

Workforce Programme Board – report by Sir Steve Bullock (Chair)

Local government services

1. At a meeting of the National Joint Council on 13 October, the Trade Union Side submitted a pay claim for 2011/12. The headline claim is for "an increase of at least £250 on all spinal column points." The Employers' Side informed the unions that they would be consulting authorities in the coming months and are now arranging a series of regional pay briefings to take place during December.
2. In advance of the briefings, a detailed paper to all authorities will be sent, setting out options for next year's negotiations and a number of issues for attendees to consider. I will be writing to all leaders urging them to attend these events. Similarly, Jan Parkinson, LG Employers Managing Director will be writing to all chief executives.

Senior pay

3. On 18 October, Baroness Eaton and Baroness Hanham from Communities and Local Government co-hosted a roundtable discussion on senior pay within local government. I attended along with Councillor Steve Comer, vice chair of this Board, and other senior politicians from within LG Group. The discussion followed on from LG Group's submission to the Will Hutton review on fair pay in the public sector and focused on three main areas:
 - 3.1 remuneration committees;
 - 3.2 transparency; and
 - 3.3 the need to ensure pay decisions are fair and justifiable in the context of recruiting the best people.
4. We were clear that comparisons with the Prime Minister's salary are misleading but emphasised that local government wants to continue to lead the way in transparent decision-making about pay. We welcomed the growing number of councils using remuneration committees and suggested this may be something that should be extended to enable remuneration committees to operate across 'place' rather than be confined to one employer.

Place Based Productivity

5. Research is being undertaken into workforce productivity and efficiency, drawing together evidence from across the public and private sector, in particular the work of the Regional Improvement and Efficiency Partnerships and that of the national public sector improvement agencies, including LG Improvement and Development. The research is being delivered by Institute of Employment Studies <http://www.employment-studies.co.uk/>.

6. The initial desk-based research findings have confirmed that there is no single 'best practice' answer to delivering improvements in workforce efficiency and productivity. Taking the right action significantly depends on where councils are starting from – the cost base (knowing how this is aggregated related to outcomes), the resource profile, and the budget challenge faced - ultimately the local context.
7. The scale of the reduction in public sector funding as announced as part of CSR 2010 however, means that workforce efficiencies and improvements in public sector productivity alone will not be sufficient to deliver the savings required. There is a need to think and act more radically and challenge the existing basic assumptions held on workforce costs.
8. Following from discussion at the September meeting of this Board, a series of stakeholder workshops are taking place, engaging trade unions, private sector providers, industry experts and workforce professionals in exploring further the radical thinking and action needed to address workforce efficiency and productivity improvement in the context of CSR.
9. A series of 'quick-wins' will be published, to coincide with a national conference on the initial findings and progress being made by the Place Based Productivity Programme taking place in London on 3 December.
10. The workforce and skills workstream of this programme is being led by Nick Walkley chief executive of Barnet LBC and Councillor Roger Phillips, deputy chair of this Board.

Local Leadership Academy councillor workbook

11. A new Local Leadership Academy councillor workbook, [Creating a fit for the future organisation: the political dimension](#) has been launched. The workbooks provide a series of distance learning materials for councillors to support them in their role as community leaders. This new one has been designed as a learning aid to assist members thinking about the workforce issues affecting their council and the ways in which the organisation can become fit for the future. It covers the key themes members need to be aware of and includes councillor comment and input.

Organisational transformation

12. A number of successful practice sharing events have taken place on **organisational transformation and productivity**, the most recent being in London (18 October), in partnership with London Councils, and Durham (21 October), in partnership with North East Regional Employers. The events were well received and included a wide range of leading edge practice from councils and other sectors. Another similar event is being planned for early December in partnership with the East of England LGA.

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