

Agenda item:

**[No.]**

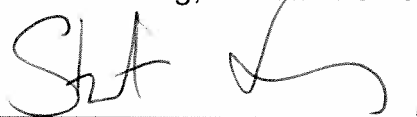
**General Purposes Committee**

**On 23 September 2010**

Report Title. Efficiency Amendment to the Redeployment Policy

Report of Stuart Young, Assistant Chief Executive (People & OD)

Signed :



Contact Officer : Steve Davies, Head of Human Resources, 020 8489 3172

Wards(s) affected: **[All / Some (Specify)]**

Report for: **[Key / Non-Key Decision]**

**1. Purpose of the report**

1.1. In order to make efficiency savings on council expenditure and to streamline the change processes taking place, the report seeks the agreement of the Committee to amend the Redeployment Policy. The proposal takes account of improvements made to the matching of potential redeployees to vacancies and recognises this in the period required to identify matches.

**2. Introduction by Cabinet Member (if necessary)**

2.1. [click here to type]

**3. State link(s) with Council Plan Priorities and actions and /or other Strategies:**

3.1 Links to the council requirement to achieve a balanced budget over the next three financial years.

**4. Recommendations**

That the committee agree –

4.1. To offer all redeployees a period of redeployment to run concurrently with their period of contractual notice. To note that the period is paused when a redeployee is placed in a trial job.

4.2. To use a range of assessment information to determine the interview selection of redeployees for a redeployment opportunity.

## **5. Reason for recommendation(s)**

5.1. Running the redeployment search period concurrently with contractual notice will reduce the pay bill e.g. the average spine point of a redeployee is point 31, four weeks of salary (including on costs) is approximately £2,800 and will enable new staffing structures to be implemented with a minimum of service disruption.

5.2. Over the next three years the number of restructuring exercises will increase, resulting in a reduction of posts and an increase in the number of redeployees. At the same time the number of advertised vacancies available for redeployment will significantly reduce. This will result in more redeployees available for a single redeployment opportunity. In order to help manage this selection process, in addition to an interview, a range of assessment information will be made available to the recruiting manager including a written assessment provided by the redeployee's line manager, the skills information provided by the redeployee and actual employment information provided by HR.

5.3. Improvements to the accuracy of establishment information means that vacancies, including those covered by agency staff, will be more readily identified. This will increase the speed with which the Council is able to determine whether a potential suitable alternative exists. The need for an extended period of search is therefore mitigated. It should be noted that once a trial placement is identified, the redeployment period is paused and restarted if the placement proves unsuccessful.

## **6. Other options considered**

6.1. The option of continuing to offer redeployment in addition to the period of notice has been considered by officers. However, this option will incur salary costs at a time when the Council is forced to reduce its paybill. Given the limited nature of the paybill additional redeployment cost will impact on the sustainability of jobs elsewhere in the Council.

6.2. A survey of 19 other London boroughs was conducted and all confirmed that none of them provide a separate redeployment period before notice of dismissal is issued. All boroughs look for alternative jobs during the period of notice given to the individual.

6.3. There is no practical alternative to a selection process if more than one redeployee is suitable for a single vacancy.

## **7. Service Financial Officer Comments**

8.1 Over the past two years, the average grade of a redeployee was SO1. The average weekly salary including on-costs of an SO1 on spine point 31 is £700. During the two year period 2008/2010, 72 redeployees accepted redundancy and all had received 12 weeks of redeployment. If a concurrent period of redeployment and notice had been in place, a saving of £604,800 would have been obtained.

## **8. Head of Legal Services Comments**

8.1. The Head of Legal Services has been consulted on the content of this report. There is a duty on an employer to consider whether suitable alternative employment is available to offer to employees at risk of dismissal on the grounds of redundancy. There is no implied or express requirement for such consideration to take place over any time scale other than during the period of contractual notice.

## **9. Chief Financial Officer Comments**

10.1 The Chief Financial Officer has been consulted over the contents of this report and concurs that the recommendation should deliver savings to the Council by avoiding costs. Clearly the total in any one year will vary depending on the number and grade of staff becoming redeployees and the figures outlined in paragraph 8.1 are for illustrative purposes only.

## **10. Equalities & Community Cohesion Comments**

10.1. An equality impact assessment survey was conducted when the redeployment policy was updated in March 2010. The survey highlighted that that 71% of all redeployees were in the middle grade range of Sc6 – PO3 (38% of all council staff were in these grades).

10.2. A total of 15 staff were referred to the redeployment register for medical reasons (all were classified as meeting the Disability Discrimination Act criteria), during the period surveyed. This figure represents 11.5% of the total number of redeployees for the same period, but only 0.12% of the workforce. During the same period, 4.8% of all employees classified themselves as disabled, so the number of medical redeployees compared to the workforce was low, but was a significant number of the redeployee group.

10.3. 40% of medical redeployees were successfully redeployed during this period, compared to 44% of the general redeployee group. 60% of medical redeployees were either dismissed following formal sickness absence management or as a result of redundancy compared to 55% of the general redeployee group who were dismissed as a result of redundancy. The figures show that disabled redeployees are not treated disproportionately worse than non-medical redeployees and have a similar success rate in being identified for alternative work.

- 10.4. 61% of redeployees were aged between 35-54 (this age group made up 63% of all council staff), so there are no trends showing that those in either the younger or older age bracket have been particularly targeted for redeployment.
- 10.5. Those coming from a BME background formed 62% of the redeployee group compared to 54% of all council staff who identify themselves as coming from a BME background. However, 54% of the redeployee group were successfully redeployed. These figures are also skewed due to the closure of one unit during the period where 80% of the staff employed were BME. The relatively high number of staff from one unit closure was unusual during the last two years. Equalities Officers analysed the information with HR Officers and could not find discriminatory practice in the way in which redeployment is managed.
- 10.6. The historic data doesn't show any clear trends which can be used to forecast the potential effect on staff groups which may result during the coming period of change. The current situation is likely to impact on all grade levels and as a consequence affect staff at all ages and from a variety of ethnic backgrounds.

#### **11. Local Government (Access to Information) Act 1985**

- 11.1. No documents required to be listed were used in the preparation of this report.