

LCJTU
Leicester City
Joint Trade Union Side

UNISON
T&G
UCATT

GMB
NATFHE
AEEU/AMICUS

Mark Noble
Chief Finance Officer
LCC

02/02/04

Dear Mark ,

Re :- Budget Proposals 2004/5

Further to our brief discussion of 02/02 , I am writing in summary and update of the collective Trades Union concerns regarding the Administration's budget proposals. Whilst I wish to avoid duplication, please find attached copies of the GMB's letter of 30/01, T&G's letter of 16/01 to Cllr Blackmore and UNISON's letter of initial concerns of 19/01 (to which I acknowledge your response of 28/01) and UNISON's further letter of 30/01/04 ; copies of which may not have found their way to all parties .

Deep concern at the proposals has been expressed in many quarters, and whilst we appreciate the difficulties faced by any new administration we believe there are fundamental flaws ; both in the argument that LCC need to take such drastic immediate action and in the likelihood of actually achieving proposed outcomes. Local Government (and ourselves in particular) has long been subject to stringent budgetary constraints and whilst it may be year one for this administration service providers and users are well familiar with the constant need to analyse, justify, review and adapt. Even in this context the proposals have met with widespread discontent, and it is hoped that elected members take on board the concerns of such numerous and diverse groups whose only common factor is that they fear the impact of these proposals.

Individual Trades Unions have expressed some specific concerns , but there are common themes all have expressed, some of which in common

with feedback from community leaders, women's groups, church leaders and people of this city during the course of the last few weeks.

Consultation

It is a matter of record that this year's formal budget consultation process was not begun when it should have been, and only broad strategic aims had been formerly discussed. We have effectively been given three weeks to consult our respective Branch structures, and believe this has not given time to give full consideration to positive alternatives. Like our members, service users and community groups, we would have welcomed meaningful consultation over a period which allowed full consideration of the consequences and impact of the proposals; for officers and elected members as well as ourselves.

Voluntary Sector

We question the criteria that has been applied to projects, in that failure to understand why a service is provided is no justification for removal, nor is the concept that unless a particular service is a spending priority then it too should be removed. As the administration decide the spending priority then this approach is wholly subjective, and we question the philosophy that puts parks over people and collateral over communities. Councils may positively enrich peoples' lives by involvement with communities. Although we would all agree the funding of projects (as per all council business) should be open to ongoing scrutiny, a logical approach would have been to consult and review project by project, giving service users and providers the opportunity to voice their opinions and yourselves the chance of truly examining the service rationale and the consequences and subsequent costs, direct or indirect, to the authority. The arbitrary nature of the proposals show a political rather than financial drive, and the risks have been eloquently expressed by leading churchmen, religious leaders, MPs, the Equalities Council, children of Leicester, indeed most quarters of our community. Questions have been raised regarding potential non-compliance with the Race Relations Amendment Act in failing to assess the impact of the proposals, and the early years and childcare implications do not appear to have been fully considered. Our status as a Beacon Authority is at risk, and we urge elected members to think again. If a fundamental review of the sector is necessary then let us see some real consultation with

service users , providers and their representatives , as well as consideration of the knock-on effects to other Council services .

The "Hole" in the Budget

Having attended Scrutiny Committees in the last month, a constant theme has been elected members of the opposition challenging the alleged shortfall in the budget. We acknowledge the Chief Finance Officer has always been consistent in advising a minimum level of reserves @ £5m, but we of course challenge the need to replenish reserves at the expense of services and jobs. Furthermore, we believe the spurious nature of the amount of shortfall has been established at both Education and FREEOPS scrutiny, as has the fact that the amount being passported to Education is no more than central govt.'s expectation. Although we await minutes from both of these committees , this fact was clearly reiterated by Cllr Willmott and was not challenged by any member of the ruling group.

The need for a new Job Evaluation scheme has also arisen, and we note £1m in this year's budget for initial implementation and we support ongoing positive negotiation towards agreeing a scheme, but note the misinformation in the local press and the degree to which JE costs have varied by some millions in the ongoing debate, and are of course extremely sensitive to how this is perceived. The concept that this is some kind of multi-million pound pay hike for underworked Council staff could not be further from the truth , and we feel the Administration have not helped by some of the negative comments in the press regarding their own staff . We would hope for a more positive and sensitive approach, especially so given that the need and drive for a new scheme comes from Employment legislation and is acknowledged equally by Officers as well as ourselves .

We state again, as per UNISON'S letter of 19/01/04 , that what evidence we have does not point to a deficit of anywhere near the £10m being quoted, and believe the spurious nature of the alleged hole has been exposed during the initial consultation period.

Departmental Concerns

Cultural Services already face cuts due to the merging of departments , whereas the budget proposals do not appear to have taken into account decisions previously made, as per Mark Challenor's email of 28/01/04 (attached) . The Recreational Transport (and Special Needs transport) proposals also show a lack of "joined-up" thinking, as the larger review of transport "in the round" is surely the correct place to consider such proposals .

I have already mentioned the amount passported to schools , and of further concern is the proposals regarding Lifelong Learning at a time when the Adult Learning Inspectorate is due. We also believe proposals run contrary to the government Green Paper "Every Child Matters" and have detrimental implications on the Childcare Strategy.

Social Care & Health and Housing budgets are tight year-on-year , and at both Scrutiny Committees questions have arisen in relation to the need to find further savings in areas already under such financial restraints .

The illogical nature of the Workplace Nursery proposals has clearly been demonstrated during the course of the last few weeks , as has this service's benefit to the Authority .

Budget Aims and Approach

Although this budget allegedly finds additional resources for the council's priorities , we query (as above) the extra monies for Education and the lack of detail regarding more investment in parks and the environment . Shouldn't park users be consulted before the Authority throws money at the problem ? And at what cost to the wider community ? 'Though commendable aims, large green spaces do not amount to childcare provision, nor does environmental improvements empower communities . At time of writing we have no great detail on what improvements will be made to our parks and environment, but we do know how communities will be expected to pay . We welcome measures to improve Building maintenance, but cynics amongst us feel this has less to do with fulfilling Health & Safety requirements and more about improving the Council's (saleable) assets, and we will monitor this with interest.

Furthermore , we query the stated aim "to deliver a financial position whereby lower than average tax rises can be achieved in subsequent

years". Surely the aim should be to achieve service improvements with tax rises no greater than the average . To imply lower than average increases shows a crude intention to appeal to voters pockets , whilst presumably hoping voters do not notice the reduced level of services provided.

Conclusions

We believe the initial consultation period has clearly exposed the "hole" in the budget as not what it initially appeared, and has also exposed the claims of more money for Education to be spurious . Whilst we empathise with the difficulties of any new administration, we believe this budget has exposed their lack of experience. We despair at recent press reports whereby leading elected members have attacked staff sickness records and the minority of projects whose financial accountability could be better. Surely the point should have been to justify their proposals , rather than crudely attempt to deflect criticism to others .

The leader's apparent paralysis at the threat of capping has exposed a naivety which belies his decades in politics . When asked in the press "have you considered the impact of cuts" his response was that he was "unable to comment because we are still considering whether we have to make more cuts...." . Not only does this imply he did not anticipate a 14% tax rise (with fewer services) would bring the possible threat of capping, but also shows his failure to grasp his duties to assess the impact of proposals under the Race Relations (Amendment) Act.

In short , we urge the Authority to think again , consult further and find a way forward which gives a less bleak future to Leicester's citizens .

As partners in Local Government provision, we remain committed to assist in this process .

Finally, may I request this and all attached documents are appended to Cabinet Papers .

If you require any clarification or if I can be of further assistance , please do not hesitate to contact me .

Yours sincerely,

(D.Mitchell, LCJTU Secretary) c/o
UNISON, Pilot House

cc All Branch Secretaries

R.Green (Chief Exec.)

I.McBride (service Deirector, RA&D)

Cllr. R.Blackmore (Leader, LCC)

Cllr. M.Johnson (Deputy Leader)

Cllr.Willmott (Leader,Labour Group)

UNISON

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BUDGET PROPOSALS UNISONS RESPONSE

There seems to be a view propounded that it is either Leicester City Council staff redundancies or Voluntary Sector closures. Nothing could be further from the truth; in fact the two equally face traumatic futures under these draft budget proposals whilst the administration just repeats the well worn out phrase "there is no alternative" to people who oppose their plans. As the largest Trade Union within Leicester City Council and the Voluntary Sector UNISON puts the view that the two sectors compliment each other.

Leicester City Council staff are some of the most inspected and reviewed employee's, both internally and externally around. Some unfortunate staff are issued with redundancy notices annually and others placed "At Risk" almost continually now; effectively threatened with losing their jobs whilst trying to deliver services to some of the most vulnerable sections of our city.

It is sad that in this debate Leicester City Council staff are being portrayed by some politicians as malingerers and addicted to going off sick when the mood suits them this drives to despair many of UNISONS members who were once described as the guardian angels of society and rightly so, delivering services to the citizens of Leicester at times of the day, some rarely see, Early Years Staff, Youth Workers, Home Care Workers, and many, many others do vital work and are often predominately women, part time and low paid. And of course they do need administrative support to carry out their invaluable functions.

The latest attack on staff repeats the mantra that the sickness levels are too high compared to the private sector. But no context is ever set to explain this. UNISON would say that the Public and Private sectors deliver totally different services. Employee stress levels are high and we have asked the Leicester City Council time and time again to really address the root causes of sickness related to violence against front line staff, workplace bullying and low morale.

It is sadder still that with regard to the Voluntary Sector, the new administration now seems to suggest that the services they provide are either duplicated by the City Council or are poorly accounted for and managed, nothing could be further from the

truth. The services they deliver compliment Leicester City Council and have helped make our city a Beacon Authority to other cities less fortunate in terms of cultural diversity and community cohesion. Voluntary organisations harness volunteers and connect to vulnerable groups to build strong cohesive communities. The Local Government Information Unit published a report in December 2003, in which it states,

Engaging with third sector organisations representing a wide range of groups and interests is vital for community cohesion.

The four key themes that have been identified are

- Engaging with leaders.
- Engaging with the voluntary and community sectors Communication to a wider audience.
- Sustainability.

The quality assurance and monitoring standards the Council insists upon are rightly rigorous. To portray the voluntary sector as rogues fleecing the council for little return is nothing short of scandalous.

The City Council also needs to be aware of the implications of the Race Relations (Amendment) Act 2000 which states:

"In their dealings with people, all public authorities must have due regard to the need to promote race equality. As policy makers and service providers they will need to take steps to ensure that their policies and services are fair, and put things right when they are unfair or unlawful. As employers, they will need to ensure that their procedures and practices are fair so that the public sector can better reflect the society that it serves";

It has also been stated that Education is a key priority for our council, note the use of the word education - not just schools. UNISON believes a more holistic approach to Education needs to be taken. Of course our schools need adequate funding and support, but education is also about adult learning, youth work, libraries and community development.

The Voluntary Sector is also a key partner in this through Adventure Playgrounds, Gorse Hill City Farm and many other organisations. Lifelong Learning after all does not just take place in the classroom. Other organisations recognise this and we are all encouraged now in the public sector to engage in "joined up thinking". Unfortunately the leadership of our council appear determined to engage in the exact opposite. The recent report from Lifelong Learning & Community Development Division which reveals some 900 childcare places across the city will be put at risk because of these proposals only goes to emphasise this, one wonders why.

It has already been noticed that an all male cabinet seem keen to make cuts in both Leicester City Council and the Voluntary Sector that disproportionately hit women. The Val Jones work place nursery seems to have already been reprieved the closure of this nursery would have been totally at odds with Leicester City Councils Women into Management Initiative. The all male cabinets lack of joined up thinking may be attributable to them being a ruling clique that is hardly representative of our city.

The Auditors too, have not expressed any major concerns regarding previous budgets, and of course the current Leader held a leading Scrutiny role on (Finance Resources and Equal Opportunities committee) during previous budget-setting periods and did not voice any great level of concern at the Council's financial situation. To do so now simply does not add up, and whilst UNISON would acknowledge Leicester City Council officers only truly know the extent of financial problems both under the current and previous administrations, what evidence we have does not point to a deficit of anywhere near £10 million as being quoted.

That said, efficiency savings can always be made and UNISON would support this. Often our members do feel incensed about some waste and inefficiency in the council but have no means of speaking out that they feel safe and comfortable with. Recent events compound this; particularly the crude gagging of staff about issues related to the cuts and the use of the Political Conventions Document.

UNISON would ask that serious thought is given to the actions and decisions being taken to avoid what we believe could be a bleak future for our city.

30th January 2004

Gary Garner
Branch Secretary

UNISON

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Mark Noble
Chief Finance Officer
Leicester City Council New Walk
Centre

19/01/04

Dear Mark ,

Draft Budget Proposals 2004-2005

It is difficult to know where to start regarding the budget proposals, such is the impact on services and jobs, but while UNISON'S branch mechanism is seeking feedback throughout it's structure our Branch Negotiating Team wish to initially raise some obvious concerns and express our extreme disquiet at the Administration's failure to grasp the inter-relation of services and the impact of their proposals.

Voluntary Sector Cuts

The scale of the proposals are shocking in their scope and will cause obvious damage both to community cohesion and to what is being referred to as "core" council services. A total of eighty-eight voluntary projects are facing cuts and for the majority this means imminent or immediate closure. Of course the impact on peoples' lives will be far-reaching and many have already publicly stated the devastating effect the proposals will cause; from the impact on children of ending play provision to the effect on women's groups, from elderly person services to virtually all ethnic minority provision - every disadvantaged group suffers from these proposals. We will expand on these themes during the consultation period and are (of course) actively campaigning in opposition to the proposals.

We also have concerns at the lack of consideration of the knock-on effect to Council services, most especially in Social Care & Health and Housing in relation to the extra burden that will be placed on them by the reduction of advice provision in the city . Housing Options , Housing Benefit and Welfare Advice in Social Care & Health, as well as operations in the field such as the Supporting Tenants And Residents team could be inundated if people have nowhere else to turn .

LIFELONG LEARNING & COMMUNITY DEVELOPMENT

Learning doesn't just take place in the classroom and we agree with those experts who advocate a more holistic approach. The proposals in the budget will have a detrimental effect on Adult learning at a time when the Adult Learning Inspectorate is due to begin inspection of the authority in April 2004.

Also, with the government Green paper "Every Child Matters", we ask is this the right time to break links with the very community projects who serve our children and young adults? Remove play and out-of-school provision and communities suffer; our future prospects suffer.

The division have also made their philosophy clear with regard to the voluntary sector by deleting the project officers' posts within that sector.

To further cut investment in Lifelong Learning by reducing community learning managers by five posts apparently circumvents the review process, further confirms our fears and is contrary to the manifesto commitment to remove staff from Marlborough House and put them "in the field". Again we question this drive to disengage from communities and query the strategy of leaving community provision to fortune.

The "Hole" in the Budget

Of course the actual need to slash service provision is based on the alleged lack of funds inherited from the previous administration, a highly debatable point.

It can safely be acknowledged that the previous administration earmarked over £1m of the reserves, but apart from the fact that we would debate the need to replenish the reserves at the expense of services, where is the rest of the alleged "hole" in the Budget? Part of this is the inherited and ongoing need to agree a new Job Evaluation scheme. It is a matter of record that given the Council's budgetary pressures and the fact that we are a long way from agreeing the way forward, the Joint Trades Unions offered to defer agreement and implementation of any new scheme (notwithstanding our members rights under Employment Law).

Officers and the new administration have decided to ignore this and, by taking a paper to Cabinet in December have driven through and secured funding to continue their work. That this was done outside the corporate budget process appears cynical, but coupled with senior officers' refusal to take on board the recommendations of the Local Government Pay Commission this move appears to be an attempt to impose an unacceptable scheme at reduced cost and at the expense of services.

Furthermore, in initial budget briefings you acknowledged our financial settlement was "one of the best in recent years".

The Auditors too, have not expressed any major concerns regarding previous budgets, and of course our current Leader held a leading Scrutiny role on (Finance Resources and Equal Opportunities committee) during previous budgetsetting periods and did not voice any great level of concern at the Council's financial situation.

To do so now simply does not add up, and whilst I acknowledge only you truly know the extent of financial problems both under the current and previous administrations, what evidence we have does not point to a deficit of anywhere near £10 million as being quoted .

Recreational & Special Needs Transport

The slashing of Recreational Transport will have a devastating effect both on service users and on the services they access, but our initial point is that the Administration have already committed to looking at council transport "in the round" within the review process. Surely this is the place in which to examine Recreational Transport (and indeed Special Needs Transport , also currently under review) and debate the pros and` cons. To cut first and then review makes no logical sense and is another example of a lack of joined-up thinking.

The Val Jones Workplace Nursery

Childcare in this country is double the European average and the service this centre provides is essential to the ability of some council workers to balance their work and childcare commitments.

From low-paid staff to senior officers, the impact of closure of this service would have a devastating effect on some staffs ability to continue working . This service is seen as a benefit to recruitment and retention problems and is actively promoted by departments as such . Indeed , Social Care & Health (whose staff represent almost 50% of users) have recently put together a recruitment package which actively promotes this service . The proposals are also at odds with the council's Women into Management initiative .

On the figures we have, we would be surprised if the Nursery runs at any great net loss to the Council, and indeed the real cost of closure may result in no saving for the Authority and further problems with recruitment and retention .

Cultural Services / E,R&D

Of course this sector already faces a £650k saving as a result of the merger of departments . With proposals to further delete posts as part of the budget , we have serious concerns regarding the threat of redundancies . Furthermore , plans for building maintenance appear to be a smokescreen to upgrade buildings for future hiving off to a trust .

Duty to consult ?

I could go on service by service, and during the course of consultation we will, but another initial concern is that the documents we have been issued do not add up and we lack the overall picture . We have received the Departmental briefing papers , as forwarded by Sam Maher (Central Human Resources) . The documents we received at the corporate budget briefing begin at Appendix 2, implying there are an Appendix 1 and a main document . Is there any further documentation owing to us ? Has the Authority's duty been fulfilled ?

Finally some of the concerns expressed in this early response were also raised at the open meeting on Friday 18th January 2004 , where leading members of the city's community expressed the irony that the department that leads for the Authority on community cohesion is itself proposing such potentially damaging cuts . We feel wider and deeper consultation is necessary to avoid real damage to Leicester's people , reputation and prospects .

We await your formal response .



Dave Mitchell

UNISON Branch Negotiating Secretary

cc Roger Blackmore (Leader, Leicester City Council)
Roman Scuplak (Deputy Leader) Rodney Green (Chief Executive)
Ian McBride Service Director (Resources Access & Diversity)
Andrew Legg (Joint Trade Union Chair)
Gary Garner (UNISON Branch Secretary)

GMB

Mark Noble
Chief Finance Officer
Leicester City Council
New Walk Centre

30 January 2004

Dear Mark

Draft budget Proposals 2004/05

GMB Leicester Services Branch has grave concerns regarding the impact on jobs and services that the budget proposals will have.

The new administration does not seem to understand the relationship between the voluntary sector and the services directly provided by the Authority.

Cultural Services & E,R & D

Savings of £1 million are already anticipated from the merger of the two departments. Cuts in the Advice Services will create an even greater burden on the staff in other departments who will be expected to take on this responsibility.

The closure of Recreational Transport and the reduction in the opening hours of museums will hit some the most deprived citizens.

GMB also oppose the restriction in the use of bus passes for elderly and disabled people. This will impact on older (with an ageing workforce) and disabled low paid staff who cannot choose at what time they travel to work.

Voluntary Sector

The ruling administration, in their manifesto stated they would " give a fair deal to the City's Council Tax payers", "build partnerships with residents", and "support community groups that contribute to the life of the city." The disgraceful cuts proposed will cause numerous projects to close down completely and many more will have to cut back on their activities.

Consultation

The budget consultation process started one month later than usual, giving the Trade Unions much less time to consult with their members.

GMB supports the Joint Trade Union offer to defer the introduction of a new Job Evaluation scheme. This will save £5 million of the hole allegedly left by the previous administration.

UNISON

David Mitchell

From: "Mark Challenor" <CHALM001@leicester.gov.uk>
To: "Mark Noble" <noblm001@leicester.gov.uk>, "Tot Brill" <brilt001@leicester.gov.uk>, "Dave Mitchell" <MITCD001@leicester.gov.uk>, "Paul Heatherley" <heatp002@leicester.gov.uk>, "Roger Blackmore" <blacr900@leicester.gov.uk>, "Gary Garner" <garnq002@leicester.gov.uk>, unison@leicester.gov.uk Date sent: Wed, 28 Jan 2004 09:43:57 -0000
Subject: BUDGET CUTS

Send reply to: chalm001@leicester.gov.uk

Priority: urgent

Hello Mark

I have a fundamental problem with the savings forecast by using alternative method of management (trusts). The budget proposal is to save £450,000 per year. The sections that they likely be transferring are the old leisure services section of the cultural services dpt (90% of the old dept). We are in the middle of a review, part of the budget savings is £1,000,000 by combining ERD and the cultural dept. What is being proposed is to split these again, it does not take a genius to realise that most of this million would then have to be put back or the very least wipe out the £450,000 saving they are making on rates. Can somebody explain to the elected members, the unions and the press the above remedy and call on officers to explain why they are trying to con elected members. It is already rumoured strongly within the department, key officers are looking to feather their own nests by moving from the Council.

MARK CHALLENGOR
UNISON CONVENOR

Printed for David Mitchell, 2 Feb 2004, 11:10 Page 1 of 1



Our ref: HRP/KJF.

MIDLANDS

Regional Secretary GERARD COYNE

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Telephone: 0116 253 2020 Facsimile: 0116 262 9763

Cllr. Roger Blackmore,
The Leader,
Leicester City Council,

New Walk Centre,

Welford Place,

LEICESTER.

16 January 2004

Dear Councillor Blackmore,

I am writing to you on behalf of the Transport and General Workers Union regarding the proposals that you have outlined to our representatives and indeed the cuts proposed for the ensuing three year period. This union along with other unions is extremely concerned at the announcements and proposals made to date.

I also note with great concern the City Council proposal to cut funding for voluntary groups where we have members. We do not share the views of you and your colleagues which have been expressed publicly regarding the cuts and I shall therefore be calling upon you and your colleagues to look at alternatives to the ones currently outlined to date, as I feel that the current proposals will have a severe impact on not only the staff directly affected but those who are likely to continue in employment with the Council. It is my belief that our members will bear the brunt of public frustration and criticism relating to the tax rises and cuts which you are proposing.

If you do, however, feel that a meeting could be of use to look at constructive alternatives then I am sure that myself along with colleagues from other unions would be prepared to meet up to ensure that the impact is minimised.

I have copied this correspondence to my colleague unions for their information.

Yours sincerely,

HARISH PATEL,

REGIONAL INDUSTRIAL ORGANISER.

TRANSPORT AND GENERAL WORKERS UNION

General Secretary Bill Morris Deputy General Secretary Margaret Prosser