

DRAFT/

FINANCE AND RESOURCES COMMITTEE

1 FEBRUARY, 2011

MATTER OF URGENCY

The Convener instructed in terms Section 50(B)(4)(b) of the Local Government (Scotland) Act 1973 and Standing Order 22(9) that the following motion be considered on this day in order that a view could be taken on the matter prior to the Budget meeting of Council of 10 February, 2011.

DECLARATIONS OF INTEREST

Councillors Cormack, Dean and Fletcher declared an interest in the subject matter of the following article by virtue of their membership of the Appeals Committee. The Councillors withdrew from the meeting, and were substituted by Councillors Clark, Leslie and Penny for this item of business only.

Councillors Dunbar, Farquharson, Laing and McCaig also declared interests by the same virtue, but chose to remain in the meeting for consideration of the item.

VOLUNTARY REDUNDANCIES – EMERGENCY MOTION BY COUNCILLOR KEVIN STEWART

The Committee had tabled before it a motion in the following terms by the Convener:

“that this Committee recommends to Council that in light of the Scottish Government’s announcement that councils will receive flat cash settlements at the same level as proposed in the draft budget for 2011/12, up to 2014/15, that officers be instructed to pursue six hundred voluntary redundancies; and also to invite officers on over £50,000 per annum to consider accepting a 5% pay cut on a voluntary basis, in line with what has already been accepted by administration Conveners and Vice Conveners”.

The Convener spoke to his motion and explained that in his opinion there was now scope to offer members of staff voluntary redundancy, which would be preferable to compulsory redundancies taking place. He continued by stating that figures had been worked up showing a better financial position and his conclusion was that seeking voluntary redundancies was now affordable, achievable and desirable.

The Convener moved his motion as detailed above, and was seconded by Councillor McCaig.

Councillor John Stewart, seconded by Councillor Leslie, moved as an amendment: that the Committee notes both the UK Government's spending plans and the Scottish Government's indicative budgets for future years, and instructs officers to report on the implications of these to the Budget meeting of Council on 10 February, 2011.

Councillor Farquharson, seconded by Councillor Penny, moved as a second amendment: that the Committee recommends to Council that in light of the Scottish Government's announcement relating to enhanced cash settlements for the budget years from 2011/12 up to 2014/15, it agrees that Council officers be instructed to negotiate with the relevant trades unions with a view to agreeing a mechanism for meeting the Council's target of six hundred to nine hundred redundancies through a combination of voluntary and compulsory redundancy; and further to recommend to Council that the redundancy payments be similar for both categories of redundancy, and that the level of settlement is in excess of the statutory minimum amount, but is affordable in terms of the Council achieving a balanced budget.

Councillor Graham, seconded by Councillor Young, moved as a third amendment: (a) that the Committee recommends to Council that the threat of wholesale compulsory redundancies be withdrawn; (b) that urgent meetings be set up with representatives of the Council's workforce in order to negotiate an acceptable compromise centred on the principle of voluntary redundancy; and (c) to instruct officers to provide the Council with the appropriate costed background papers, based on the outcome of the meetings with staff representatives, as part of the budget process.

At this juncture, the Convener intimated (1) that he would be willing to incorporate Councillor Graham's amendment into his motion; and (2) that he would also be willing to withdraw the final part of his motion ('to invite officers on over £50,000 per annum to consider accepting a 5% pay cut on a voluntary basis, in line with what has already been accepted by administration Conveners and Vice Conveners'). Councillor Graham therefore withdrew his amendment.

On a division between the amendment by Councillor Farquharson and the amendment by Councillor John Stewart, there voted: for the amendment by Councillor Farquharson (2) – Councillors Farquharson and Penny; for the amendment by Councillor John Stewart (13) – the Convener, the Vice Convener, and Councillors Clark, Crockett, Dunbar, Graham, Kiddie, Laing, Leslie, McCaig, John Stewart, John West and Young.

On a division between the motion and the amendment by Councillor John Stewart, there voted: for the motion (9) – the Convener, and Councillors Crockett, Dunbar, Graham, Kiddie, Laing, McCaig, John West and Young; for the amendment by Councillor John Stewart (5) – the Vice Convener, and Councillors Clark, Leslie, Penny and John Stewart; declined to vote (1) – Councillor Farquharson.

The Committee resolved:-

to approve the successful motion as follows:

- (i) to recommend to Council that in light of the Scottish Government's announcement that councils will receive flat cash settlements at the same level as proposed in the draft budget for 2011/12 up to 2014/15, officers be instructed to pursue six hundred voluntary redundancies;
- (ii) to recommend to Council that the threat of wholesale compulsory redundancies is withdrawn;
- (iii) to instruct that urgent meetings be set up with representatives of the Council's workforce in order to negotiate an acceptable compromise centred on the principle of voluntary redundancy; and
- (iv) to instruct officers to provide Council with the appropriate costed background papers, based on the outcome of these meetings, and that these papers be presented to elected members as part of the budget process.