

FC61. COMMUNITY SERVICES TRUST

With reference to the Minute of the Special Meeting of Falkirk Council held on 10 February 2010 (Paragraph FC88 refers) when, as part of consideration of the Revenue Budget for 2010/11, agreement was granted to prepare a Business Case for the establishment of a Trust to cover areas of operation currently within the Community Services Department, there was submitted Report (circulated) dated 25 November 2010 by the Chief Executive summarising the content of the Business Case which had been prepared and previously submitted to Members.

Mr Douglas Black from Unison addressed the meeting.

The meeting adjourned at 12.50 pm for lunch and to allow Members time to consider the terms of the address given by Mr Black.

The meeting reconvened at 2.00 pm with all in attendance as per the sederunt.

Councillor Mahoney, seconded by Councillor Lemetti, moved the following:-

- (1) to approve the Business Case and agree to proceed with the establishment of a Trust in accordance with the proposals and recommendations detailed in the Business Case subject to the exclusion from transfer to a Trust of the following functions which shall remain with the Council:-
 - (a) Community Learning and Development including, for the avoidance of doubt, 16 community centres;
 - (b) The 21 community halls;
 - (c) Library support for schools; and
 - (d) Management and maintenance of Zetland Park and Dollar Park.
- (2) to authorise the Chief Executive or her nominee to develop and finalise, on behalf of the Council, the required suite of documentation for transfer to the Trust including the Transfer Agreement, the Service Agreement, the Service Level Agreements, the Collections Agreement, the leases and licences and corporate documentation relative to the establishment of the Trust and its trading subsidiary and generally to take all decisions required to take forward the establishment of the Trust;
- (1) to require the trust to seek admitted body status with the Falkirk Council Pension Fund as part of the Local Government Pension Scheme arrangements;
- (2) to agree, subject to full consultation with relevant Trade Unions, that the protection afforded to employees under TUPE be enhanced as follows:-
 - the Trust to align its pay structure, terms and conditions to those of the Council, ensuring that both current and new employees enjoy a similar employment package to that which they would have obtained had they remained employees of the Council;

- that the Council will, if required by the Falkirk Council Pension Fund, act as a guarantor for the Trust to allow it to become a member of the Local Government Pension Scheme;
 - the Trust shall be required to recognise relevant Trade Unions in line with the Council's arrangements for recognition; and
 - the Trust shall be required to provide appropriate employee development opportunities
- (3) subject to the exclusions noted at paragraph (1) above, to agree to advertise the services in accordance with Sections 3.2 through 3.7 of the Business Case and to receive a further report following advertisement recommending the next steps;
 - (4) to agree to receive further report(s) in the unlikely event that any issues arise during the implementation stage that would have a significantly adverse impact on the operational or financial position of the Trust;
 - (5) to agree the target start date of the Trust being 1 July 2011;
 - (6) to agree to further consultation with key stakeholder groups taking place including employees, Trade Unions; community groups, partner organisations and the wider public as appropriate;
 - (7) to agree to transfer Bereavement Services to Corporate and Neighbourhood Services at an appropriate date in early 2011, and
 - (8) to agree to receive a further report by the Chief Executive recommending the positioning within the Council of any function and/or any staff currently part of or employed within Community Services and that will not transfer to the Trust in terms of the implementation of the recommendations noted above.

By way of an amendment Councillor Oliver, seconded by Councillor Coleman, moved the following:-

Council does not approve the business case for the transfer of Community Services to a Trust and instead agrees to the following;

- (1) to maintain the preference for the retention of Council services and assets in the democratic control of the elected local authority;
- (2) to properly engage with staff on how savings can be made and services restructured, and
- (3) to authorise the relevant scrutiny committees to undertake a full scrutiny process to review the cost effectiveness of current services with periodic reports to Council on progress made.

Councillor Alexander gave notice of a further amendment.

In terms of Standing Order 21.4(i) a vote was taken by roll call, there being 30 Members present, with voting undernoted.

For the Motion (17) – Provost Reid; Depute Provost Black; Councillors Blackwood, Buchanan, Goldie, Gow, Lemetti, C MacDonald, Mahoney, C Martin, C R Martin, McLuckie, McNeill, Nicol, Nimmo, Patrick and Waddell.

For the Amendment (13) – Councillors Alexander, Carleschi, Coleman, Hughes, Jackson, Kenna, A MacDonald, McNally, Meiklejohn, Oliver, Ritchie, Spears and Thomson.

In terms of Standing Order 19.6, the motion became the substantive motion upon which the further amendment could be moved.

Councillor Alexander, seconded by Councillor Coleman moved that the matter be continued until there has been full and proper consultation with staff and staff representatives.

On a division 17 Members voted for the substantive Motion and 13 for the Amendment.

Accordingly, **AGREED** the terms of the substantive Motion, namely to:-

- (1) approve the Business Case and to proceed with the establishment of a Trust in accordance with the proposals and recommendations detailed in the Business Case subject to the exclusion from transfer to a Trust of the following functions which shall remain with the Council:-
 - (a) Community Learning and Development including, for the avoidance of doubt, 16 community centres;
 - (b) The 21 community halls;
 - (c) Library support for schools; and
 - (d) Management and maintenance of Zetland Park and Dollar Park.
- (2) authorise the Chief Executive or her nominee to develop and finalise, on behalf of the Council, the required suite of documentation for transfer to the Trust including the Transfer Agreement, the Service Agreement, the Service Level Agreements, the Collections Agreement, the leases and licences and corporate documentation relative to the establishment of the Trust and its trading subsidiary and generally to take all decisions required to take forward the establishment of the Trust;
- (1) require the trust to seek admitted body status with the Falkirk Council Pension Fund as part of the Local Government Pension Scheme arrangements;
- (2) agree, subject to full consultation with relevant Trade Unions, that the protection afforded to employees under TUPE be enhanced as follows:-
 - the Trust to align its pay structure, terms and conditions to those of the Council, ensuring that both current and new employees enjoy a similar employment package to that which they would have obtained had they remained employees of the Council;

- that the Council will, if required by the Falkirk Council Pension Fund, act as a guarantor for the Trust to allow it to become a member of the Local Government Pension Scheme;
 - the Trust shall be required to recognise relevant Trade Unions in line with the Council's arrangements for recognition; and
 - the Trust shall be required to provide appropriate employee development opportunities
- (3) agree, subject to the exclusions noted at paragraph (1) above, to advertise the services in accordance with Sections 3.2 through 3.7 of the Business Case and to receive a further report following advertisement recommending the next steps;
- (4) agree to receive further report(s) in the unlikely event that any issues arise during the implementation stage that would have a significantly adverse impact on the operational or financial position of the Trust;
- (5) agree the target start date of the Trust being 1 July 2011;
- (6) agree to further consultation with key stakeholder groups taking place including employees, Trade Unions, community groups, partner organisations and the wider public as appropriate;
- (7) agree to transfer Bereavement Services to Corporate and Neighbourhood Services at an appropriate date in early 2011, and
- (8) agree to receive a further report by the Chief Executive recommending the positioning within the Council of any function and/or any staff currently part of or employed within Community Services and that will not transfer to the Trust in terms of the implementation of the recommendations noted above.