

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

New LG Group workforce team

1. The new Local Government Group structure means workforce issues are now managed in an integrated way with other policy areas, bringing a significant opportunity to recast the work we do with and on behalf of councils. Resourcing realities mean that activities will need to be carefully organised and members of this Board have agreed the following three priority outcomes:
 - 1.1 Councils are helped to develop a productive, flexible, skilled and appropriately structured workforce;
 - 1.2 Councils are supported by an affordable and flexible pay, reward and conditions system;
 - 1.3 Councils are supported to work jointly with other employers within a place to deliver better services and achieve value for money for local citizens.

Public Health

2. The proposed transfer of some public health functions to local government brings with it of course a number of workforce issues. The most important is the method by which staff will move across to local government. There is widespread agreement that staff transfer issues around terms and conditions need to be handled sensitively and balanced with the best interests of councils as employers.
3. To enable high level discussions on these complex issues, LG Group has set up a working group involving a number of chief executives, HR professionals and regional representatives to develop a national framework to allow a flexible approach to the movement of staff from the NHS to local government.
4. The workforce team is also involved in a national working party with the NHS to produce an overall "concordat" that will establish key principles and a direction of travel for the forthcoming changes.

Top pay

5. Two key areas of development are continuing:
 - 5.1 As the Localism Bill makes its way through Parliament, it sets out the Government's approach to increasing accountability through a requirement to have a pay policy for top staff agreed by full Council meetings.
 - 5.2 Will Hutton's report on fairness in top pay has been welcomed by the Treasury. LG Group will be developing a response on behalf of the sector. It is vital to ensure that councils are supported as they consider ways to improve accountability over top pay in their local circumstances and the workforce team will be developing appropriate guidance.

LG Group Conference

6. There are two workforce related sessions at this year's Local Government Group conference: a plenary on developing the workforce of the future and a workshop on social enterprises.
7. The plenary will be chaired by Ben Page of Ipsos Mori, and its theme is: "What kind of people do we need to run fresh, innovative and fit for purpose public services today and in the future? What are the key issues for Leaders of councils going forward?" This session takes place on Wednesday 29 June, between 16.00 -16.40pm.
8. The workshop on social enterprises will be a policy debate on whether social enterprises are the answer to delivering services differently in local government. The session will help councils understand the journey to creating a viable and sustainable social enterprise; identify the possible benefits; and outline the support available from LG Group on the challenging workforce issues arising. This session takes place on Tuesday 28 June, between 16.45 -17.45pm. Both sessions will be discussed on the conference blog, at www.local.gov.uk/annual-conference-2011

Workforce efficiency

9. LG Group has embarked on an innovative match funded project to help councils reduce management costs and improve decision making accountability learning from the best in the private sector. The project is applying the Decision Making Accountability (DMA) approach to vertical organisational structures in four pilot councils. The learning from these pilots will be used to develop a DMA toolkit, available for councils in the autumn. The project is delivered by Stanton Marris consultants contracted individually by each council.

Pensions

10. Representations continue to be made in relation to the proposed increase in employee pension contributions. A letter has been sent to the Secretary of State for Communities and Local Government setting out our views on each of the 27 recommendations in the Hutton report. We have submitted a response to the Fair Deal consultation, based on the views given by Board members.

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