

## EXECUTIVE MEMBER REPORT TO COUNCIL SEPTEMBER 2015

### HR – ORGANISATION & GOVERNANCE

#### Response to Government Consultation on changes to Trade Union Legislation

1. The government has recently published its Trade Union Bill which sets out various reforms to the law regulating trade unions. There are three consultations which cover:
  - Industrial action ballots and the length of mandates, Trade Union facility time and the contribution to political funds from union members
  - Tackling intimidation of non-striking workers
  - Hiring agency staff during strike action
2. The Bill is unfair. The combined impact of the proposals is that it will make it very difficult for Trade Unions to be able to call lawful strike action and in some service areas virtually impossible. For a strike to be lawful there would be a requirement for 50% of those being asked to strike to vote, and in certain key areas (including health, education and transport as well as border security, fire and energy) 40% of those eligible to vote would need to vote in favour. This double threshold would mean, with a 50% turnout, 80% of those who did vote would have to vote in favour of the strike. The requirement for this type of threshold is undemocratic and not seen in our other democratic processes.
3. The Bill provides for the hiring of agency workers during strikes and key elements of the previously voluntary code of practice on picketing would become legislative requirements, bringing unlawful picketing under criminal rather than civil law.
4. Whilst the Bill, claims to assist employers by making strike action more difficult this is unnecessary and likely to come at a cost. The Council always tries to engage meaningfully with the TUs and avoid strike action, if on those occasions when the TUs feel the need to strike and are not able to do so, due to changed regulations, then general dissatisfaction in the workforce may increase. This may have a potential detrimental impact on employer / employee relations. This could result in other types of action being taken e.g. work to rule, withdrawal of goodwill which is potentially more damaging than time-limited strike action. The use of agency workers during any strike action has the potential to impact adversely on employer/ employee relations. It is possible that this change may result in the TUs being less willing to negotiate 'exemptions' to the strike as has previously been the case.

5. Following consultation with executive colleagues, I have agreed a response by Middlesbrough Council to the government highlighting concerns that we have with the proposals. Middlesbrough Council will also support a statement, to be submitted by the North East Regional Employers Organisation; as follows:
6. “We are surprised and disappointed that we are to lose the autonomy to take our own decisions around these important areas for employee engagement, particularly given the government’s rhetorical commitments to the localism agenda. We call on the government to think again on these plans”
  - preventing public sector employers from running “check off” systems to deduct union subscriptions from the payroll;
  - requiring all public sector employers to publish detailed annual reports recording how many union officials are employed by the authority, what proportion of the pay bill is allocated in total to union facilities and how much the public authority spends on specific union activities;
  - controlling the amount of money each or any public authority can invest in collective bargaining and social partnership forums, on union health and safety reps and even union learning reps who work with employers to raise skills and training opportunities;
  - revising contracts of employment and collective agreements which have been agreed by the public authority with their staff and unions;
  - intervening to cap the amount of money each authority can spend on facility time.”

## **CUSTOMER STRATEGY**

### My Middlesbrough

7. When I attended a recent meeting of OSB, when the Customer Strategy was presented, it became clear that ‘My Middlesbrough’, the online facility available to residents to report issues and carry out a range of other activities online 24 hours a day, 7 days a week without the need to telephone, write or email, was something some councillors had not been made aware of.
8. Therefore, it was indicated that I would include information in a future report to council for those who may wish to make their constituents aware of this service or use it themselves for their own casework.
9. Registration is required only once, after that the system remembers the person’s details. My Middlesbrough does not yet cover all council services, but more are planned to be added shortly. The full list of services are on the website, but it currently includes
  - Allotments
  - Benefits
  - Bins
  - Concessionary fares
  - Council Tax
  - Dogs
  - Fly tipping
  - Parking fines

- Potholes
- Renew or reserve a library book
- Street lights, etc

My Middlesbrough is available via the home page of the council's website or at [www.my.middlesbrough.gov.uk](http://www.my.middlesbrough.gov.uk)

### Balanced Scorecards Pilot

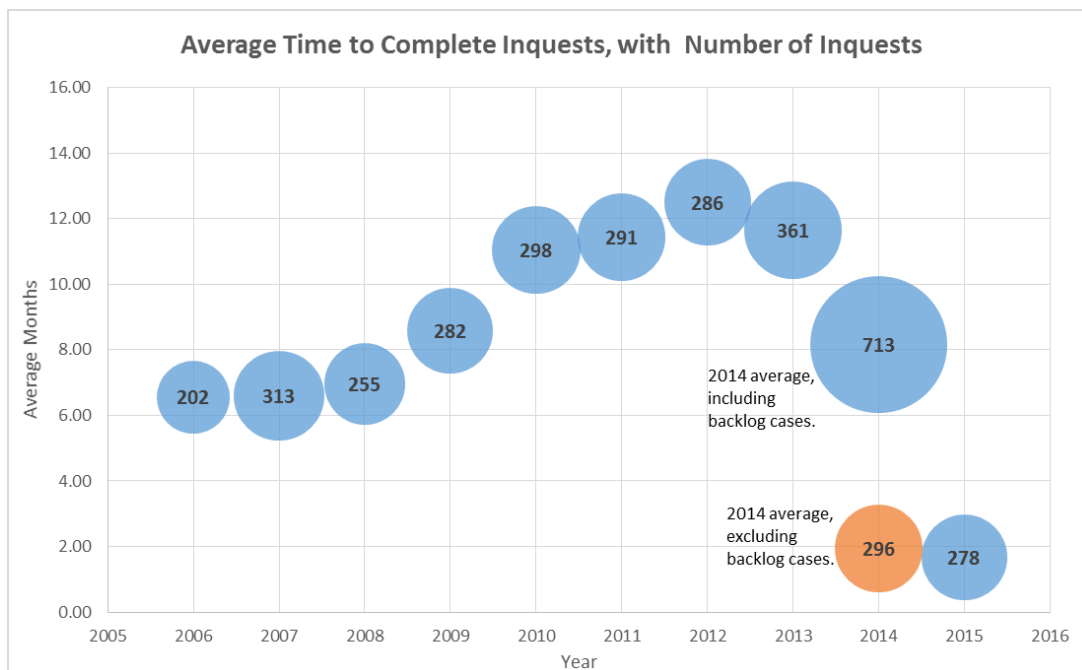
10. As agreed by Executive in July 2015, the Council commenced the pilot stage of its new performance management framework, based around Balanced Scorecards, from Quarter 4 2014/15.
11. Balanced Scorecards will provide a single 'traffic light' view of performance across four perspectives – Customer, Business, Finance and People – at the Council's three senior management levels.
12. Balanced Scorecards for year End 2014/15 were presented, at a meeting that I attended, of the Council's Overview and Scrutiny Board on 18 August 2015. The new format was considered to work well in highlighting key performance issues for the Council, and led to a greater level of questioning and challenge than I had previously experienced in OSB with the previous format of performance reports
13. These four perspectives are considered equally important to the Council's success, and reflect the four business skills of the Middlesbrough Manager Competency Framework. In essence, Balanced Scorecards will answer the question: what percentage of its targets is the Council achieving overall?
14. Performance clinics for Quarter One 2015/16 have now been held, and a consolidated report will be presented to OSB on 15 September 2015. The production of the report has highlighted the need to refine the current model to:
  - weighting critical performance measures (e.g. performance against revenue budget);
  - restrict the number of indicators in each quadrant or establishing a minimum number;
  - restrict the overall score achievable when critical targets are not met; and
  - revise the challenge process on scorecard content and target setting.
15. Appropriate changes will be introduced from Quarter Two as the model is refined throughout 2015/16.

## **CORONERS**

### Coroner's Service Update

16. The Teesside Coroner's Service continues to deliver a high level service to the residents of the Teesside Coroner's area. To ensure that the Coroner's Service, Cleveland Police and Middlesbrough Council continue to work effectively together (the 'Triangle of Responsibility') regular meetings have been established to ensure any potential concerns can be quickly addressed.

17. The statistics below are important but they do not fully portray the impact that this improvement has had on families in the area; who are now provided with an efficient and effective service. Whilst little can be done to alleviate the loss of a loved one the service provided now ensures that everything that can be done to facilitate the healing process is done quickly and with empathy.
18. The statistical information below provides an overview of the service improvements made. This improvement was also recognised by the Chief Coroner in his 2015 annual report in which he made the following statement:
19. “70% of all coroner areas in England and Wales have recorded a decrease in the number of outstanding cases over 12 months from the previous year. Some areas, such as Teesside have reduced their respective backlogs remarkably and should be congratulated.”
20. In March 2014 the Supreme Court provided a ruling (Cheshire West) that clarified the definition of “deprivation of liberty”; this resulted in an increase in the number of cases in which residents are deemed to be “deprived of their liberty”. This has had an impact on the number of reported deaths (which is likely to continue to rise) as all deaths of those ‘deprived of liberty’ must be reported and must be subject to an inquest. Consequently in the calendar year to date there has been a rise in reported deaths and almost as many inquests in seven months as occurred in the whole of 2014. It is estimated that in 2015 there will be circa 500 inquests compared to 296 (excluding backlog cases) which were undertaken in 2014.
21. Despite this rise in reported deaths the timeliness of inquests is being maintained at just under two months, which is amongst the best in the country.



22. The Coroner’s Service is implementing two key actions to further improve the service to residents:

- Working with the Coroners Court Support Service a voluntary organisation to ensure that all residents, who require support attending an inquest, are provided with assistance from a volunteer. This will make the process less intimidating for those attending inquests and will help ensure that they are able to understand and participate fully in the process whilst providing them with personal support at a traumatic time in their lives.
- Providing a Coroner's Court within the Town Hall. A Coroner's Court does not, for the majority of inquests, require the extremely formal setting of a criminal court. Indeed a criminal court is not the most appropriate venue for grieving families. Therefore an appropriate, but slightly less formal, setting will be provided within the town hall. This will improve residents experience of the service whilst also delivering a small revenue saving.

## **FINANCE AND INVESTMENTS**

### Holiday Inn Express Hotel

23. Finance and Investments, working with colleagues in Regeneration and Legal Services, led on the successful arrangements under which the Council provided a loan to a private developer, who has brought a derelict empty building back into use as a Holiday Inn Express Hotel in a key part of the town. The combined team won the 'Financial Performance' category at the recent staff awards for their work on this project.
24. The 138 bed hotel will employ 30 full time equivalent jobs, and employed around 100 jobs during the construction phase and even more jobs in the supply chain. The development will be a catalyst for further businesses that may cluster in the vacant space around the hotel. The hotel is expected to provide a significant boost to the events and tourism economy, giving visitors somewhere to stay in the heart of the town.
25. The building has been vacant for over 18 years and without the complex nature and financing of this project, would almost certainly have remained an empty eyesore in the centre of the town. The £12 million refurbishment will enhance the appearance of Centre Square and the surrounding area.
26. The project has some significant outcomes for Middlesbrough. The Project will contribute to significant job creation. Firstly during the £12 million construction phase, and then the 138 bed hotel will then directly employ around 30 full time equivalent jobs in all aspects of running the hotel operation. The project should improve the profile of the town through association with such a large hotel operator brand which could attract other major brands that may cluster around it and see the development of the ground floor as a consequence.
27. The funding for the project came from two sources. Firstly, from Council, in the form of a secured business loan and secondly from a consortium of private investors. The private investors have made use of a Government scheme known as the Business Premises Renovation Allowance (BPRA). The Government

scheme under which this project operated only ran until the 5 April 2014 making the timeline for delivering the project extremely tight and non-negotiable.

28. Finance and Investments Financial Planning Team had a key role in the project particularly around advising, challenging and proving the business case and establishing the key financial safeguards required by the Council. The team also established the loan mechanism under which the Council support for the project could be delivered within the National and European legislation that governs this activity. The team played a key role in the communications, discussions and negotiations with all of the major partners of the project and the Council ensuring that progress was made in delivering such a large and important project.
29. The right balance had to be struck between enabling the project to proceed and deliver the clear tangible benefits described above and ensuring that the Council's large and significant investment of £5.8 million is safeguarded and risks to the Council minimised.
30. The project required a very commercial and private sector approach. Significant due diligence and testing of the developer's business plan, projections, market demand, valuations and assumptions was needed to ensure that the Council could be fully confident before committing to the project and the investment. This involved the team having long discussions with the developer, their bankers, financiers, valuers and 4 teams of lawyers and presenting complex financial information in a way that could be understood by a large and varied group of stakeholders. The project was also a significant success in partnering both with external agencies and with colleagues from many other disciplines within the Council.
31. The team continues to provide a significant contribution to the project on an ongoing basis ensuring that the project is delivering as planned and that the payments to the construction company are authorised and the Council's interest continues to be served as planned.

**NICKY WALKER**  
**EXECUTIVE MEMBER FOR FINANCE AND GOVERNANCE**