

TRADE UNIONS RESPONSES

Written responses have been received from Unison and GMB trades unions. Both responses are attached.

Written response to consultation on the Corporate Plan from Unison: -

**To John Williams
Leader of the Council**

**From Alan Docherty
Branch Secretary**

4th February 2010

Dear John,

Reply to MTFP Consultation

I respond on behalf of the Darlington Local Government Branch of Unison. We recognise the difficult financial position that the Council finds itself in, particularly the anticipation of severe cuts in public expenditure that are expected after the general election because they have been signalled by the three major parties. We, however, are disappointed that some of the cuts are self imposed and we are at a loss to why, in this difficult time, the Labour Group would seek to deprive the authority of valuable income. We do not agree with the proposal to freeze Council Tax. This will deprive the authority forever of a useful revenues that could be used to reduce the proposed cuts in services and staffs' conditions.

We will continue to work with the authority's officers to seek efficiencies, but this is on the condition that Darlington gives a commitment to value and support its workforce and demonstrate this. A demonstration of this commitment would be to make a council tax increase in line with inflation, or that made by neighbouring authorities and other public bodies. We are led to believe that Darlington, with the lowest council tax, is the only Council considering a freeze.

Unison has several criticisms of the MTFP. The most severe is of the proposal to remove premium payments for Sundays and Bank Holidays from all staff except for call outs. Unison is totally opposed to this. It represents a pay cut of approximately 10% for predominately low paid women workers. These are staff employed working 24/7rotas to care for the elderly, disabled and disadvantaged children as well as leisure and catering staff. Many of these staff have expressed their anger to us about this proposal and how it will affect their pay and in comparison to other costs such as childcare. Such a cut would severely affect morale and good will leading to a loss in efficiency. Moreover we think this proposal could be illegal because those exempt from this cut are a predominately male workforce. This cut is estimated to save £280,000 per year. While a 1% council tax increase would raise £400,000. More than enough to avoid this pay cut. Ironically given that the authority has budgeted for a 0.5% wage increase which is looking increasingly unlikely in light of the national employers' '0% offer' this will imposes another 3% pay cut on these staff. However, no pay increase would give the Council a windfall lifetime saving of £250,000 which would more than pay for keeping premium payments intact.

We also reject the proposal to cut overtime payments to plain time. We believe that this is a charter for poor management. Our analysis of the expenditure on overtime indicate to us that this cost can be substantially decreased by better management and the recruitment of additional staff creating more jobs for people of Darlington. Unison is committed to work with the Council to eliminate unnecessary overtime.

The proposal to remove unilaterally all essential car user allowances and reduce car mileage rates is another measure that penalises council staff that are required to use their own cars to provide council services. Unison has argued, for many years, for a review of this allowance because we consider that there are staff who should not have the allowance because it was given as a recruitment and retention package; while other staff such as many social workers do not benefit from this compensation payment. We seek the retention of the essential users allowance for genuine users. A proper review will result in savings to the authority and we would like a commitment to such a review not a wholesale cut. We are concerned that the projected savings included in the budget do not adequately account for alternative pool car and van hire. We understand that in a previous cost saving exercise in the Community Services Department, staff were offered essential car user allowance as an alternative to van hire because the payment of the car allowance and mileage was a cheaper option for the Council.

Unison is concerned at the headline reduction of 59 staff, not to mention those others that will be identified by other ongoing efficiency opportunities. We are particularly perturbed by the decision to axe the Early Years Inclusion Team in its entirety, 11 people, and to replace them with three advisors. These staff provide a valuable hands on service helping to integrate disabled and statemented children, as part of a team, from home into mainstream nursery settings in preparation for school. We consider this proposal to be badly thought out because it will leave a hole in this provision. We seek the continuation of this service. If one accepts the current proposal and even if funding is found at some later date to provide a site based nursery service from individual providers; there is still a transition period with a gap in provision where these children and parents will be let down by this authority. It will also probably mean that more children will be forced into special schools which may not be appropriate for them. We do not believe there has been adequate consultation on this matter nor has a disability impact assessment, a legal requirement, been carried out on the impact of this cut. We ask that this measure be taken out of the budget proposals. This would actually result in a saving to the Council because the first year's expenditure on this item is increased by £150,000 to pay the redundancy costs for these staff.

Unison has in the past worked with the Council to deliver savings whilst reducing the numbers that are to be made redundant through natural wastage and redeployment and the council has an excellent record in avoiding compulsory redundancies. We however recognise that in the coming years this will become more difficult to achieve. However, we seek a commitment that all the areas identified for savings will not be agreed as a figure cast in stone. We seek proper meaningful consultation to agree the appropriate staffing levels in each area identified for savings to effectively deliver an efficient service.

We understand that the council is in receipt of a one off rebate from the Inland Revenue of £2.8 million, we agree that it would not be wise to fritter this away on maintaining unsustainable revenue spending. However, we would like the Council to look to see if this money can be used to substitute for projects and other spending included in the revenue

budget and those sums freed up transferred instead to maintain services under review where savings cannot be achieved immediately.

In the longer term Unison are wary of the business model that is intended to transform services by partnering with other public organisations, the voluntary, and private sectors. The proposed level of planned cuts at the worst extreme could lead to the loss of 25% of the non-school workforce. We do not believe these cuts are possible without a major reduction in services. We ask the council to lobby Government for additional funding and oppose these cuts.

Unison disagrees with the current economic conventional wisdom that the public sector should be cut to pay back the loans to financial institutions that were taken out to rescue the same banking and financial sector. Cutting public sector investment and jobs particularly in regions like the North East, where about 50% of jobs are directly and indirectly reliant on public expenditure, is economic suicide and this will lead to another recession and hardship for ordinary people. Unison is campaigning, through its Million Voices Campaign, to change governmental policies and we hope that the Council will join us to lobby to prevent deep and speedy cuts to the deficit. Alternative policies to regain the investment back from the banks by retaining a higher share of their profits would be a much fairer way of building a stronger economy rather than cutting the wages of low paid staff, reducing jobs and services and transferring the delivery to other providers than this Council.

Yours sincerely

Alan Docherty

c.c. Paul Wildsmith, Director of Corporate Services.

Written response to consultation on the Corporate Plan from GMB: -

John Morgan
GMB Representative
Dolphin Centre
Darlington
DL1 5QU
7.2.10

Mr J Williams
Council Leader
Darlington Borough Council

Dear John,

I would like to respond to your Medium Term Financial Plan, as per Paul Wildsmith's letter of the 1st February, on behalf of the GMB Darlington membership.

While recognising the financial difficulties the Council finds itself in, we can not agree to the proposals.

The GMB disagree with the proposal to freeze Council Tax, especially when such a freeze could result in a degrading of members' terms and conditions. Other local authorities find no requirement to freeze council tax, recognising the need to keep income in pace with inflation.

Your proposal to remove premium and overtime payments for staff is similarly unacceptable. It represents a pay cut for those of our members who are contractually obliged to work overtime or on a seven day rota. These are people working in care, leisure and catering, servicing the needs of the community. Many have expressed anger at this proposal, seeing it as an unfair cut on the lowest paid.

The proposed removal of essential car user allowances and reduction of car mileage rates is again rejected by the GMB. A review of this allowance, with the retention of the essential users allowance for genuine users could result in savings to the authority without a wholesale cut. We would like to point out that Community Services staff were offered essential car user allowance originally as an alternative to vehicle hire as the cheaper option.

The GMB recognise that some staff reduction will be a result of changes in provision, but object to enforced redundancies, and encourage redeployment as an alternative. We ask that redundancies are taken out of the budget proposals, saving to the Council £150,000 to pay the redundancy costs for these staff.

We understand that the council is in receipt of a rebate from the Inland Revenue of some £2.8 million, and are of the opinion that this money can be used to maintain the current level of services.

Yours sincerely,

John Morgan

c.c. Paul Wildsmith, Director of Corporate Services.