

City Development – Delivery of Staffing Reductions to support Council Budget Position

Date: 24th March 2023

Report of: Chief Officer, Operations & Active Leeds

Report to: Director of City Development

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

1.0 What is this report about?

Including how it contributes to the city's and council's ambitions

- The Council is required to find significant financial savings in 2023/24 and beyond, this has resulted in the City Development Directorate being required to identify and deliver savings of £11.67m for 2023/24. The Directorate has sought to do this by focussing on income generation, investment opportunities and by negating the impact of reductions in front line service delivery. Whilst the Directorate has found savings focused on these areas it has not been possible to identify savings in full. The Directorate is therefore left with a residual saving target of £822,000 for which it needs to consider staffing reductions as a means of realising the totality of savings required, this reflects that staffing costs account for 45% of the Directorate's expenditure.
- This paper sets out an initial tranche of work on identifying savings and focusses on the permanent deletion of a number of vacant posts. This initial work reflects the need to consider the Council's agreed approach to managing staff reductions, which requires Council Services to do all they can to avoid compulsory redundancies. Accordingly, a hierarchy approach to realising staffing reductions is proposed which seeks to consider, in turn, the permanent deletion of vacant posts, the potential application of targeted voluntary measures, and the potential application of compulsory measures.
- The proposed deletion of certain vacant posts has reflected known issues on capacity; how they are funded i.e whether the potential deletion would deliver a saving to LCC core resources; and an assessment of impact upon service delivery alongside an initial consideration of impact on retained staff.
- In addition to eleven permanent post deletions, there are a further two tranches of posts where we are now able to temporarily substitute core LCC funding with external resources and also a third tranche whereby temporary savings can be made. These two tranches will help minimise the impact on existing staff.

2.0 Recommendations

That the Director of City Development is asked to agree:

- the permanent removal of eleven vacant posts across the Directorate as detailed in 4.1 and table 1.
- the temporary substitution of external funding to support four posts within Culture and Environment as detailed in 4.3 and table 2.
- the extended temporary non-filling of posts within Culture and Economy specifically related to the existing temporary closure of Leeds Town Hall as detailed in 4.5 and table 3.
- that detailed work be undertaken in areas of the Directorate where permanent deletions of posts (as detailed in 4.1) will occur to ensure that the impact of the reductions is understood and mitigated, as far as possible, on a team-by-team basis

3.0 Why is the proposal being put forward?

- 3.1 As part of the Council's overall budget savings exercise the Directorate is proposing that a residual gap between its agreed savings target and identified savings proposals is managed by a reduction in staffing capacity across the Directorate to the value of £822,000.
- 3.2 The proposal to manage this required savings is of course seeking to take due account of the Council's overall policy framework for managing staff reductions and the principle of seeking wherever possible to mitigate compulsory redundancies, therefore the initial task is to identify currently vacant posts which the Directorate believes could be permanently deleted so as to a) limit the application of voluntary measures and b) reduce the likelihood of having to consider any non-voluntary measures. Like all Directorates, City Development operates on the basis that not every post is filled due to the timescales involved in recruitment to posts when staff leave. Given the Council's continuing financial challenges in a number of areas vacancies have been held for an extended period, these proposed changes focussing on permanent deletions will also allow for an element of required 'housekeeping' on vacancies which will assist sound financial reporting into the future.

4.0 What are the proposed changes?

- 4.1 Chief Officers and Senior Officers across the Directorate have identified the following currently vacant posts which it is proposed to permanently delete:

Table 1 – Tranche of Permanent Deletion of Posts

Count	Service	Team	Post Title	Grade	Saving (£,000s)
1	AM&R	Regeneration	Principal Regeneration Officer	PO6	65.5
2	AM&R	Service Development	Technical Service Assistant	B1/B3	31
3	O&AL	CCM	City Centre Project Officer	SO2	45.5
4	O&AL	Markets	Project Officer	C1	35
5	O&AL	Markets	Markets Inspector	C1	35

6	P&SD	Technical and Customer Support	Technical Assistant	A1	26
7	H&T	Civil Engineering Asset Management – Site Development	Geotechnical Engineer	PO6	65.5
8	H&T	Highways Infrastructure - Bridges	Group Engineer Bridges	PO4	59
9	H&T	Highways Infrastructure - Bridges	Bridges Technician	C3	38
10	H&T	Civil Engineering	Civil Engineering Support Officer	SO2	45.5
11	C&E	Arts, Events and Venues	Operations Assistant	A3	27
Total of 11 posts					473

4.2 In addition to the above, it is believed that the following posts can now be funded from external resources (thereby contributing to the LCC budget saving). There would be no impact upon existing staff and these posts would not be deleted, although any fallout of external funding will require replacement savings to be identified at the appropriate time:

Table 2 – Tranche of Posts to be Funded by Substitute Funding

Count	Service	Team	Post Title	Grade	Saving (£,000s)
1	C&E	Business Support	European Officer	Confidential	59
2	C&E	Business Support	Contract Support Officer	Confidential	38
3	C&E	AE&V	Leeds Young Film Manager	Confidential	50
4	C&E	DM&IR	Senior Project Assistant	Confidential (50%)	21
Total of 4 posts					168

* Given that these particular posts are not vacant, the individual grading of posts is considered confidential and is therefore not disclosed in the paper which will be published. A confidential appendix detailing this information is however available.

4.3 The substitution of funding will have no direct impact upon staff.

4.4 There are also two opportunities to make temporary savings reflecting the current closure of Leeds Town Hall for refurbishment. Both posts are currently vacant and these posts would not be deleted, although upon the Town Hall re-opening and these posts requiring to be filled will require replacement savings to be identified at the appropriate time:

Table 3 – Temporary Extended Holding of Vacant Posts, pending Refurbishment of Leeds Town Hall

Count	Service	Team	Post Title	Grade	Saving (£,000s)
1	C&E	AE&V	Operations Supervisor	C1	35
2	C&E	AE&V	Commercial Rooms Booking Officer	C1	35
Total of 2 posts					70

- 4.5 The temporary extended holding of these posts will not have a direct impact upon retained staff as due to the refurbishment of the Town Hall, the activities of these two staff are not required until the reopening of the venue.
- 4.6 All posts are based on estimated pay scales used for the 2023/24 budget and are costed at max of grade, including employers on-costs for NI and Superannuation.
- 4.7 Across the three categories outlined above, the total value of estimated savings is £711,000. This will require additional savings of £111,000 to be identified by means of identifying staffing savings which could be realised by voluntary or compulsory measures.

5.0 What impact will this proposal have?

Wards affected: all

Have ward members been consulted? Yes No

- 5.1 Any staffing reduction will give rise to implications for service delivery and the potential for certain activity to cease is a key consideration alongside the impact upon retained staff. However, given the differential impact across Services within City Development it is not considered appropriate to try and undertake a 'one size fits all' approach to understanding and mitigating impact, moreover it is felt that individual Chief Officers and Heads of Service in areas with a reduction in posts work through the detail of any change and seek to utilise the established Service Joint Consultative Committees to work through any issues which may arise.

6.0 What consultation and engagement has taken place?

- 6.1 In accordance with the Council's established processes, consultation has taken place with recognised Trades Unions and a number of meetings have been held to both share outline proposals and to seek informal feedback. To date that feedback has centred on the need to ensure that retained staff are supported through any change process; that a thorough assessment of any changes to sickness levels in affected service areas take place; and a desire from TU colleagues to be reassured that roles at all grades have been considered. Information has been collated and shared around these areas of concern.

- 6.2 In addition to the informal consultation stage set out in 6.1, a copy of this report was shared with recognised Trades Unions on 10th March 2023 with a request that feedback be provided by 24th March 2023. No Comments were received.
- 6.3 Following the consultation with Trades Union Colleagues engagement and communication with staff will be undertaken, both at a Directorate wide level but also at an individual team level where permanent staffing reductions are proposed.
- 6.4 During the budget consultation process reference was made to this saving proposal at the meeting of Scrutiny Boards during their consideration of the wider budget proposals. A commitment was made to share the detail of the proposals with the Scrutiny Board Chairs for the three areas the Directorate reports into.

7.0 What are the resource implications?

Finance

- 7.1 The proposals set out in this paper will deliver approximately £711,000 of savings which will be apportioned against the Directorate's so far unmet savings target of £822,000.
- 7.2 The delivery of the remaining £111,000 savings target will need to be considered by means of targeted voluntary measures in the first instance, recognising the Council's agreed approach to managing staff reductions.

Human Resources

- 7.3 Although there is no direct impact on individuals included within the proposals, consideration has been given to the implications on the wider workforce and as discussed with the trade unions impact will continue to be monitored within the relevant teams.
- 7.4 Consideration to impact on wider teams will be at the centre of the identifying and progressing further proposals as detailed in 4.7 and 7.2.

8.0 What are the legal implications?

- 8.1 There are no obvious legal implications arising from this report.
- 8.2 This decision is exempt from call-in as it arises from a decision taken previously by Executive Board.
- 8.3 The information contained in the exempt appendix is confidential as it relates to the financial affairs of the Council and other parties under Access to Information Procedure Rule 10.4(3).

9.0 What are the key risks and how are they being managed?

- 9.1 The key risk emanating from this proposal relates to the well-being of retained staff, which it is proposed to be mitigated focussed team-by-team activity as set out in 5.1 above.

10.0 Does this proposal support the council's three Key Pillars?

- Inclusive Growth Health and Wellbeing Climate Emergency

- 10.1 This proposal doesn't generate issues relating to the Council's key pillars.

11.0 Options, timescales and measuring success

11.1 What other options were considered?

11.2 The need to generate savings to the value of £11.67m means that all options for income generation, investment returns and service changes with little or no staffing impact were considered. The residual saving of £822,000 needed to reflect that approximately 45% of the Directorate's expenditure related to staffing costs. As set out earlier the identification of areas for staffing reductions considered a range of factors.

12.0 How will success be measured?

12.1 Delivery of required savings alongside the mitigation of impact upon staff, where proxy measures on changes in sickness levels will be a key performance indicator.

13.0 What is the timetable for implementation?

13.1 Immediate implementation with a need to ensure, as far as possible, a full year financial effect.

14.0 Appendices

14.1 A confidential Appendix detailing details of the posts referred to in 4.2 – exempt under Access to Information Procedure Rule 10.4(3).

15.0 Background papers

15.1 None