

Report Title	Combined Authority Staffing
Portfolio Holder	Portfolio Holder for Policy, Reform and Resources
Summary of report	The report covers the change for all staff who have a Merseytravel contracts of employment to hold Combined Authority contracts of employment.
Is this report exempt?	No
Is this a Key Decision	No
Is the report urgent	No
Is this decision to be exempt from call in	No
Local Authorities affected	None directly
Impact and implications of this report	
Financial impact	No
Delegation (s) sought	Yes - see recommendation 2(e)
Supporting the Corporate Plan	A Fairer City Region ✓ A Stronger City Region ✓ A Cleaner City Region ✓ A Connected City Region ✓ A Vibrant City Region ✓
Climate Change Implications	No
Equality and Diversity implications	No
Social Value implications	No
Human Resources implications	Yes - see paragraph 4.3
Physical Assets implications	No
Information Technology implications	No
Legal implications	Yes - see paragraph 4.4
Risk and Mitigation	Yes - see paragraph 4.5
Privacy implications	No

Communication and consultation implications

Yes - see paragraph 4.6

Contact Officer(s)

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Appendices

No

Background Documents

No

Liverpool City Region Combined Authority

Friday, 15 March 2024

Report of the Chief Executive and the Portfolio Holder for Policy, Reform and Resources

COMBINED AUTHORITY STAFFING

1. PURPOSE OF REPORT

- 1.1. The report covers a proposed administrative reorganisation entailing all staff who have a Merseytravel contract of employment changing to a Combined Authority contract of employment.

2. RECOMMENDATIONS

- 2.1. It is recommended that the Liverpool City Region Combined Authority:
 - (a) approve the principle of changing the Employing Body so that all staff who currently have a Merseytravel contract of employment can move to have a Combined Authority contract of employment;
 - (b) note that there will be no changes to any other of the terms and conditions of employment of any member of staff;
 - (c) agree to the principle of entering into an agreement with Merseytravel for staff to be deployed for the discharge of Merseytravel functions; and
 - (d) delegate authority to the Head of Paid Service to carry out any further steps that may be necessary to effect this administrative reorganisation.

3. BACKGROUND

Changes to the Employing Body

- 3.1. Before the Combined Authority was created in 2014 all staff employed to provide services to the Integrated Transport Authority (ITA) were employed by Merseytravel.
- 3.2. The Combined Authority upon its creation subsumed the ITA's rights duties and legal functions. Merseytravel continues to exist as a legal entity, as a Passenger Transport Executive and also as an officer of the Combined Authority.
- 3.3. Staff employed by Merseytravel have and continue to undertake work for the Combined Authority as well as for Merseytravel. As the functions of the Combined Authority started to develop, some members of staff started to be employed on Combined Authority contracts of employment under the same terms and conditions as Merseytravel Contracts of Employment. This has led to a mixture of contractual arrangements across the two organisations and in individual teams. From September 2023, all new employees have been employed on Combined Authority

contracts and the proposal is for all employees to have the same employing body for consistency and to support a common identity.

- 3.4 Additional consideration has been given to feedback through recruitment processes and other employee engagement activity which has advised there is confusion for candidates and employees not understanding the distinction between the Combined Authority and Merseytravel. All employees are committed to fulfilling the requirements of their role to deliver the Combined Authority Corporate Plan priorities and objectives. There has also been a range of activities to support wider organisational design and development to support organisation and culture change as the Combined Authority has evolved since 2014.
- 3.5 The Combined Authority has an established transformation programme known as In Shape to Deliver. This programme is designed to ensure the organisation is set up to deliver its priorities efficiently and effectively for the 1.6 million residents of the Liverpool City Region. A key aspect of the programme is digital transformation to secure modern digital systems and solutions to enable improved service delivery and back-office modernisation. This includes replacement of a number of existing Human Resources and payroll systems which are currently branded Merseytravel to a single system which will enable Combined Authority branding to be used on employee payslips and other employee communication. The change for all employees to hold a Combined Authority contract will further support a one organisation approach, avoid confusion between different employing bodies and ensure consistency of approach for all employees. It will also simplify organisational policies and procedures.
- 3.6 The proposal will result in all employees being employed by the Combined Authority with effect from a date that can be achieved as the proposal requires the continued engagement of the Merseyside Pensions Fund and its officers. All Staff will continue to have the same terms and conditions. The Trade Unions have been fully engaged in this proposal.

4. IMPACT AND IMPLICATIONS

4.1. Financial

None directly there will be no change to staff costs as a result of these changes. In respect of the change of the Employing Body there will be no changes to the other terms and conditions of the staff. The Combined Authority will retain funds to pay all staff instead of passporting this to Merseytravel.

4.2 Supporting the Corporate Plan

The officers work to deliver all aspects of the corporate plan on behalf of the organisation.

4.3 Human Resources

In respect of the contracts, there will be a need for the Human Resources team to effect this change by formally notifying some of this proposal.

HR colleagues have also been engaging positively with the trade unions who are supportive of the proposal.

4.4 Legal

This is considered to be an administrative re-organisation under Regulation 3(5) of the Transfer of Undertakings (Protection of Employment) Regulations (TUPE) and therefore is not a relevant transfer for the purposes of TUPE. Whilst the protections of TUPE do not automatically apply, the Combined Authority is expected to follow the principles and practice set out in the Cabinet Office Statement of Practice on Staff Transfers in the Public Sector. Apart from the change of employing body, no direct impact on the employees and their terms and conditions is envisaged. A legal agreement will be entered into between the Combined Authority and Merseytravel to ensure resources will be made available to continue to provide the functions of Merseytravel.

4.5 Risks and Mitigation

There has been close working between HR, the Pension Fund and the Trade unions to mitigate risks connected to this administrative reorganisation.

4.6 Communication and Consultation

A detailed communication plan has been developed.

5. CONCLUSION

- 5.1. The report details proposals to amend the Employing Body for all staff to the Combined Authority rather than a mixture of Combined Authority and Merseytravel to progress the in shape to deliver programme.

KATHERINE FAIRCLOUGH
Chief Executive

MAYOR STEVE ROTHERAM
Portfolio Holder for Policy, Reform and
Resources

Appendices:

None

Background Documents:

None