

Item 5 - Reconciling Policy, Performance and Resources: Appendix 7 – Engagement Feedback with Trade Unions

1. Trade union representatives

1.1. A meeting was held with trade union representatives on 17 January 2023 to consult them on the Council's draft Council Plan and budget proposals for 2023/24.

1.2. The Leader of the Council opened the meeting and thanked the trade union representatives and the staff they represent for their work this year. The Leader noted that, as the report to Cabinet said, the importance of the services provided by the Council had been evident once again this year, and that delivery of those services would not have been possible without the commitment and hard work of staff. The Leader outlined that, overall, the financial position was relatively positive and stable for the next financial year. This was due to careful budget management over many years and the provision of welcome additional funding for local authorities in the Autumn Statement.

1.3. The proposals Cabinet would consider at its meeting on 24 January balanced the budget without needing to seek any new savings. Future years were expected to be more challenging, due to another one-year Local Government Finance Settlement, a range of national policy reforms, and difficulties in recruiting and retaining staff, all of which created risk and uncertainty. The Council would therefore need to take prudent decisions this year to support services for the future.

1.4. The Chief Executive and Chief Finance Officer then delivered a presentation on the plans and proposals outlined in the Cabinet papers, covering the policy context, refreshed Council Plan, revenue budget and Medium Term Financial Plan (MTFP), capital programme, and lobbying priorities.

1.5. Following the presentation, trade union representatives asked questions and made comments which are outlined below.

Lobbying

1.6. Trade union representatives were supportive of plans for lobbying outlined in the presentation, particularly plans to lobby for multi-year finance settlements to enable the Council to plan for more than one year at a time and asked for more detail on how this would be done. Representatives raised that their unions also took the opportunity to lobby for multi-year finance settlements whenever possible in their meetings with ministers.

1.7. These comments were noted, and the Lead Member for Education and Inclusion, Special Educational Needs and Disability (EISEND) confirmed that in addition to the lobbying done through partnerships such as South East 7 and the County Councils' Network, which had been highlighted in the presentation, Cabinet members also spoke regularly with local MPs to ensure they were briefed on local issues and understood the impact of national policy changes and decisions on East Sussex and ESCC.

Pay

1.8. Trade union representatives shared that their unions would be lobbying for staff pay to rise in line with inflation for the coming financial year and commented that the provision that had been made for a pay award in the proposed budget did not allow for such a pay rise, given the current high rate of inflation. Representatives raised their concerns that staff

would look for alternative sources of employment if pay failed to keep up with inflation. The Leader commented that in previous years the Council had worked constructively with the unions to reach an agreed pay settlement and he hoped that this would continue. The Assistant Director of Human Resources and Organisational Development (HR&OD) reassured representatives that ESCC closely monitored salaries and work was being undertaken to assess ESCC's market position with regards to staff pay.

Cost of living

1.9 Trade union representatives noted that average full-time earnings in East Sussex were below the England average, and reflected that there would be ESCC staff and contractors claiming benefits because of the rising cost of living. Representatives raised that there had been a substantial increase in the number of members reaching out to them in relation to financial support. Trade union representatives also raised their concerns that the combined 4.99% increase in council tax, alongside any potential increases in contributions to district and borough councils, Sussex Police and Crime Commissioner and East Sussex Fire Authority, would further increase cost of living pressures being felt by staff and residents.

1.10 The Leader said he understood the significant challenges faced by residents, including staff, and explained that the proposal to increase council tax by the maximum amount was to ensure that ESCC could continue to provide all the services it currently provides. He highlighted that the Council had had to make a number of savings in previous years in order to have a balanced budget, which had involved reducing the number of services delivered by the Council. The Leader shared that Cabinet did not wish to have to make further reductions to the services that were part of ESCC's Core Offer, and therefore the recommendation to increase council tax would help ensure that would not be necessary in the coming financial year.

Staff recruitment and retention

1.11 Representatives noted ongoing challenges with recruitment and retention and raised their view that the increase in remote working presented additional challenges in this area, as individuals were able to continue living in East Sussex while working for other local authorities or organisations. Representatives were supportive of promoting staff internally as a way of improving staff retention rates. Trade union representatives raised that terms for staff were also important and another aspect of addressing recruitment challenges. Representatives recognised that there had been significant work undertaken to address recruitment and staff retention challenges and noted that the Council would not be able to deliver all the services residents relied upon without addressing these workforce challenges in the long term.

1.12 The Leader was aware of the importance of making East Sussex an attractive place to live and work and remarked that there was a significant amount of work being done to attract people to the county. The Assistant Director of HR&OD responded to points raised by representatives and noted that the Council was very aware of the significant workforce challenges. There was a large amount of work currently being done to try and address workforce shortages, including the recently launched We Choose East Sussex recruitment campaign, which had been well received. The average number of applications for ESCC job vacancies had increased since the campaign's launch and there would be a full assessment of the campaign in the future to understand where it had been successful and learning that could be taken forward from it. It was noted that many employers were increasing asking employees to return to regular office working, and ESCC would be well placed to benefit from these changing working arrangements if it continued to offer flexibility. There were

ongoing assessments of the approach to workstyles at ESCC, the results of which would allow the Council to present a clear message to current staff and those applying for jobs with the Council on its hybrid working offer.

1.13 Both the Leader and Assistant Director of HR&OD noted the positive work done around apprenticeships, with many apprentices staying in the county at the end of their apprenticeships, and shared their hopes that unions could be involved in further promoting and expanding this work. The Lead Member for EISEND added that it was important to upskill the East Sussex workforce and welcomed extra funding that was going to schools and £1.5m that would help improve school attendance.

Trade union engagement

1.14 Trade union representatives fed back that they were appreciative of this annual engagement session and for the information shared in the presentation. Trade union representatives were also grateful for the time officers spent speaking to, and answering questions from, trade unions throughout the year. Representatives asked that officers maintain this good communication and continue to share information early.

1.15 Trade union representatives welcomed the fact that the proposals going to Cabinet were for a balanced budget that had been produced without the need to make any new savings, and commended the work of officers in achieving this. The Leader thanked representatives for the positive feedback and for their input in the session, and confirmed Members and officers would continue to maintain open engagement with trade unions as doing so was important for working together effectively to deliver services. Representatives were encouraged to submit any further comments or feedback before the Full Council meeting where the budget would be agreed.