



POLICY AND RESORUCES SCRUTINY COMMITTEE – 4TH OCTOBER 2011

SUBJECT: BUDGET STRATEGY – VACANCY MANAGEMENT

REPORT BY: DIRECTOR OF CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 To provide Elected Members with the up to date position on the vacancy management strategy being adopted in accordance with the 2009/10 budget strategy approved by Council in March 2009.
- 1.2 This report highlights the vacancies that have been deleted during the financial year 2010/11.

2. SUMMARY

- 2.1 Members will be aware that as part of the budget strategy, Directorates were set very challenging vacancy management targets and would be required to delete posts from its structures to stay within budget.
- 2.2 Members have requested information on the numbers of posts deleted on an annual basis. The posts that have been deleted for 2010/11 are attached as an Appendix.

3. LINKS TO STRATEGY

- 3.1 Vacancy management is identified as an integral part of achieving a balanced budget.

4. THE REPORT

- 4.1 Members will be aware that as part of the budget strategy, Directorates were set very challenging vacancy management targets and would be required to delete posts from its structures to stay within budget.
- 4.2 Members have requested information on the numbers of posts deleted on an annual basis. The posts that have been deleted for 2010/11 are attached as an Appendix. These figures do not include the oncosts for the posts as these are applied on top of the salary.
- 4.3 From previous comments in this Committee and at Council, Members have identified '80' posts to be deleted as a loose target. This has never been formally agreed and was only ever used as an illustrative figure based on the cash target that needed to be achieved.

- 4.4 It is also important for Members to be aware that vacancy management will not only be about deleting posts but also about delaying the filling of posts and restructuring and rationalizing structures. Together, these strategies have been aimed at avoiding the need for compulsory redundancies. This report provides data on those posts that have been deleted.
- 4.5 This strategy has been successful and minimal compulsory redundancies have been necessary as part of this strategy to date.
- 4.6 I would wish to remind Members that the housing revenue account is separate to the budget strategy and therefore should be considered separately. For the avoidance of doubt, any vacancy management savings achieved within the Housing Service are redistributed within the housing revenue account for the benefit of Council house tenants. For completeness of the overall picture and to recognise the total figure within the Directorate of Corporate Services, these have been included in the figures, but are identified separately.
- 4.7 The posts that have been deleted to achieve the 2010/11 budget strategy have been identified and are detailed in Appendix 1.

5. FINANCIAL IMPLICATIONS

- 5.1 Proposals are consistent with the budget strategy approved by the Council.

6. PERSONNEL IMPLICATIONS

- 6.1 Trade unions continue to work with us to avoid the need for compulsory redundancies as part of the 2010/11 budget strategy.
- 6.2 Members continue to receive reports for restructuring/rationalisation as they occur.
- 6.3 Corporate Management Team continues, on a weekly basis, to vet vacancy requests to ensure only those that are essential are advertised.
- 6.4 Members receive from time to time, business cases from employees who wish to access their pension benefits and require Council consent to do so at the Pensions and Compensation Sub-Committee.
- 6.5 Managers continue to review structures and staffing requirements and seek to minimise the use of external agency staff wherever possible. This will become even more important with the introduction for Agency Workers Regulations on 1st October 2011, which will give Agency Workers the same rights, with a few exceptions, as permanent employees after twelve weeks service.
- 6.6 Employees who are displaced from posts that have been deleted have and will continue to be offered suitable alternative employment wherever practical and possible. Employees are expected to embrace the opportunity to be redeployed in a positive manner, as a direct alternative to redundancy.
- 6.7 Where the post holder possesses specialist skills and knowledge, the redeployment opportunities will become more limited. It is anticipated that as the number of post holders being identified for redeployment grows, it will become more difficult to find opportunities for all.
- 6.8 To date we have proven that this can be successfully achieved with in excess of 30 employees having been redeployed across the Council following this approach being implemented.

7. CONSULTATIONS

- 7.1 Corporate Management Team
Directorate of Corporate Services Directorate Management Team

8. RECOMMENDATIONS

- 8.1 Members are asked to notes the information contained within this report.

9. REASONS FOR THE RECOMMENDATIONS

- 9.1 To respond to Elected Members' request for information.

10. STATUTORY POWER

- 10.1 Local Government Act 1972
Local Government Act 2000
Employment Act 2008

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Appendices:
Appendix 1 Deleted Posts 2010-11