

26th November 2012**Agenda Item: 10 - amended****REPORT OF THE GROUP MANAGER, OPERATIONAL POLICY AND
PERFORMANCE****REVISED STRUCTURE FOR COUNTY ENTERPRISE FOODS****Purpose of the Report**

1. The purpose of the report is to seek approval to establish a revised structure for County Enterprise Foods Nottinghamshire, with effect from 31st January 2013, which will reduce the level of subsidy required from the County Council by £105,174 a year.

Information and Advice

2. County Enterprise Foods (CEF), which provides a meals service to service users in their own homes, comprises of a production factory in Worksop which produces frozen and chilled meals and two distribution units based in Rainworth and Warwick that deliver hot, frozen or chilled meals to service users across Nottinghamshire and Warwickshire. The production factory employs a total of 44 staff, of which, 26 are disabled employees on the Work Choice¹ programme.
3. From March 2012 to May 2012 a marketing campaign was undertaken to help promote County Enterprise Foods meals at home service and to increase the take up of service users. At a cost of £8,000, the campaign activity included leaflets with attractive new photography; improved advertising on bus shelters; development and launch of a brand new website; social media advertising; and positive case studies in the local media and partners newsletters. The campaign proved successful with an initial and significant increase in referrals. A current campaign with leaflets being sent by direct mail to 110,000 elderly Nottinghamshire residents is hoping to have a similar positive result. The initial results demonstrate the importance of investing in resources for marketing, both in budget and staff time, to sustain meal numbers and maintain the service to the community.
4. As part of the wider and ongoing review of commercial activity at CEF Nottinghamshire, a review of the staff structure has been undertaken to identify opportunities to reduce the level of subsidy required from the County Council.

¹ **Work Choice** - Work Choice is a government supported employment programme designed specifically for people who due to their disability, may find it difficult to find or keep a job.

Work Choice enables people to find and retain work by identifying their needs and providing the necessary support to fit their requirements. It is often the stepping stone into full unsupported employment for many people.

5. The established structure includes a number of vacant posts that have remained unused for some time but which have never been formally disestablished following previous restructures of the service. The posts had been retained so that they could respond to an increase in demand for meals. The structure has now been reviewed to establish how many driver posts, in particular, are needed to deliver the meals. It is proposed that these unused posts, which are listed below, should be disestablished with effect from 31st January 2013. These posts have not been allocated a budget in 2012/13 and therefore no saving will be realised as a result of this activity.
- 1 fte (37 hours) Reviewing Officer (Grade 5 scp 24-28)
 - 13.62 fte (503.94 hours) Drivers (Grade 2 SCP 9-13)
 - 1 fte (37 hours) Administration Assistant (Grade 2 SCP 9-13).
6. The staff structure that CEF is currently operating within is shown in **Appendix 1** of this report. This structure requires a payroll budget of £1,605,107. Consideration has been given to the staff structure in order to identify opportunities to reduce the subsidy requirement. In line with the County Council's vacancy control process this has included scrutiny of all vacancies arising and consideration of expressions of interest in voluntary redundancy received from the staff group.
7. A proposed new structure for CEF Nottinghamshire is shown in **Appendix 2**. The overall impact of the proposed structure will be a reduction of 3.63 FTE posts which will reduce the payroll cost by £105,174 a year to £1,499,933 a year.
8. Implementation of the proposed new structure is predicated on the following activity:
- a. It is proposed that the following 2.63 fte posts, which are currently vacant, are disestablished, with effect from 31st January 2013:
 - 1 fte (37 hours) Operations Manager Production (Hay Band B SCP 34-39)
 - 1 fte (37 hours) Unit Operations Assistant (Grade 2 SCP 9-13)
 - 0.38 fte (14.06 hours) Operations frontline supervisory staff (Grade 4 SCP 19-23)
 - 0.25 fte (9.25 hours) Production/delivery frontline supervisory staff (Grade 3 SCP14-18).
 - b. It is proposed that the following post is disestablished with effect from 31st January 2013:
 - 1 fte (37 hours) Operations Supervisor Distribution (Grade 5 SCP 24-28).

The post holder has been consulted with and an alternative post has been identified in the new structure for the post holder. Taking into account the statutory consultation period, this post can be disestablished with effect from 31st January 2013.
 - c. It is proposed that the existing 1 fte temporary post of Team Leader Market Development and Operations (Hay Band B SCP 34-39) is permanently established as from 31st January 2013. This post which was established on a temporary basis in 2008 manages the marketing strategy for CEF which is vital to the operation's ability to maintain existing business and to identify new opportunities for income generation.

9. The proposed structure has been designed taking into account Nottinghamshire County Council's organisational design principles on tiers of management and spans of control. There is, however, an additional supervision function built within the frontline team in order to satisfy the support requirements of the disabled employees working within the service.

Other Options Considered

10. Consideration has been given to the standardisation of the contractual hours worked by the drivers and kitchen staff. Following a period of consultation with the staff group and their recognised trade union representatives it has been concluded that this proposal should not be progressed at this time. The reasons for this are that there are other changes taking place in the department that staff are currently required to adapt to, for example the removal of the cash payment option, and because the proposal to standardise contractual hours would not in itself deliver any significant savings.

Reason for Recommendation

11. The establishment of the proposed new structure for County Enterprise Foods Nottinghamshire will reduce the annual payroll budget by £105,174.

Statutory and Policy Implications

This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Implications for Service Users

12. The proposed changes will have no impact on the way the meals service is delivered to service users; however the reduction in payroll will mean that County Enterprise Foods is providing a more cost effective meals provision to the residents of Nottinghamshire.

Financial Implications

13. If the proposals are implemented as recommended, savings of £74,353 will be delivered during 2012/13. The full year savings from April 2013 onwards will be £105,174.
14. Only one post proposed for disestablishment is currently occupied and an alternative opportunity has been identified for the post holder within the new structure. Therefore the County Council will not need to make any compulsory redundancies to achieve the proposed new structure.

Equalities Implications

15. The changes in respect of County Enterprise Foods will deliver savings and allow Nottinghamshire County Council to continue to provide a meals service to vulnerable adults in Nottinghamshire.

Human Resources Implications

16. As highlighted in the main body of the report, the Operations Supervisor Distribution post is currently occupied. An alternative vacant post has been identified in the new structure for the post holder.
17. In addition to the changes described in this report it is proposed that, in accordance with the rest of the department, management responsibility for the 4.78 fte administration posts in the new structure will transfer to central Business Support Officers on 31st January 2013. The net budget for these posts is £91,557 which will reduce the staffing budget in County Enterprise Foods to £1,412,882.

RECOMMENDATION/S

In order to implement a revised staff structure for CEF Nottinghamshire, as shown in **Appendix 2**, it is recommended that Members approve the following proposals:

1. The disestablishment of the following un-used and already vacant posts with effect from 31st January 2013:
 - 1 fte (37 hours) Reviewing Officer (Grade 5 SCP 24-28)
 - 13.62 fte (503.94 hours) Drivers (Grade 2 SCP 9-13)
 - 1 fte (37 hours) Administration Assistant (Grade 2 SCP 9-13)
 - 1 fte (37 hours) Operations Manager Production (Hay Band B SCP 34-39)
 - 1 fte (37 hours) Unit Operations Assistant (Grade 2 SCP 9-13)
 - 0.38 fte (14.06 hours) Operations front line supervisory staff (Grade 4 SCP 19-23)
 - 0.25 fte (9.25 hours) Production/delivery front line supervisory staff (Grade 3 SCP 14-18)
2. The disestablishment of the following post with effect from 31st January 2013:
 - 1 fte (37 hours) Operations Supervisor Distribution (Grade 5 SCP 24-28)
3. The permanent establishment of Team Leader Market Development and Operations post (Hay Band B SCP 34-39), with effect from 31st January 2013.

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Constitutional Comments (GS 05/11/2012)

18. The Adult Social Care and Health Committee is responsible for approving relevant staffing structures and is the appropriate body to consider the content of this report. The Employment Procedure Rules set out in the Constitution state that the report should include the required advice and human resources comments, and that the recognised trade unions will be consulted on all proposed changes to staffing structures.

Financial Comments (TMR 16/11/2012)

19. [The financial implications are as contained in the report.](#)

Background Papers

None.

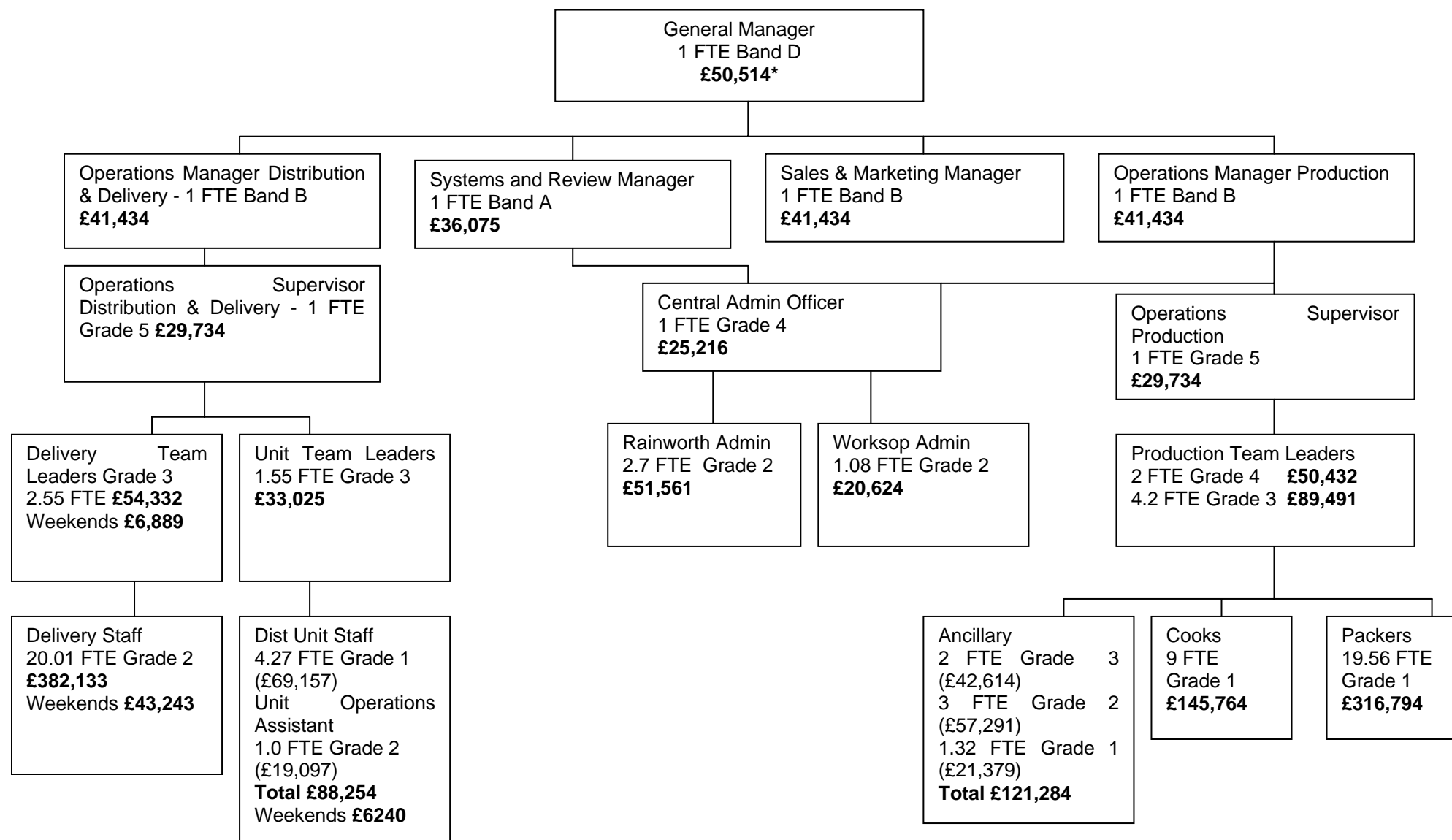
Electoral Division(s) and Member(s) Affected

All.

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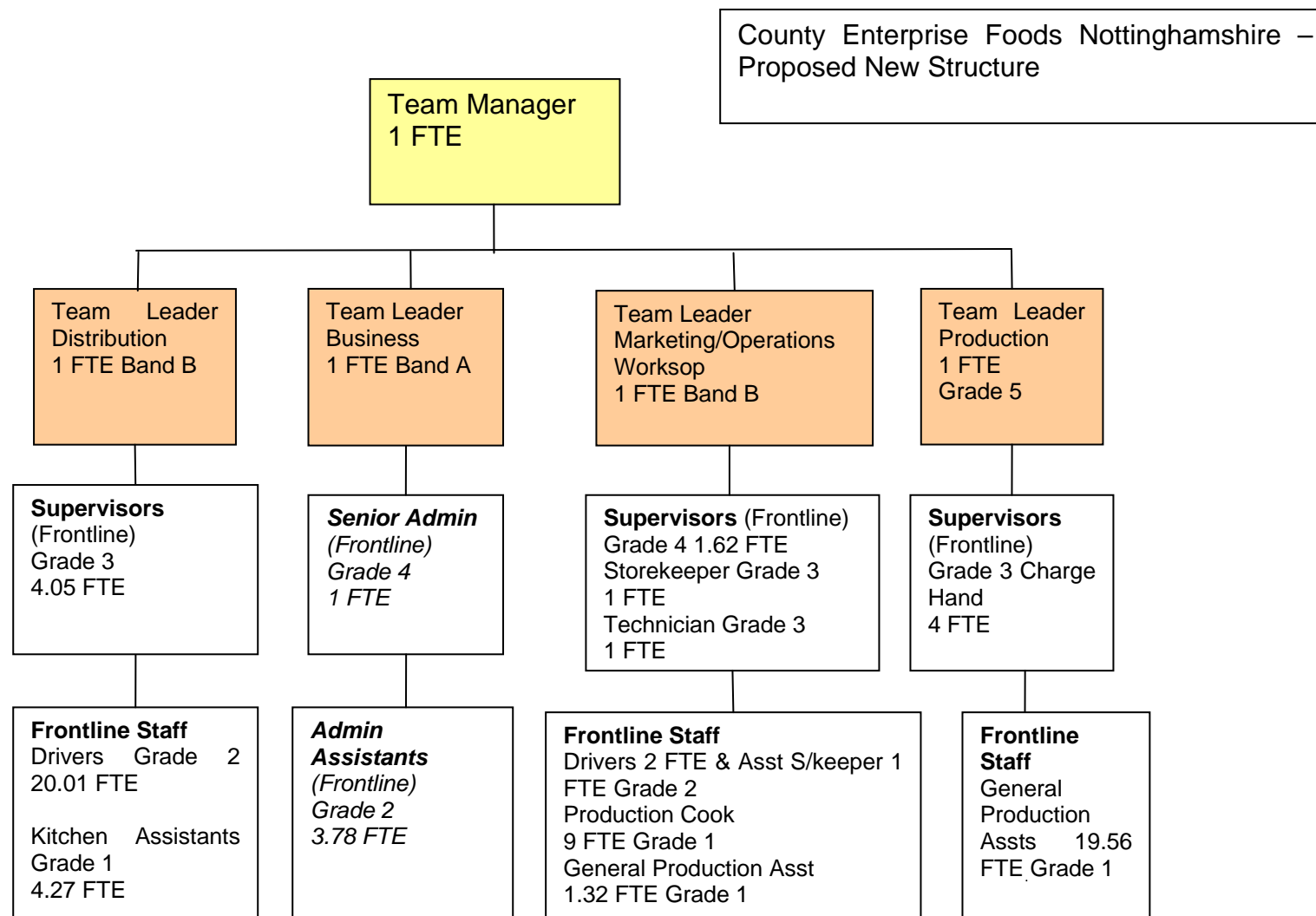
County Enterprise Foods - Meals at Home Service

Operating Structure



* Costs are shown at the top of the band and inclusive of on costs

APPENDIX 2



* Costs are shown at the top of the band and inclusive of on costs