

Report of the Director of Human Resources to the meeting of Executive to be held on 07 February 2017

BB

Subject:

Interim Trade Union feedback on the Council's budget proposals for the 2017/18 and 2018/19 Council budget.

Summary statement:

This report and appendices provide interim feedback from the Council's Trade Unions on the Council's budget proposals for the 2017/18 and 2018/19 Council Budget for consideration by Executive.

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Overview & Scrutiny Area:

Corporate



1. SUMMARY

This report and appendices provide interim feedback from the Council's Trade Unions on the Council's budget proposals for the 2017/18 and 2018/19 Council budget for consideration by Executive.

2. BACKGROUND

- 2.1 On 23 November 2015 the Council issued a letter under Section 188 Trade Union and Labour Relations (Consolidation) Act 1992 ("TULRCA") notifying the Trade Unions about the potential impact on the workforce because of the need to achieve additional savings in the financial year 2016/17 and 2017/18 from those approved by Budget Council in February 2015. This potential impact also included staffing reduction proposals for 2017/18. This commenced a period of consultation under TULRCA. Consultation on these proposals is ongoing.
- 2.2 On 28 November 2016 the Council issued a further letter under Section 188 TULRCA notifying the Trade unions about the potential impact on the workforce in 2017/18 and 2018/19 because of the need to achieve additional savings in those years. The issuing of the Section 188 letter on 28 November 2016 commenced a statutory minimum 45 day consultation period with the Council's Trade Unions which includes consultation about ways of avoiding dismissals, reducing the numbers of employees to be dismissed and mitigating the consequences of the dismissals. This includes considering feedback received from the Trade Unions and any alternative proposals they may have to try and minimise the impact of the proposed budget reductions on the workforce. Consultation with the Trade Unions will continue beyond the minimum 45 day period where necessary particularly focusing on the impact of any proposed budget reductions on the workforce with a view to seeking ways to avoid and/or reduce the potential number of job losses and minimise any adverse impact in terms of job losses.
- 2.3 Consultation has been taking place with the relevant Trade Unions since 28 November 2016 on the proposals, in order for final proposals to be prepared for Budget Council on 23 February 2017.
- 2.4 The Trade Unions were notified of the following key issues within the S188 letter on 28 November 2016:
 - The Report of the Director of Finance to the meeting of the Executive on the 6 December 2016 provided the financial plan for the Council for the financial years 2017/18 to 2020/21.
 - The Council estimates that the total number of employees within the Council that are potentially at risk of redundancy as a consequence of the proposals detailed in the letter dated 28 November 2016 is 118 Full Time Equivalents (FTE's) in 2017/18 and 107 FTE's in 2018/19.
 - These proposed reductions of 118 Full Time Equivalents (FTE's) in 2017/18 and 107 FTE's in 2018/19 are in addition to those proposals currently subject to separate consultation processes under Section 188 TULRCA 1992 which commenced on 23 November 2015 relating to the proposed 139 FTE reductions for 2017/18.

- That the Council will look at every aspect of its operation to make the savings. In relation to employees, if savings can be suggested which mean that there will be fewer or no redundancies then the Council will carefully consider such possibilities.
- That the Council will continue to examine the current terms and conditions of employment to see if savings can be made there, but regrettably it does look likely that dismissals by reason of redundancy may have to be made. Where possible these will be considered on a voluntary basis.

3. THE PROCESS

- 3.1** Following the issuing of the S188 letter on 28 November 2016 consultation has taken place with the Council's Trade Unions.
- 3.2** An initial corporate consultation was held with the following Trade Unions on the Council's proposals through the S188 process: UNISON, GMB, UNITE, UCATT, NUT, NASUWT, ATL, NAHT, ASCL, ASPECT / PROSPECT / NAYCEO, AEP, VOICE, BECTU, COMMUNITY, RCN, RCM, BMA, Society of Radiographers and Society of Physiotherapists.
- 3.3** Consultation is on-going at departmental level with Unison, GMB, UNITE and UCATT.
- 3.4** Consultation has also taken place with Teachers/ Education Trade Unions at Corporate and Departmental level. Other Trade Unions have been consulted on a Departmental basis where appropriate.
- 3.5** Trade Union consultation meeting on the potential workforce implications of the budget proposals took place at a corporate level on 8 December 2016 and 19 January 2017. A further Corporate Trade Union consultation meeting is scheduled to take place on 16 February 2017. Any issues raised at those meetings will be brought into the Executive meetings as an addendum. Consultation will continue up to the Full Council meeting on 23 February 2017 and subsequently in relation to any impacts on the workforce following budget decisions being made.
- 3.6** Departmental Trade Union consultation meetings have taken place to discuss the proposals in more detail, and feedback from these meetings are recorded in the appendices.
- 3.7** The feedback and the management responses given in this report are interim and consultation with the Trade Unions continues.

The Council is currently consulting with the Trade Unions on:

- The financial position of the Council.
- Possible strategies for making savings and the projected implications for workforce reductions if such strategies, following consultation, are implemented.
- Potential impact of proposed changes to certain terms and conditions of employment.
- The continuation of strategies to minimise the impact of workforce reductions (voluntary expressions of interest, bumped redundancies, vacancy control, controlling agency spend and maximising non workforce savings etc).
- Potential reduction of services in some areas of the Council
- Potential opportunities for working in partnership.

3.8 In terms of consultation:

- The size of cuts that the Council is facing, creates very considerable demands on the Council and its resources.
- The Council is consulting and will continue to consult about ways of avoiding any dismissals, reducing the numbers of employees to be dismissed, and mitigating the consequences of the dismissals, and will be doing so with a view to reaching agreement.
- The Council serves the S188 letter at an early stage of a very lengthy and complex process, which undergoes a number of adjustments and changes as it goes forward through consultation and Executive approval.
- The Council consults over a far longer period than the minimum required by S188.
- The Council values the contribution of the Trade Unions in this process of consultation.

3.9 Additional feedback received from the Trade Unions following this report being circulated will be tabled at Executive on the day of the meeting as an Addendum to the report.

3.10 The industrial relations implications will become clearer once detailed discussion about implementation of the decisions begins following any budget decision. Much will depend on the number of vacancies and voluntary redundancies agreed, together with the opportunities for redeployment which will all help to mitigate against the overall FTE reductions and the potential number of compulsory redundancies.

4. KEY ISSUES ARISING FROM THE TRADE UNION FEEDBACK ON THE COUNCIL'S BUDGET PROPOSALS FOR 2017/18 and 2018/19

4.1 Feedback on the Departmental Budget Proposals

The Trade Unions' feedback received to date in relation to the Council's budget proposals for 2017/18 and 2018/19 together with management's responses to that feedback is outlined in the attached documents on a departmental basis (Appendices 1-8).

The feedback documents are lengthy due to the number of budget proposals being considered and to ensure all feedback received from the Trade Unions has been recorded and is considered.

4.2 At the Corporate Consultation meeting on 19 January 2017, the following was shared:

- No issues were raised with regards to the process. Trade Unions commented on the whole, that the process seems to be going smoothly.
- The Trade Unions asked for a further review of honorariums.
- A check that consultation issues re: travel assistance were being managed across departments affected.

- The Trade Unions gave a joint statement that they will not negotiate on any changes to terms and conditions.
- Management agreed to raise these issues with CMT to ensure that these are addressed as appropriate.
- Management noted the Trade Union position with regards to Terms and Conditions.

5. FINANCIAL & RESOURCE APPRAISAL

- 5.1 The Director of Finance's reports to the Executive meetings on 06 December 2016 and 07 February 2017 set out the background to the Council's financial position and the need for expenditure reductions.

6. RISK MANAGEMENT AND GOVERNANCE ISSUES

- 6.1 All risks in relation to the budget proposals and workforce implications are being managed through the Council's Risk Management Strategy with governance through Council Management Team.

7. LEGAL APPRAISAL

- 7.1 Pursuant to Section 188 Trade Union and Labour Relations (Consolidation) Act 1992 (TULRCA 1992) the Council as employer is required to consult the recognised Trade Unions where there is a potential to dismiss by reason of redundancy 20 or more employees. If 100 or more employees are at risk of dismissal by reason of redundancy the consultation period is a minimum of 45 days.

- 7.2 Under Section 195 TULRCA 1992 "dismissal as redundant" is defined as all dismissals "for a reason not related to the individual concerned". As a consequence the Council is also consulting the recognised Trade Unions pursuant to s188 in relation to proposals to change certain terms and conditions of employment.

- 7.3 Such consultation with the Trade Unions is continuing and includes consultation about ways of avoiding dismissals, reducing the numbers of employees to be dismissed and mitigating the consequences of the dismissals.

8. OTHER IMPLICATIONS

8.1 EQUALITY & DIVERSITY

A Corporate Staffing Equality Impact Assessment (EQIA) has been undertaken on the Council's Budget proposals. This will be tabled with the Trade Unions. Feedback from the Trade Unions on the Equality Impact Assessment will be taken and will be fed into future feedback addendums. Departmental EIA's on proposals with all workforce implications are consulted on in departmental consultation meetings. All EQIA's with regards to Workforce implications will be subject to review as proposals are developed and amended as a consequence of continuing consultation.

8.2 SUSTAINABILITY IMPLICATIONS

None

8.3 GREENHOUSE GAS EMISSIONS IMPACTS

None

8.4 COMMUNITY SAFETY IMPLICATIONS

None

8.5 HUMAN RIGHTS ACT

None

8.6 TRADE UNION

Consultation with the Trade Unions on the Council's Budget proposals for 2017/18 and 2018/19 is ongoing.

All issues raised by Trade Unions at the Corporate Consultation meeting on 19 January 2017 are reflected in 4.2 above.

The following statement has been provided by Unison and GMB:

"UNISON & GMB, the two largest unions remain opposed to the Government austerity programme and are extremely concerned about the impact that the cuts, which the Government are forcing on Bradford Council, will have on the residents and workers who provide these vital public services.

UNISON & GMB will continue to work constructively with the Council to safeguard as many jobs and services as possible and whilst this will lead to disagreement on some points we have welcomed the Council's commitment to early dialogue and consultation, which we believe is the best way of mitigating the impact of the budgetary cuts that are being proposed"

At the time of writing this report, we have not received a statement from Unite. Anything that is received will be added to the Addendum.

8.7 WARD IMPLICATIONS

None

9. NOT FOR PUBLICATION DOCUMENTS

None

10. RECOMMENDATIONS

That Executive considers and has regard to the interim feedback received from the Council's Trade Unions in relation to the budget proposals when considering its recommendations to Council on the Council's budget for the financial years 2017/18 and 2018/19.

11. APPENDICES

Appendix 1	HR
Appendix 2	Children's Services
Appendix 3	City Solicitor
Appendix 4	Chief Executive's Office
Appendix 5	Environment and Sport
Appendix 6	Finance
Appendix 7	Regeneration
Appendix 7(a)	Estates & Property
Appendix 8	Health & Wellbeing

12. BACKGROUND DOCUMENTS

- Section 188 TULCRA 1992 Letter to Trade Unions - 28 November 2016.
- Director of Finance's Budget Update Report for Executive – 06 December 2016