

EAST HERTS COUNCIL

LOCAL JOINT PANEL – 11 DECEMBER 2007

REPORT BY THE SECRETARY OF THE STAFF SIDE

6 (D) BUSINESS SUPPORT SERVICES STRUCTURE – STAFF CONSULTATION

WARD(S) AFFECTED:      None

RECOMMENDATION - that (A) the process of meaningful consultation with staff and employee representatives on the proposals for Business Support Services Structure takes place, and

(B) that ‘meaningful’ be determined by reference to the Council’s own policy on ‘Achieving Organisational Change’ and to The *Information and Consultation of Employees Regulations 2004* (SI 2004/3426).

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1.0 Purpose/Summary of Report

1.1 To make Panel Members aware of the process adopted for approving the proposed new structure for Business Support Services and to stress the importance of staff consultation.

2.0 Contribution to the Council’s Corporate Priorities/Objectives

2.1 Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.

3.0 Background

3.1 A report was presented to CMT on 27 November 2007 on the proposals for the Business Support Services structure, (Appendix A pages 6.14 – 6.22) with recommendations which the Staff Side believe were approved.

3.2 A draft report had previously been emailed to all staff affected, other Heads of Service and UNISON on 1 November with a deadline for responses of 16 November. Although some meetings with staff had been held prior to this, the draft proposals had not been seen until 1

November and at no time was a consultation meeting held with UNISON.

- 3.3 A number of staff and UNISON sent written comments to either the head of the service or the director and some of these were selected and 'summarised' within the final report presented to CMT. (The UNISON comments are attached in full in Appendix B (pages 6.23 – 6.25).

#### 4.0 Report

- 4.1 The Staff Side would question whether this process constitutes meaningful consultation as described in the following way by the CIPD:

*The Regulations define consultation as 'the exchange of views and establishment of dialogue' between the employer and employees or employee representatives. Consultation must be timely insofar as the company decision-making process is concerned, with management providing sufficient information to employee representatives, allowing for employee representatives to prepare a study, formulate an opinion, submit it to management, and to receive management's feedback on that opinion. On decisions that are likely to lead to substantial changes in work organisation, or contractual relations, consultation must be carried out 'with a view to reaching agreement'.*

- 4.2 The Staff Side is particularly concerned that a decision may have been reached by CMT without the benefit of having seen the original comments and views expressed.

- 4.3 If the proposals have been approved, the new structure will go ahead without the support of the vast majority of its staff who have strong reservations about the viability of the new structure and about the impact the changes will have on individual members of the service. The CIPD has emphasised the importance of fully engaging employees in the decision making process.

*Research shows that organisations that involve and engage their employees in matters that affect their employment experience are likely to benefit through increased motivation and commitment. The CIPD report 'Understanding the people and performance link: unlocking the black box' revealed that HR policies that foster staff engagement through involvement in decision-making, job influence, performance appraisal and team working are linked to job satisfaction*

*and motivation. This is not an isolated conclusion. The CIPD report Management choice and employee voice showed that employee voice was seen to contribute to business performance via better employee contributions, improved management systems and productivity gains.*

4.4 The Council, if it imposes changes to employees' jobs and terms and conditions of employment, which are not supported, not only risks ending up with a poorly motivated workforce but also risks losing staff to other organisations or worse still to stress related absence from work.

4.5 The Staff Side is keen to avoid these risks and would ask that further discussions take place before a final decision is made in respect of the new structure. If after having been through a genuine consultation process, the proposals still go through unchanged, at least staff will feel that their voice has been heard and will understand the reasons behind the management decision.

#### 5.0 Consultation

5.1 As detailed above.

#### 6.0 Legal Implications

6.1 There is a risk of a claim for constructive/unfair dismissal being lodged if a contract of employment is breached in any way.

#### 7.0 Financial Implications

7.1 There could be financial implications for the Council if new posts are regarded following job evaluation.

#### 8.0 Human Resource Implications

8.1 As detailed above.

#### Background Papers

None

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