

**Council – 9<sup>th</sup> September 2014**  
**Recommendation from Cabinet**  
**5<sup>th</sup> August 2014**

**Minutes of the meeting of Cabinet held at 2.00 pm. on 5<sup>th</sup> August 2014**

Present:

Members: Councillor A Lucas (Chair)  
Councillor P Townshend (Deputy Chair)  
Councillor F Abbott  
Councillor Maton  
Councillor A Gingell  
Councillor D Kershaw  
Councillor A Khan  
Councillor R Lancaster  
Councillor E Ruane

Deputy Cabinet  
Members Councillor K Caan  
Councillor D Chater  
Councillor C Fletcher  
Councillor J McNicholas

Non-Voting  
Opposition  
Members: Councillor A Andrews  
Councillor J Blundell

Other Members: Councillor Birdi  
Councillor Clifford  
Councillor Crookes  
Councillor Duggins  
Councillor Hetherton  
Councillor Noonan  
Councillor Sandy  
Councillor Thomas

Employees (by  
Directorate):

Chief Executives M Reeves (Chief Executive), J Forde

Place M Yardley (Executive Director), D Nuttall, G Simpson

People B Walsh (Executive Director)

Resources C West (Executive Director), C Forde, S Lal, J Murphy,  
M Salmon

**Public business**

**RECOMMENDATION**

**39. Formal Consultation in Respect of Further Staffing Reductions**

The Cabinet considered a report of the Executive Director, Resources, that would also be considered at the meeting of the Council on 9th September 2014, which sought approval for staff reductions through a further round of Early Retirement/Voluntary Redundancy (ER/VR).

Since 2010 the Council had undertaken a significant savings exercise across the organisation in response to on-going reductions in Government funding. Savings were initially mainly focused on back office and support services, through reducing senior management posts and merging directorates and by identifying more efficient ways of delivering services. More recently, as back office efficiencies had become harder to find, front line services were being affected.

By 2016 Coventry would have had its government funding cut by nearly a half since 2010 and further, significant savings would be needed across services. The current estimate was that additional savings of approximately £60million a year would be needed to be implemented by 2017/18. This meant that the Council would be a smaller organisation in the future. By introducing more efficient and flexible ways of working the Council aimed to deliver better value for residents with less bureaucracy and red tape – and fewer employees.

Since 2010 the Council had undertaken three rounds of ER/VR which had directly resulted in some 1,000 staff deciding they wanted to leave the organisation and ensuring the number of compulsory redundancies had been kept to a minimum. In order to minimise the risk of future compulsory redundancies it was proposed to consult with trade unions and staff on a further reduction in posts with a view to launching a further round of ER/VR, and to remove some aspects of the earlier rounds which may have reduced take up of the offer by staff.

The Council's human resources and financial strategies indicated that it needed to plan on the basis of losing a further 1,000 posts over the medium term. The report proposed that initial financial provision was made to fund up to 500 of these through ER/VR decisions over the course of the next year or so, at which point the impact of this initial phase would be reviewed. The Cabinet requested that Voluntary Redundancy and Enforced Redundancy figures to be made available to all Members of the Cabinet.

**RESOLVED that the Cabinet:**

- 1) In view of the staffing and budget implications as set out in the report, approves the commencement of consultation and implementation of the following management proposals:**

- a) **The launch and implementation of a voluntary redundancy programme. During the consultation period the Council will invite applications from employees who are interested in taking ER/VR.**
  - b) **To agree to the changes to the programme outlined in this report designed to encourage take up.**
  - c) **To retain – for the present - despite the financial pressures facing the Council, the traditional enhancement to voluntary redundancy payments which the Council offers (approximately 50% enhancement) to help maximise take up of the Scheme.**
  - d) **To introduce a policy to ensure when an individual leaves the organisation through VR or ER, they will not be re-employed or engaged on a consultancy basis, other than in exceptional circumstances which will need to be approved by the relevant Director and the Assistant Director for Human Resources, in consultation with the Cabinet Member (Strategic Finance & Resources).**
  - e) **Undertake a further review of all management and supervisory posts in the Council to ensure the minimum number of managers and supervisors appropriate for the service area; the report with their proposals to be considered by the Cabinet Member (Strategic Finance & Resources).**
- 2) **Recommend that Council approves the virement of additional resources of £7.2m as identified in section 5.1 of the report to add to existing budgets of £5.3m to fund redundancy and early retirement costs.**

**Council is requested to:**

- 1) **Approve the virement of additional resources of £7.2m as identified in section 5.1 of the report to add to existing budgets of £5.3m to fund redundancy and early retirement costs.**

(Meeting finished at 5.20 p.m.)