

## **Strathclyde Partnership for Transport**

### **Minute of Personnel Committee meeting**

**14 October 2011**

held at: Consort House, Glasgow

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## Minute of the meeting of the Strathclyde Partnership for Transport's Personnel Committee held in Consort House, Glasgow, on 14 October 2011

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**Present** Councillors Denis McKenna (Chair), Harry Curran, David Fagan, Jonathan Findlay, Alex Glass (deputy), Alan Moir, Archie Graham, Bobby McDill, Bill Perrie and David Wilson and appointed member Alan Malcolm.

**Attending** Valerie Davidson, Assistant Chief Executive (Business Support)/Secretary; Valerie Bowen, Senior Clerk, Eric Stewart, Assistant Chief Executive (Operations) and Bruce Kiloh, Director of Bus Operations.

### 1. Apologies

Apologies were submitted from Councillors Kaye Harmon, Jim McNally and Chris Thompson.

### 2. Declaration of interest

The Committee noted that there were no declarations of interest.

### 3. Minute of previous meeting

The minute of the meeting of 15 April 2011 (issued) was submitted and approved as a correct record.

### 4. Senior Management Structure re-alignment

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There was submitted a report (issued) of 7 October 2011 by the Assistant Chief Executive (Business Support)

- (1) reminding members
  - (a) that in April 2010, the Committee had agreed to a senior management structure which reflected the need to bring greater focus and clarity to the organisation; and
  - (b) that, since then, further re-structuring had been implemented, and would continue to be implemented, to reflect the changing face of public services and SPT's role in serving such;
- (2) intimating that, during this time, the Subway modernisation project had been further developed and all work streams commenced;
- (3) explaining

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that it was proposed to make further adjustments to the senior structure which recognised

- that the projects team was now engaged fully with the Subway modernisation project;
- that the most significant capital spend and critical component of the project was in relation to the new trains with their associated signalling and control systems and the challenging and specialist nature of this work would require the establishment of a senior post to lead and support this;
- that there was a need to re-align the IT department with Business Support as it was recognised that there was a need for SPT to be more innovative in the use of technology opportunities to drive business improvement and efficiency savings; and
- that there was a need to look across the organisation and seek out opportunities for change to ensure that SPT could demonstrate best value in all activities;

(4) appending the current and proposed senior management structures; and

(5) recommending specifically

- (a) that the Director of Projects be responsible to the Assistant Chief Executive (Operations);
- (b) that the IT Manager be responsible to the Assistant Chief Executive (Business Support);
- (c) that the current Director of Subway Operations, a Chartered Engineer, fulfil the new role of Head of Engineering and Development (Subway Modernisation) to take forward the engineering challenges of specifying and procuring new trains, signalling and control systems;
- (d) that the Director of Subway Operations post, which would be responsible for continuing to deliver the current service and drive the change in culture within the current Subway establishment, be advertised; and
- (e) that a Business Improvement Manager post be introduced to release future savings via business improvement and to work with the Communications Team to be a key contact with external stakeholders.

After consideration and having heard Mrs Davidson in answer to members' questions and confirm that the changes would be met from within current budgets, the Partnership approved the revised structure and the creation of the two additional posts as outlined above.

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## 5. **Proposals to restructure Subway**

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With reference to the minute of 15 April 2011 (page 2, paragraph 5) when the committee had

- (1) approved the final structure for an overall Operations management structure, which included Subway operations ; and
- (2) noted that an early priority for the new Operations management team would be to review the structures within their responsibility,

there was submitted a report (issued) of 7 October 2011 by the Assistant Chief Executive (Operations)

- (a) intimating
  - (i) that it was felt that it was appropriate now to extend the restructuring to the remaining Subway functions as there was significant opportunity to improve efficiency, staff empowerment and culture, together with reducing the cost base; and
  - (ii) that the areas covered by the proposals were
    - Operations;
    - Engineering and Maintenance;
    - Permanent Way;
    - Cleaning; and
    - The management structure;
- (b) providing detail on the current and proposed structures and proposed changes to the establishment and working practices which would ultimately reduce the number of posts from 323 to 258 and produce savings on a full year basis of approximately £1.1m;
- (c) explaining
  - (i) that, as the proposed changes, particularly with regard to rolling stock maintenance, would require to be phased over two financial years, an interim structure of 286 full time equivalents would be required during this period;
  - (ii) that all changes to the Subway staffing structure would be subject to consultation with the Office for Rail Regulation which granted the safety authorisation and certification required to operate the Subway; and
  - (iii) that any reductions in the workforce would be achieved where possible with the co-operation of employees through retraining and redeployment, natural wastage, voluntary severance and early or flexible retirement programmes;
- (d) reminding members that the proposals were the first phase of a longer term process of aligning resources to modernisation and technology developments which was a

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fundamental commitment in the Subway Modernisation Business Plan submitted to the Scottish Government; and

- (e) recommending that the committee approve
  - (i) the revised proposed structures, subject to the staff and union consultation process; and
  - (ii) the plans to consult with staff and the recognised Trade Unions on changes to current working practices.

After consideration and having heard Mr Stewart in further explanation and in answer to members' questions, the committee approved the recommendations at (e) above.

## 6. Proposals to restructure Bus Operations

[Click here to view report](#)

With reference to the minute of 15 April 2011 (page 2, paragraph 5) when the committee had

- (1) approved the final structure for an overall Operations Management structure, which included Bus Operations ; and
- (2) noted that an early priority for the new Operations management team would be to review the structures within their responsibility,

there was submitted a report (issued) of 7 October 2011 by the Assistant Chief Executive (Operations)

- (a) intimating
  - (i) that it was felt that it was appropriate now to extend the restructuring to the remaining Bus Operations functions as there was significant opportunity to improve efficiency, staff empowerment and culture, together with reducing the cost base; and
  - (ii) that the areas covered by the proposals were
    - Bus services;
    - Agency services;
    - Operations and security; and
    - Director & Support;
- (b) providing detail on the current and proposed structures and proposed changes to the establishment which would reduce the number of posts from 186 to 170 and produce savings on a full year basis of approximately £430,000;
- (c) explaining that whilst the MyBus contact centre would remain unchanged at present, there might be an opportunity in the future to merge this with its counterpart contact centre, the Travel Card Unit, which looked after concessionary travel card renewals;

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- (d) that any reductions in the workforce would be achieved where possible with the co-operation of employees through retraining and redeployment, natural wastage, voluntary severance and early or flexible retirement programmes; and
- (e) recommending that the committee approve the revised proposed structures, subject to the staff and union consultation process.

After consideration and having heard Mr Kiloh in further explanation, the committee

- (i) approved the recommendation at (e) above; and
- (ii) noted that the savings of up to £430,000 on a full year basis that could be achieved, did not include any savings which might be identified as a result of any future restructuring.

## **7. Update on voluntary severance programme**

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There was submitted and approved a report (issued) of 29 September 2011 by the Assistant Chief Executive (Business Support)

- (1) reminding members that it had been agreed previously to operate a voluntary severance (VS) programme as a tool to reduce headcount and costs;
- (2) informing members
  - (a) that during 2010/2011, 41 members of staff had been accepted for VS; and
  - (b) that, although the cost of the exercise, including pension costs, was approximately £1.1m, it would produce an ongoing saving of approximately £1.3m per annum;
- (3) explaining that the removal of the posts from the establishment had resulted in the displacement of work and other duties and this was being managed carefully throughout the organisation; and
- (4) recommending that the committee
  - (a) note the outcome of the VS programme on the headcount of SPT and the net cost reduction; and
  - (b) agree that VS should continue to be used as an effective tool where a business case could be made.

## **8. Staffing report to the end of 17 September 2011 (period 6)**

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There was submitted and noted a report (issued) of 5 October 2011 by the Assistant Chief Executive (Business Support)

- (1) appending staffing statistics for the period from 1 April to 17 September 2011 which included headcount, sickness absence and equalities data;

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- (2) explaining that the key movements to date were
  - (a) a year to date reduction in total headcount of 21 to 613; and
  - (b) a sickness absence level to date of 3.5%, down from the final absence rate in 2010/2011 of 4.5%; and
- (3) intimating
  - (a) that a managed reduction in SPT's total headcount had been a key element of the budget strategy agreed by the Partnership in the past two years and again on 11 February 2011; and
  - (b) that management of sickness absence was a key element in reducing overall employee costs with significant management time being invested in this area, together with the utilisation of external occupational health providers to support the process.

#### **9. Review of Alcohol & Drugs and Capability policies**

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There was submitted and approved a report (issued) of 28 September 2011 by the Assistant Chief Executive (Business Support)

- (1) appending
  - (a) a draft revised policy on Alcohol and Drugs; and
  - (b) a new, draft Capability Policy which would be used to address performance issues where they related to a member of staff not having the capacity to undertake a job for a variety of reasons;
- (2) informing members that the policies were in compliance with the relevant Code of Practice, clear and understandable, met current legislation and provided a modern streamline approach to alcohol and drugs in the workplace and capability issues; and
- (3) recommending approval of the policies as detailed in the appendices to the report, subject to consultation with the recognised Trade Unions.