

Minutes

Employee Partnership Forum

Date: 19.01.23

Time: 10am

Venue: Microsoft Teams Meeting

To: Councillor D Batrouni (Cabinet Member for Organisational Transformation), Councillor D Davies (Deputy Leader/Cabinet Member for Education and Early Years), Tracy Mckim (Head of People, Policy & Transformation), Robert Green (Assistant Head of Finance), Kevin Howells (HR and OD Manager), Richard Jackson, Craig Jenkins (NASUWT), John Griffiths (NEU), Peter Garland (UNISON) John Lane (UNISON), Richard Hughes (NAHT), Taylor Strange (Governance Support Officer), Steve Belcher (UNISON), Rowena Hayward (SW), Mark Rowland.

Apologies of absence

Richard Hughes Shone Carle's, Mererid Lewis Davies, John Lane, Howard Mason, Jade Davies, and Amanda Bouadana

Declaration of interest

No declarations of interest were made.

A point of order was raised that Agenda items 6 and 7 had been discussed at a different forum and therefore were no longer required within the current meeting.

Minutes of the Last Meeting: (Pages 3 - 8)

The Minutes of the previous meeting on **9th December 2022** were accepted as a true and accurate record.

Budget Update (Budget position, VR, and 2 years limit)

The Assistant Head of Finance noted that this item had been discussed briefly in the previous meeting but that a few things had changed since then. The Assistant Head of Finance confirmed that they had received the draft settlement from Welsh Government and so they were able to look at the Cabinet's decision regarding schools.

The Assistant Head of Finance stated that the Welsh Government settlement was higher than presumed at £11.7 Million in cash which is higher than the national average due to the 8.9% uplift in the population of Newport. The Assistant Head of Finance added that although higher than expected settlement was still not enough to balance the £16 Million budget gap. The Assistant Head of Finance furthered that base assumptions around pay needed to be reconsidered or this would create pressures 1 or 2 years in the future.

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The Assistant Head of Finance noted that the proposal is being consulted on and is predicted on the NCC funding half of the pay pressures as well as all pupil number pressures, with schools being required to absorb remaining pay pressures plus other inflammatory pressures in full. The Assistant Head of Finance state that this was still under review and outlined the timetable of upcoming events.

- Public Consultation would run until the 2nd of February 2023 with it noted that feedback would be considered throughout that period.
- The feedback will be considered at Cabinet on the 15th of February 2023.
- Council will then meet on the 28th of February 2023 to approve Council tax and overall budget
- The Final Welsh Government settlement expected in early March

Questions

S. Belcher thanked the Assistant Head of Finance for the presentation and noted that although the situation was still tough it was not as bad as they were first led to believe. S. Belcher stated that Council tax is not the sole income for the council and added that there had not been any figures showing the impact of an increase rate of Council tax.

The Assistant Head of Finance noted that the last update would have been verbal and stated that they are consulting on a 9.5% increase and added that the figures would be available in the Cabinet report but added that he could distribute them if needed.

R. Hayward noted that the meeting between GMB, the Deputy Leader and the Leader was helpful and queried if they were able to meet privately with senior management of the services that are have been put up to be reduced (specifically Social Services) prior to the consultation closing.

The HR and OD Manager agreed that this could be arranged and noted that it would have to be prior to the 2nd of February.

R. Hayward wished to note that staff working in Adult services such as working with Adults with Learning Difficulties or mental illness had faced multiple cuts previously and have lost valued resources which is having a large impact on morale and creating a feeling of being abandoned.

R. Hayward added that although it was understood that processes have to be followed it is important to note many comments have come from the timings in which announcements are being made such as just before Christmas or weekends leaving staff feeling unsupported.

The Cabinet Member for Organisational Transformation noted that this will be reviewed to attempt to improve those timings and added that the Cabinet do not want to make any of these choices. The Cabinet Member for Organisational Transformation noted that the Head of Finance advised them that the situation can change rapidly and added that the purpose of these meetings was to ensure that staff feel heard. The Cabinet Member for Organisational Transformation explained that the timings are led by legislation and if consultations start too early false information may be put out and added that the Cabinet wish to minimise stress on staff.

C. Jenkins commented that the Pupil to Teacher ratio in Newport is quite low meaning less teachers per child and added that it had been noted previously that funding for schools in Newport was lower than other local authorities.

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C. Jenkins added that it is not clear how education is a priority in how the schools are being funded and stated that they would robustly defend any loss to teachers for the sake of the learners.

The Cabinet Member for Organisational Transformation thanked C. Jenkins for his comments and enquired into the sense of energy costs and energy intake from each school. M. Rowland stated that the full impact of the energy crisis would not be seen until approximately 2023/2024 due to the bulk purchase of energy. M. Rowland queried what the percentage cut for school budgets would be in real terms.

The Assistant Head of Finance noted that it would not be consistent between schools as it would depend largely on the formula and added that the biggest element of inflation pay would be subject to review. The Assistant Head of Finance explained that there would not be a large amount of value in looking at individual figures as they are still subject to change.

P. Garland stated that he would welcome a chance to meet with the directors as there had been a number of concerns regarding whether service areas were still able to function properly after the cuts. P. Garland added that after seeing many cuts staff wish to be assured, they will be protected in terms of future cuts.

The HR and OD Manager noted these comments and confirmed that the requested meetings by R. Hayward and P. Garland with senior staff could be held together. The Cabinet Member for Organisational Transformation thanked P. Garland and added that it is important to be honest and transparent.

R. Hayward noted that for staff meetings it is important that the Managers and HR have been fully briefed beforehand, so they are able to provide accurate advice to staff. R. Hayward noted that there had been some confusion surrounding voluntary redundancy and the period in which they can reapply for a job with the Council.

R. Hayward added that there had also been confusion around accessing pensions after taking voluntary redundancy and added that it may be of use to circulate a FAQ sheet that contained the basics to avoid misunderstandings.

The HR and OD Manager explained that it is the case that when someone takes voluntary redundancy, they would not be able or expected to return to work within the council for 2 years however noted that there is a discretionary measure that would allow reemployment if there was a need from the service area. The HR and OD Manager stated that there is a form of FAQ list but that some staff would not be able to access this and confirmed that they could circulate one.

P. Garland added that there had been a push for voluntary redundancy and that staff had been given a short time span with a lack of information to make that decision. P. Garland also added that there had been some confusion between voluntary and compulsory redundancy.

C. Jenkins stated that there appeared to be a cut to teaching staff to support background staff and noted that there was a need for every penny to be invested in frontline staff as they are the ones that make the difference to learners.

S. Morgan noted C. Jenkins comments and noted that all areas would be asked to take similar cuts. S. Morgan added that they are looking at areas that could take more cuts but that there were certain statutory requirements that had to be met.

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C. Jenkins stated that he understood it would be important to increase the Teacher to pupil ratio and prioritise frontline staff.

S. Morgan agreed but stated that there are statutory requirements and that they have no choice.

C. Jenkins highlighted that if that was the case whether there were any justifications for spending £632,000 purely to satisfy statutory requirements.

S. Morgan informed the Forum that of certain ways in which they would be able to access the data.

M. Rowland asked if there had been any updates on out of county placements and any savings that could be made in that area.

S. Morgan stated that most of the work had been going on for a while and added that local placements are more value for money. S. Morgan noted that a good example of some of the work that they had carried out had been 'Catch 22' which was hosted within Newport.

S. Morgan noted that there would always be a need for out of county placements but that they had been working with Headteachers to start an inclusion group. S. Morgan noted that they had handpicked headteachers that were very good at dealing specific needs and highlighted that it was important to look at what different schools could offer such as wrap around care and that it would always be more beneficial for the families and children that they stay.

Flexitime Review

The Cabinet Member for Organisational Transformation introduced the agenda item and welcomed the HR and OD Manager to speak.

The HR and OD Manager noted that the 'New Normal' policy had been signed off on and rolled out and that there would be a 6-month review. The HR and OD Manager asked that the GMB and UNISON representatives support with any comments they may have received.

R. Hayward stated she was glad that they were having a review and noted that many members had been in contact regarding the reduction in the carry over for flexitime and noted that for many the extra day that could be carried over had been a lifeline for them.

The Cabinet Member for Organisational Transformation noted that they would review this and thanked R. Hayward for her feedback.

6 Update on NASUWT Items raised at the 13.10.22 EPF meeting

No Longer required as stated in agenda item 2.

Update on Impact of Budgetary Situation Upon Schools

No Longer required as stated in agenda item 2

Date of Next meeting

The date for the next Employee Partnership Forum is scheduled during half term, however the HR and OD Manager will liaise with Democratic Services to arrange an alternative date.

Minutes

Employee Partnership Forum

Date: 09.12.22

Time: 9:30am

Venue: Microsoft Teams Meeting

Attendance: Councillor D Batrouni (Cabinet Member for Organisational Transformation), Councillor D Davies (Deputy Leader/Cabinet Member for Education and Early Years), Rhys Cornwall (Strategic Director) Robert Green (Assistant Head of Finance), Kevin Howells (HR and OD Business Manager),, Richard Jackson, Craig Jenkins (NASUWT), John Griffiths (NEU), Peter Garland (UNISON) John Lane (UNISON), Richard Hughes (NAHT), Taylor Strange (Governance Support Officer), Steve Belcher (UNISON), Rowena Hayward (SW), Mark Rowland, Mererid Lewis-Davies, Debbie Scott (NEU),

1. Apologies for Absence

Tracy Mckim, John Griffiths

Council Budget Overview

Councillor Batrouni introduced the meeting and handed over to the Assistant Head of Finance to give a brief overview of the Council Budget.

The Assistant Head of Finance first highlighted that the budget deficit is something that all councils are facing. With the reason for such shortfall not being due to reduced funding but rather the increased costs driven by high inflation.

The global energy crisis has hit the council hard in the next financial year as the council buys energy a year in advance, with the expected increase on electricity being 100% and 200% on gas.

The demand on services has also seen an increase as a result of the cost-of-living crisis as well as lasting impacts from the Covid 19 Pandemic. With Homelessness and Social services being impacted the hardest.

The net total deficit is roughly 33 million, which is 10% of the council's net budget. The deficit covers all pressures anticipated for next year, as well as factoring in future pay awards. However as these are only estimates, the costs could exceed these estimates and as the last few months have shown us, it can be unpredictable.

The Assistant Head of Finance also wanted to highlight that there has been a swing in the budget position in the last 6-9 months outlining the pace of change.

Due to the funding not increasing with inflation, the rise in cost issue may begin to settle in 2 or 3 years but a funding pinch could occur in 3 or 4 years.

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The Welsh Government Local Settlement is due to be released next week, close to the date of the cabinet meeting on the 14th of December. In 2021 an indicative amount was given for 2022/23 2023/24 and 2024/2025, the amount was 3.5%.

It was also announced that the UK Government was giving increased funding to the Welsh Government, although it was unclear how much of the funding would go to local government and what conditions would be put on it.

The 33 million deficit is the estimate that the Council are currently working on. The Council will need to further consider other factors such as the expected announcement by Welsh Government on funding.

With the proposed council tax increase of 9.5%, in addition to increased core funding from Welsh Government due to positive data changes amounting to circa £2.5m, the net budget gap reduces to £27 million. A large proportion of this gap will need to be addressed via service area savings.

Each service area has been asked to give a savings proposal, some of which have been put forward to public consultation and some are being dealt by Heads of Service under the Councils scheme of delegation.

Between the Heads of Service decisions and public consultation £11 million worth of saving are being proposed. There is currently no proposal for schools in the pack for Cabinet. Cabinet wanted to wait to see the Welsh Government funding before announcing the schools budget impact. School's budget will be discussed during the cabinet meeting.

Overall, this means a £16 million gap will still remain. However, once the true figure of the Welsh Government Settlement comes through then the final figure will be clear on what is needed to balance the budget.

Workforce Impact and Timeline

Kevin Howells the HR & OD Manager outlined the timetable of the upcoming events.

- Staff consultation started on the 8th of December and will run for a minimum of 45 days (2nd February)
- The agenda for the cabinet meeting was published on the 8th of December in preparation for the meeting on the 14th of December.
- The staff and public consultation period of both Head of Service decisions and public consultation will run until the 2nd of February.
- A further Employee Partnership Forum will be held on the 3rd of February to get feedback from the consultation period.
- The Cabinet will meet on February the 15th to consider all feedback from the trade unions as well as public consultation.
- Heads of Service decisions could be implemented from the 3rd of February
- Proposals subject to public consultation will then pass from Cabinet to full council later in February with the decisions then able to be implemented following on from the 1st of March. It is not clear what the individual impact will be on schools, however around Feb/March once the indicative budgets for schools are given, any school savings will then be assessed to see what the impact is.

The Cabinet Member for Early Years and Education wanted to clarify that the reason the school budget was held back from publication today was so that the Council could give a more accurate picture to schools following the Welsh Government announcements on funding.

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Rhys Cornwall, the Strategic Director noted several brief points.

- The Strategic Director Informed the members that this was the greatest budget reduction in recent times with it being 2.5 times larger than the greatest budget reduction during austerity.
- England has less of a reliance on central government money and so may have felt less of an impact, however he wanted to state that this isn't a budget reduction issue but rather a fast-moving issue linked with inflation.
- All local authorities in Wales are feeling pressure
- The local authority will do everything it can to reduce the impact on staff such as reducing vacant posts and redeploying where possible.
- Finally, the Strategic Director wanted to say that the full impact on staff is fully understood.

Questions

S Belcher wanted to highlight several points.

- Understands that the catastrophic budget is not what councillors wanted.
- Feels that this is a Wales wide issue with the most disadvantaged being impacted the most
- UNISON will not support compulsory redundancies however will support the council where they can
- A full response from the union will come out in due course.

S Belcher also asked 2 questions

- The first being that he wants members to consider any options to preserve jobs and maintain services?
- And secondly, he wants the narrative to not be that the pay awards were the cause of the budget issues as he highlighted that staff pay hasn't seen a significant rise in over 12 years and some staff still aren't up to a reasonable level of pay.

The chair stated that all suggestions will be listened to carefully.

The Strategic Director agreed with Steve that he does not want the narrative to be focused on the pay awards as he understands that there have been very low pay awards in recent history.

R Hayward echoed what Steve said as well as thanking the Strategic Director for making it a focus to not have the narrative be on the recent pay awards. And highlighted several points.

- R Hayward mentioned being in some of the meetings during the start of the staff consultation, noting that that Newport have very dedicated staff as well as several staff being in tears as their positions were being cut.
- R Hayward raised issues that staff were being informed of their position being cut at the start of the consultation and doesn't feel this was in the spirit of consultation, as they felt like individuals shouldn't be identified as losing their jobs during consultation. Adding that the savings requirements would cause a major strain on some organisations such as Barnardos partnership.

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- R Hayward also raised an issue that although she is aware that the budget must be balanced but has felt that the timing of staff reduction notification being so close to Christmas is important point to consider.
- With services seeing large cuts such as those in Oaklands it would lead to a limited service for those in need. Also, this raised a question on whether removing or reducing services would longer term be more impactful.
- R Hayward outlined that the change in weekend working meant a reduction in pay enhancements this is then a change in terms and conditions.
- GMB will challenge decisions they deem necessary as they are there to support their members
- GMB requested that they would like to give a response at the cabinet meeting on the 14th of December, with them happy to follow all procedure so that they can. With the hope that Cabinet listens carefully to their statement.

The Strategic Director informed the member that the meeting is open to the public but informed them that in order to speak at the meeting it must be approved by the Leader.

The Chair asked whether he could speak on the matter due to being a member of GMB.

The HR & OD Manager informed the Cabinet Member that due to this meeting not being one of decision making, that he was allowed to respond on the matter.

The Chair agreed that the consultation period should be one that takes in any viable options. As well as passing the request to speak at Cabinet the Leader in regard to the Cabinet meeting.

C Jenkins informed the meeting that John Griffiths has given his apologies as well as echoing the points made previously by S Belcher and R Hayward
C Jenkins further went onto to state that his organisation does not support compulsory redundancy as well as requesting a further meeting to discuss the school budget following next week's cabinet meeting.

The Chair informed that he would look into this. On consultation with the HR & OD Manager and Democratic Services informed the member that the next EPF meeting was scheduled for the 19th of January.

The Chair asked if the 19th January was an acceptable date for the next meeting and an opportunity to ensure the school budget position was discussed whilst still in consultation. This was instead of the 3rd February date previously provided, which was intended to capture any further feedback from TU's. Feedback would be captured on the 19th January (EPF) and also received via written responses from the TU's up until the 3rd of February for inclusion in the Cabinet feedback reports.

C Jenkins stated this was acceptable as it was within the consultation period. The rest agreed.

M Rowlands highlighted that it was critical that teachers and governing bodies have enough time to respond to the budget information.

The Cabinet Member for Education and Early Years informed the member that following the cabinet meeting on the 14th of December that they will be informed of any changes to the school budget.

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P Garland informed the meeting that having been in a staff consultation meeting yesterday that the staff cared first and foremost about the clients they were responsible for. As well as stating that a reduction in vacant posts and therefore a reduction in positions should also lead to a reduction in workload expectations. As staff cannot work at the same capacity with less staff members.

The Chair informed the members that the Cabinet decisions have been very difficult as Newport in his opinion had always tried to protect schools and social services staff.

The Chair furthered this by stating that all services areas have experienced cuts during austerity and therefore no service area has been protected during the new budget cuts.

The Chair informed the members that schools will be given as much notice as possible of any decisions that impact them. As well as sending thanks to staff who cared firstly about clients even in the face of cuts.

R Hayward asked where on the Cabinet pack were the HOS decisions and where were the Cabinet decision.

The Strategic Director informed the member that there were two Appendices, one for Heads of Service decisions and one for public consultation.

The Strategic Director informed all members that if there were any specific proposals by service areas that would like to be discussed further, then this could be facilitated with the Heads of Service.

The Strategic Director also informed the members that the impact of removing vacant posts on services ability to perform duties will be considered.

2. Date of Next Meeting:

19th January 2023