



Leicester  
City Council

Minutes of the Meeting of the  
PERFORMANCE AND VALUE FOR MONEY SELECT COMMITTEE

Held: WEDNESDAY, 1 SEPTEMBER 2010 at 5:30 pm

P R E S E N T:

Councillor Coley - Chair  
Councillor Desai - Vice-Chair

Councillor Chowdhury  
Councillor Draycott

Councillor Connelly  
Councillor Grant

Councillor Willmott

P R E S E N T:

Councillor Dempster – Cabinet Lead, Children and Schools

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**46. APOLOGIES FOR ABSENCE**

Apologies were received from Councillor Kitterick.

**47. DECLARATIONS OF INTEREST**

Members were asked to declare any interests they had in the business on the agenda, and/or indicate that Section 106 of the Local Government Finance Act 1992 applied to them.

Councillor Grant declared a personal non prejudicial interest as his partner worked for the City Council and his sister in law worked in a school.

Councillor Chowdhury declared a personal non prejudicial interest as his son worked in a school.

Councillor Coley declared a personal non prejudicial interest as his daughter worked for the City Council.

**53. SUPPORT SERVICES TRANSFORMATION PROGRAMME**

The Director of Change and Programme Management submitted a report which updated Members on the progress of the Support Services Transformation (SST) Programme.

Maggie McGrath. Programme Manager, Organisational Development and Improvement Team presented the report and explained that the SST programme was designed to look at services and look into issues such as services being more cost effective. There were currently four services being reviewed and a fifth review would be starting at the end of the current month. It was reported that around 2000 staff would be closely affected. The Committee was informed that the programme was on target to deliver the £2m savings for this financial year.

A Member of the Committee queried why options for 30% savings had not been compiled to avoid additional reviews in the future. The Director of Change and Programme Management stated that divisions had been asked to look at their whole spends and compile savings of 30%. She added that the impact as a result of the SST programme would be 15% savings across the board and it was important not to make services unviable. The Committee were informed that other options such as sharing services with the County Council had also been looked into.

Concern was raised that there was no mention in the report regarding the improvement of services and that the SST programme was focusing on budget savings. Maggie stated that this was not the case however there had been more thinking regarding the financial side. The Director of Change and Programme Management informed the Committee that issues were being looked into during reviews such as adapting an intelligence based service looking to into factors such as the demographics of the city.

Concern was raised the Members did not have an input into the Democratic Services review and that the Council would be losing experienced Members of staff. Further concern was raised that the extra £2.8m savings announced destroyed the integrity of the SST process. Members felt more thinking should be given to alternative HR options such as shorter working weeks and working part time. This would result in the Council retaining an individual's knowledge and skills. It was noted that other authorities had already begun implementing similar measures. The Director of Change and Programme Management reported that alternative HR measures were currently being looked into and consultation on this issue was currently taking place with the Unions. Members stated that Cabinet should be asked to bring this work forward.

It was queried how much staff 284 full time equivalent posts equated to. Maggie agreed to provide this information however commented that the number was around 850 as there were a considerable number of part time posts.

The Committee were informed that workshops had been completed with staff however proposals had been compiled before the increased financial pressures. There had also been a recruitment freeze announced in October 2009.

It was queried how the target figures for savings had been arrived at. Concern

was raised that no explanation was offered and that no savings had been announced other than the reduction of staff. Particular concern was the rise in savings in the Strategic Support area from its original target savings. Further concern was raised that the estimated savings had been recorded on staff on the lower salary points. It was suggested that voluntary redundancies be offered to staff to allow them to leave the authority of their own free will. The Director of Change and Programme Management stated that the basis of new targets was the original savings target. She informed the Committee that the project leads in each of the review areas had been asked to do a further analysis of savings that could be made. With regards to Strategic Support, work was done such as on the further rationalisation of partnership arrangements. Work had also been done on streamlining. The Committee were informed that there would also be a management review which would be led by the Chief Executive.

With regards to voluntary redundancies, The Director of Change and Programme Management stated that these would be considered on a case by case basis however doing this across the authority risked losing a number of people with experience and knowledge. The impact on services also needed to be considered. In response to a query regarding assessment, the Director of Change and Programme Management stated that assessment methods other than interviews would also be used when considering people for jobs. The reviews had been staggered purposely so training and advice was available to people who had been affected.

It was queried whether an age profile could be provided of the people affected. Maggie stated that each business case contained a profile of employees with characteristics such as age and gender. An equalities impact assessment had been carried out on each review.

RESOLVED:

- 1) that the report and comments made by Members of the Committee be noted.
- 2) that the Committee request that Cabinet urgently bring forward the work being done on alternative HR options such as the ability of employees to buy holidays and shorter working weeks as a way of mitigating against the extra job losses that will be incurred. This would be in conjunction with the other work being carried out.