

Report to:	COUNCIL
Relevant Officer:	Neil Jack, Chief Executive
Relevant Cabinet Member:	Councillor Blackburn, Leader of the Council
Date of Meeting:	25 th June 2014

REVENUE BUDGET SAVINGS 2014/ 2015

1.0 Purpose of the report:

1.1 To consider the recommendations of the Executive relating to a replacement option for savings identified in the Revenue Budget for 2014/ 2015.

2.0 Recommendation(s):

2.1 To agree that the £1.6 million savings identified in the approved Revenue Budget for an increment freeze for staff for 2014/ 2015, be replaced by the proposals set out at paragraphs 5.1 and 5.4 of the Executive Report and that the proposed pay freeze referred to in paragraph 5.1 of that report apply for 24 months.

3.0 Reasons for recommendation(s):

3.1 Staffing savings were identified in the budget for 2014/2015 which must be achieved in year. The recommendations in this report are designed to ensure that these savings targets are achieved and that services are protected as far as possible by being ordered in sensible groupings to achieve outcomes and targets.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? No - this report (with the recommendations from the Executive) offers an alternative to how the £1.6m staffing savings will be funded).

3.3 Other alternative options to be considered:

The proposals to achieve budget savings with regards to changing staff terms and conditions have been the subject of extensive consultation throughout the budget cycle process and a number of alternatives have been put forward and considered. The Chief Executive was given delegated powers at the Budget Council meeting to deliver the staffing savings and has been doing that through ongoing consultation. As part of the consultation process, it is proposed that the method of achieving the savings is amended to take account of the latest consultation process and legal advice and so the paper is in itself presenting an alternative to the original proposals.

With regards to the restructure of managerial arrangements, the proposals within this report have been the subject of consultation at senior levels of the organisation and will be subject to further and more detailed consultation with those affected. It is proposed therefore, that the principles outlined are agreed by the Executive, subject to more detailed dialogue with staff affected by the changes and their Trade Union representatives.

4.0 Council Priority:

4.1 The relevant Council Priority is:

- Deliver quality services through a professional, well-rewarded and motivated workforce

5.0 Background Information

5.1 The Executive at its meeting on 19th May considered a report which outlined proposals to review staff terms and conditions and the senior management structure of the Council to ensure staffing savings identified in the budget for 2014/2015 are achieved. The decision notice from the Executive meeting is attached at Appendix 8(a). The Executive report refers to consultation aimed at implementing a pay freeze across all employee groups in its stead; this is now being considered over 24 months. A copy of the supporting documentation to this decision notice was submitted with the agenda for the Executive. Further copies can be obtained from the Democratic Services department on 01253 477034.

Does the information submitted include any exempt information?

No

List of Appendices:

Appendix 8(a) attached sets out the decision of the Executive

6.0 Legal considerations:

6.1 Consultation on changes to terms and conditions has taken place with Trades Unions

and employees since November 2013 and is still ongoing. Such matters are complex and all legal due process has been followed as part of the consultation process to date and will be followed based on firm legal advice through the implementation phase.

7.0 Human Resources considerations:

7.1 Due process has been applied and the Council's Human Resources policies have been adhered to with regards to these issues.

8.0 Equalities considerations:

8.1 The impact of changes to terms and conditions has been considered from an equalities perspective and it is this detailed consideration in consultation with the Trades Unions that led to the proposals considered by the Executive.

9.0 Financial considerations:

9.1 These proposals are an important part of the delivery of the budget for 2014/2015 and 2015/2016.

10.0 Risk management considerations:

10.1 The risk area associated with these new proposals is the loss of talented staff to organisations that are not impacting on staff terms and conditions and the impact of reduced management capacity on the achievement of objectives.

11.0 Internal/ External Consultation undertaken:

11.1 Consultation with the Trades Unions and the staff on the terms and conditions matters has been ongoing since November 2013 and continues as part of normal business.

12.0 Background papers:

12.1 There are no additional background papers to this report.