

Report To: Full Council

Date of Meeting: 5th November 2013

Lead Member / Officer: Councillor Barbara Smith

Report Author: Rebecca Maxwell, Corporate Director

Title: Workforce Efficiencies

1. What is the report about?

This report provides an update on the workforce efficiencies negotiations which have been held with the recognised trade unions, and details the outcome of the recent trade union ballot on proposals for achieving the remaining workforce efficiencies from the current Medium Term Financial Plan.

2. What is the reason for making this report?

To provide Full Council with an update on the workforce negotiations and, following a positive result to the Trade Unions' ballots of their members, to gain Full Council's agreement for implementation.

3. What are the Recommendations?

That Full Council agrees the proposed permanent change to increments for new starts and appointments to promoted posts, and the day's additional unpaid leave for 2014/15 only as the means of meeting the remaining Workforce Efficiencies savings from the current Medium Term Financial Plan.

4. Report details.

Following Council on 7th May 2013, the trade unions secured a positive result in a second ballot of its members on the proposal for the removal of the essential user allowance from the 1st June 2013, with a transitional period for the full implementation of the HMRC mileage rate on the 1st July 2014.

As part of this agreement the trade unions committed to further negotiate on two issues:

- Permanent savings for the balance of £72k workforce efficiency savings required by the 2012/2015 Medium Term Financial Plan, and
- Cash savings of £143k in 2014/15 to cover the costs of the transitional arrangements agreed to support implementation of the changes to essential car user allowances.

Full and meaningful negotiations have taken place between the Council as employer and the recognised trade unions over the summer. A number of options were

considered through this process (see Appendix 1 for further information) before agreement was reached on a proposal on which the trade unions would ballot their members.

In September, the recognised trade unions: Unison, GMB and Unite balloted their members on the following proposal.

- i. From 1st October 2013, incremental increases due for new starters and current employees with new posts e.g. current employees moving to a higher graded post will take place in either April or October, with the first incremental increase being effective after a minimum of 12 months and a maximum of 18 months after commencement in role, dependant on the commencement date. Increments thereafter will be paid annually in either April or October.

Date of commencement	Increment due
1st October 2013	1st October 2014
2nd October 2013 to 1st April 2014	1st April 2015
2nd April 2014 to 1st October 2014	1st October 2015
2nd October 2014 to 1st April 2015	1st April 2016

This proposal will apply to all staff with the exception of teachers.

It is estimated that this change will generate sufficient savings to meet the outstanding £72k saving required by the 2012/15 Medium Term Financial Plan on a recurrent basis.

- ii. In 2014/15 only, employees will have their pay reduced by 1 day and in return will be able to take an additional day's leave.

This proposal will apply to all staff, other than school based staff.

It is calculated that this change for 2014/15 only will generate savings to contribute substantially to the £143k transitional costs on a non-recurrent basis.

The Senior Leadership Team, whilst having reservations about the day's unpaid leave and its impact on both staff and service delivery, in the spirit of negotiation, agreed to support the Trade Unions' proposals.

The trade unions balloted their members on both proposals during the period 30th September to 18th October and both proposals were accepted by the trade unions members.

Discussions with both the trade unions and the Senior Leadership Team will continue on the finer details of implementing both proposals.

Council's approval is sought to make the necessary changes to Terms and Conditions to implement the collective agreement now reached with the trade unions on these measures.

5. How does the decision contribute to the Corporate Priorities?

This is fundamental to the authority meeting its efficiency savings required.

6. What will it cost and how will it affect other services?

The impact on services is dependent on what efficiencies are agreed going forward. There should not be any additional costs associated with these as they are efficiency savings. If these workforce efficiencies are not implemented, compensatory savings would need to be found from elsewhere.

7. What are the main conclusions of the Equality Impact Assessment (EqIA) undertaken on the decision? The completed EqIA template should be attached as an appendix to the report.

A copy of the EIA is attached in Appendix 2.

8. What consultations have been carried out with Scrutiny and others?

There have been extensive negotiations with the recognised trade unions. The Senior Leadership Team has been consulted and a briefing note was also sent out to all Councillors for information prior to the ballot. A report was presented to LJCC on 9th October 2013 and the committee agreed to recommend the proposals to Full Council, assuming proposals were supported by the trade unions' membership through ballot.

9. Chief Finance Officer Statement

The measures agreed will contribute to the savings required for 2014/15. The coming years will present the most challenging financial pressures the Council has faced and it is inevitable that more savings will be required to deliver a balanced budget in both 2014/15 and 2015/16.

10. What risks are there and is there anything we can do to reduce them?

There are no risks associated with these proposals other than the management of the unpaid leave and ensuring sufficient cover is available for delivering front line services. This however, is no different to managing annual leave and procedures are in place for this. Savings have been calculated taking into account the cost of essential cover. The risks are greater if savings are not achieved through this proposal, when other less palatable savings and cuts would be required which may present different risks to the Council.

11. Power to make the Decision

Power to make the decision is s112 Local Government Act 1972