

The Highland Council Staff Partnership Forum – Elected Members/Staff Side Group

Minutes of Meeting of The Highland Council Staff Partnership Forum held in Council Headquarters, Glenurquhart Road, Inverness on Friday 5 February, 2016 at 10.30 am.

Present:

Employer's Representatives:

Mrs M Davidson
Mr B Fernie
Mr A Henderson

Mr D Millar
Mr M Reiss
Mrs M Smith

Staff Side Representatives:

Mr J Gibson,
Mr R Selkirk (GMB)
Ms M Ramsay (GMB)

Mr D Morrison (UCATT)
Mr A Wemyss (UNITE)
Ms M Macrae (RCN)

In attendance:

Mr S Barron, Chief Executive
Mr B Alexander, Director of Care and Learning Service
Mr W Gilfillan, Director of Community Services
Mr R Colman, Joint Secretary, Teachers' Side
Mr D Robertson, Head of Corporate Finance, Finance Service
Mr J Batchelor, Head of People and Performance, Corporate Development Service
Mr A MacInnes, Administrative Assistant, Corporate Development Service

Mrs M Davidson in the Chair

1. Apologies for Absence

Apologies for absence were intimated on behalf of Mr A Rhind and Mrs A Sinclair from the Employer's Side and Ms L MacKay (UNISON), Mr M Haymer (GMB) and Mr M Murphy (UCATT) from the Staff Side.

2. Declarations of Interest

There were no declarations of interest.

3. Minutes of Last Meeting

There had been circulated the Minutes of the last meeting of the Forum held on 4 December, 2015, the terms of which were **APPROVED**.

4. Matters Arising from Minutes

In terms of the request from the last meeting for information on where agency staff were used to provide services and a breakdown of the cost of this, the following

information was provided:-

Service	Number	Monthly cost
Chief Exec	2	£2,585
Corporate Dev	10	£16,255
Care & Learning	2	£1,648
Finance	5	£5,456
Dev & Infrastructure	10	£4,461
Community Service	45	£84,207

The Staff Partnership Forum **NOTED** the information.

5. Budget Update

The Head of Corporate Finance provided a verbal update on the current budget position for the Council. Budget papers had been circulated to Elected Members and the Staff Side.

In terms of the Revenue Budget for 2016/17 it had been reported to Council at their meeting on 21 January, 2016 that the budget gap had been £37.966m. Adjustments had since been made to the base budget, and in particular there had been a re-profiling of the Loans Fund due to slippage in the capital programme. It was anticipated that £4.5m could be taken out of budget pressures for 2016/17 as a result of this re-profiling of the Loans Fund. This money however would be needed in future years for the capital programme. As a result of these adjustments to the base budget, the budget gap was now £32.097m. This was reduced further when Services savings proposals were taken into account of £19.9m and other corporate savings and voluntary severance, leaving a budget gap of £4.812m. The Council's Administration and Officials were continuing to work on further savings proposals to achieve a balanced budget.

In relation to savings required from Highlife Highland, the Chief Executive of Highlife Highland had produced a report on how these savings would be achieved. It was requested that a copy of this report be issued to the Forum.

It was advised that after the current budget process had been completed there would be proposals for a re-organisation of the Council and trade unions would be consulted on this.

The Staff Side noted the information provided on the budget update and that further information would be provided to them when available. The Staff Side advised that they found it difficult to comment until the end budget position and implications arising therefrom were known. Of particular concern was the transition period between the setting of the budget and the re-organisation of the Council. How this process was managed and how staff could be supported through this period needed to be considered.

It was advised that the transition period was a concern as many of the problems were undefined and would remain so until the voluntary redundancy process had been completed. There would be an impact of some kind from every member of staff leaving the Council through the voluntary redundancy scheme. There would require

to be good leadership and management and good collaboration between teams to find different ways of doing things by using workload management tools and looking at opportunities to cut out unproductive tasks and focus on the essential things that the Council needs to do. The process of redesigning the Council could take many months, but it was hoped this could be achieved during 2016.

The Staff Side referred to the significant number of employees who would leave the Council through Service savings proposals and the Voluntary Redundancy Scheme. It was important for Elected Members to understand that the workloads left by those employees could not be done by remaining staff. Unless some activities were stopped then there would be significant pressures on staff. Major decisions were required to stop doing things, as staff did not want to provide an inferior service due to a shortage in staff resources. The re-organisation of the Council would take time and in the meantime employees that were left would try and deliver the same level of service and this was a major concern.

The Staff Side queried if there was a specific public relations strategy for creating public awareness of the implications of the Council decisions on the budget. In particular, front line staff needed to be protected from complaints. It was advised that following the Council meeting on 25 February, 2016 to set the budget, there would be a need to make the public aware of the implications of the decisions that had been made.

It was suggested that in public relations communications on the budget, that comments from trade unions be included.

Insofar as feedback from the public to some of the savings proposals, it was felt that there was an understanding from the public of the challenges facing the Council. Views of the public and communities should be included as part of the redesign process.

Thereafter, the Staff Partnership Forum:-

- i **NOTED** the budget position;
- ii **NOTED** that a copy of the report by the Chief Executive of Highlife Highland on savings proposals to meet the reduction in Highland Council funding would be circulated to the Forum;
- iii **AGREED** that a public relations strategy would be developed in order to make the public aware of the implications of budget decisions.

6. Voluntary Redundancy Update

The Chief Executive provided a verbal update on the Voluntary Redundancy Scheme.

It was advised that at the closing date for the Voluntary Redundancy Scheme there were 801 applications for voluntary redundancy and a further 153 notes of interest which would be taken as potential voluntary redundancy applications. The latter employee's pension arrangements were generally held outwith the Council and they had been unable to get details of what their entitlements would be.

A team was working on categorising and filtering the information, so that each Director had Service specific information about the applicants who had applied. Directors recommendations as to which applications could be approved were expected on 5 February, 2016. The criteria for making decisions was highlighted and there would be an investment cost of more than £10m funded from the Council's financial reserves. The reserves would require to be replenished over time.

In particular, it was advised that there were 60 applications from employees in senior management positions and the majority of these would be accepted, therefore there would be a significant reduction in the Council's senior management costs.

There would be redeployment opportunities, firstly for those employees who were already in a redeployment circumstance, but also employees who might find themselves in a redeployment situation as a result of decisions by Members on the budget. Every effort would be made to avoid compulsory redundancies and given the large number of voluntary redundancy applications this gave some optimism that everyone who wants to work for the Council would have options to do so.

The Chief Executive and Director of Finance had delegated authority to deal with applications and this process would commence soon. Some decisions would be straightforward and could be made quickly, but others may rely on what decisions are made by Members at the full Council meeting on 25 February, 2016. Therefore, employees would hear in phases if their applications had been accepted. It was emphasised that some applications would not be approved and the potential effects of this on the staff concerned was acknowledged. The no responses would be based on Services needing to continue; some posts were exempt from the scheme; some applications would be deferred until a specific event had concluded, and some applications were constrained by contract or the settlement by Scottish Government.

Employees whose applications were accepted, would receive a letter advising them of this, and asking them to confirm or decline the offer. Employees would then leave the Council during March and April, 2016.

In discussion, it was queried what the criteria would be for determining applications of employees who had similar jobs. It was advised that there was not specific criteria for determining applications as Directors had to consider service delivery, geographical issues, issues relating to other employees doing a similar job in a team and issues about the number of hours people work. At all times Directors would try to be fair and equitable in their decision making.

It was queried if a matrix was being used in the decision making process to ensure fairness and equity. It was advised that there was no simple matrix that could be used for this purpose as a range of different issues had to be considered.

It was stated that if employees were being made compulsory redundant they could challenge this by legal means if they felt they had been treated unfairly. It was queried if those employees whose voluntary redundancy applications had not been accepted, could they legally challenge this if they felt they had been unfairly treated. In response it was advised that the Council was not forcing people to go under the Voluntary Redundancy Scheme, but they were volunteering to go and therefore they had no legal rights in terms of whether the Council said yes or no to their application.

A comment was made that during the redesign of the Council some services might be stopped altogether and it may be that some applications not accepted at the moment could be reconsidered at a later date. It was advised that a future voluntary redundancy scheme could not be ruled out.

In terms of the Council devolving more powers to local areas this had to be taken into consideration when looking at applications for voluntary redundancy and when redesigning the Council.

The Staff Side requested information on the breakdown of applications for each Service.

It was advised that every effort to avoid compulsory redundancies would be made and that if opportunities arose for employees facing compulsory redundancy to be redeployed this would be done and training provided to them. It was acknowledged that more comprehensive training may be required than under normal circumstances given the unusual situation currently being faced by the Council.

It was advised that the Chief Executive and the Director of Development and Infrastructure had been requested to look at what support could be given to those employees leaving the Council through the Voluntary Redundancy Scheme who wished to go onto other employment or to start up in business themselves.

It was confirmed that Members views were being sought as to whether they wished to extend the Voluntary Redundancy Scheme of delegation to allow the Chief Executive and Director of Finance to take more decisions on applications, rather than submit applications where the impact was more severe to the Members Employment Release Sub Committee.

An agenda and papers for the Council meeting on 25 February, 2016 would be issued to Elected Members on 17 February and following a request from the Staff Side an undertaking was given to provide the Staff Side with the papers on 18 February.

The Chair expressed her appreciation to the Staff Side for the decent and measured way they had responded to the unprecedented budget challenges facing the Council and this was greatly appreciated.

The Staff Partnership Forum:-

i **NOTED** the voluntary redundancy update;

ii **AGREED** that information on the breakdown of voluntary redundancy applications for each Service would be submitted to the Staff Side; and

iii **AGREED** that the papers for the Council meeting on 25 February, 2016 would be submitted to the Staff Side on 18 February, 2016.

7. AOCB

Trade Union Bill – The Staff Side reported that part of the legislation for the Trade Union Bill was to remove the Deduction of Contributions at Source (DoCAS) system from April, 2017. This system allowed subscriptions from trade union members to be processed by the Council through its payroll system and the Council received a fee for this service. This did not affect all trade unions as some unions required their members to pay by direct debit. However for the trade unions who did use this system, it's potential removal was of real concern to them. The Council's support was sought to minimise the impact of the removal of the DoCAS system.

An undertaking was given for Human Resources and the Finance Service to work with the trade unions to see what could be done to support them in a way that was both legal and protected the Council against any sanctions.

The Staff Side thanked the Employer's Side for their support on this matter.

The meeting concluded at 11.40 a.m.

Date of next meeting – Friday, 22 April, 2016 at 2.30p.m.