

Report of the Director of Human Resources to the meeting of Executive to be held on 05 February 2019

AS

Subject:

Interim Trade Union feedback on the Council's budget proposals for 2019/20 and 2020/21.

Summary statement:

This report and appendices provide interim feedback from the Council's Trade Unions on the Council's budget proposals for 2019/20 and 2020/21 for consideration by Executive.

Anne Lloyd
Director of Human Resources

Portfolio Holder:
Leader of Council and Corporate

Report Contact: Michelle Moverley
Head of Human Resources
Phone: (01274) 437883
E-mail: michelle.moverley@bradford.gov.uk

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 2019/20 and 2020/21 for consideration by Executive.

2. BACKGROUND

- 2.1 On 27 November 2017 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 years 2018/19 and 2019/20 from those approved by Budget Council in February 2017. This potential impact also included staffing reduction proposals for 2019/20. This commenced a period of consultation under TULRCA. Consultation on these proposals is ongoing.
- 2.2 On 26 November 2018 the Council issued a further letter under Section 188 TULRCA notifying the Trade unions about the potential impact on the workforce in 2019/20 and 2020/21 because of the need to achieve additional savings in those years. The issuing of the Section 188 letter on 26 November 2018 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 26 November 2018 on the proposals, in order for final proposals to be prepared for Budget Council on 21 February 2019.
- 2.4 The Trade Unions were notified of the following key issues within the S188 letter on 26 November 2018:
 - The Report of the Director of Finance to the meeting of the Executive on the 4 December 2018 which provided the financial plan for the Council for the financial years 2019/20 to 2020/21.
 - This report set out the update on budget decisions and Council Tax including new proposals for consultation with the public, interested parties, staff and Trade Unions for 2019/20 and 2020/21.
 - The report also provided a revised outlook to 2021/22 to allow further development of spending proposals to keep the Council effective and financially sustainable.
 - That 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 26 November 2018 is 168 Full Time Equivalents (FTE's) in 2019/20 and 111 FTE's in 2020/21.

- That these proposed reductions of 168 Full Time Equivalent (FTE's) in 2019/20 and 111 FTE's in 2020/21 are in addition to those proposals currently subject to separate consultation processes under Section 188 TULRCA 1992 which commenced on 27 November 2017 relating to the proposed 68 FTE reductions for 2019/20.
- That the Council will look at every aspect of its operation to make the savings. If savings can be suggested which mean that there will be fewer or no redundancies then the Council will carefully consider such possibilities.

3. THE PROCESS

- 3.1** Following the issuing of the S188 letter on 26 November 2018 consultation is taking place with the Council's Trade Unions.
- 3.2** An initial corporate consultation meeting was held on 6 December 2018 with the following Trade Unions on the Council's proposals: Unison, GMB, UNITE, UCATT with the Teacher Trade Unions also attending for the Council's financial overview.
- 3.3** Consultation is on-going at departmental level with Unison, GMB, UNITE and UCATT.
- 3.4** Consultation is also taking place with Teachers / Education Trade Unions at Departmental level as appropriate. Other Trade Unions are being consulted on a Departmental basis where appropriate.
- 3.5** A Trade Union consultation meeting on the potential workforce implications of the budget proposals took place at a corporate level on 6 December 2018. Consultation will continue up to the meeting of the Executive on 19 February 2019 and consultation will continue in relation to any impacts on the workforce following the budget decisions.
- 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.
 - The continuation of strategies to minimise the impact of workforce reductions (voluntary expressions of interest, if applicable, 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 lengthy and complex consultation process on the budget proposals, which undergo a number of adjustments and changes through consultation and Executive approval.
- The Council consults over a longer period than the minimum required by S188 TULCRA.
- 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 published will be tabled at Executive on the day of the meeting as an Addendum to the report.

3.10 Consultation will continue on the implementation of the decisions made at full Council on 21 February 2019. The industrial relations implications will largely depend on whether decisions can be implemented through vacancy control and voluntary means. Therefore, much will depend on the number of vacancies and voluntary redundancies agreed, together with the opportunities for redeployment which will all help to achieve the FTE reductions and mitigate against the potential number of compulsory redundancies.

4. KEY ISSUES ARISING FROM THE TRADE UNION FEEDBACK ON THE COUNCIL'S BUDGET PROPOSALS FOR 2019/20 and 2020/21

4.1 Feedback on the Departmental Budget Proposals

The Trade Unions' feedback received to date in relation to the Council's budget proposals for 2019/20 and 2020/21 together with management's responses to that feedback is outlined in the attached documents on a departmental basis (Appendices 1 to 4).

4.2 At the Corporate Consultation meeting on 6 December 2018, the following general summary issues were raised by the trade unions::

- Vacancy Control
- Use of Agency Staff
- Availability of Workforce Information

Management have responded that all of the above matters will be addressed within the Departmental consultation process due to the potential impacts on service delivery.

5. FINANCIAL & RESOURCE APPRAISAL

5.1 The Director of Finance submitted Proposed Financial Plan Updated for 2019/20 to 2020/21 (Document "Z") to the Executive on 4 December 2018 which opened the consultation process for the current budget process, including the financial context within which the Council is operating. Document "AQ" elsewhere on this agenda updates the Executive on any changes noted in the budget process to date.

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".

- 7.3 Such consultation with the Trade Unions under Section 188 TULCRA 1992 shall include consultation about ways of avoiding the 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) will be 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 addendum. 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 2019/20 and 2020/21 is on-going.

The issues raised by the Trade Unions at the Corporate Consultation meeting on 6 December 2018 and Departmental consultation meetings are reflected in the attached spreadsheets at appendices 1, 2, 3 and 4 and these will be updated as consultation continues.

The Trade Unions have provided the following statements:

Unison and GMB:

In response to the latest section 188 proposals, the joint trade Unions, UNISON and GMB recognise the financial difficulties that Local Authority has been facing over the past few years. We understand that these financial restrictions are being driven by central government cuts.

Our members are working harder than ever before to continue to deliver the high standard of services expected of them. 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. In the spirit of joint working we will continue to play our part in mitigating the impact that such measures undoubtedly represent.

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. We have particularly serious concerns about the proposals and how they represent a rise in "real" workloads for an ever decreasing number of dedicated staff who remain to deliver the services that the Council is providing.

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 raised this last year and we are now pleased to be able to advise that we have been able to ensure a more robust process is now in place and have been able to influence processes for our members. We do however feel that more could be done by local Managers to support staff affected in this way.

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 also noticed a rise in the use of Agency staff and a willingness to engage "consultants", both of which represent a significant real terms cost. Such spending will continue to be challenged. 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:

Prior to the Section 188 consultations Unite the Union Branch set out the basis of our consultations in a document called Unite Branch Position S188 Consultation provided to HR and Strategic Directors. Unite General Secretary Len McCluskey clearly set out the mandate to protect public services and jobs.

Councils are facing massive reductions in funding, but it is their choice on what services they cut. In Bradford we have seen massive cuts to both jobs and frontline services whilst giving financial support to private enterprise. Council employees have 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 cuts made by this Council will undoubtedly have a negative impact on the range and quality of services that it is able to offer. It is clear when posts are made redundant the member of staff disappears but the work remains that is not a redundancy situation but just a saving.

We have particularly serious concerns about the proposals relating to Libraries, Youth Service, Children's Services, Adults Services and Street cleansing.

In previous years, Departments have put forward cuts, which were never achieved and over £12.8m of previously agreed cuts remain outstanding see Qtr2 Finance Position Statement for 2018-19 Executive November 6 2018. Other departments have seen the Council approved savings wiped out and to be found by other services. There appears to be no accountability for those who propose cuts and then fail to achieve them or in effect have them written off despite full council approving those cuts. See Appendix F - SCHEDULE OF AMENDMENTS TO PREVIOUS BUDGET DECISIONS Executive meeting Dec 4 2018 where a full break down can be found. Named officers and portfolio holders should be held accountable to full Council for failure to meet savings that they have put forward. A post was created at AD level as a secondment for 2 years to deliver the £58m cuts package and as we can see from the financial updates that has failed that's why accountability to full council is a must.

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. To that end Unite have been asking the employer to set up its own internal agency since 2012 but it has failed to do so. In the last financial year we have spent approx. £6m on agency staff. That excludes casual staff. We have senior managers creating posts often in excess of £50k where we find a direct link between them and those appointed.

Unite recognise that the Council needs good management, under the last Chief Executive we saw a whole tier of managers (approx. 800) taken out of the structure. Over the last 2 years there has been a clear move towards the creation of additional upper layers of management – including the return of some posts that had already been deleted in previous years. This is at a cost, it means that employees that deliver front line services, such as those who keep are children safe and our streets clean lose their jobs. That cannot be right.

Despite a statutory duty to consult under S188 TULRCA the employer has failed to consult on proposals put forward with a specific example of the cuts to library service. Despite Council approving a cut for 2019/20 no proposals have been put forward by management at this time despite management insisting 2019/20 proposals are not open for consultation. Therefore the consultation falls below the legal requirement and leaves those decisions open to legal challenge. There are other examples too. The Council are refusing to consult on non-staffing cuts.

Despite requests for reasonable time off to consult of on S188 matters, time off was only allowed to attend the actual meeting. No time was allowed to consult with our

members, service users or other trade union colleagues. The Council have attempted to choose who can or cannot attend a consultation meeting that is unacceptable to Unite.

In terms of consultation as of January 14th there have been very few meetings arranged to consult on the Council's initial Budget proposals. 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 cuts put forward attack the very core of the Council's Plan.

Last year Unite made the following statement to you "In the last financial year Unite took part in a 2 year budget setting process and 12 months 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. To reiterate when posts are made redundant the member of staff disappears but the work remains, that is not a redundancy situation but just a saving

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"

The Ofsted Inspection concluded that Childrens Services were found not to be meeting the high standards our children deserve and therefore parts of the service were rated inadequate. The Council immediately responded by bringing in a person with a proven track record of success within this area, only to hamper that person with cuts decided by those that have failed to deliver in previous years in effect asking her to operate whilst in a financial straightjacket.

Whilst understanding the current financial climate we vigorously oppose any attack on employee 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 the voluntary sector or services run by volunteers and apprentices that may not have the necessary skills or resources to deliver service user needs.

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.

The quality of the EQIA's do not meet the requirements set out in the Public Sector Equality Duty that came in to force in April 2011 (s.149 of the Equality Act 2010) and public authorities are now required, in carrying out their functions, to have due regard to the need to achieve the objectives set out under s149 of the Equality Act 2010 to:

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;

- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The EQIA's are lip service to the process and with such a diverse community and workforce deserve to be taken into consideration and their views respected. It will be seen yet again that Unite stand alone to defend public services and jobs in Bradford but that is the remit of Unite the Union regardless of who the Convenor may be.

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 the recommendations to make to Council on a budget for 2019/20 and proposals for 2020/21 on 21 February 2019.

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 proposals: <ul style="list-style-type: none">(a) Legal & Democratic Services(b) Financial Services(c) IT Services(d) Estates & Property Services(e) Chief Executive's Office

12. BACKGROUND DOCUMENTS

- Section 188 TULCRA 1992 Letter to Trade Unions - 26 November 2018.
- Director of Finance –Budget Update Report for Executive – 04 December 2018