

MINUTE

of

JOINT CONSULTATIVE COMMITTEE (FIRST TIER)

Minute of Meeting held at 2.00pm in the Council Chamber, Council Headquarters, Giffnock on 21 January 2016.

Present:

Councillor Jim Fletcher
Councillor Ian McAlpine

Councillor Gordon McCaskill
Councillor Ralph Robertson

Union Representatives:

Mr Martin Doran (GMB)
Mr Mark Kirkland (UNISON)
Mr Steven Larkin (UNISON)

Mr Gordon Lees (UNISON)
Mr Alan Munro (EIS)
Mr David Nimmo (GMB)

Attending:

Lorraine McMillan, Chief Executive; Margaret McCrossan, Head of Accountancy (Chief Financial Officer); Sharon Beattie, Head of HR, Customer and Communications; Hugh Friel, Senior HR Officer; Steve Murray, Health and Safety Adviser; and Linda Hutchison, Senior Committee Services Officer.

Apologies:

Mr John Henry (GMB); Mr John Guidi (SSTA); Mr Joe Lynch (UNISON); and Mr Alan Scott (UNISON).

MINUTE OF PREVIOUS MEETING

1. The committee considered and approved as a correct record the Minute of the meeting held on 21 May 2015.

REVENUE BUDGET 2016/17

2. The committee considered a report by the Head of Accountancy on developments regarding the 2016/17 revenue budget. In keeping with a longer term approach adopted to managing the current financial difficulties, in February 2015 the Council had approved the 2015/16 revenue budget and indicative budgets for 2016/17 and 2017/18 based on forecasts of spending pressures and funding and savings measures for 2015/16 to 2017/18 which had been subject to full consultation. Based on grant assumptions, the 2016/17 and 2017/18 savings had fallen short of the total thought required by £0.115m and £4.52m respectively, the intention being to keep forecasts and grant assumptions under review and submit updated budgets to the Council for approval annually as funding was confirmed.

It was explained that when the Council's provisional 2016/17 grant figures were announced in December 2015, it had been confirmed that the overall core grant level for Scottish Councils for 2016/17 would reduce in cash terms by 3.5%. Despite the Council's prudent approach when setting future indicative budgets, this was more than assumptions used for forecasting. Having clarified that the 2016/17 core grant was lower in cash terms than that allocated for 2015/16, the report highlighted that the Council had to find efficiencies to compensate for pay and price increases and service demand pressures which were not funded.

The report explained that the headline grant figure incorporated funding to support a Council Tax freeze, this being a condition of the grant as was maintaining teacher numbers linked to pupil ones. Having referred to the varied settlement across individual councils associated with the distributional effects of population changes and the 'floors' grant safety net arrangement, the report highlighted that some elements of grant remained to be distributed and checks carried out, with confirmation of the final settlement due in February. The Council was reviewing its provisional figures to confirm the impact on its 2016/17 budget, with the outlook for 2017/18 remaining a major concern and savings still requiring to be identified to address the anticipated funding gap.

Issues referred to on the financial outlook included the multi-year budget set by the Council to help manage the difficult financial circumstances faced and the value of its longer term financial planning approach which it was intended to continue. It was reiterated that the Council's 2016/17 grant allocation would not be confirmed until February 2016 with uncertainties remaining on future funding, and clarified that an updated forecast on the Council's 2017/18 financial position would be made but reviewed on an ongoing basis to reflect clarification provided on grant funding, to review assumptions on spending pressures needing to be addressed and based on assumed Council Tax income.

Based on assumptions and advice on the Chancellor of the Exchequer's Autumn 2015 Statement, the forecast remained that local government funding could reduce further in cash terms in 2017/18. It was anticipated that over the period 2015/16 to 2017/18 a total shortfall of £26m had to be addressed by the Council compared to £22m anticipated originally. This compared to savings applied totalling £10.6m for 2013/14 and 2014/15, emphasising the scale of the difficulties faced. It was expected that real term budget reductions would continue until at least 2019/20 and clarified that the difficulties would be considered in line with the Council's longer term financial management strategy and involve Trade Union engagement.

Whilst commenting on the Council's multi-year Capital Plan for the General Fund, the report referred to the need for investment to reflect economic circumstances, reductions in capital receipts and the establishment of an appropriate level of Capital Reserve to be applied over the coming years. Reference was also made to the Housing Capital Plan and, more generally, related consultation and communication, including with the Trade Unions.

Whilst commenting on the provisional grant settlement, Councillor Fletcher referred to a graph, a copy of which was tabled and would be submitted to the Budget Strategy Group (BSG), depicting the savings required in 2016/17 and 2017/18 compared to those planned for. He referred to the intention to delay submitting a report to the Council on its revenue budget for 2016/17 and beyond, the extent of further savings required and intention to adopt an honest and transparent approach. Having reported why he could not provide the detail normally made available to the committee at this stage and whilst explaining the savings required with reference to the graph, he commented on the severe pressures facing local authorities and that the financial settlement did not include provision for significant costs linked to pay increases, national insurance changes and price inflation. Councillor Fletcher referred to savings identified thus far with Trade Union help, indicating an intention to bring forward to 2016/17 savings identified for 2017/18 on which consultation had been done, subject to further work on options by officers. He added that he was not aware of any appetite amongst Members to increase the Council Tax.

Referring to 2017/18 savings requirements, Councillor Fletcher expressed hope that a Council Tax freeze would not be a grant condition in future and that future taxation changes in Scotland would be helpful. Having referred to challenges linked to identifying savings, including when teacher numbers had to be maintained, and quantified those necessary, he emphasised that a significant proportion of the £26m required had already been achieved through hard work and liaison, including with the Trade Unions.

In reply to Mr Lees, Councillor Fletcher confirmed the Council's commitment to no compulsory redundancies for the 2016/17 financial budget but however that this commitment could not be made at this time for the 2017/18 savings being applied in 2016/17. He added that until future grant settlements and any required savings were fully known, a guarantee beyond then could not be given whilst every effort would be made to avoid these. He anticipated announcing at the Council meeting in March that a funding gap existed and that confirmation of the position on posts would depend on how quickly the 2016/17 savings package could be finally agreed.

Also in response to Mr Lees and Mr Doran who requested further information on the specific savings to be brought forward to 2016/17 and those in 2017/18, Councillor Fletcher referred to the need to identify options, highlighting it was unlikely that all savings could be achieved through use of reserves although use of some could make a contribution to them. He added that one reason why the final situation could not be confirmed was that the position on funding made available by the Government for Integration Joint Boards (IJBs), which might be additional to the local government settlement, was still unclear.

Whilst acknowledging the difficulties faced, Mr Doran commented that Trade Union members would wish clarification on their employment position, job security being a top concern. Having reiterated the Council's past commitments on redundancies, Councillor Fletcher stressed the increasingly difficult position faced and need to deliver a legal budget, emphasising how crucial staff had been to delivering savings and how valued they were. He referred to how Government protection of selected services had not extended to local government, emphasising the need for related concerns to be raised by the Council and others. Mr Larkin confirmed he had written to the First Minister in such terms requesting a meeting with the First Minister and Finance Minister. Councillor Fletcher emphasised that his party would support a local campaign for a better settlement. Councillor McAlpine stressed there was no wish to increase Council Tax levels or pursue compulsory redundancies, also expressing his support for working with the Trade Unions on such a campaign.

The Chief Executive acknowledged the level of pressure staff faced and concerns expressed, clarifying that if compulsory redundancies were ever pursued this would not happen immediately. She clarified that elected Members too were aware of pressures facing staff and wished to work with the Trade Unions to manage issues. She emphasised that efficiency was not about asking hard working staff to work harder, but rather about looking at what work might no longer be required and how services are delivered. Mr Munro commented that requests for staff to work harder were for the past, including for teachers. Whilst supporting maintenance of teacher numbers, he commented that the Trade Unions had pursued a standard for teacher numbers on which local government support would be helpful. Having referred to a current no compulsory redundancy agreement in place for teachers linked to absence levels, he expressed the view that savings would ultimately lead to a smaller authority and less service provision.

In reply to Mr Munro who asked what future changes were envisaged in 2017/18, Councillor Fletcher reiterated his commitment to an honest approach and on-going partnership with the Trade Unions such as on sharing information, but added that he could not comment on this in detail at this stage, reiterating his hope that more funds would become available. He added that he did not criticise the EIS for its stance on protecting teacher numbers, but that a consequence of that protection was that savings impacted disproportionately on other, unprotected services. He expressed the view that it was unhelpful when the EIS supported local authorities being sanctioned financially for failing to maintain teacher numbers, citing the value of school librarians and classroom and special needs assistants who did not receive such protection. Mr Munro commented that workforce planning for teachers needed to be addressed further, referring to the difficulty of engaging permanent and supply staff.

Mr Lees requested that the Council revisit cuts facing the school librarian service, arguing that a 50% cut in one year was too great. Councillor Fletcher confirmed he had relayed the concerns expressed about this to the BSG and that a response would be provided but that he did not think scope to take a different approach existed. He emphasised that there was no wish to force people to leave the authority, that discussions with these librarians had been ongoing and that he was not aware of anyone leaving who had not expressed a wish to do so. More generally he highlighted that employees in surplus posts were dealt with sensitively and redeployed if possible. Mr Lees highlighted that posts deleted from the staffing establishment would not be reinstated and the need to recognise that the future school librarian service could not equal that of the past. Councillor Fletcher commented that, even with reduced staff, a school library service would be provided.

It was agreed to note the position and comments made.

TRADE UNION BILL

3. Reference was made to a Motion sent to Councillors by the Trade Unions seeking the Council's support to oppose provisions within the Trade Union Bill.

Councillor Fletcher undertook to consider what had been sent but referred also to an agreement amongst the coalition not to submit many Motions to Council and the possibility of action without Motions being considered formally. He commented that whilst there was opposition to the Bill and everything possible would be done to preserve current provision in relation to cheque-off and facilities time for example, there was a need to work within the law. He added that further clarity on the Bill was anticipated in due course. Councillor Robertson said he considered the Motion he had seen fair and expressed support for working with the Trade Unions, but added that there was a need to work within the law.

Mr Doran referred to the proposed legislation as an attack on democracy and the GMB's position, commenting that Scottish local authorities' current opposition to implementation of the legislation was welcomed but could change. Having referred to a local initiative to move GMB members onto making payments by direct debit instead of through cheque-off, he referred to staff commitment to providing high quality services and his intention to seek permission to brief the GMB membership on implications of the legislation and the direction of travel. Councillor Fletcher clarified that there was no wish to change the current cheque-off arrangements if they could continue legally but referred to potential sanctions of not adhering to legislation and the need to consider these. He confirmed that the GMB should liaise with the Head of HR, Customer and Communications on the contact it wished to make with its members.

The position was noted.

COUNCIL HEALTH AND SAFETY COMMITTEE

4. There were submitted and noted the Minutes of the Council's Health and Safety Committee held on 29 April and 28 October 2015.

DATE OF NEXT MEETING

5. The committee noted that the next meeting was scheduled to take place on Thursday, 19 May 2016.