

Report of the Interim Director of Human Resources to the meeting of Executive to be held on 06 February 2018

AW

Subject:

Interim Trade Union feedback on the Council's budget proposals for the 2018/19 and 2019/20 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 2018/19 and 2019/20 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 2018/19 and 2019/20 Council budget for consideration by Executive.

2. BACKGROUND

- 2.1 On 28 November 2016 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 2017/18 and 2018/19 from those approved by Budget Council in February 2016. This potential impact also included staffing reduction proposals for 2018/19. This commenced a period of consultation under TULRCA. Consultation on these proposals is ongoing.
- 2.2 On 27 November 2017 the Council issued a further letter under Section 188 TULRCA notifying the Trade unions about the potential impact on the workforce in 2018/19 and 2019/20 because of the need to achieve additional savings in those years. The issuing of the Section 188 letter on 27 November 2017 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 27 November 2017 on the proposals, in order for final proposals to be prepared for Budget Council on 22 February 2018.
- 2.4 The Trade Unions were notified of the following key issues within the S188 letter on 27 November 2017:
- The Report of the Strategic Director Corporate Services to the meeting of the Executive on the 5 December 2017 provided the financial plan for the Council for the financial years 2018/19 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 27 November 2017 is 85 Full Time Equivalents (FTE's) in 2018/19 and 68 FTE's in 2019/20.
 - These proposed reductions of 85 Full Time Equivalents (FTE's) in 2018/19 and 68 FTE's in 2019/20 are in addition to those proposals currently subject to separate consultation processes under Section 188 TULRCA 1992 which commenced on 28 November 2016 relating to the proposed 107 FTE reductions for 2018/19.
 - These proposed reductions are also in addition to those proposals currently subject to separate consultation processes under section 188 TULRCA 1992 about which the Council commenced consultation on 30th October 2017 by its letter "proposed

Council changes in Prevention and Early Help and the potential impact on staff employed by the Council Section 188 Trade Union and Labour Relations (Consolidation) Act 1992

- 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.

3. THE PROCESS

- 3.1** Following the issuing of the S188 letter on 27 November 2017 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,
- 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 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 7 December 2017. Consultation will continue up to the Full Council meeting on 22 February 2018 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 is 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

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 2018/19 and 2019/20

4.1 Feedback on the Departmental Budget Proposals

The Trade Unions' feedback received to date in relation to the Council's budget proposals for 2018/19 and 2019/20 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 7 December, the following general summary issues were raised by the trade unions in relation to:

- The need for a recruitment freeze
- All secondments to end
- All Fixed term contracts to end
- All use of agency staff to cease
- Focus on revenue raising

Management have responded that all the above matters will be addressed within Departmental consultation process and provision of the workforce information. The impact on continuation of delivery of the service during the consultation has to be considered.

5. FINANCIAL & RESOURCE APPRAISAL

- 5.1 The Strategic Director of Corporate Services reports to the Executive meetings on 05 December 2017 and the report of the Assistant Director Finance and Procurement to the Executive meeting on 06 February 2018 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) is being produced 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 2018/19 and 2019/20 is ongoing.

The issues raised by the Trade Unions at the Corporate Consultation meeting on 7th December 2017 and Departmental consultation are reflected in the attached spreadsheets, which are continuing to be updated as consultation continues.

The Trade Unions have provided the following statements:

Unison and GMB

In response to the latest section 188 proposals, UNISON and GMB recognise the immense financial difficulties that Local Authorities such as Bradford are facing and that these are being driven by deeply unfair central government cuts.

Council employees are having to work harder than ever before to keep the services running that the people of Bradford rely upon, but there is only so much that anyone can do. The government's austerity programme is wrecking communities and the huge job cuts that the Council are proposing over the next few years will undoubtedly have a negative impact on the range and quality of services that it is able to offer.

However, whilst it would be unfair to lay the blame at the door of Bradford Council for the financial difficulties it is facing, UNISON and GMB have a duty to challenge the Council where we believe it is not doing all it possibly can to mitigate the consequences of the government funding cuts. In this respect, we have particularly serious concerns about the proposals relating to Prevention and Early Help in Children's Services where 240 full time posts are at risk – not least because we have yet to be provided with full details about the proposals without which we cannot engage in meaningful consultation.

We also believe that the Council needs to do more to ensure that, where jobs are at risk, workers are offered alternative posts and/or retraining to ensure that their skills are retained and that they do not face the awful prospect of compulsory redundancy. This is something that the unions can never be in agreement with. We have raised this issue a number of times with the Council and we are hopeful that we will be able to make some progress on getting a more robust redeployment procedure in the near future.

Finally, whilst both unions recognise that the Council needs good management in order to function properly, we have lately seen a move towards the creation of additional upper layers of management – including the return of some posts that had already been deleted in previous years. We have aired our concerns about this and will continue to challenge the Council where there appears to be any drift towards the creation of new highly paid management posts at the expense of other workers and the

services they deliver.

Unite

Consultation with the Trade Unions on the Council's initial Budget proposals have not been very constructive. It has become a process of management indicating a way forward and there is no other alternative.

The proposed budget cuts put forward attack the most vulnerable members of our society who need our support the most. The continuous attack on the young within Bradford places lives at risk in our view.

The cuts put forward attack the very core of the Council's Plan.

The Council have attempted to choose who can or cannot attend consultation meetings that is unacceptable to Unite. Our elected S188 Officer for SEND and Early Years has not been allowed to attend the consultation meetings. The Council have also chose to implement changes to SEND and Early Years without the full scrutiny of full council despite the consultation being flawed and Unite will challenge this in the necessary arena.

In the last financial year Unite took part in a 2 year budget setting process and 12months on are required to consider further cuts resulting in a funding gap this despite some services failing to deliver cuts from previous years totalling over £20 million. The external Peer Review highlighted this issue of accountability for this area of decision making yet next year the same situation will arise. Management are quite quick to carry out the staffing cuts but reluctant to deliver the difficult decisions.

It is also becoming a trend that Councillors, Strategic Directors and Assistant Directors who have chosen to leave the authority are allowed to put forward cuts that affect the very existence of people in the district without any accountability as they ride off into the sunset. That appears to be immoral to our Union.

Whilst understanding the current financial climate we vigorously oppose any attack on our employees terms and conditions and any compulsory redundancies. It's with regret we see cuts to both services provided by the Council and the transfer of public services to the private sector or transferred to a voluntary sector that may not have the necessary skills or resources to deliver.

The impact on the local economy, service users and staff affected is immeasurable. The continued decimation of Local Authority funding and consequential cuts to services to the most vulnerable in society cannot be described as good. Austerity is not solely to blame, we have a choice on how we spend the money given to us and we should do that wisely and fairly.

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	Department of Children's Services proposals
Appendix 2	Department of Place proposals
Appendix 3	Department of Health and Wellbeing proposals
Appendix 4	Department of Corporate Services
	(a) Human Resources
	(b) Estates and Property
	(c) IT Services
	(d) Legal Services and Committee Secretariat
	(e) Financial Services, Revenues Benefits and Payroll and Estates and Property

12. BACKGROUND DOCUMENTS

- Section 188 TULCRA 1992 Letter to Trade Unions - 27 November 2017.
- Strategic Director – Corporate Services Budget Update Report for Executive – 05 December 2017 – Document “AJ”