

Barnet Partnership Consultation Proposal – Revenues and Benefits

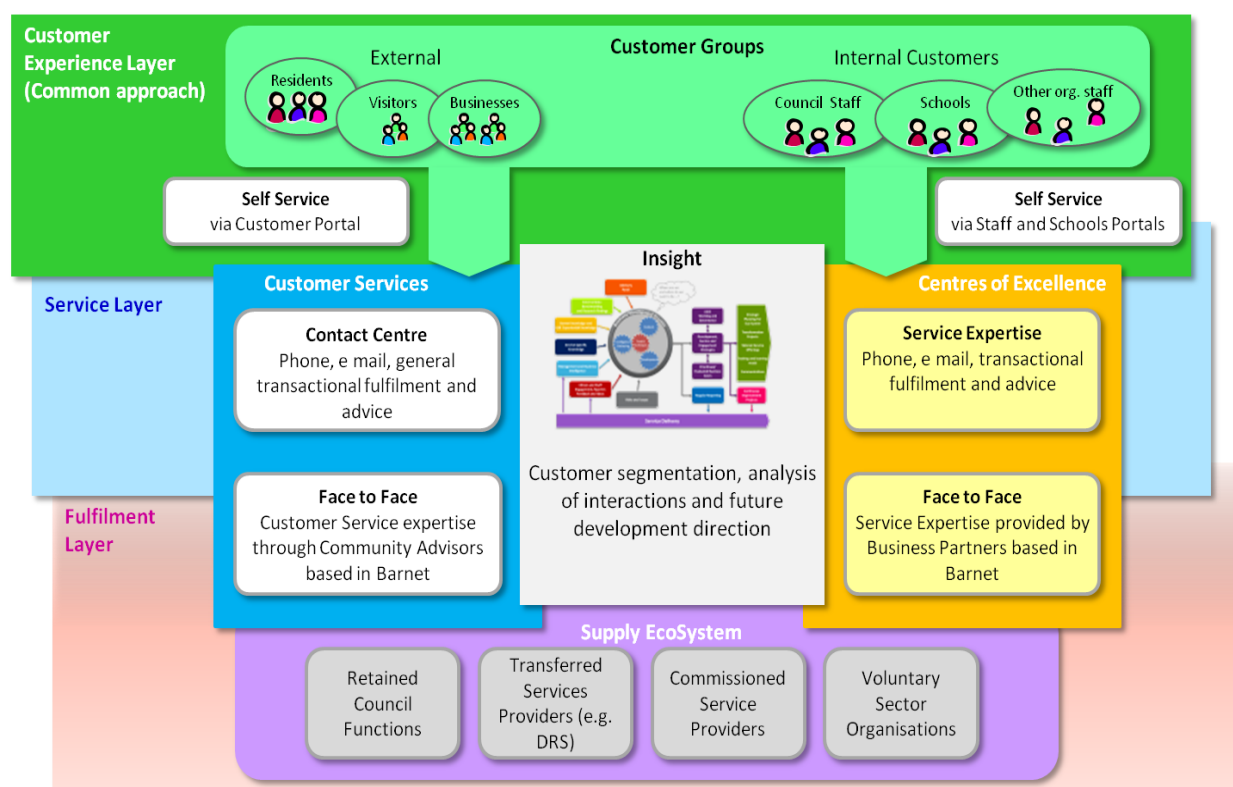
1. Service Commencement

The contract with Capita commenced on 1 September 2013 and 413 Barnet Council employees TUPE transferred to Capita.

2. Background

Since January 2013, Capita have been in consultation with LBB and unions in relation to our proposed measures regarding relocation of work from Barnet to other Capita locations and the proposed headcount reductions, Capita put forward a proposed service solution based on information and data provided by the Council at the time which would support a reduction in the operating cost of the services by at least 45% in real terms over the period of the partnership, saving the Council £125.4 million in the period 2013 to 2024,

The Capita Service Model is identified below:



The proposed new target operating model was presented to employees during a series of service presentation during March 2013 which outlined the proposals and assumption. This included information on the proposed service delivery model, timeline of activities, components of the solution including approach, design, technical and delivery solutions.

Following further meetings with Unions, Capita final measures was issued in August 2013 detailing the final set of assumptions based on the Employee Liability Information (ELI) provided by Barnet council. This summary table is provided below:

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Service Area	Head Count at SCD Barnet	FTE SCD Barnet	Transformation Start Date	Transformation End Date	FTE to remain in Barnet	FTE to migrate outside of Barnet	FTE Reductions	Proposed Locations
Customer Services	61	55.54	Sep-13	Mar-16	19	37.7	6.8	Blackburn and Barnet
Revs and Bens	85	78.12	Oct-13	Jun-14	42.1	62.5	31.6	Blackburn, Bromley and Barnet
Finance	82	70.82	Sep-13	Sep-15	50.73	6.68	38.56	Swindon, Blackburn, Sheffield and Barnet
Information Systems	41	40.81	Sep-13	May-16	24.8	4	24	Chippenham, Weybridge and Barnet
ICT – Schools	8	8	Sep-13	May-16	As above	As above	As above	As Above
Estates	56	54.29	Jan-14	Mar-16	48.51	0	13.72	Barnet
Procurement	5	4.66	Sep-13	Jun-17	TBC	TBC	4	To be confirmed
Corporate Programmes	13	12.39	N/A	N/A	20.9	0	0	Barnet
HR & Payroll	48	44.87	Oct-13	Apr-14	10.5	28.6	18.93	Belfast, Carlisle and Barnet
HR & Payroll (Pensions)	11	10.76	Sep-13	Feb-14	0	7.75	5.01	Darlington, Banstead and Sheffield
Health Safety and Wellbeing	2	2	Sep-13	Mar-14	1.3	0	2.7	Southampton and Barnet

3. Revenues and Benefits Solution:

To deliver the new Target Operating Model (TOM) within the Revenue and Benefits Solution, a number of new elements will be introduced and delivered. They include the following:

- Civica OpenRevenues retained for duration of current contract
- Increased channel shift maximising IEG4 and self-service
- Proactive New Claims Teams to reduce processing times
- Insight Engine
- Targeting and tailoring debt recovery
- Maximising take-up
- Capita Process Automation for straightforward transactions
- Use of e-billing, e-notifications and SMS reminders
- Empowered and recognised Customer Service professionals, delivering a high consistent and high quality service focussed on those most in need of mediated service access
- Back Office processing delivered from Blackburn
- Specialist teams based in Bromley
- Co-design workshops with customers
- Embedded processing teams working alongside Customer Services Proactive intervention for hard-to-reach groups
- Resolution at First Contact
- Guarantees
 - Council Tax overall collection rate
 - Maximising Single Person Discount (SPD) revenue
 - LA Error/Admin Delay below DWP lower threshold

4. Proposed Headcount Reductions and Relocation

As a result of these proposed operational changes and the introduction of new technologies within the new TOM outlined above, it is now necessary to embark on a transformation programme that will include proposals to relocate services to centres of excellence in Blackburn and Bromley and proposed reductions in Headcount.

We are now proposing to enter into a period of consultation, where it is envisaged that there could potentially be voluntary and compulsory redundancies due to the proposals.

Below, you will find a table that confirms the proposed headcount reductions. This information has also been provided in regular intervals in the measures letters that have been provided to Barnet Council, GMB and Unison.

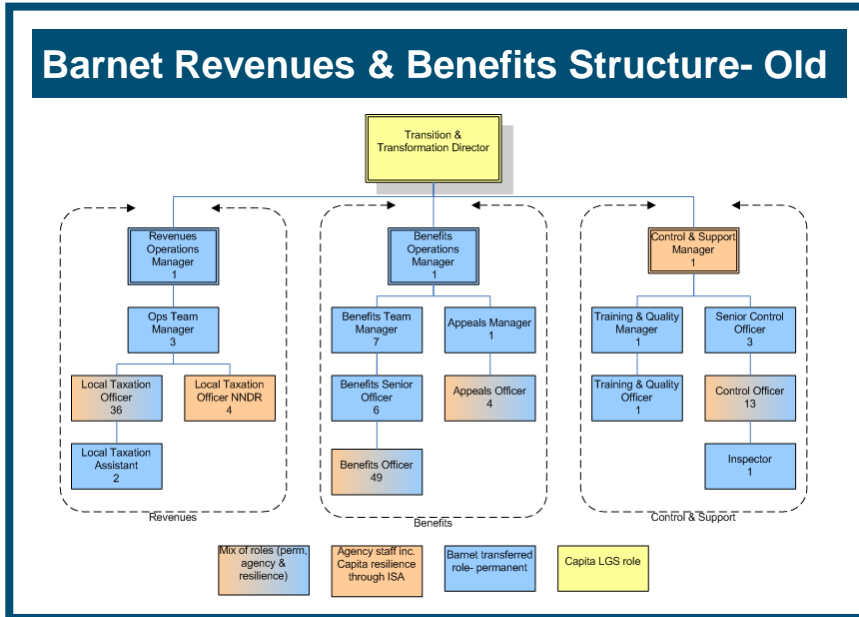
Details of the categories of employees affected by the changes, as follows:

Service Area	Categories	Role Title	Location	Current Headcount	Current FTE	Vacancies at SCD	Transformation Start Date	Transformation End Date	FTE to remain in Barnet	Immigrate outside Barnet	Reductions	Reason for Reduction	Proposed Locations
Revs & Bens	Training & Appeals	Appeals Manager	Barnet	1	1	0	Mar-14	Mar-14	0	1	0	Relocation	Bromley
Revs & Bens	Training & Appeals	Appeals Officer	Barnet	2	1.5	0	Mar-14	Mar-14	0	2	0	Relocation	Bromley
Revs & Bens	Training & Appeals	Training & Quality Manager	Barnet	1	1	0	Mar-14	Mar-14	0	1	0	Relocation	Bromley
Revs & Bens	Training & Appeals	Training & Quality Officer	Barnet	1	1	0	Mar-14	Mar-14	0	1	0	Relocation	Bromley
Revs & Bens	Control	Senior Control Officer	Barnet	3	3	0	May-14	May-14	0	3	0	Relocation	Bromley
Revs & Bens	Control	Control Officer	Barnet	5	5	0	May-14	May-14	0	5	0	Relocation	Bromley
Revs & Bens	Control	Benefit Info Mgmt Support Officer	Barnet	1	1	0	May-14	May-14	0	1	0	Relocation	Bromley
Revs & Bens	Revs & Bens	Ops Team Manager	Barnet	2	2	0	Jun-14	Jun-14	1	1	0	Relocation	Blackburn
Revs & Bens	Bens	Benefits Ops Team Manager	Barnet	5	5	0	Mar-14	Mar-14	2	3	0	Relocation	Blackburn
Revs & Bens	Bens	Senior Benefits Officer	Barnet	6	5.39	0	Jun-14	Jun-14	3	3	0	Relocation	Blackburn
Revs & Bens	Bens	Housing Benefits Officer	Barnet	34	30.54	0	Mar-14	Jun-14	18	16	0	Relocation	Blackburn
Revs & Bens	Bens	Benefits Senior Assessor-Rent	Barnet	1	1	0	N/A	N/A	1	0	0	N/A	N/A
Revs & Bens	Bens	Benefits Liaison Officer	Barnet	1	1	0	Feb-14	Feb-14	0	1	0	Relocation	Blackburn
Revs & Bens	Revs	Revenues Ops Team Manager	Barnet	3	3	0	Mar-14	Jun-14	1	2	0	Relocation	Blackburn

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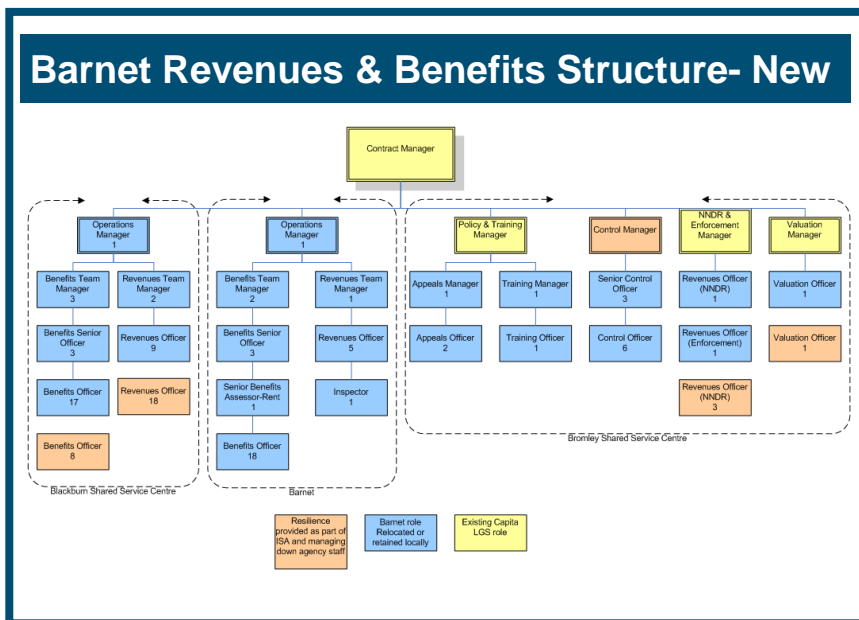
Revs & Bens	Revs	Local Taxation Officer	Barnet	16	13.69	0	Mar-14	Jun-14	5	11	0	Relocation	Bromley & Blackburn
Revs & Bens	Revs	Valuation Officer	Barnet	1	1	0	Feb-14	Feb-14	0	1	0	Relocation	Bromley
Revs & Bens	Revs	Inspector	Barnet	1	1	0	N/A	N/A	1	0	0	N/A	N/A
Totals				84	77.12	0			32	52	0		

Details of the categories of employees affected by the changes, as follows:



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The above is how the current structure of Revenues and Benefits exists in Barnet currently, whilst the structure chart below highlights the post consultation structure of Revenues and Benefits in Barnet Council



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5. Mitigation of Redundancies

It is important to stress that we are taking, and will continue to take, steps to reduce costs in the other key areas of our cost base to mitigate the need to reduce our headcount wherever possible however the savings targets required by the Council inevitably require significant changes to the cost base.

Some areas we will review to minimise the impact of redundancies include:

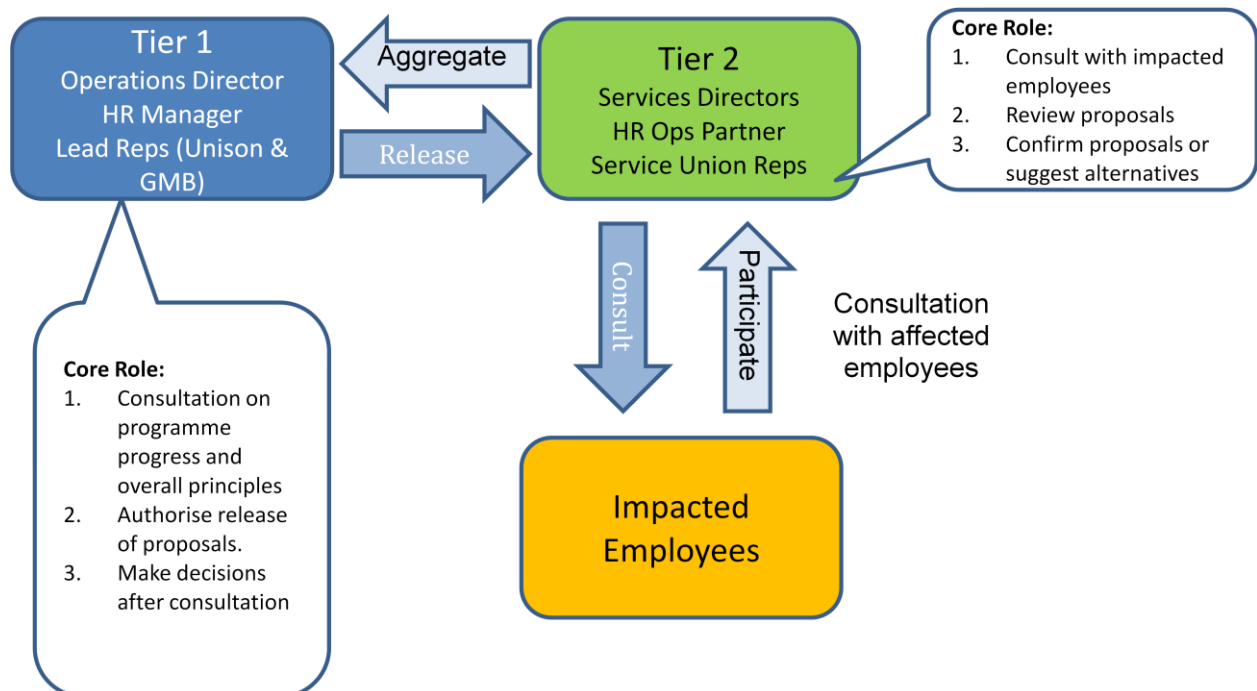
- Rationalisation of Temporary and Agency staff already in post, and releasing these staff where possible.
- Exploring alternative options to delivering the services and meeting the Council's requirements including KPIs and PI's
- Looking at potential redeployment opportunities within the Barnet Council contract and wider Capita group

6. Consultation Approach

Capita intend to consult with recognised Trade Unions (Unison and GMB) on behalf of the effected staff.

Consultation Governance

It is proposed consultation is on 2 Tier structure, as identified below:



Below is a list of the individuals who will be leading the consultation processes:

<i>Project Team –</i>
Tier One Team:
Anna Earnshaw (AE)
Kelly Hall (KH)
Adrian McShane-Chapman (AMC)

Tier Two Team:
John de la Rue (JdIR)
Andy Taylor (AT)
Emma Bouglas
Adrian McShane-Chapman (AMC)

Below is a timetable of activities that will be performed during the process, and by when each element of the consultation process will be completed.

Timetable of Key Activities

Time Scale	Activity	Owner
Prior to DAY 1	Tier 1 Consultation team - Meeting with Unions to advise position and discuss approach to consultation for Transformation – 2 Tier approach. If applying selection criteria discuss and agree approach to selection for restructure and redundancy. Discuss and agree process of seeking redeployment.	AE, KH, AMC AE, JDLR, KH
	Brief managers and assess immediate training areas i.e. at risk 121s.	AMC
	Write announcement – includes business rationale, numbers and types of employees.	JDLR, AMC
	Finalise content of at risk letter, scripts, and presentations.	JDLR, AMC
	Make arrangements for where the announcement will take place, other comms arrangements i.e. Q&A email	AMC, Comms
	Prepare at risk packs and include suggested selection criteria, new roles if applicable, timetable of events and Q&A.	AMC, Admin
	Notify BIS to advise of programme (HR1).	AMC, KH, AE, Comms
Announcement Day – TBC (DAY 1)	Announcement and briefing to all employees, placed at risk of redundancy including issuing at risk packs, contact absent employees.	AMC, JDLR
	Issue announcement to wider Barnet partnership and retained council.	Comms
	Tier 2 consultation group - Meeting with Unison and GMB reps. Provide consultation document and timescales to reps and agree selection criteria if required. Discuss relocation proposals, suggested redundancy selection criteria, consider avoidance of redundancies.	JDLR, AMC
	Formally write to Unison and GMB to advise of programme with copy of HR1	AMC, KH, AE, Comms
	If applicable advise of new positions available to apply for – give brief details and outline of timescales.	JDLR, AMC

w/c Week 1 & Week 2	<p>If selection agreed with Unison/GMB then apply the criteria and calculate redundancy payments and request pension figures.</p> <p>If selection criteria not agreed then continue discussions with Unison/GMB until agreement sought</p> <p>If no selection, discuss proposals for site relocation, suitable alternative employment & redeployment.</p>	AMC, JDLR
	Request applications or expressions of interest in any new positions	Ops
	Q&A sessions for managers who will carry out 121s	AMC, JDLR
	Prepare redundancy calculations for all at risk if selection/relocation agreed.	AMC, Pensions
w/c Week 2 and Week 3	Complete 121s for those people at risk to include Preference exercise (redundancy, redeployment). Discuss potential redundancy figures / career aspirations / request CVs to Group HR for circulation	Ops, AMC
	If selection criteria, agree selection criteria and apply – for redundancy and redeployment	Ops
	Review Q&A	JDLR, AMC
	Tier 2 - Weekly consultation meetings with Unison and GMB – hold 2 nd Meeting	JDLR, AMC
	Start sifting and selecting applications for any new positions	Ops
	Complete site information packs – applicable for relocations (to cover local information and site visits approach)	Comms, Ops, AMC
Week 4	Tier 1 Consultation review and update with Unison and GMB	AE, KH, AMC
	Send out interview request letters for new positions and carry out interviews for same.	Ops
	Tier 2 – Weekly consultation meeting with appointed representatives – hold 3 rd meeting	JDLR, AMC
Week 5, 6 & 7	Identify successful and non-successful applicants for new jobs , or selection for redundancy including calibration of scores if needed, subject to appeals from non-successful applicants.	Ops
	Prepare and issue appropriate documentation	
	Tier 2 - Weekly consultation meetings with appointed Representatives – hold 4 th & 5 th	JDLR, AMC
	Confirm appointments for those selected to new roles once the appeals process has been	Ops

	completed.	
	Decide Start Dates for New Roles.	
	Tier 2 - Weekly consultation meetings with appointed Representatives – hold 6 th meeting to review who has obtained alternative employment, discuss PILON/Garden leave	JDLR, AMC
	Identify those who will be selected for redundancy, based on the selection criteria; who has obtained alternative employment or positions in new structure.	Ops
Week 8 -11	Tier 1 Consultation review and update with Unison and GMB – hold 3 rd meeting	AE, KH, AMC
	Update Q&A	AMC, JD LR
	Tier 2 – weekly consultation meetings, update on process, outcomes of selection, redeployment successes	AMC, JD LR
Week 12	Tier 1 Consultation team - Meeting with Unions to advise position and discuss approach to consultation for Transformation – 2 Tier approach. If applying selection criteria discuss and agree approach to selection for restructure and redundancy. Discuss and agree process of seeking redeployment.	AE, KH, AMC
	Brief managers and assess immediate training areas i.e. at risk 121s.	JDLR, AMC
	Write announcement – includes business rationale, numbers and types of employees.	JDLR, AM C, Admin
Week 13 - 14	Finalise content of at risk letter, scripts, and presentations.	TBC
	Make arrangements for where the announcement will take place, other comms arrangements i.e. Q&A email	TBC
Week 14 plus	Prepare at risk packs and include suggested selection criteria, new roles if applicable, timetable of events and Q&A.	AMC, Ops
	Notify BIS to advise of programme (HR1).	AMC, Ops

7. Selection Criteria

Where it has not been possible to avoid making employees redundant it is proposed that objective criteria will be defined to enable the objective selection of employees to be made redundant.

The proposed selection criteria will primarily be based on a selection matrix made up including criteria relating to Knowledge, skills and Experience, Absence, Disciplinary record and cost of redundancy. Illustrative criteria are provided including details of the scoring criteria can be found in Appendix 1.

8. Suitable Alternative Roles and Redeployment

The jointly agreed Principles of Suitable Alternative Employment and Redeployment (SAE) (v4) will apply. Capita recognises that during the proposed transformation programmes some employees will be affected by circumstances that may mean a change of job. The SAE recognises this and the principles outlined will be followed, these can be found in Appendix 2.

9. Relocation

The Revenues and Benefits proposals include the relocation of the majority of services to Centres of Excellence located in Darwen and Bromley, some specialist services will remain in Barnet including Senior Benefits Assessors (Rents) and the Revenues and Benefits Inspectors.

For Roles identified in scope to relocate, Capita do not consider the proposed locations as suitable alternative locations to the employee's current work location and therefore any preference to relocate with the service will be discussed on an individual basis.

For employees that may wish to explore the possibilities of relocation Capita will support by discussing with them the potential for site visits and provide information packs for proposed new site locations.

10. Home working

It is proposed that the current use of home working for Benefits Assessors will continue. Within the model it is proposed that there will be 9 Home workers. These roles will be pooled and ring fenced for all Benefits Assessors and a selection assessment will be completed. Capita recognise the value of Home Working, and we see that this provides us with an excellent opportunity to retain local knowledge. The roles currently filled by home workers are the new claims and temporary accommodation teams currently attached to Barnet House and Burnt Oak Library.

11. Preferencing Exercise

It is proposed that all employees will be invited to a one-to-one meeting at early stages of the consultation process to discuss their individual preferences; this will include requests for voluntary redundancy, redeployment to alternative roles including relocation, and discussions on career aspirations.

The decision to award voluntary redundancy or individual preferences outside of the formal consultation process will be at the business absolute discretion and will include consideration of, amongst other things, financial and organisational issues.

12. Redundancy Payment & Calculations

Employees will receive redundancy pay as per their individual contractual terms and conditions of employment.

For LBB TUPE employees, the Council redundancy terms transferred will apply, which are:

Week's pay (Annual pensionable salary / 52.14) multiply by the requisite number of weeks as set out in the statutory redundancy pay table.

APPENDIX 1 - Proposed Redundancy Selection

Criteria	Description	Points
Knowledge, skills and experience	Based on knowledge, Skills and Experience. Assessment based on competency based interviewing.	Full Match 20 points No match 0 points
Qualifications	Based on essential and desirable qualifications or equivalent listed in the person specification for the new role. Less weight should be given to desirable qualifications. If no qualification is specified on the person specification maximum points should be given.	Full Match 10 points No Match 0 points
Absence	Based on the employee's recorded absence for each of the previous 3 years to date. Sickness absence does not include pregnancy related absence, disability related as defined by the Disability Discrimination Act and Industrial injuries accepted by the Council's insurance section.	10 = no absence 7 = absence below trigger level 5 = meeting trigger point but informal action 1-4 = formal caution/warning 0 = final caution
Capability	Be based on procedures informal/formal that have commenced and been discussed fully with the employee in the past 3 years to date	10 = no action 7 = informal action 5 = first written warning 0 = final warning short of dismissal
Disciplinary record	Based on information past 3 years to date.	10 = highest (no disciplinary record) 7 = informal action 5 = first written warning 0 = final warning short of dismissal

APPENDIX 2 - SAE

Principles of Suitable Alternative Employment and Redeployment

Capita recognises that during the proposed transition and transformation programmes, some employees will be affected by circumstances that may mean a change of job. Where this is the case, Capita will apply the following principles:

Situation <i>Example only</i>	Terms and Conditions to apply
1. Re-Deployment into a Suitable alternative role (no change job stay's in Barnet)	<ul style="list-style-type: none"> • Barnet contractual TUPE Terms & Conditions • *Barnet Pension (ABS) • Policies and Procedure applicable to Capita/LBB contract (T&C Matrix)
2. Re-Deployment into a Suitable Alternative role (covering some or all of Barnet work) in Capita Local Government contracts	<ul style="list-style-type: none"> • Barnet contractual TUPE Terms & Conditions • *Barnet Pension (ABS) • Policies and Procedure applicable to Capita/LBB contract (T&C Matrix)
3. Re-Deployment into an Alternative role within Barnet, working on Barnet work (& no increase in salary or responsibilities)	<ul style="list-style-type: none"> • Barnet contractual TUPE Terms and Conditions • *Barnet Pension (ABS) • Policies and Procedure applicable to Capita/LBB contract (T&C Matrix)
4. Re-deployment into an Alternative role within Capita Local Government contracts	<ul style="list-style-type: none"> • Capita Terms & Conditions • Capita Pension if not working on Barnet work • Barnet ABS if doing alternative role on Barnet work • Capita Policies and procedures at point of moving to new role
5. Redeployment into an Alternative role within Capita	<ul style="list-style-type: none"> • Capita Terms & Conditions • Capita Pension • Capita Policies and procedures at point of moving to new role

Suitable alternative employment:

Capita considers a Job to be a suitable alternative if the new Job has the same or very similar:

- Content and responsibilities
- Status
- Salary / Remuneration Package
- Reasonable travelling distance
- Required Knowledge, Skills, Experience and Qualification (if required)

The above situations are *examples* that cover a variety of mitigating routes that might apply for individuals who are displaced. This principle provides an optimum number of opportunities for an individual to avoid being made redundant. Each scenario has different implications and a different level of discretion that the employee has to exercise depending on their preferences and personal circumstances.

Capita will offer the employee a trial period of at least four weeks in their new suitable alternative job. Where training is required, the trial period may be extended by mutual agreement. Should either party decide that the trial period is unsuccessful; the employee may be made redundant, on their transferred redundancy terms. Where the trial period is successful the employee will be confirmed in the job with the associated terms and conditions.

Employees who unreasonably refuse an offer of suitable alternative employment may lose any entitlement to redundancy pay. Unreasonable refusal may apply where the differences between the new and the old job are negligible, or where an employee assumes rather than investigates the change that a new job might involve, for example, travelling time or working conditions.

Capita will facilitate employees to explore via extranet the widest available opportunities of suitable alternative employment in order to mitigate a redundancy risk.

Alternative employment:

We recognized that employees within Barnet may have other transferrable skills and experience from their past work history and may want to also look at ways to mitigate redundancy by reviewing wider opportunities within the larger Capita Organisation which may not be suitable alternatives to their Barnet roles.

Where an employee has been successful in applying and being offered an alternative role i.e. one that is not deemed to be a suitable alternative, there will be a trial period of a minimum of 4 weeks. Should either party decide that the trial period is unsuccessful the employee may be made redundant, on their transferred redundancy terms. Should the trial period be successful the employee will be confirmed in the role on the terms and conditions associated with that role.

Reasonable travelling distance:

Capita will determine this on a case-by-case basis, acknowledging that individual circumstances will be different. The following will be used to inform a decision on whether the distance to be travelled as a result of relocation is reasonable:

- Mode of transportation
- Length and type of journey
- Dependant arrangements (e.g. childcare, elderly parents)
- Working patterns

The above is not an exhaustive list, but are the key factors taken into account when assessing the reasonableness of a different commute and an individual's circumstances.

***Condition of LBB pension:**

- As part of the admitted body status agreement that we have engaged in with LBB, in order for an employee to remain in the LLB pension and employee must carry out some Barnet work in their role. If for any reason the criteria is not met, the individual's pension will be deferred and they will be offered Capita's money purchase scheme.