

Report of Chief Officer Employment and Skills

Report to Director of Children's Services

Date: 28 August 2015

Subject: Employment and Skills Service Review

Are specific electoral Wards affected? If relevant, name(s) of Ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for Call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, Access to Information Procedure Rule number: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

- 1 The Employment and Skills service directly delivers activity to service users and commissions activity from a wide range of learning providers and third sector organisations to deliver employability skills and the City's informal adult learning provision. Increasingly the service works with and through partnerships, at both the city and Leeds City Region level, to secure and align external funds, shape and deliver local skills provision and employment support services. It continues to deliver to a high standard verified by inspection and deliver improved outcomes for local residents and businesses year on year.
- 2 A number of recent and imminent changes will impact the way in which the service will need to operate. These include the transfer of staff delivering Information, Advice and Guidance services to Citizens and Communities Directorate to enable integrated service delivery within Community Hubs; a number of staff have left through the Early Leavers Initiative; revised priorities and changing levels of resource linked to the expiry and commencement of externally funded programmes; and the introduction of revised HR policies and procedures.
- 3 To ensure that the service can continue to meet the Best Council Plan 2013-17 objectives of supporting communities and promoting inclusive and sustainable economic growth, a review has been undertaken of the service covering staff numbers, roles and responsibilities to ensure that staff can continue to be effectively deployed to meet these business needs. Staff and trade unions have been consulted on the proposed way forward.

Recommendations

- 4 The Deputy Director of Children's Services is asked to approve the changes proposed to the staffing structure including the deletion of 9 posts and the application of the Managing Staff Reductions policy for 4 members of staff identified as being at risk of redundancy.

1 Purpose of this report

- 1.1 This report sets out the keys issues to be addressed through the review of the Employment and Skills service covering staff numbers, roles and responsibilities to ensure that staff can continue to be effectively deployed to meet business needs.
- 1.2 The report proposes a staffing reduction in accordance with the Leeds City Council Managing Staffing Reductions Policy. This decision has been subject to consultation with staff and with trade unions.

2 Background information

- 2.1 The service directly delivers activity to service users and commissions activity from learning providers and third sector organisations to deliver outreach work, employability skills and job brokerage and the City's informal adult learning provision.
- 2.2 Increasingly the service works with and through partner agencies and local learning institutions to improve the city's employment support and skills provision to better meet the needs of business and local residents. As a local delivery partner, the service supports the Leeds City Region Enterprise Partnership and West Yorkshire Combined Authority to secure, shape and deliver devolved services.
- 2.3 The service engages with over 600 businesses each year to assist them to meet their recruitment needs from within local communities and encourages and supports them to invest in skills to meet their workforce development needs. The service supports over 12,000 local residents each year with employment support services; 9,000 residents with skills training and learning opportunities; over 9,000 young people with information, advice and guidance and employability skills training.
- 2.4 The service has an approved structure of 45.4fte, occupied by 48 staff at a total cost of £1,223,894 supported by £2,062,610 net revenue budget which includes £580,510 of external funding supporting staffing. Staff are currently organised into 4 key service areas, Projects and Programmes, Education Business Partnership, Employment Leeds and Communities and Partnerships.
- 2.5 A number of recent changes have created the need to further review service structures and resources including:-
- a number of staff leaving the organisation through the Early Leaver's Initiative
 - the transfer of the Jobshop function and 24 staff to the Citizens and Communities Directorate to enable integrated services to be delivered within Community Hubs
 - the expiry of time limited funds
 - the continuing need to demonstrate efficiencies and value for money and
 - the implementation of new HR policies in particular the flexibility protocol.
- 2.6 The service review takes place in the context of revised corporate HR policies and procedures including the Flexibility Protocol and Managing Staff Reductions Policy.

3 Main issues

3.1 Communities and Partnerships.

- 3.1.1 This service area leads on community outreach and locality and partnership working supporting service engagement with the 10 Community Committees and the elected member champions for Employment, Skills and Welfare and 3 Employment and Skills partnership boards. It also co-ordinates and supports on service planning and development and cross service activities such as quality assurance, performance

management and communications. Until recently it is also directly managed the IAG services delivered to local residents through Jobshops.

- 3.1.2 The recent key change has been the transfer of 24 staff delivering IAG services in Jobshops to the Citizens and Communities Directorate to support an integrated service offer in Community Hubs. The service will commission the Community Hubs to provide the Information Advice and Guidance (IAG) services to local residents in the wider context of planned and managed supply and demand side interventions for which they will retain the professional responsibility and accountability.
- 3.1.3 Posts selected for the above transfer were identified on the basis of current responsibilities matched to the front line delivery requirements within hubs. 3 supervisory posts within Jobshops did not transfer as a new management structure had yet to be established for the hubs.

3.2. **Employment Leeds / Education Business Partnership**

- 3.2.1 Alignment of business facing programmes has enabled greater joint working between the two teams and enabled the departure of the two Heads of Service under the Early Leaver's Initiative and the deletion of one of these posts. The proposed changes seek to formalise the operational arrangements that now underpins a revised and more coherent offer to business within a sector focused work programme and to mitigate the expiry of time limited funding for the Apprenticeship Hub programme.

3.3 **Projects and Programmes**

- 3.3.1 The team currently commissions a range of services from around 40 providers from the public, private and third sectors. It is proposed to increase the capacity of the team to shape and deliver a growing work programme linked to the increased opportunities through the Leeds City Region Growth Deal, European Structural Funds and the Devolution Deal. These provide the opportunity to secure and or align additional resources to better meet local needs. Additional capacity is required to engage at a senior level with key stakeholders at the City Region level to broker new partnerships and delivery arrangements. It proposed that an additional PO6 post is added to the team to lead on this work on a day to day basis.

3.4 **Administrative Support**

- 3.4.1 The need for administrative support has been reviewed across the service. The merger of teams and the ongoing implementation of new ICT management information systems to support performance and contract management reduces the administrative support and supervision required.

3.5 **Staffing reductions**

- 3.5.1 The current staff complement is 48 fte and the current staffing structure is shown at Appendix 1. The Service currently engage two specialist agency staff to deliver community learning provision on a sessional basis. The proposed structure reflecting the changes described is shown at Appendix 2. It is proposed that all staff appointed to acting positions more than 12 months ago following a competitive recruitment process be consolidated into post at their acting rather than their substantive grade.
- 3.5.2 Based on the approved financial plans for 2015/16 and the delivery requirements of the Employment and Skills Service, it is proposed to fix the staffing complement at 39fte. Reductions in FTEs are also detailed in table 1 below.

Table 1 – proposed staffing reductions

Grade	Current	Proposed	Change	Comments
CO	1	1	0	
HoS	3	3	0	
PO6	6	6	0	
PO3	4	4	0	
PO2	8	6	-2	1 person already redeployed via the Talent Pool 1 vacant post being deleted
PO1	4	4	0	
SO2	8	5	-3	1 vacant post being deleted 2 posts selected for redundancy have a specific remit which is no longer required within the service.
SO1	6	5	-1	Reduction of 1 post is that of an admin manager role. The remit of this role is not required within the service going forward.
C3	1	1	0	
C1	3	3	0	
LSC 1D	1	0	-1	This post is a B3 equivalent. The remit of this role is not required within the service going forward.
B1	1	0	-1	The remit of this role is not required within the service going forward.
A1	2	1	-1	Deletion of a vacant post
Total	48	39	-9	

3.5.3 It is proposed to reduce the number of posts on the structure by 9 ftes in total but as a result of vacant posts and activity to redeploy staff, only 4 members of staff would potentially be impacted. Details of these reductions are shown in Table 2 below.

Table 2 - Details of the Proposed Redundancies

Job role and grade	Current FTE	Proposed FTE	Reduction of FTE	Likely method of reduction (e.g. voluntary severance / voluntary reduction in hours / compulsory redundancy)
SO2 Community Engagement Officer	2.0	0.0	2.0	Redundancy
SO1 Admin Manager	1.0	0.0	1.0	Redundancy
B1 Support Officer	1.0	0.0	1.0	Redundancy
Total FTE Reduction	4.0	0.0	4.0	

3.5.4 As this is a total staffing reduction, there is no requirement for selection criteria to be applied. To date, two members of staff have accepted temporary appointments to cover maternity leave vacancies and two members of staff are being actively matched to vacancies through the talent pool. These staff will continue to be supported to take

advantage of any opportunities for flexible deployment but will potentially be at risk of redundancy and will be managed in line with the Managing Staff Reductions Policy. Given the current levels of customer facing roles and administrative vacancies it is anticipated that all these staff can be deployed to other posts within the Council.

3.5.5 The provisional timetable for individual consultation meetings for staff selected for redundancy is:-

- Individual Consultation Meetings: provisional: w/c 07/08/2015
- Decision Outcome Meeting: provisional: w/c 14/09/2015
- Appeal: provisional: w/c 21/09/2015

3.6 Job descriptions

3.6.1 The service job descriptions developed 3 years ago largely remain relevant and only require adjustment to the designations. Further revisions will be required once the current corporate work on Job Families is complete and the Better Business Management Administration workstream is implemented.

3.6.2 The exceptions to the above are the posts in the merged Employment Leeds and Education Business Partnership team where job descriptions have been revised to reflect the broader role and requirement for flexible working across this business facing service. The revised job descriptions are not fundamentally changed but are subject to Job Evaluation, are currently being consulted on with the staff team.

4 Corporate Considerations

4.1 Consultation and Engagement

4.1.1 This proposal has been prepared following consultation with the Executive Member Employment, Enterprise and Opportunity. The scale of the proposal has also been discussed with colleagues from Finance regarding the wider budget implications for the service.

4.1.2 Consultation with staff in scope and trade unions colleagues commenced on 24 June 2015. The consultation aimed to seek agreement on the proposed changes to the service and the action to be taken to avoid and or reduce the number of dismissals and mitigate the consequences of dismissals.

4.1.3 The Chief Officer provided briefings to all staff on the service review proposals and the process for implementation under the Managing Staff Reductions policy on 24 and 25 June. Staff were provided with copies of the proposals via the service Sharepoint site and the opportunity to raise queries and concerns and provide feedback through team and individual meetings, by phone and e-mail.

4.1.4 Trade Unions were advised of the proposals on 8 May through the City Development Joint Consultative Committee and then at the Children's Services Joint Steering Group meeting on 8 July following the transfer of the service between the two directorates. Briefings were offered to the individual trade unions and meetings took place with representatives of Unison on 15 July and GMB on 16 July. The formal consultation on proposed staff redundancies under the Managing Staff Reductions policy commenced on 15 July and a meeting with staff and trade unions took place on 30 July.

4.1.5 The collective consultation period ended on 28 August 2015. During this period staff and trade unions have raised a number of queries to which responses were provided.

4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 An equality screening was undertaken on 18 May 2015 to establish that appropriate equality issues had been considered in the planning of this proposal.
- 4.2.2 There are 4 members of staff identified as at risk of redundancy and these are all female 3 of the 4 staff identify as BME. The Equality Impact Assessment will be revisited and refreshed throughout the implementation process.

4.3 Council policies and City Priorities

- 4.3.1 The service changes will enable the service to continue to support both individual residents and businesses. It will contribute to Best Council Plan 2013-17 objectives to support communities by addressing poverty and deprivation by helping people into work and promoting sustainable and inclusive economic growth by meeting the workforce skills needs of local businesses.

4.4 Resources and value for money

- 4.4.1 The service review takes account of planned and known funding changes in 2015/16 and 2016/17 arising from the expiry of externally funded programmes that contribute to the staffing budget.
- 4.4.2 Savings of £210k are forecast to be generated this year through the departure of 11 staff in the preceding financial year through the Early Leavers Initiative either because of changes in the level of activity or the cessation of services that no longer represented value for money.
- 4.4.3 The proposed changes arising from the service review will further reduce staff costing by £123.8k These ELI and service review savings will help the service to meet the £142.3k staff savings target and operate within the 2015/16 and the planned 2016/17 budgets.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 This is a significant operational decision which will result in savings of more £100k. The decision will be recorded and published. The decision is not subject to call-in.

4.6 Risk Management

- 4.6.1 There are no significant risk issues arising from this report. In developing these proposals account has been taken of the impact on the service's capacity to meet ongoing responsibilities and those going forward in response to major investments in the city, funding opportunities and the prospects for further devolved powers for the city region. Any additional resources required will be subject to the development of robust business cases and separate approval arrangements in accordance with the council's decision making processes.

5 Recommendations

The Deputy Director of Children's Services is asked to approve the proposed changes to the staffing structure including the deletion of 9 posts and application of the Managing Staff Reductions policy for the 4 members of staff identified as being at risk of redundancy.

6 Background documents¹

¹ The background documents listed in this section are available to download from the Council's website,

6.1 There are no background documents

unless they contain confidential or exempt information. The list of background documents does not include published works.