* PART 1 - PUBLIC DOCUMENT	AGENDA ITEM No.
	8

## **HUMAN RESOURCES STRATEGIC FORUM**

## DISCUSSION – THE CHANGING WORLD OF PUBLIC EMPLOYMENT – CHALLENGES AND OPPORTUNITIES

It is probably clear to most people that the Local Government employment environment at present could reasonably be described as volatile at best. The recession was already providing a range of pressures and the last few months of the new government is daily adding to this mix.

The list below is a flavour of the Challenges unfolding:-

- Spending cuts Public Sector seen as bearing the brunt of the savings burden
- Abolition of CAA
- Pickles over endowed public sector pay top pay battles
- Are new ministers against inspectors and on the side of local government?
- CIPFA & Civica Survey more shared senior officers and cuts to back office services
- Redesign services
- Reductions in back office staff
- Shared services and outsourcing
- Cut senior staff, share senior roles/teams
- A Quarter of staff could go if cuts rely on job losses
   Local government could lose one-quarter of its staff or 272,000 posts if
   councils rely on redundancies to deal with the cuts in the Comprehensive
   Spending Review, the head of Local Government Employers has claimed.
   (MJ e-bulletin 19 August)
- Leadership behaviour
- Listen to staff ideas on saving money
- Localism The Devolution and Localism, Bill due autumn but what involvement will there be from central govt?

## Examples of how this presents itself in the employment environment

Managing in an uncertain environment and the potential impact on morale, performance, stress (absence), turnover of key personnel etc.

The potential for increased partnership working to create efficiencies is clear however cultural differences, as well as the 'hearts and minds' variations between the potential partners can make it difficult to progress these arrangements and delays can increase costs.

Although outsourcing is a potential option, the skills and capacity to make these arrangements happen can be considerable for HR e.g. supporting change such as consultation, TUPE and employment law advice, restructure, redundancies, appeals etc.

Our **Opportunities** lie in how we manage all this.

The means to achieve the best out of this lies in:-

- Analysing advantages such as increased capacity due to the abolishment of CAA.
- Equipping people with new skills such as managing contracts rather than teams.
- New ways of working such as home-working to cut down on office accommodation requirements.
- Communications & Leadership behaviour.....

MJ 8<sup>th</sup> July Page 23 How to Survive the new Age of Austerity.

"You are being watched. Whether you know what's going to happen in your council or not, your staff, managers and service users will think you do. This is of great value, since one of your most important roles over the coming years will be to make people believe that everything will be fine"

"Never underestimate the power of rhetoric to inspire and motivate".

"Goodwill is the infrastructure of change"