

**Enterprise M3 Board**

**29 November 2018**

**Enterprise M3 Staff Contracts - Item 10**

**Enterprise M3 Board are asked to:**

**AGREE:** - the recommendation of the Resources, Finance and Audit Committee to convert, as appropriate, current staff post contracts into permanent contracts.

**1. EXECUTIVE SUMMARY**

1.1 Enterprise M3 currently has a total of 23 posts divided as follows:

- 15 x Full/part time on fixed term contracts
- 2 x Full time permanent contracts (the new AD appointments)
- 2 x permanent posts on secondment from Hampshire County Council and 1 permanent post on secondment from Surrey County Council.
- 4 x short term contracted staff

1.2 A detailed list is attached at Appendix 1.

1.3 The intention is to offer qualifying staff permanent staff contracts on the existing terms and conditions, including pension entitlement, holiday and sickness pay, as determined by the Hampshire County Council Terms and Conditions.

1.4 The majority of posts will be made permanent and relate to the core delivery of the LEP. The remaining posts are linked to particular contracts or funding which is time limited. These are:

- Staff recruited against the **~Careers and Enterprise contract** which will run until 31 August 2020. There are 3 posts and further 5 future appointments. We would wish to retain the staff on fixed term contracts because of the uncertainty of funding beyond the contracted period but would need to review in the event that the contract was extended beyond the two year qualifying period.
- There are two full time posts dependant on funding **from Europe** which we would seek to retain, subject to review. One post is contracted and, in line with the policy proposed in the paper, would not be offered a permanent post; the second is on a fixed term contract relating to technical assistance which is due to end March 2019 and, subject to review, would continue on a fixed term basis.
- The **Internationalisation Office Post** would also be retained on a fixed term, to end March 2020. This post has been funded to date by Hampshire County Council, Surrey Council and EM3 for a limited period. We will be reviewing the post next year to determine fit within the developing focus on international issues.

- **Fixed term contracts for temporary staff** employed to cover maternity and long term sickness and particular short term contracts would not be included in this process.

## **2. RATIONALE FOR CONVERTING**

- 2.1 Staff to date have been retained on fixed term contracts due to the short term nature of funding and the uncertainty over LEP's future role. Government are positioning LEPs as leading on Local Industrial Strategies and the LEP publication on strengthening LEPs clearly demonstrates greater certainty over LEPs future. Recently additional funding has also been awarded. Many staff have been in place for over 2 years and are therefore entitled to the same employment rights as those under permanent contracts. It therefore makes sense to make core staff permanent which will reduce uncertainty for staff and help with retention. Our current risk register has highlighted the risk of losing staff because of competition within the marketplace. Providing permanent contracts will send a clear message about valuing staff.

## **3. THE PROCESS AND TIMESCALES**

- 3.1 Enterprise M3 would follow the HCC process and complete the Workforce Change documentation listing all the posts that we wish to convert to permanent.
- 3.2 As a result of incorporation a Service Level Agreement (SLA) would be agreed between Enterprise M3 Ltd and HCC that would cover Human Resource support and would include the principle that Enterprise M3 underwrites HCC in respect of any associated employment liabilities, such as redundancies. This mirrors current arrangements. The SLA would be subject to HCC governance process for agreement but because of the underwriting element it is expected that agreement would be reached.
- 3.3 Once agreement between the parties has been agreed a formal 30 day process of consultation with affected staff can commence.
- 3.4 In the event that a member of staff did not wish to convert we propose to allow the fixed term contract to run its course and then either renegotiate the terms or recruit to the post if agreement was not reached. We think staff are highly unlikely to opt for this type of contract.
- 3.5 The process will take a maximum timescale of 3 months, with the expectation that staff will be made permanent by Match 2019.
- 3.6 The process of conversion is not dependant on the need to incorporate the LEP. Enterprise M3 acknowledge that any contractual change would need to be honoured in the event of TUPE transfer or secondment of staff to the new entity.
- 3.7 We intend to continue to work closely with HCC to make this a smooth transition for staff, if agreed.

## **4. FINANCIAL IMPLICATIONS**

- 4.1 We do not anticipate any increase in staffing costs or administrative costs resulting from this proposal

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**ANNEX 1**

		EM3 STAFF AT NOVEMBER 2018		FTE	EMPLOYMENT STATUS	CONTRACT END DATE	OVER 2 YEARS WITH EM3
<b>STAFF ON FIXED TERM CONTRACT TO 31 MARCH 2019</b>							
1	1	Director		1.00	Fixed Term Contract	31/03/2019	YES
2	2	Head of Skills		1.00	Fixed Term Contract	31/03/2019	YES
3	3	Head of Higher Education and Partnerships		1.00	Fixed Term Contract	31/03/2019	YES
4	4	Head of Enterprise & Innovation		1.00	Fixed Term Contract	31/03/2019	YES
5	5	Personal Assistant		1.00	Fixed Term Contract	31/03/2019	YES
6	6	Internalisation Senior Project Manager		1.00	Fixed Term Contract	31/03/2019	
7	7	Finance Manager		0.80	Fixed Term Contract	31/03/2019	
8	8	Senior Project Officer		1.00	Fixed Term Contract	31/03/2019	
9	9	ERDF TA Project Officer		1.00	Fixed Term Contract	31/03/2019	
<b>STAFF ON FIXED TERM CONTRACT TO 31 MARCH 2020</b>							
10	1	Project Administrator		1.00	Fixed Term Contract	31/03/2020	
<b>STAFF ON FIXED TERM CONTRACT TO 31 AUGUST 2020</b>							
11	1	Skills strategy officer		1.00	Fixed Term Contract	31/08/2020	
12	2	EZ: Programme manager		1.00	Fixed Term Contract	31/08/2020	
13	3	Skills (C&E)		0.50	Fixed Term Contract	31/08/2020	
14	4	Skills (C&E)		1.00	Fixed Term Contract	31/08/2020	
15	5	Skills (C&E)		1.00	Fixed Term Contract	31/08/2020	
16	6	Skills Enterprise Co-ordinator (C&E)	VACANT	1.00	Will be FTC	31/08/2020	
17	7	Skills (C&E) - Supervisor	VACANT	1.00	Will be FTC	31/08/2020	
18	8	Skills (C&E)	VACANT	0.50	Will be FTC	31/08/2020	
19	9	Skills (C&E)	VACANT	0.75	Will be FTC	31/08/2020	
20	10	Skills (C&E)	VACANT	0.75	Will be FTC	31/08/2020	
<b>PERMANENT STAFF</b>							
21	1	Operational Assistant Director		1.00	Permanent	N/A	YES
22	2	Business Delivery Assistant Director		1.00	Permanent	N/A	

<b>STAFF SECONDED FROM HCC</b>							
23	1	Head of Transport		1.00	Secondment	31/03/2019	YES
24	2	Senior Project Officer		0.80	Secondment	31/03/2019	YES
<b>CURRENTLY VACANT BUT POTENTIAL TO RECRUIT BEFORE 31 MARCH 2019</b>							
25	1	Performance & Evaluation Senior Project Officer	VACANT	1.00			
26	2	Future Initiatives	VACANT	1.00			
27	3	Enterprise Zone Director	VACANT	1.00			
<b>CURRENTLY EMPLOYED VIA EMPLOYMENT AGENCY</b>							
28	1	Maternity Cover: Operational Assistant Director		1.00			
29	2	Enterprise Zone Director		1.00			
30	3	Admin - Finance - Contracting		1.00			
31	4	Sick leave cover for Head of Enterprise & Innovation		1.00			