

Birmingham City Council

Report to Cabinet

17 September 2019



Subject: OPTIONS APPRAISAL FOR NEXT STAGE OF EARLY YEARS HEALTH & WELLBEING CONTRACT

Report of: Dr Tim O'Neill
Director for Education and Skills

Relevant Cabinet Member: Cllr Kate Booth - Children's Wellbeing
Cllr Paulette Hamilton - Health and Social Care
Cllr Tristan Chatfield - Finance and Resources

Relevant O &S Chair(s): Cllr Kath Scott- Education and Children's Social Care
Cllr Rob Pocock - Health and Social Care
Cllr Sir Albert Bore - Resources

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Are specific wards affected?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No – All wards affected
If yes, name(s) of ward(s):		
Is this a key decision?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, add Forward Plan Reference: 005639/2018		
Is the decision eligible for call-in?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Does the report contain confidential or exempt information?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
If relevant, provide exempt information paragraph number or reason if confidential:		
4 - Information relating to consultations or negotiations in connection with employment matters.		
5 - Information covered by legal professional privilege.		

1 Executive Summary

- 1.1 There are 103 Council employees from the Children's Centres that were previously delivered directly by the Council or Maintained Schools who are currently seconded to three of the four partners (Barnardos, Spurgeons and St

Pauls Community Development Trust) of Birmingham Community Healthcare NHS Foundation Trust (BCHC) following the award of the Early Years Health and Wellbeing contract. This secondment was for a period of up to 24 months from the 8th January 2018 on their Council terms and conditions, including collective bargaining and Trade Union recognition. The Council is responsible for the overall management of the employees including the payment of wages and pension contributions during the secondment period. It was agreed by all parties that at the end of the secondment period, (originally January 2019 and subsequently extended until January 2020), that the principles of TUPE would apply.

- 1.2 The early years health and wellbeing contract went “live” on the 8th January 2018. BCHC and their partners have since rebranded the service as Birmingham Forward Steps.
- 1.3 During the period of the secondment the Council has retained payroll responsibility for the employees who have continued to work in line with Council policies and procedures. Day to day management support, training and supervision is provided by their line manager within the BCHC partnership. A service redesign has taken place during the period of the secondment to enable the new model to be mobilised.
- 1.4 Increased costs have been incurred by the Council as a result of the secondment specifically in relation to VAT and maintaining the salary costs for employees who are on long term sickness or Maternity Leave. Full year costs of £680,000 have been incurred during 2018-19. Costs incurred to date (up to Period 4) during 2019-20 are £164,000, which comprise £125,000 on VAT costs and £39,000 for long term sickness and maternity cover.
- 1.5 TU recognition for the purposes of collective bargaining by the third sector partners has still not been resolved. The trade unions are still seeking the full recognition for trade unions to transfer with employees and the partners of BCHC are not willing to voluntarily recognise the Council’s trade unions for the purposes of collective bargaining.
- 1.6 The TUPE legislation does not require the incoming organisations to transfer/recognise existing trade union recognition agreements for the purposes of collective bargaining. Similarly, the Council is not able to mandate trade union recognition through the policy framework (the Birmingham Business Charter for Social Responsibility), and the Service Specification issued did not state that the transfer of trade union recognition was required or that provisions for collective bargaining needed to be in place. As the Birmingham Forward Steps partners were not willing to recognise Trade Unions for this purpose, it was agreed to second the Council staff whilst a resolution to the situation was sought.
- 1.7 Previous Cabinet reports have not specifically set out what happens to the Council staff following the end of the secondment period. This report sets out the options available and makes a recommendation as to next steps. **Appendix 1 - Exempt Information** sets out a risk analysis for the Council staff currently seconded to the

Birmingham Forward Steps organisations for a decision to be reached on a preferred approach.

2 Recommendations

That Cabinet:

- 2.1 Approves the revised approach and transfers all Council staff currently seconded to Birmingham Forward Step partners, to Birmingham Community Healthcare NHS Foundation Trust (BCHC) subject to access to the NHS pension scheme being granted as set out in option 2 (paragraph 4.3 of this report).
- 2.2 Delegates to the Director for Education and Skills, the Director for Human Resources, and the City Solicitor (or their Deputies), acting together, and in consultation with the Cabinet Member for Finance and Resources, to undertake consultation with the staff and implementation of the decision arising from consideration by Cabinet of recommendation 2.1 above.
- 2.3 Requires that in the event that staff affected are not permitted access to the NHS pension scheme a further report to Cabinet be presented to fully consider the remaining alternative options (paragraph 4.4 and 4.5 of this report).

3 Background

- 3.1 The transformation to the Early Years Health and Wellbeing Services delivered in Birmingham has been undertaken to improve the outcomes for children and families by seeking to ensure that every child has an equal chance to have a good start in life; and to deliver upon the Council's approved Budget Plan by reducing the overall cost of the service offer through the development of a more integrated and efficient service model.
- 3.2 A new service specification was developed in consultation with the public and stakeholders to bring together the 76 previous contracts for health visiting services, children's centre services and parenting support services into a single integrated system under the management of a single lead organisation.
- 3.3 Prior to the procurement process, the Council was a direct provider of one third of the children's centres in the city. During the procurement process the Council confirmed that it would not seek to continue to deliver or manage services in the new model and that TUPE would apply. The procurement process was undertaken in line with the principles outlined in the Birmingham Business Charter for Social Responsibility which aims to help the local economy by supporting local businesses; creating jobs and making sure workers are paid a fair wage.
- 3.4 The tender submitted by Birmingham Community Healthcare NHS Foundation Trust (BCHC) was scored the best in terms of both quality and price; this formed the recommendation to Cabinet to proceed with the contract award. BCHC submitted their tender as a Partnership bid with sub-contractor partners identified all of which are third sector providers.

- 3.5 The outcome of the competitive tender process on the 18th April 2017 awarded the contract for the new service to Birmingham Community Healthcare NHS Foundation Trust (BCHC).
- 3.6 The operational delivery model included the early years element of the service (children's centres) being delivered by their third sector partners (Barnardos, Spurgeons, St Pauls Community Development Trust and the Springfield Project) as part of an integrated service.
- 3.7 Subsequent to the award concerns started to be raised by staff and their unions about their employment rights. These concerns escalated into a formal Union dispute from GMB and Unison. All but one aspect of the disputes was resolved; the outstanding concern was in relation to the staff's rights to ongoing Trade Union recognition for the purpose of collective bargaining.
- 3.8 The organisations that the Council staff would have transferred to under TUPE (all of which are voluntary and community sector organisations) did not have trade union agreements in place that parallel those of the Council. Not all recognised Trade Unions for collective bargaining. Detailed below is the recognition arrangements of each of the Partners:
- BCHC do recognise Unions in this way. GMB is not currently a union that is worked with but BCHC have set out that they are prepared to recognise GMB as over 90% of the transferring staff are members of GMB.
 - Barnardo's similarly do not recognise GMB and have a sole union agreement with Unison.
 - Spurgeons as a relatively small voluntary sector organisation, have no formal recognition agreements with any Trade Union.
 - The Springfield Project do recognise the rights of all employees belonging to an independent Trade Union.
 - St Pauls Community Development Trust do recognise the rights of all employees belonging to an independent Trade Union.
- 3.9 All partners confirmed that staff would be able to have representation, at an individual level, from a Trade Union or representative of their choice.
- 3.10 The TUPE legislation does not require the incoming organisations to transfer/recognise existing trade union recognition agreements for the purposes of collective bargaining. Similarly, the Council is not able to mandate trade union recognition through the policy framework (the Birmingham Business Charter for Social Responsibility), and the Service Specification issued did not state that the transfer of trade union recognition was required or that provisions for collective bargaining needed to be in place.
- 3.11 To seek to resolve the impasse and progress with the mobilisation of the contract without industrial action being sought by the Trade Unions the option of a secondment was presented as a potential temporary solution.

- 3.12 Following extensive consultation with Cabinet Members, CLT and EMT, the Cabinet Report of the 24th October 2017 confirmed that the Council would not support the transfer of staff to organisations who do not fully recognise Trade Unions, and approved the utilisation of a Secondment Agreement for the maximum period of 24 months for the Council employees.
- 3.13 During the negotiations of the terms of the secondment agreement, Officers identified that a service redesign would be necessary in order to bring about the required service changes and to reduce costs, affecting the staffing structure during the secondment period, and raising significantly the level of risk both legally and financially for the Council. This was not known at the time Cabinet agreed to support a secondment of the Council staff in October 2017. A briefing paper was subsequently presented to the Deputy Leader of the Council and the Corporate Director in November 2017 clearly setting out the Legal, Financial and HR risks of proceeding with a secondment.
- 3.14 TU recognition for the purposes of collective bargaining has still not been resolved. The trade unions are still seeking the full recognition for trade unions to transfer with employees and the partners of BCHC are not willing to voluntarily recognise the Council's trade unions for the purposes of collective bargaining. By way of reminder, the law does not require employers to recognise trade unions for the purpose of collective bargaining. Furthermore, the issue of collective bargaining is a matter for the Trade Unions and the partners of BCHC to reach agreement upon and the City Council has no legal obligation to be involved in such discussions or negotiations.
- 3.15 Following a lengthy set of consultation meetings with the Trade Unions and BCHC, a revised approach has been considered that will transfer the Council staff directly to BCHC as the most practical solution for addressing the issues in relation to the Trade Union recognition. BCHC is clear that it remains their view that the best resolution of this issue would be for the staff to transfer to the employment of their partners as originally envisaged, but the best alternative is that the staff transfer to the employment of BCHC.
- 3.16 BCHC has identified a number of risks associated to this for them that will require addressing by the Council and TUs prior to transfer. These include: -

Risk	Likelihood	Severity	Mitigation	Residual Risk
BCHC TU recognition arrangements will not be satisfactory to all Council TUs including GMB	Medium	High	BCHC has written to GMB to confirm that their TU recognition agreement will be amended once staff are employed by BCHC to include GMB as 90% of the transferring staff are	Low

			members of GMB.	
The Local Government Pension Scheme arrangements are not transferable, and the comparable NHS pension scheme may not be accessible for the BCC staff	High	High	BCHC is applying to the Secretary of State to enable the employees to have access to the NHS pension scheme which is a comparable alternative.	Medium
Identifying and defining future legal liabilities that might arise from the transfer process	Low	Medium	The Council clearly identified this in the Secondment Agreement and the indemnity will be carried across to the TUPE transfer.	Low
Operational delivery will be through the partners of BCHC and there is a requirement for an ongoing secondment for the staff to the partners from BCHC for the duration of the contract	High	Low	This is a matter for BCHC to determine with the partners and it is not for the Council to enter into any discussions in relation to this.	Low
Ongoing employment liabilities at the end of the contract period as future commissioning requirements will include a right for all staff currently engaged in the EYHWB contract to TUPE either to an alternative provider or back to the Council in the event of Insourcing	High	Medium	This is the case with all contracts commissioned by the Council and is a known and understood risk.	Medium

3.17 The Cabinet report delegated the authority to negotiate and approve the terms of the secondment agreement for the Council employees, to the then Cabinet Member for Children, Families and Schools and the then Interim Corporate

Director for Children and Young People, in conjunction with the Director of Human Resources, the City Solicitor and the Interim Chief Finance Officer (or their delegates). It also authorised the same to implement the secondment agreement.

- 3.18 103 Council employees from the Children's Centres that were previously delivered directly by the Council or Maintained Schools were then seconded for 12 months from the 8th January 2018 taking with them their BCC terms and conditions including collective bargaining and TU recognition. The Secondment Agreement was extended by a further 6 months until the 8th July 2019 and again until 8th January 2020, in order to allow for alternative options to be explored following the impasse between the Trade Unions and the host partner organisations.
- 3.19 The contract went "live" on the 8th January 2018. BCHC and their partners have since rebranded the early years health and wellbeing service as Birmingham Forward Steps.
- 3.20 Previous Cabinet reports have not specifically set out what happens to the Council staff following the end of the secondment period in January 2020. This report sets out the options available and a risk analysis for the Council staff currently seconded to the Birmingham Forward Steps organisations in order for a decision to be reached on a preferred approach.

4 Options considered and Recommended Proposal

- 4.1 Four different options have been considered in relation to what should happen with the employees at the end of the current secondment agreement.
- 4.2 ***Option one: BCC Transfer all staff to Birmingham Forward Steps partners as per the Secondment Agreement.*** This is reflective of the wording as set out in the current secondment agreement and is the option that BCHC view as the best resolution to the current position. This is an expectation for staff and all partners have signed the secondment agreement. This option is in accordance with TUPE legislation and carries the least risk in terms of any claims which may be brought by affected staff with regards to TUPE. However, it also carries the highest risk with regards to dissatisfaction from the Trade Unions due to non-recognition of TUs for collective bargaining and disruption to ongoing service delivery which will impact on the outcomes for children that can be achieved.
- 4.3 ***Option two: BCC transfers all staff to BCHC.*** Following a lengthy consultation with Trade Unions and BCHC, a revised approach has been negotiated with BCHC and the Trade Unions which will transfer all the Council seconded staff to BCHC as the most practical solution. BCHC will then second the transferees to its delivery partners. This will also enable greater integrated working. BCHC is not able to offer the same terms and conditions to BCC employees specifically in relation to the Local Government Pension Scheme (LGPS) as it is not and cannot legally become a member of a LGPS and hold Admitted Body Status (it is not a "Care Trust"). BCHC is applying to enable the employees to transfer to the NHS pension scheme which is considered comparable. This is the recommended option

within the context of the impasse of the Trade Union recognition as it provides a relatively low risk in terms of employment liability. However there is higher financial risk as the Council will still be liable for the ongoing costs associated to VAT and in addition reimbursement of the costs incurred by the Birmingham Forward Steps partners in applying for Admitted Body Status. The benefit to this option is that BCHC have full Trade Union recognition including collective bargaining, and staff will have access to the NHS pension scheme, once confirmed by the Secretary of State, which is a comparable alternative to the local government pension scheme. This option will also allow the best opportunity for ongoing service delivery to be maintained without disruption and will lead to better integrated teams.

- 4.4 **Option three: Second staff for the length of the contract term (5 plus 2 years).** To continue the arrangement would only serve to increase the level of risk. The Council would be in breach of the Contract and Secondment Agreement. This option has the highest risk in terms of both employment law and finances. The Council will continue to be responsible for any liabilities or costs relating to the employees, including the costs of any further restructures and have no control over how these decisions are made – but will still be responsible for the liability. These risks are set out in the current Secondment Agreement. This option has a low risk for disruption of ongoing delivery of services as it maintains the status quo.
- 4.5 **Option four: Take back the whole contract by terminating the contract with BCHC.** This is a low employment and procurement risk option but may result in BCHC making a claim for loss of profit and /or opportunity. As a result, there is a high financial risk with option four that would require a full and detailed financial assessment. The decommissioning of this contract would impact on service delivery and has the highest risk of negatively impacting the outcomes that can be achieved. Transition of services would result in a loss of service delivery during the transition period.
- 4.6 The options are considered in detail within **Appendix 1 - Exempt Information.**

5 Consultation

- 5.1 The Early Years Health and Wellbeing Project Board has agreed the proposals to go forward for an Executive decision.
- 5.2 Officers have regularly (at least on a monthly basis) throughout the mobilisation phase of the EYHWB contract, briefed the Cabinet Member for Children Services on the options and direction outlined in this report.
- 5.3 Officers from City Finance, Legal & Governance, Human Resources and Corporate Procurement Services have also been involved in the preparation of this report.
- 5.4 Staff consultation will be undertaken as part of the preparation for the transfer within the TUPE framework.

- 5.5 Trade Unions have been engaged on an ongoing basis with regular meetings taking place with the Assistant Director, HR and Service delivery areas. In addition, meetings have taken place with the HR representatives of each of the partner organisations with the Trade Unions.
- 5.6 Throughout the mobilisation phase of the EYHWB contract, extensive consultation has taken place with the Trade Unions where the options have been worked through together, negotiating the recommended position to ensure the best outcome for staff. All the Trade Unions were asked to confirm their support to this approach; both GMB and Unison have confirmed that they are supportive of this revised approach to transfer the staff to BCHC as opposed to partners of BFS. The other Unions did not respond.
- 5.7 Birmingham Community Healthcare NHS Foundation Trust, as the provider of the new service, and their partners Barnardo's, Spurgeons, St Paul's Community Trust and The Springfield Project have been consulted during the development of this report and support the recommendations as set out in section 2.

6 Risk Management

- 6.1 A detailed Risk Register for the whole commissioned service is being maintained through the Project Management arrangements.
- 6.2 The risk register is attached as **Appendix 2**.

7 Compliance Issues:

7.1 How are the recommended decisions consistent with the City Council's priorities, plans and strategies?

- 7.1.1 One of the Council's top priorities is "Birmingham is an aspirational city to grow up in." This was approved by Cabinet in 2018.
- 7.1.2 The Early Years Health and Wellbeing Service (now being delivered by Birmingham Forward Steps) has been designed and procured to achieve the Council's statement of purpose and commitment:
- 7.1.3 "Every parent wants the best for their children. We want to support this by providing every child living in Birmingham with an equal chance to have a really good start in life. Birmingham City Council feels this will be achieved if every child has a good level of development when they start school. Early Years Services are provided to support parents from the time a child is conceived up until the age of 5. How well a child does in their early years has a huge impact on how they do in the rest of their lives."

7.2 Legal Implications

- 7.2.1 The Council has a number of statutory duties in relation to the provision of services to children and families. The Early Years Health and Wellbeing Service represent the Council's key service offer to families with young

children between the ages of 0 and 5. As such it supports the Council to discharge its duties under the Childcare Act 2006 ("the Act") including:

- Duty on the local authority to improve the well-being of young children and reduce inequalities between them (Section 1 of the Act);
- Duty on the local authority to make arrangements to secure that early childhood services are provided in an integrated manner in order to facilitate access and maximise the benefits of those services to young children and their parents (Section 3 of the Act);
- The above duty on the local authority to make arrangements to secure that early childhood services are provided in an integrated manner must, so far as is reasonably practicable, include arrangements for sufficient provision of children's centres to meet local need (Section 5A of the Act);
- Duty on the local authority to consider whether early childhood services should be provided through children's centres (Section 5E of the Act).

7.2.2 At the end of the secondment period, BCHC and their partners have signed in the Secondment Agreement that the principles of TUPE would apply.

7.2.3 The TUPE Regulations provide that meaningful consultation should take place with employees who are due to transfer and this will be undertaken by the Council prior to the transfer.

7.2.4 The partners of BCHC have now applied for Admitted Body Status in relation to the pension arrangements for Council staff post transfer in preparation for the staff to transfer to the partners as set out in the Secondment Agreement.

7.2.5 The Birmingham Business Charter for Social Responsibility has a set of guiding principles which the Council adheres to and invites all organisations to adopt including all contractors when entering into contracts with the Council. Employers who sign up to the Charter, in relation to being a good employer, agree to: 'recognise employees' rights of freedom of association and collective bargaining...' BCHC is a signatory to the Charter.

7.2.6 Under the TUPE regulations, union recognition only transfers where the business unit keeps its identity and is not merged into the incoming employers' wider organisation. However to maintain good employment relations, the incoming employer should discuss ongoing collective representation arrangements for the transferring employees with the appropriate trade unions, ideally ahead of the transfer.

7.2.7 The partners of BCHC have a view that as the Council employees will not maintain a distinct identity (as they were merged into the incoming employers wider organisation and dispersed across a number of sub-contractors), the Trade Union recognition agreement does not therefore apply as a number of the employer contractors do not recognise Trade

Unions. Whilst the partners of BCHC do not recognise Trade Unions for the purposes of collective bargaining in the same way as the Council does, at each stage the Partners have maintained that they would recognise all Trade Unions for the purpose of representation at hearings and consultation meetings.

- 7.2.8 The Council cannot enforce provisions relating to the recognition of Trade Union collective bargaining as it is not a legal requirement and was not particularised as part of the contract. Any issues relating to Trade Union collective bargaining are the responsibility of the Trade Unions and the proposed new Provider.
- 7.2.9 In line with the TUPE Regulations 2006 where there is a service provision change and a service moves from one provider to another (which applies in the transfer from the Council to the partners of BCHC) TUPE shall apply without exception and employees will transfer on their current terms and conditions of employment.
- 7.2.10 For as long as the current secondment arrangement remains in place, the greater the risk of a potential procurement challenge. Even after the proposed staff transfer, procurement risk would still remain in respect of the period and cost of employee secondment prior to TUPE transfer.
- 7.2.11 Following contract award, the procurement regulations do not allow material amendment to the contract upon which tenderers based their bids.
- 7.2.12 Legal will endeavour to conclude arrangements with BCHC, wherever possible and practicable, with a view to mitigating the risk of any procurement challenge.

7.3 Financial Implications

- 7.3.1 On the 18 April 2017 Cabinet awarded the contract for the Early Years Health and Wellbeing Service to Birmingham Community Healthcare NHS Foundation Trust (BCHC). The award was made following a procurement process which complied with both legislation and Council policy.
- 7.3.2 The Council's Business Plan and Budget 2014+ included a significant budget saving for Early Years. This equated to £7m in 2014/2015 rising to £12m in following years. Further savings were included in the Council's 2015+ Plan, with an additional £1m required in 2016/17 and a further £4.1m in 2017/18, bringing the total savings requirement to £17.1m over the four years.
- 7.3.3 Increased costs have been incurred by the Council as a result of the secondment specifically in relation to VAT and maintaining the salary costs for employees who are long term sickness or on Maternity Leave. This cost equated to £640,098 in 18/19 and is expected to be a recurring cost of £528,000 in addition to the contract cost each year the secondment

agreement is maintained. This is based on additional VAT costs of £408,000 and £120,000 long-term sickness and maternity costs.

7.3.4 The table in **Appendix 1 - Exempt Information** of this report sets out the financial risks associated with the options and where it can be reasonably estimated the additional potential costs. These risks can be mitigated through the ending of the current secondment arrangement.

7.3.5 There are specific financial risks associated to each of the options that have been considered as follows: -

- Option 1: Low financial risk but not an agreeable option due potential industrial relation issues.
- Option 2: Medium financial risk. There are potentially additional financial costs associated to VAT of £408,000 pa. In addition, the Council may be liable for the recouped costs (approx. £6,000 in total) incurred by the Birmingham Forward Steps partners for the application for Admitted Body Status for the local government pension scheme.
- Option 3: Additional financial costs associated to VAT, staff sickness and maternity leave. A total of £528k per annum for each year of the contract.
- Option 4: High financial risk connected to the termination of the contract when there may not be a legal basis to do so.

7.3.6 The whole contract is funded from the Public Health Grant funding.

7.3.7 The Public Health grant is not being used to fund the Early Education Entitlement for 2 to 4 year olds. The service provider specification for the integrated early years programme does include specific actions to improve the uptake of the early education entitlement, but this is funded from outside the ring-fenced grant.

7.3.8 The recommended option will involve the TUPE transfer of staff to BCHC but will not remove the additional VAT cost associated with the secondment agreement as staff will continue to be seconded to the partners from BCHC. It will transfer the financial responsibility for long term sickness and maternity cover avoiding additional annual recurrent costs estimated at £120,000. Any VAT implications (estimated at £408,000 pa) that may arise following the transfer of the staff to BCHC will be the ongoing responsibility of the Council. The additional cost of VAT is accommodated in the Education & Skills forecast in the current year, though there is no ongoing budget provision from 2020/21 onwards, which will be a further cost pressure on the budget of £408,000 per year.

7.3.9 Under a TUPE transfer to BCHC there is a risk that the Birmingham Forward Steps partners will seek to recoup the costs (approx. £6,000 in total) incurred by the Birmingham Forward Steps partners for the application

for Admitted Body Status for the local government pension scheme which have been submitted and will no longer be required.

7.4 Human Resources Implications

- 7.4.1 103 Council employees from the Children's Centres that were previously delivered directly by the Council or Maintained Schools have been seconded for 12 months from the 8th January 2018 taking with them their BCC terms and conditions including collective bargaining and TU recognition. The Secondment Agreement was extended by a further 12 months until the 8th January 2020 in order to allow for alternative options to be explored following the impasse between the Trade Unions and the host partner organisations.
- 7.4.2 Day to day management support, training and supervision is provided by their line manager within the BCHC partnership.
- 7.4.3 A service redesign has taken place during the period of the secondment to enable the new model to be mobilised.
- 7.4.4 Compulsory Redundancy for Council employees has been mitigated through the usual routes of Voluntary Redundancy, Priority Movers and Lateral Moves with any costs associated with Compulsory Redundancy accrued by the Council as a consequence of this redesign being met from the budget for the new contract. To date two employees have been dismissed through Compulsory Redundancy.
- 7.4.5 At the end of the current contract period, future commissioning requirements will include a right for all staff currently engaged in the EYHWB contract (including the transferring BCC staff) to TUPE either to an alternative provider or back to the Council in the event of Insourcing.

7.5 Public Sector Equality Duty

- 7.5.1 A stage 2 Equality Assessment was completed on the local delivery model within the EYHWB contract. This assessment concluded that the new model has a strong potential to improve outcomes for groups with protected characteristics. As this report is a continuation of the previous Cabinet Report a further assessment has not been undertaken.

8 Appendices

- 8.1 Appendix 1 - Exempt Information covering options considered for staff at the end of the current secondment period.
- 8.2 Appendix 2 - Risk Register.

9 Background Documents

- 9.1 Cabinet report - Strategy and Procurement process for the provision of an Early Years' Services of 28 June 2016.

- 9.2 Cabinet report – Contract Award for Early Years Health & Wellbeing Service (C0208) of 18 April 2017.
- 9.3 Cabinet report – Early Years Health and Wellbeing Consultation Feedback and Service Model (003961/2017) of 24 October 2017.