

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 4 November, 2016 at 10.30 am.

Present:

Employer's Representatives:

Mrs M Davidson	Mr M Reiss (by telephone conference)
Mr B Fernie	Mrs M Smith
Mr R Greene (by telephone conference)	
Mr D Millar	

Staff Side Representatives:

Ms L MacKay (UNISON)	Mr M Murphy (UCATT)
Mr J Gibson (UNISON)	Mr A Wemyss (UNITE)
Mr R Selkirk (GMB)	Ms M Macrae (RCN)
Mr M Haymer (GMB)	

In attendance:

Ms M Morris, Depute Chief Executive/Director of Corporate Development Service
Mr B Alexander, Director of Care and Learning Service
Mr W Gilfillan, Director of Community Services
Mr S Walsh, Head of People and Transformation, Corporate Development Service
Mr E Foster, Head of Corporate Finance, Finance 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, Mr A Henderson and Dr A Sinclair from the Employer's Side and Mr S Barron, Chief Executive.

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 1 June, 2016, the terms of which were **APPROVED**.

4. Matters Arising from Minutes

There were no matters arising.

5. Service Trade Union Liaison Meetings

There had been circulated the following Service Trade Union Liaison Minutes of Meetings for information:-

- i. Corporate Development Service – 20 April and 20 July, 2016;
- ii. Finance Service – 11 July and 15 September 2016;
- iii. Care and Learning Service – 24 August 2016; and
- iv. Community Services – 13 May and 26 August, 2016.

Arising from the minutes the following matters were raised:-

- (a) Community Services Minute – 26 August, 2016 – in relation to the proposals for savings within the recycling centre network, concern had been expressed by trade union members about weekend working and they had requested that this proposal be removed. This would mean staff having to work every weekend and this was strongly opposed by staff. In response, it was confirmed that this proposal had been removed as not enough staff supported the idea. Alternative ways of making savings would need to be identified and discussions would be held with trade unions on this. The Chair requested that she be kept informed of progress on this issue.
- (b) Finance Service Minute – 15 September, 2016 – in relation to ResourceLink there had been significant difficulties due to systems upgrade. ICT Services, Fujitsu and Northgate (*the supplier of the software*) were currently working to resolve these issues. Separately to this an independent health check was being carried out in order to try and identify what might be causing the problems. It was confirmed that employees were still being paid, but the problems were causing delays to the administration of payroll.

The Staff Side advised that these delays in payroll administration had caused problems for some staff, particularly those on low incomes, and they would be concerned if this happened again. The Staff Side also queried if these issues had resulted in additional costs and if so could these costs be reclaimed. It was confirmed that an e-mail had been issued to all Managers highlighting the problems with the Payroll system and if there were any specific problem areas these would be addressed. Also, the Finance Service would be investigating if costs could be recovered, but this would depend on the outcome of the investigation into the cause of the problem. This was a budget pressure which would be managed within the Finance Service budget.

Thereafter, the Staff Partnership Forum **AGREED**:-

- i that an update on ResourceLink would be included in a report to the Resources Committee meeting on 23 November, 2016; and
- ii that an e-mail issued to Managers in relation to the problems currently being experienced with payroll administration would be copied to the Staff Side.

6. Revenue Budget

It was noted that Members and Trade Unions had previously been given a pre-budget briefing on the Revenue Budget. This would be a hugely challenging budget for all concerned, particularly given the savings that have required to be made in previous years. It was advised that the decision by the Scottish Parliament to raise the Council Tax levels for properties in Bands E to H would be factored into the Council's budget planning. In Highland this would equate to an additional £5m in Council tax income which would go to the Scottish Government and redistributed. It was uncertain how much of this money would come back to Highland. In addition the Council would for the first time in many years be able to increase the Council tax charge by up to 3%.

The Staff Side were invited to give their views on the previous budget consultations and whether any improvements could be made. Also, if the budget predictions for the next few years were correct, then this would mean more reductions in staffing and the Staff Side were asked for their views on how best to do this.

The Staff Side explained that in terms of the Voluntary Redundancy Scheme it was understood that the reduction of staff was to be matched by a reduction in productivity which would be identified by a review of the Council and this would be completed by December, 2016. While there had been some progress, they were not convinced that there had been a reduction in workload commensurate with the reduction in staff. The budget challenges for next year would compound this issue. Therefore, there was concern that staff were being asked to cope with significant additional workloads which was not sustainable. Therefore decisions required to be made on what functions of the Council should be stopped. It was advised that through the process of the redesign of the Council it was likely that some functions of the Council would require to stop.

In relation to the Voluntary Severance Scheme, staff did see this as a good way forward for those who wished to leave the Council and employees were asking if there would be a further scheme, given the continuing budget challenges. It was advised that the Council could not afford a Voluntary Redundancy Scheme on the scale of the last scheme, and if there was to be a further scheme it would be on a much reduced scale, possibly targeted at certain groups of staff. Staff reductions through natural staff turnover and vacancy management would be the more likely options. The Council redesign process would not be completed in time for decisions to be made on the current budget planning and in the meantime Directors had been requested to provide a list of functions that they felt the Council could stop doing and this would be considered in the Administration's budget planning. The views of the public would also be important on what functions the Council should stop doing.

Continuing, it was confirmed that the Council redesign process was on target. There were some significant Service review areas and these would take time. These reviews would take account of how functions were currently undertaken and how they could be provided in future more efficiently, taking account of the Council's affordability level. It was acknowledged that this was a very difficult time for staff and the scale of the challenges facing the Council were unprecedented. The Council welcomed the views of the Staff Side on how staff could be supported through the change process.

In relation to the Staff Side's experiences of previous budget consultations, they advised that consultation had been satisfactory. However a point was made that towards the end of the process, proposals could change quickly and the Staff Side may not be aware of late changes to budget proposals.

In terms of potential options for meeting the budget challenges, the Council would consider additional income raising through increasing charges. Directors had been asked to provide proposals for 10%/15% and 20% savings by 11 November, 2016. This would aid long term budget planning as it was likely that there would be a reduction in the local government grant settlement for the next three years at least. The Staff Side were invited to discuss with Directors their views/ideas on options for savings. The Administration's outline budget for next year would be shared with the Staff Side at a further meeting of this Forum. A summary of progress on the implementation of decisions made on savings was regularly reported to the Resources Committee.

In relation to the Council's Capital Programme, this was very ambitious, amounting to approximately £100m per year, which had a significant impact on the revenue budget in terms of paying back loans and interest payments on this debt. The Staff Side's views were sought on the Council's ethos of capital spend for projects in order to improve schools, infrastructure and put money into the economy, and whether the Council should consider either reducing or delaying capital projects in order to service the debt. The Staff Side advised that of upmost importance to them was to protect the jobs of Highland Council employees. They did acknowledge that Elected Members had to look at wider considerations such as the Highland economy. In particular, there was a need to ensure that staff time on capital projects was allocated to capital budgets and not revenue budgets. However, a point was made that no matter which way costs were allocated, it still amounted to a spend from the Council's overall budget.

Thereafter, the Staff Partnership Forum **NOTED** the position and that a further meeting of the Forum would be arranged to discuss the Administration's outline budget for next year.

7. Redesign of The Highland Council – Update

There was circulated Report No. SPF/5/16 by the Head of Policy and Reform which provided an update on the work of the Redesign Board which included Trade Union representation. It described the work currently in progress which extends staff side representation into individual significant reviews. The Board continued to meet fortnightly given the pace required for redesign proposals. The report highlighted the involvement of staff to date in redesign, including new methods in use, and that this has laid good foundations for phase 5 of the Board's work to develop an organisation change and support programme. New ways of involving staff were being designed-in to redesign.

The Forum was invited to comment on the redesign process to date and to identify any feedback it seeks to give to the Redesign Board. The Board continued to meet fortnightly and could respond in advance of the next meeting.

In discussion, the following points were raised:-

- There had been improvements in opportunities for staff engagement through Focus Groups, on-line Staff Panel and Social Media. Staff appreciated being more involved in the redesign process;
- Planned visits by Elected Members/Directors to workshops/depots to speak to staff about the Council Redesign was welcomed by the Staff Side, as for operational reasons, this would maximise the number of staff who could attend such events.
- Redesign workshops in the areas had been well attended and were welcomed. However, it was suggested that more time should be allotted at the end of workshops for general discussion.
- In terms of feedback on the redesign consultation, it was suggested that frequently asked questions pertaining to the redesign process be available to staff to view on an online forum.
- It was queried how staff would be involved and consulted on Service reviews. It was advised that the HR Team at the start of each review, would engage with the review Leads to ascertain how best staff could participate in the review. There was a need to have a broad range of staff being consulted on each review. Training on facilitation skills would be provided to those involved in the reviews.

Thereafter, the Staff Partnership Forum **NOTED** progress on the redesign process to date.

8. Attendance Management 2016/17 Savings

There was circulated Report No. SPF/6/16 by the Depute Chief Executive/Director of Corporate Development which presented an update on action taken to achieve improvements in attendance management to achieve the £500,000 savings target agreed by the Highland Council in February 2016.

In discussion the following points were raised:-

- In relation to the mandatory attendance management course for managers, this would train managers in supporting staff on sickness absence back to work. It was acknowledged that long term sickness absence had an impact on the workloads of other staff.
- The establishment of an Attendance Support Officer to support services was welcomed and there was confidence that this would make a big difference in minimising sickness absence in the Council.
- In terms of savings to be achieved in attendance management, there was a target of 3% improvement in sickness absence for the remainder of this financial year. This would correspond to a full year 2016/17 reduction of £820k in the cost of staff on sick leave, reintroducing £820k of staffing back into operational support. However this number could not easily be translated into a cost saving and further analysis was ongoing with respect to how increasing productive staff hours could be used to deliver cashable savings.

It was explained that the £500k savings target agreed by the Highland Council was currently contained in a central budget. If this saving could be delivered in terms of actual staff cost reductions, then this saving would be allocated to Services. It was advised that potentially there had been cost reductions, in terms of the reduction in use of agency/temporary staff to cover absences.

However, if the improvement in sickness absence was only an increase in productivity then this could not be translated into a cost reduction in services.

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

The meeting concluded at 11.50 a.m.