

6. Trade Union representatives

6.1. A meeting was held with trade union (TU) representatives on 17 January 2018 to consult on the Council's 2018/19 spending and savings proposals outlined in the Reconciling Policy, Performance and Resources (RPPR) Cabinet papers.

6.2. The Leader of the Council opened the meeting by thanking the TU representatives for attending; and through them thanked staff for their continued support and hard work over the last few years.

6.3. The Leader reminded attendees that the Council and wider public sector still faced a range of significant challenges and opportunities. He reiterated that the Cabinet would continue to work to protect services for the county's most vulnerable people in line with the Council's four priority outcomes. However, the scale of the financial challenge the Council faced remained stark and the savings planned for 2018/19, on top of those already made, would have an unavoidable impact on the Council's services and staff.

6.4. The Leader informed the meeting that he had written to East Sussex MPs about the proposed savings. The Council was lobbying Government through the Local Government Association, County Councils Network and South East 7 partnership to express its concerns about the impact of sustained savings, and to lobby for further transitional grants to be made available between now and the introduction of the Business Rate Retention and the Fair Funding Formula in 2020/21. The Council would respond to the Fair Funding Review consultation to set out the requirements for a fair funding deal for East Sussex.

6.5. The Chief Executive provided an overview of the current financial position. Since October, there had been some changes to the financial position, including the announcement in the provisional Local Government Finance Settlement allowing local authorities to increase Council Tax by an additional 1%. The savings target had reduced to £17m from £22m, but savings would still have a significant impact on Council services and staff. The Chief Executive also acknowledged that recommending an increase of Council Tax by 5.99% would place a significant burden on residents, including many staff, but, on balance was recommending to Members that it was the appropriate decision to protect services for vulnerable people.

6.6. An assessment of the impact of the savings was set out in Appendix 4 of the RPPR Report. The assessments recognised that some of the proposals do not make good 'business sense' in the medium term, e.g. reductions in preventative services; however, the savings were being proposed in light of the need to make the best use of remaining resources in line with the Council's four priority outcomes. Where necessary, the savings would be subject to consultation and further Equality Impact Assessments.

6.7. In light of the significant savings, a reduction of approximately 200 staff posts was anticipated during 2018/19. The Council would continue to operate its agreed employment stability policies and procedures in consultation with TUs and staff and remained committed to avoiding compulsory redundancies – offering redeployment opportunities where possible, recognising opportunities for redeployment would decrease as services reduce.

6.8. The Chief Executive reminded the meeting that although the planned savings understandably dominated discussions, the Council planned to spend £371m in the county in the coming year and would continue to make a difference to the lives of the people of East Sussex. Plans for spending the budget were set out in the Council Plan.

6.9. The TU representatives raised a number of questions and issues which were addressed as set out below.

Corporate Health Indicators

6.10. TU representatives asked for details of current arrangements for monitoring Corporate Health Indicators and whether the Cabinet should receive regular updates on indicators such as the number of staff at risk of redundancy, stress and sickness.

6.11. The Chief Executive said that Cabinet look at Corporate Health Indicators, including staff sickness, in the Council Plan quarterly monitoring reports; the Corporate Management Team (CMT) and individual Departmental Management Teams look at these indicators in more detail; and the Audit, Best Value & Community Services (ABVCS) Scrutiny Committee consistently scrutinise the figures.

Team restructures

6.12. TU representatives asked the Cabinet to take a more coordinated approach to service restructures, that would reduce certain teams' exposure and make better use of managers' and TU representatives' time.

6.13. The Leader clarified that it was the role of Cabinet to agree policy and take decisions, and that officers would implement the decisions, including carrying out any necessary restructures of teams.

6.14. The Chief Executive explained that the Council's approach to restructures was to carry them out in the way, and at the level most appropriate, to allow the restructure objectives to be met, whilst minimising disruption to directorates. This may mean that restructures were carried out at individual team level rather than across a whole service area at once.

6.15. The Chief Executive acknowledged that in the Children's Services Department some staff had been subject to a number of restructures.

6.16. The Head of Human Resources explained that there were a number of factors to consider in determining the most appropriate approach for a restructure, but confirmed that a central consideration was the need to make the best use of managers', trade union representatives', HR staff, and other stakeholders' time. The Human Resources Service would be working with departments to consider this further in terms of restructures during 2018 and would take TUs' feedback into account.

Future planning and the Medium Term Financial Plan

6.17. TU representatives asked that the Cabinet continue to be open about savings plans and their impact on staff and services. It was beneficial for staff to have early notice and full understanding of any proposed changes that would impact their work. TU representatives

asked when details of savings for the following two financial years would be available to provide clarity for staff.

6.18. The Chief Executive explained that due to the level of uncertainty around future resources, this was the first time in recent years that the Council did not have a three year Medium Term Financial Plan (MTFP). The budget report included some estimates about 2019/20 and 2020/21, however, Cabinet agreed to defer producing a detailed MTFP until certain Government policies and funding agreements became clear, such as the Green Paper on Adult Social Care expected later in 2018. The reason for this was to avoid causing unnecessary concern and disruption amongst staff and residents by producing a MTFP before the level of resources available to the Council was more certain. Once the Government's policies became clearer, a MTFP would be developed as soon as possible using the standard budget planning procedures.

Impact of savings proposals

6.19 TU representatives were very concerned about the impact of the 2018/19 budget proposals on staff, both in their working capacity and as residents of East Sussex. Particularly there were concerns that the proposed Council Tax increase risked increasing the number of staff in in-work poverty and that reduced services would put pressure on staff that were also service users. It was noted that staff were experiencing increasing work demands, in part due to higher expectations from the public.

6.20 The Leader recognised that the Council's staff had gone above and beyond to continue to deliver high class services in particularly challenging times. The Chief Executive acknowledged the challenges staff faced and explained that the Council had recently published a revised Customer Promise to clarify ESCC customer service expectations, for both staff and the public. The Promise had been developed in consultation with staff to ensure that the requirements included were practicable.

Stroke Association

6.21 TU representatives had concerns regarding the impact of proposed ASC savings on the service offer of the Stroke Association.

6.22 The Director of Adult Social Care and Health explained that the Stroke Association funding formed part of a wider prevention and support service for elderly and vulnerable people that was co-funded by the Clinical Commissioning Groups (CCGs). The proposed reduction in the funding package of care provided by the Stroke Association was in keeping with a wider savings plan that involved reducing investment in preventative work across social care.

Children's Services Department

6.23 TU representatives had concerns that the savings proposals in Children's Services would have knock-on effects for schools. Further details on Children's Service's proposals were requested, particularly on proposed savings in the Standards and Learning Effectiveness Service (SLES) and Inclusion, Special Educational Needs and Disability (ISEND) services.

6.24 The Lead Member for Education and Inclusion, Special Educational Needs and Disability said that the impact assessments described in the Cabinet report demonstrated a commitment to openness and honesty about the impact of the proposed savings, including acknowledging that the savings could create difficulties either in the future, or in other organisations, such as schools, that were required to carry a greater financial burden.

6.25 The Director of Children's Services confirmed that the Council had recently agreed with schools how the Dedicated Schools Grant funding would be spent next year, including the extent to which the Council and individual schools would contribute towards Standards and Learning Effectiveness.

Standards and Learning Effectiveness Service

6.26 The Director of Children's Services explained that the direction of travel was towards schools becoming more self-sufficient, requiring schools to improve their own standards. SLES had become a slimmer service and offered a limited traded offer of support for schools, requiring schools to pay for further services.

6.27 The SLES offer was expected to continue to reduce under the budget proposals and the Council was in discussions with school head teachers to encourage them to take internal actions to improve standards, such as through federating into Education Improvement Partnerships that have the capacity to provide support to each other. Schools were also considering becoming academies so that they could receive support through Multi-Academy Trusts (MATs).

ISEND and Education Support Behaviour and Attendance Service (ESBAS)

6.28 The Director of Children's Services explained that the Council still spent £50m annually on ISEND and ESBAS. The Council was undertaking a lot of work to offset reducing the ISEND support it provided to children by equalising the costs paid to different institutions for the same level of support. This should ensure the same quality of care was provided but at a lower cost.

6.29 The Council was also negotiating with special schools about the role they played in sustaining and maintaining after-school provision currently paid for by the Council.

Integrating health and social care

6.30 TU representatives had concerns that integrating the Council's budget with health partners, as part of plans for health and social care integration, would result in reduced control and oversight of the social care budget.

6.31 The Leader said that the East Sussex Better Together (ESBT) and Connecting 4 You (C4Y) integration programmes were the best way to ensure that health and social care worked together in East Sussex for the benefit of residents.

6.32 The Director of Adult Social Care and Health explained that the C4Y Programme Board was in the process of aligning budgets and agreeing priority developments between the Council and High Weald Lewes Havens Clinical Commissioning Group (HWLH CCG). In the ESBT area, work was underway to integrate provider and commissioner budgets. The Council was aware of the financial challenges in the local health economy. All partners

remained committed to delivering the Strategic Investment Plan agreed last year. The progress of both integration programmes was closely monitored by the East Sussex Health and Wellbeing Board and East Sussex Better Together Strategic Commissioning Board.

Agency staff and consultants

6.33 TU representatives remained concerned about whether the Council's use of consultants and agency staff made the best use of staff skills and resources.

6.34 The Chief Executive assured the meeting that the Council appointed staff on permanent contracts wherever possible, but at times staff sickness and other capacity issues, as well as the requirement for special skills, necessitated the recruitment of consultants or agency staff. The Chief Operating Officer explained that there had been a 30% reduction in the use of agency staff over the past 3 years. The ABVCS Scrutiny Committee regularly scrutinised the number of agency staff and consultants in the Council and the reports were publically available. Use of agency staff and consultants was also closely monitored in order to comply with IR35 regulations.

ESCC Staff Structure

6.35 TU representatives asked for further detail on what consideration is given to the Council's staff structure, particularly the ratio of management to staff posts and the ratio of back-office to front-office staff.

6.36 The Chief Executive and the Head of HR kept staff structures and the split of staff across pay grades under review. It was also noted that the Council had fewer layers of senior management compared to other local authorities.

6.37 The Chief Executive explained that the traditional distinction between back and front-office staff, and the need to monitor an appropriate ratio, was less pertinent, because back-office staff provided important services to customers and were vital to the ability of traditionally front-office staff to function properly.

Voluntary redundancy scheme

6.38 The Head of HR confirmed that there was an open scheme of voluntary severance available to staff at all times, subject to a viable business case. As part of the restructure process, staff were reminded about the scheme and a number of staff took voluntary redundancy last year ahead of restructures.

7. Sussex Police

7.1 Sussex Police have commented on the savings proposals. Whilst they fully appreciate the requirement to make savings and support ESCC's position, they expressed concerns about the effect of service reductions on vulnerable people and the potential this has to lead to an increase in crime.

7.2 The police raised specific concerns about the effect any withdrawal of drug and alcohol services could have, potentially leading to an increased presence of organised crime in the county as a result of an expanding market. Effective services, particularly for vulnerable young people, are seen as a helpful protection against this threat. The also

expressed concerned that the closure of waste facilities may lead to an increase in fly tipping, increasing police and other agencies' costs.