

## **Human Resources (HR) - Update**

As requested by the committee his report provides an update of the outcomes of the management review exercise to deliver £8m annual savings from staffing costs and the position with regard to the current redundancy exercise to deliver further savings from staffing costs.

### **1. Management Review**

- a. The management review commenced in November 2010 and the consultation process for this exercise ended on 11<sup>th</sup> February 2011.
- b. A review of the management structures resulted in the deletion of 221 posts to deliver annual savings of £8.5m. Of those posts deleted 49 were vacant, and 173 volunteers for redundancy have been accepted.
- c. All of the volunteers accepted for redundancy will have left the Council by 31<sup>st</sup> March 2011, so a full year's savings will be achieved in 2011/12.

### **2. Supporting the achievement of savings in people management costs.**

- a. Corporate and service directors were asked to develop proposals to achieve additional savings from their budgets for 2011/12. Whilst these savings will not be solely from staffing budgets, the proposals do include, in some areas, reductions in staffing levels and therefore redundancies.
- b. The vacancy management policy that has been in place since June 2010 has meant that 61 vacancies have been deleted to deliver significant savings, which has reduced the number of redundancies required.
- c. The employees affected by this redundancy exercise have already been notified that they are at risk of redundancy. Collective consultation meetings took place during week commencing 28th February, at which the proposed changes to structures, including details of posts being deleted, were presented to those staff.
- d. A total of 480 employees have been issued with letters placing them at risk of redundancy. The number of proposed redundancies required is 97 and volunteers for redundancy are now being sought from all employees placed at risk.

**3. Supporting on-going service reviews to deliver savings and service improvements.**

- a. A range of service reviews are planned, and outlined in the council's business plan 2011 – 2015. HR will provide support to these reviews ensuring the right steps are taken, including consultation with the trade unions and the staff affected.

**4. Trade Union Negotiations**

- a. Negotiations on revisions to some terms and conditions of employments are continuing with the three recognised trade unions, UNISON, UNITE and GMB. The purpose of these negotiations is to achieve savings from staffing costs over the next four years by reducing the cost of some terms and conditions of employment - £4.250 million 2012-2015.
- b. These negotiations are progressing, but no further details can be provided until revisions to terms and conditions are agreed.

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