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In reply please quote: **TP:cw:A16/0873**

13 December 2016

Mr Michael Coutts-Trotter
Secretary
Department of Family and Community Services
Locked Bag 10,
STRAWBERRY HILLS NSW 2012

Attention: Catherine Carvolth, Director, Employee Relations Safety and Wellbeing
By email: Catherine.carvolth@facsnsw.gov.au

Dear Mr Coutts-Trotter,

Re: Proposed Cluster Operating Model Restructure

I write to you on behalf of the Public Service Association of NSW and refer to our meeting of 1 December 2016 regarding the proposed Cluster Operating Model restructure. Please find enclosed a copy of our submission in response to your agency's proposed change management plan with tracked changes. This submission should be read alongside our earlier correspondence, including our letter to the Secretary of 10 November, and my further email to you of 30 November.

Firstly, you will note we are again proposing the inclusion of a voluntary redundancy program. Having reviewed the Premier's Memorandum (M2016-02) on the *Transfer of Government Sector services or functions to the Non-Government Sector* and the *NSW Government Sector Placement Strategy*, we believe these sector arrangements can easily be accommodated while allowing affected employees to express a preference for on-going employment or voluntary redundancy.

Secondly, and as flagged with you previously, we are proposing that only on-going employees at grade should be eligible for placement at phase 2. In our view, there is a qualitative difference between employees who have accepted 'on-going' employment and those who have agreed to temporary arrangements. Due recognition should be given to the 'on-going nature' of the employment relationship the Department has entered into with its 'on-going' staff.

Consistent with this, the Department should prioritise the placement of affected employees in suitable roles at grade at all phases in the reorganisation process. A reorganisation which involves the loss of hundreds of jobs is not an appropriate context in which to promote promotional opportunity over employment security. The Department should not, in our view, invite a scenario in which on-going employees are replaced in similar (or suitable) roles at their substantive grade by employees on temporary acting (higher-duties) arrangements. Furthermore, should the Department proceed with its current phase 2 placement procedures; it would likely exacerbate any redundancy costs borne by the Crown.

In our submission we have proposed that on-going employees on 'above level temporary assignments' be eligible for placement at phase 3. All other temporary employees would become eligible for placement at phase 4.

Thirdly, to maximise employment opportunities for affected employees, we are proposing that employees may only be declared excess at the conclusion of phase 4, rather than Phases 2 and 3 as proposed in the Department's document. Employees who wish to remain in public sector employment should be given every reasonable opportunity to do so, consistent with the agency's industrial agreements and relevant sector policy. Additionally, employees should be given the flexibility to negotiate earlier separation arrangements by agreement with the Department.

Fourthly, during the *OneFACS* non-executive reorganisation, a number of employees complained that they had allegedly failed to meet the capability requirements for their role, despite having no history of underperformance. These employees were also unable to dispute the assessment process as appeals were limited to procedure only. We are proposing that employees who undertake an assessment process are automatically deemed to be suitable for appointment to a role at grade within their current 'job family'. This would ensure that the assessment process is limited to ranking staff in order of merit for available roles within their job family, and not as an opportunity to manage perceived underperformance.

In relation to other related matters, please note our submissions below:

NDIS Mobility Pathway

Employees case managed within this program should be afforded priority status at a level just below that of an excess employee seeking redeployment. Possible roles across the public sector should be subject to a matching process prior to external advertising to maximise employment opportunities for employees within this program.

The external provider of case management services must be adequately resourced and funded to ensure that there are sufficient resources to effectively case manage FACS staff.

The Department of Premier and Cabinet should issue a circular all participating public sector agencies advising them of the priority status of potentially excess FACS employees.

Cluster Operating Model Frequently Asked Questions (FAQs) page 10

“Is it possible that an employee may be offered a role based in a location further away than their current place of work?”

We believe some guidelines should be developed for employees and hiring managers when assessing what is an “unreasonable increase in the employee’s journey to work”.

Additionally, other circumstances may impact on an employee’s capacity to undertake additional travel. The FAQ should outline the sorts of things that will be considered when assessing the reasonableness of relocation.

Cluster Operating Model Frequently Asked Questions (FAQs) page 14

“What roles can an employee choose?”... “The location will however remain within the current District or business unit location.”

Given the geographic size of some Districts this may not be the most sensible approach. Some consideration should be given to reassignment to adjacent Districts if an employee’s current location is close to the District border.

Cluster Operating Model Frequently Asked Questions (FAQs) page 18 EOI Pools Phases 2 & 3

“allocation to an EOI pool is determined by an employee’s ongoing role.”

In our view, the *OneFACS* reorganisation demonstrated pooling employees based on this formulation was too restrictive.

We recommend amending pool scope to include grade, i.e. “allocation to an EOI pool is determined by an employee’s ongoing role and grade.”

Given the generic nature of Role Descriptions, ‘pooling’ should be determined by grade.

Phase 3 – Relocation costs for employees gaining a role outside their geographical area

Given the scale of reduction of roles, it is likely that a significant number of employees will still be unmatched by the end of Phase 2.

In order to maximise their employment opportunities, some staff will, in effect, be forced to look for and if successful accept roles which may result in the need to relocate.

Some consideration should be given to assist staff with relocation costs.

Concerns over some staff in frontline units being identified as in scope for COM Restructure

The Draft Change Management Plan states (page 6):

“The Cluster Operating Model Non-Executive Draft Change Management Plan excludes the following frontline service operations:

- *Disability Services employees transferring to NGOs*
- *Large Residential Centres and Specialist Support Living (LRCSSL)*
- ***Employees in frontline/client facing roles within Housing and Community Services*** [emphasis added]

Consistent with this, the Secretary wrote to FACS staff on 22 November 2016 in relation to the non-executive staff transition plan to explain that:

“The next step is to consult with you about how we organise non-executive roles and teams.

In districts, these changes only affect roles in offices that don’t provide direct client services. [emphasis added]

On review of the change management plan however, it appears that some frontline units, such as Post Adoption Unit, have been included in reorganisation planning. This, in our view, is plainly inconsistent with the Secretary’s statement, and all front line services should be excluded from this reorganisation.

Should the Department proceed with cuts to frontline services, then it should be approached in a way that does not disadvantage current employees in the frontline units. For example, in the case of the 4 Search and Supply Officers in Adoptions (Clerk Grade 1/2), the proposed structure replaces these roles with 3 higher-graded Search and Supply Officers roles (Clerk Grade 3/4), leaving no grade 1/2 roles available for matching.

As a consequence, the occupants will be excluded from applying for roles until phase 4.

The current role occupants have been doing much of the work which will be reflected in the new role description but have not had this recognised despite 2 previous requests for re-evaluation of the roles in 2008 and 2012.

We believe that in the limited number of examples in which a scenario such as this arises, there needs to be flexibility to allow affected employees to be considered for regraded roles before other staff.

Special consideration for Clerical Officers General Scale (INCR)

Many staff employed as General Scale Clerks undertake duties substantively similar to (if not the same as) other roles classified as Clerk Grade 1/2, but have never had their grading formally reviewed or recognised.

According to the draft change management plan there are currently twelve (12) regionally based 'INCR' roles, but none in the proposed structure. Similarly, the thirteen (13) metropolitan base roles are reduced to 6 roles.

As with the frontline positions referred to above, the INCR staff should be pooled with the Clerk Grade 1/2 roles in Phases 2 & 3.

We thank you for the opportunity to make these submissions and look forward to meeting with you on Friday, 16 December.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Thane Pearce', with a stylized flourish at the end.

Thane Pearce
For Stewart Little
GENERAL SECRETARY