

## TRAFFORD COUNCIL

**Report to:** Employment Committee  
**Date:** 11<sup>th</sup> February 2013  
**Report for:** Information  
**Report of:** Director of Human Resources

### Report Title

Budget Proposals 2013-15 – Outcome of Staff Consultation

### Summary

This report sets out an overview of the formal 90 day collective consultation process, which ended on 14<sup>th</sup> January 2013.

### Recommendation(s)

- That the Employment Committee notes the content of the report and in particular, the comprehensive approach to budget consultation.

Contact person for access to background papers and further information:

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### Background Information

Relationship to Policy Framework/Corporate Priorities	The Council's budget proposals cut across all six corporate priorities
Financial	The proposals are critical to achieving a balanced budget
Legal Implications:	Relevant legislation has been followed in terms of public and staffing consultation
Equality/Diversity Implications	In line with relevant legislation and good practice
Sustainability Implications	None
Staffing/E-Government/Asset Management Implications	There will be implications for staffing and buildings as services are reduced and rationalised
Risk Management Implications	None
Health and Safety Implications	None

## **1. BACKGROUND**

On 15<sup>th</sup> October 2012, the Council released detailed budget proposals for the coming two years, 2013-2015, alongside the launch of the Vision 2015 allowing staff and residents to understand how the proposals may affect them in the short and medium term.

The consultation allowed for a full three months public consultation for each specific proposal in year one of the plan and a full 90 days staff consultation, on the basis that proposed number of redundancies was in excess of 100.

The budget consultation ended on 14<sup>th</sup> January 2013 and this report specifically outlines the approach taken to the staff consultation and provides an initial overview of feedback from the consultation.

## **2. APPROACH TO STAFF CONSULTATION**

In line with the original budget proposals, it was anticipated that the total number of redundancies would be in the region of 200. This required the Council to enter into a period of 90 days consultation with staff and trade unions.

The purpose of the consultation process was:

- to inform staff and trade unions of the detailed proposals;
- to consult with staff and trade unions about the proposed implementation strategy;
- to listen to and consider comments and suggestions from staff and trade unions about the proposed implementation strategy;
- to consider any alternatives put forward that meet the identified objectives;
- to seek to minimise the need for redundancies

The period of collective consultation was marked by the submission of a S.188 notice to the recognised trade unions. In addition, an HR1 was also submitted to the Department of Business, Innovation & Skills (BIS) to notify them of the potential number of redundancies.

During the 90 day period, consultation was undertaken by a variety of means with staff and trade unions. This included:

- An initial briefing with staff and trade unions on the general budget proposals;
- Fortnightly corporate meetings with senior management and trade union officials;
- Service/team level meetings with staff and trade union officials, with the facility for staff and trade unions to provide verbal, written and electronic feedback on service specific proposals;

- Individual meetings with affected staff and the relevant trade union representative (where appropriate), with the facility for staff to provide verbal, written and electronic feedback on the proposals;
- Corporate and directorate intranet pages, dedicated to the budget proposals, with the facility for staff to provide electronic feedback on the proposals.

During the consultation process, in order to mitigate the need for compulsory redundancies, staff in “at risk” areas were offered the option of applying for early release on the grounds of redundancy or early retirement. In addition, staff in “at risk” areas were also given support to be redeployed into suitable alternative vacancies.

As part of the consultation process, feedback was also sought from staff, management and the trade unions on a redundancy selection matrix, should it be necessary to select for redundancy in some service areas.

### **3. EQUALITY IMPACT ASSESSMENTS**

Councils need to pay due regard to their duties under the Equality Act 2010. This includes robust consideration of equality issues when making financial decisions. An Equality Impact Assessment (E.I.A.) was undertaken for each budget proposal where initial screening identified a potential impact on Trafford residents or staff. The E.I.A.s have been live documents, running alongside the consultation process.

### **4. IMPACT OF CONSULTATION ON STAFF PROPOSALS**

In summary, a total of twenty five consultations took place with staff and trade unions.

During the consultation process, a number of key activities took place which will impact on the original proposals:

- Seven staff from “at risk” areas were successfully redeployed;
- A number of “casual” workers were recognised as having continuous and consistent service with Trafford and have therefore been recognised as having employment rights;
- Counter proposals were put forward by staff in four service areas; these proposals achieve the savings and mitigate or negate the need for compulsory redundancies;
- Additional funding has been secured to explore an alternative operating model in one “at risk” area;
- Discussions have taken place with another local authority about collaborative working, which will potentially negate the need for a compulsory redundancy;
- Sixty three staff in “at risk” areas submitted requests to be released on the grounds of VR/VER.

Therefore, whilst the original headcount reduction was anticipated as being in the region of two hundred, it is anticipated that as a result of the consultation process,

the revised overall headcount reduction will be reduced and in particular, given the number of applications for early release, the number of compulsory redundancies will be significantly reduced.

## **5. NEXT STEPS**

It is proposed to deliver staff briefings and media briefings relating to the overall budget proposals on 12<sup>th</sup> February, which is the paper issue date for the Budget Council meeting which is to be held on 20<sup>th</sup> February.

Budget proposals will be implemented in accordance with the relevant approval process.

## **6. OUTPLACEMENT SUPPORT**

A package of support for employees has been developed, the content of which depends on individual need. Employees who feel uncertain about their future can access:

- one to one meetings with their manager;
- the Occupational Health service;
- the BDMA Counselling service;
- 'Managing Change' sessions

In addition, employees who are in a redundancy situation (voluntary or compulsory) will also be offered:

- access to redeployment opportunities;
- JobCentre Plus 'Redundancy Support' sessions;
- 'Applying and Interviewing for Jobs' sessions;

Further bespoke support will also be available on an individual basis from JobCentre Plus and Penna.

## **7. UPDATE ON THE TERMS AND CONDITIONS REVIEW**

As part of the original budget proposal, a number of ideas were put forward to achieve in the region of £3m as a result of changes to staff terms and conditions. These ideas were initial proposals and not subject to the formal consultation process.

In summary, the proposals were to:

- § Remove the Essential Car User lump sum allowance
- § Reduce the sick pay scheme to a maximum of 3 months half pay and 3 months full pay
- § Introduce a mandatory 5 days unpaid leave
- § Introduce a "Living Wage" for the lowest paid staff

During December 2012, 13 Information Sessions took place with staff at various locations across the borough. These sessions were jointly led by a Senior Manager and a member of the HR Leadership Team. The purpose of these sessions was to inform staff of the Council's ideas and to seek feedback on the ideas along with seeking any alternative ideas to achieve savings.

The sessions were very well-attended with an average of 30-40 staff attending each session. The sessions generated significant discussion and feedback from staff.

In addition to the Information Sessions, pages were developed on the intranet site and staff were encouraged to feedback via the website. Hard to reach staff (e.g. school crossing patrol staff, passenger transport escorts, etc.) were notified of the ideas via a letter and information booklet sent to their home address and were encouraged to feedback via their line manager or by contacting a member of the HR Service. The deadline for feedback from staff was 18<sup>th</sup> January 2013. The feedback received will now be analysed and the original ideas will be reviewed.

As well as the original ideas put forward by the Council, further ideas received from staff and the trade unions will now be reviewed and developed into a set of formal proposals. These proposals will be the subject of formal consultation with a view to reaching a collective agreement with the trade unions on any proposed changes to staff terms and conditions.

## **8. CONCLUSION AND RECOMMENDATIONS**

The formal consultation process was extensive, with staff and trade unions engaged fully and positively at all levels across the organisation.

It is recommended that the Employment Committee notes the content of this report and in particular, the comprehensive approach that the Council has taken to budget consultation.