Trade Union Budget Consultation

Note of the Meeting held on Thursday 15 January 2015 at 2.00 pm in Cabinet Room 'C' - The Duke of Lancaster Room, County Hall, Preston

Present:

Chair

County Councillor David Borrow, Lancashire County Council

County Councillors

County Councillor Geoff Driver CBE, Lancashire County Council
County Councillor Bill Winlow, Lancashire County Council

County Council Officers

Jo Turton, Chief Executive
George Graham, Deputy County Treasurer
Deborah Barrow, Head of Human Resources

Representing the Trade Unions

Sandra Blight, GMB Regional Officer
Julie Burgess, UNITE
Elaine Cotterell, UNISON Branch Secretary
Sam Ud-din, National Union of Teachers
Mac Harrison, NASUWT
Liz Laverty, Secondary Headteachers Association
Les Ridings, Association of Teachers and Lecturers
Francesca Sullivan, UNITE

Welcome and Introductions

County Councillor David Borrow, Deputy Leader of the County Council, welcomed all attendees to the meeting, the purpose of which was to consult with the recognised Trade Unions on the County Council's recently published budget proposals for 2015/16 to 2017/18.

1. Apologies for Absence

Apologies for absence were received from County Councillor Jennifer Mein, Deputy Leader, Lancashire County Council, and Pat Grant, UNISON Regional Officer.


County Councillor Borrow gave an overview of the budget proposals recently considered by Cabinet and which were now the subject of formal consultation. Reference was also made to the County Council's transformation process, which involved an overall reduction in the
staffing establishment, and also to wider aspects of the County Council's budget such as the schools budget, which saw the majority of funding being passported to schools.

The level of savings required for 2015/16 - 2017/18 was in excess of £176m which was in addition to the savings of £139m agreed by the Full Council in February 2014, giving a total savings requirement of £315m. Taking into account the savings which would arise from the service offers currently being consulted on, together with a proposed increase in Council Tax of 1.99%, there remained a gap of over £23m. Assumptions had been made for 2016/17 - 2017/18 assuming a 7% reduction in the Revenue Support Grant in each of those years.

The outcome of the General Election in May 2015 would have an impact with any new Government undertaking a Spending Review. The outcome of the review may mean that further changes might need to be made to the County Council's budget once the impact of the review had been assessed.

The following comments were made by Trade Union representatives:

- The County Council's Transformation process was having a big impact on staff and it was noted that Trade Unions were involved through regular meetings with the Chief Executive and other officers and through the Joint Negotiating and Consultative Forum (JNCF);
- The outcome of the LGA Peer Review and what plans are in place to address the areas for improvement highlighted around financial leadership and the transformation process;
- The proposed 1.99% increase in Council Tax is to be welcomed in the context that the County Council is exploring all avenues to increase revenue;
- The increased use of volunteers, particularly in service areas likely to see significant reductions in staff. Volunteers should be seen as adding value to a service and should not be seen as a replacement for employed staff;
- Noted the proposed use of £3.9m in reserves if required and asked for assurances that a proper review of the use of reserves would be undertaken where reductions in staff/increased use of volunteers was being proposed;
- In respect of Traded Services for schools, it was suggested that a dialogue should be had with the Schools Forum and individual schools. The services provided were highly valued and there might be a willingness on the part of schools to pay more for particular services.

County Councillor Borrow and officers responded as follows:

- The outcome of the LGA Peer Review had been a fair and balanced report and it was proposed that the areas for improvement would be addressed through the new Corporate Strategy which was currently being developed. Longer term financial and service planning would be introduced linked to the knowledge that austerity in the public sector would last until at least 2020. This would also involve looking at the County Council's unit costs and benchmarking against them;
- There was an assumption being made by a large number of Councils that the Revenue Support Grant would eventually disappear and local government needed to ensure that there was a fairer distribution of resources and that the tax base was as strong as possible;
- A letter had been sent to the DCLG, copied to all County Councillors, requesting a meeting with Ministers to discuss the financial settlement. Separate representations, together with a request for a meeting had been made through the County Council network on which the Deputy Leader was Finance lead. Particular representations are being made with regard to the Care and Urgent Needs Support Service, where funding has been ceased.
- The Downsizing reserve contained significant funds and if some of that was no longer needed at the end of the transformation process, it could be transferred back to the mainstream budget to support services;
- Risks to the budget included the outcome of the General Election as previously raised, together with the impact of the Care Act which, in 2016/17, could see costs to the County Council of £30m - £40m.
- Schools are important to Lancashire realising revenue of some £65m per annum and detailed conversations with the Schools Forum would take place once the budget had been agreed by Full Council on 12 February.

3. **Budget Resolutions of the Cabinet Meeting held on 8 January 2015**

This was dealt with under item 2. above.

4. **The Schools Budget for 2015/16**

This was dealt with under item 2. above.

County Councillor Borrow thanked all attendees for their comments and input which would now be considered as part of the overall consultation on the County Council’s budget proposals for 2015/16 to 2017/18.

Jo Turton  
Chief Executive

County Hall  
Preston