/VS exercises in previous years. However these have been targeted at particular groups of the workforce. In this case, due to the level of savings required, it was decided to write to all employees to offer EVR/VS so that all options could be considered.

The Interim Chief Executive's letter of 8 October 2011 explained the background to the offer of EVR/VS and highlighted that, due to level of financial deficit, the Council did not believe it could continue to offer severance at the enhanced rate, and that consultation with the Trade Unions about changing the scheme had begun.

The Council did not invite schools based employees to apply for EVR/VS, as the decisions about employment are made by the governing body of the school and not the Council. .

In previous exercises, the Council has asked for expressions of interest first, and then arranged for severance and pension estimates to follow for those interested. However, for this exercise, the Council provided an individual estimation of severance and pension benefits within the initial offer letter. This enabled employees to make an informed decision in relation to their financial situation.. Employees who wished to be considered for EVR/VS were asked to return a pro-forma in the pre-paid envelope provided.

Employees who expressed an interest in applying to leave the Council under the EVR/VS scheme, received acknowledgement of their interest either by letter or email. This was followed by a more detailed letter from the Pensions Team which contained further information about pension benefits and options.

4.2 Management of EVR/VS exercise (helpline)

The support for employees was managed by a dedicated HR Support Team that was set up from Monday 11 October 2010, to provide advice and deal with queries relating to EVR/VS. The helpline remained open until 22 July 2011. The HR Support Team was based at The Cheshire Lines Building in Birkenhead, so that it could utilise call centre technology. The HR Support Team had a dedicated phone number and e-mail address, and was initially open 10.00 – 20.00 Monday to Thursday, and 10.00 – 18.00 Friday. The HR Support Team was made up of a pool of HR Officers who dealt with queries on the telephone and by email. The Team included Officers from the Pensions Team, the Payroll Team and the Welfare Benefits Unit who were

able to offer some advice on welfare benefit queries from employees considering taking EVR/VS.

Between 11 October 2010 and 22 July 2011 the HR Support Team dealt with 7,741 phone calls and 2,837 e-mail enquiries. The enquiries covered a wide range of issues including the decision making process, severance pay, length of service, pension entitlements, requests to amend leaving dates, annual leave entitlements, changes to personal details and clarification of rules around severance and future re-employment. In addition, the team dealt with employees wishing to withdraw from the process, and managed the booking process for the Compromise Agreement sessions (see section 4.4) and the Support Programme for Leavers (see section 4.3). Queries were monitored and collating so that trends could be identified and further information could be published on the Council intranet through the use of Frequently Asked Questions (FAQ's).

4.3 Support Programme for Leavers: “Planning for the Future”

Overview

A programme of support sessions was considered to be a priority in order to guide and help those leaving the organisation. The “Planning for the Future” programme comprised one to one and group sessions on career guidance, money management, and dealing with change. In addition, four “Information Days” consisting of stalls and activities were also offered which allowed people to meet voluntary organisations, possible future employers and advice units. Skills for life, Maths and English courses were also available. In order to maximise the opportunities for attendance, the support sessions were held at a variety of time and locations across Wirral.

A range of e-learning modules were also made available, including Successful Job Hunting Skills, Stress Awareness, and Writing a Curriculum Vitae (CV). An outline of the “Planning for the Future” programme and the attendance numbers are shown at Appendix Two and Three.

Money Matters – Financial Guidance Sessions

The Money Matters sessions were delivered free of charge by the Financial Services Authority. The half day group session included two hours of general advice on how to manage finances, followed by an hour of advice on managing pensions, which was facilitated by the Merseyside Pensions Service.

Money Guidance One to One Sessions

The money guidance session was a 45 minute one to one meeting with an advisor from Money Matters. The session supported individuals in assessing their own personal and financial circumstances and provided advice and guidance on opportunities available to them for their future.

Next Steps – Career Guidance Sessions

The Next Step Career Guidance session was a three hour workshop which aimed to provide participants with advice and guidance for finding future work. The sessions were run free of charge by the Merseyside Connexions Service and allowed individuals to access expert advice on areas such as CV writing, job searching and interview techniques.

Next Steps One to One

The Next Steps one to one meeting was a one hour session with a Next Steps Advisor, which allowed individuals to discuss their own particular needs in relation to their own personal circumstances and aspirations for the future, with the option for follow up support from local Connexions branches.

E- Learning/Access to workshops

A number of computer based courses were also made available through the e-learning link on the Wirral Intranet home page. These included: Successful Job Hunting Skills, Stress Awareness, and Writing a CV.

Supporting you through Change

The “Supporting you through Change” was a two hour, bite sized session which aimed to support individuals through the leaving the organisation and the changes this would entail. The session allowed people to voice their concerns and worries, and provided participants with practical tools to help them understand and manage their emotional responses to change, as well as some of the more practical elements.

Information Days

The “Information Days” offered all employees affected by EVR/VS, an opportunity to talk to a wide range of organisations offering advice on such matters as, starting up a business, training opportunities, managing money, benefit entitlements, volunteering opportunities, and health and well being. Information on the latest job opportunities were also available from Jobcentre Plus, recruitment agencies and a range of employers.

Skills for Life - Maths and English

A further offer of support to improve Maths and English was made available. Taster sessions and the opportunity to discuss learning needs were arranged via the Adults Learning Team.

4.4 Exit Process

All employees that left the Council under the EVR/VS offer were required to sign a compromise agreement. This is a legally binding document setting out the terms of the leaving agreement.

Group sessions with Independent Legal Advisors were organised for employees to receive legal advice prior to deciding whether to sign the compromise agreement, the costs of which were met by the Council. The sessions were introduced and facilitated by HR Officers and Pensions Advisors who were available to deal with queries that employees wished to raise prior to signing, and to provide details of support available, including details of support sessions, and details of when severance, pensions and final salary payments would be made. In addition, Trade Union representatives were invited to each session to provide advice to their Members in relation to the process or their personal situation.

Between, December 2010 and July 2011, a total of 15 signing sessions were held at Birkenhead Town Hall, the UNITE office in Birkenhead and Wallasey Town Hall, with a total of 1181 employees signing compromise agreements.

Employees also had the option to make their own arrangements to receive Independent Legal Advice. In such cases, employees were asked to return signed agreements by a specified time and we also paid for that legal advice. Specific arrangements were made for legal advice to be provided to employees who were unable to attend group signing for reasons relating to disability, illness or other exceptional arrangements. In some cases these arrangements were made via the Trade Union. Sessions were arranged as far as possible around service requirements so that disruption to service areas where more than person was due to leave was minimised.

4.5 Equality Impact Assessments (EIA)

Two Equality Impact Assessments were undertaken to assess the impact on employees:

1. Impact of service change and the leavers programme on the workforce

The first EIA reviewed the impact on employees arising from the service changes which were agreed by Cabinet on 9 December 2010. The EIA concentrated on assessing the impact of the changes agreed and the EVR/VS programme on the makeup of the workforce.

The EIA undertaken found that there was no negative impact on the makeup of the workforce across the Council. This is supported by the analysis of the workforce data which demonstrated that the equality statistics in relation to all the protected groups had not altered significantly in proportion to the rest of the workforce as a result of EVR/VS and service change.

2. Impact of Redeployment

The second EIA reviewed the impact of redeployment on the total numbers of employees who were redeployed as a result of the service changes agreed by Cabinet on 9 December

5. Support for those employees being redeployed as a result of service changes

5.1 Service change and impact

The Council's Cabinet meeting on 9 December 2010, considered a report from the Director of Finance which outlined the projected budgets for 2011 to 2015. The Wirral's Future Task Force also presented a number of recommendations based on the feedback from the public consultation. The Council resolved that the respective Directors should be instructed to implement the service changes recommended by the Wirral's Future Task Force. As a result of the resolutions, the Council identified those employees that would be materially and directly affected to ensure the fair application of the voluntary enhanced discretionary policy.

5.2 Employees affected by service change

Following the Cabinet Decision on 9 December 2010, there were approximately 238 employees within DASS and CYPD who had not expressed interest in the EVR/VS, but who were directly and materially affected by the decisions that had been taken within the service area that they worked. It was agreed that it would be reasonable to offer these employees a further opportunity to apply for EVR/VS under the enhanced scheme now that they were aware of the decision to change, re-provide or cease delivery of services in their work area.

A further letter in respect of this was sent to those employees asking them if they would like to leave the Council under the EVR/VS scheme. It was made clear that those employees who did not want to leave would be redeployed into alternative positions in the Council. A further 84 expressions of interest were received.

5.3 Redeployment

The service changes agreed by Cabinet on 9 December 2010, resulted in 148 employees being redeployed. A breakdown of the employees affected by the 9 December 2010 Cabinet is attached at Appendix Four.

All employees who have been redeployed have been offered training and development opportunities relevant to their new role. Within the Department of Adult Social Services, a Training Needs Analysis (TNA) has been undertaken for all employees, and training plans to support their development have been produced. , An outline of the Redeployment Support Programme is attached at Appendix Five.

All the re-deployees have been given the opportunity to attend courses on the “Skills for Wirral - Managers” and “Skills for Wirral - Employees” Programmes..

As a result of this we have been able to improve the redeployment process moving forward. A three month development programme has been developed to support all employees on the Redeployment Register. This includes:

- Modules on Performance Management, Change Management and Budget Management
- Workshops to develop their skills for submitting job applications and interview preparation.
- Offer of one to one support session with a Human Resources Officer to discuss training requirements linked to desired career routes and aspirations.

6. Support for the organisation to re-model structures as a result of the leavers

6.1 Consultation

The Trade Unions were informed that the Council would be inviting employees to apply for EVR/VS through the formal, Corporate Joint Consultative Committee (JCC) meetings, held between Human Resources (HR) and the Trade Unions. Between September 2010 and December 2010 regular meetings between the Trade Unions, The Interim Chief Executive and the Head of Human Resources and Organisational Development were held to specifically discuss the EVR/VS process, proposed HR policy changes and the budget situation. These meetings were in addition to the Corporate JCC meetings which are held every three weeks. Meetings also took place between the Trade Unions, The Leader of the Council and The Deputy Leader of The Council, and with the Director of Finance, to discuss the financial situation and the EVR/VS proposals and process. An issues log was maintained to ensure that the consultation process was structured, and issues responded too.

6.2 Employees who could not be released

The Council were not able to agree 351 EVR/VS applications. All employees whose request for EVR/VS was refused received a letter outlining the exact reasons for the refusal. Prior to receipt of this letter, Managers met with those employees to inform them their request had not been approved and explained the reasons why. A special briefing was communicated to all managers so that there was consistent communication for all these employees.

Employees who were refused had the right to appeal against the decision. Details of how to appeal and an appeal form were included in the letter sent to unsuccessful applicants. A total of 127 appeals were received. Each appeal was reviewed to establish whether the decision not to release the individual was appropriate. The relevant Chief Officers were asked to reconsider their decision based on the information outlined in the employee’s appeal form. The response from the Chief

Officers was then considered by The Interim Chief Executive who made the final decision in relation to all appeals.

Of the 127 appeals received 110 were not upheld, and 17 were upheld and released before July 2011.

7. Support for all managers and employees delivering in a smaller, re-modelled organisation

7.1 Service remodelling

Following the EVR/VS exercise it was necessary to make changes to posts and structures within Departments to ensure the continuation of service provision. In order to deliver service remodelling, the Council's budget 2011/12 included £2 million to meet the remodelling costs. The £2 million comprised of the budget required by Chief Officers to re-model the structures. When the proposals were in place, the Chief Officer bid for funding to the Strategic Change Board, and then determined either by officers through the appropriate delegated authority to make the changes; or via The Employment and Appointments Committee.

7.2 Support for managers and employees: re-modelling

“Facing the Future” – Development and support for managers and employees

The “Facing the Future” Programme was designed to support both managers and employees remaining at the Council following the EVR/VS exercise. The programme was launched in December 2010 and ran through to June 2011. The programme included:

- Change Workshops, tailored for Senior Managers, Managers, Team Leaders and employees.
- Coaching and Mentoring opportunities which focused on working through/ leading or championing change.
- Team Coaching for teams who have been affected by changes.
- “Lean Lite” learning which focused on how to improve processes and remove waste from activities.
- The “Managing through Difficult Times” Suite which included:-
 - Motivation and Influencing Skills
 - Managing Stress
 - Managing Performance and having difficult conversations
 - Aligning Visions: a behavioural change programme to help people see how their personal beliefs impact on others and the organisation.

Managing and Supporting Stress

Two e-learning modules were designed and made available to all employees included non- computer based employees. In addition, the “Stress Buster” module was developed to assist all employees in managing and dealing with stress. This

was supported by The “Managing Stress” module which was aimed at managers dealing with stress personally and within their teams. Participation rates to date show that 30% of managers and 16% of employees have completed the relevant modules. Work is on-going to increase the uptake.

7.3 The Future

One Training Plan: Skills for Wirral

In order to support the organisation going forward, a programme of development and training has been designed to offer managers the best possible support to take their service into the future. The Skills for Wirral Managers, and Skills for Wirral employees programmes, comprise a wide range of skills development opportunities as well as policy based training and professional development.

The Skills for Wirral Autumn programme has a specific focus on managing performance and attendance, as these are current priorities for the organisation. The face to face programme is supported by a suite of e-learning modules that allow busy managers to learn at their desks. The Skills for Wirral Autumn programme is attached at Appendix Six.

Improved Leadership and Performance Management

Along with the work around developing the culture of the organisation, the organisation’s approach to performance management will be brought forward for consideration and approval by The Employment and Appointments Committee in September 2011.

The purpose of a robust approach to performance management is to improve the workforce and clarify expectations of employees. In doing so the organisation will ensure that employees are not only supported at a time of rapid change but are recognised for achievements and given appropriate learning and development support.

In addition a new “Leadership and Management Expectations” framework sets out the key components of a manager’s role, to be clear about the role of managers.

The expected outcome of this approach will see all employees contributing to the Council’s objectives by ensuring that we have a well led, skilled, committed and flexible workforce working on behalf of Wirral residents.

Culture, Values and Behaviours

In order to enable the organisation to step up to the changes ahead and to support the performance management a new set of organisational Values and Behaviours is being developed all will be brought forward to The Employment and Appointments Committee for consideration. .

8. Improved communication to ensure that all employees were communicated with effectively

In order to support the organisational change taking place, a targeted communication campaign was planned and delivered. This was aimed at managers and employees across the whole organisation, and comprised a number of strands, including:

Chief Officer and Heads of Service Briefings

Briefings were held on three occasions between October 2010 to June 2011. The briefings provided key information, direction, facts and figures for the organisations senior managers. The Chief Executive led the sessions and invited feedback and discussion from those present. Key messages were cascaded and future plans made clear including information on the EVR/VS process..

One Brief

The One Brief communication was established as the main channel for communicating organisational news across the Council, including the EVR/VS exercise. The One Brief process was accompanied with a clear expectation that all employees should receive a face to face roll out briefing within seven days of the One Brief being published.

The One Brief sought to clearly outline the current stage of the EVR/VS process and keep employees updated on the numbers of employees leaving the Council, and how the Council would move forward. The One Brief approach also encouraged two way communication by asking employees for feedback and questions. These questions were fed back to the appropriate place and responses returned.

One Council

The One Council magazine was already used across the organisation to share news and information with all employees. This method of communication was utilised to reinforce organisational messages in relation to the EVR/VS exercise. One Council featured articles such as "Support and advice offered to leavers" and "How we are supporting people who have left". These articles served to keep employees updated with developments on EVR/VS and the support available for those leaving. Previous copies of all One Council articles are available on the Council's intranet.

The Council Intranet

The intranet was updated regularly throughout the EVR/VS exercise. Articles under the "Change" and "Help and Support" headings provided information on progress in terms of numbers leaving the Council and the support on offer. In addition Frequently Asked Questions were refreshed and posted to help employees gain clarification or further information.

9. Financial Implications

9.1 The financial implications have been highlighted throughout this report.

10. Staffing implications

10.1 The staffing implications have been highlighted throughout this report.

11. Equal opportunities implications

11.1 The equal opportunity implications have been highlighted at 4.5.

11.2 Equality Impact Assessment (EIA)

(a) Is an EIA required? Yes

(b) If 'yes', has one been completed? Yes

12. Community safety implications

12.1 There are no community safety implications.

13. Local Agenda 21 implications

13.1 There are no Local Agenda 21 implications.

14. Planning implications

14.1 There are no planning implications.

15. Anti-poverty implications

15.1 There are no anti-poverty implications.

16. Social inclusion implications

16.1 There are no social inclusion implications.

17. Local Member Support implications

17.1 There are no local Member support implications

18. Background Papers

18.1 There are no background papers for this report

19. Recommendations

The Overview and Scrutiny Committee is recommended to:

- i. Note the detail of this report in relation to the EVR/VS exercise and organisational change.

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APPENDICES:

Appendix One: EVR/VS leavers
Appendix Two: Outline of "Planning for the Future" Programme
Appendix Three: Attendance numbers: "Planning for the Future" Programme
Appendix Four: Breakdown of employees affected by the 9 December 2010 Cabinet
Appendix Five: Outline of the Redeployment Support Programme
Appendix Six: Skills for Wirral Autumn Programme

SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Employment and Appointments Committee	23 November 2010
Cabinet	9 December 2010
Council	13 December 2010
Employment and Appointments Committee	27 January 2011
Cabinet	18 March 2010