



Local Government Association

REVIEW OF THE EMPLOYERS' ORGANISATION

Executive Summary

August 2005

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1. The review of the Employers' Organisation for Local Government (EO) is set within the context of local government central bodies aligning them more closely to the needs of local authorities and stakeholders. The Local Government Association (LGA) has decided that a more focused employers' organisation and a single integrated improvement organisation will provide a better service to local councils.
2. Since the decision at the end of May 2005, John Ransford, LGA Deputy Chief Executive, and Lucy de Groot, Improvement and Development Agency (IDEA) Executive Director, have engaged directly with staff and major stakeholders. Within a framework agreed with the staff trade union, UNISON, a wealth of information and ideas have been gathered. These inform this set of initial proposals which are now launched for formal consultation until 30 September 2005.
3. The review leaders want to ensure that the positive, interactive style of the review to date demonstrated so far is carried through the next stage. Whilst a clear direction of travel is indicated here, in which the vast majority of staff should see a definite path for their future development, there is still considerable scope to vary and improve arrangements to meet the overall objectives. All parties – leading members, staff, the central bodies (LGA, IDeA, EO, 4Ps, and LACORS), regional groupings and significant partners should see the benefits of a more integrated and focused set of services.
4. The main proposals consist of identifying those functions relating to improvement to be transferred to the IDeA, and those provided in a remodelled employers unit operating closer to the LGA. There is also a set of other functions which will be retained within the employers unit whilst they are considered as part of the comprehensive collaboration project which applies across the central bodies.
5. It is proposed that the following functions and staff transfer to the IDEA,
 - Human Resources Performance and Capacity Building
 - DIALOG [Diversity and Equality]
 - Workforce Development [Recruitment and Careers, National Graduate Development Programme, Skills and Development]
 - On site support including the Regional Skills Capacity Advisors
 - Futures

Review of the Employers' Organisation Consultation Document

6. The new employers unit – working title Local Authority Employers (LAE) – will be built on the base of the Employers' Organisation for Local Government legal company structure. It will have a new name, clearer focus and substantially reengineered set of services. The LGA Human Resources Panel which, is also the current EO Board, has been strengthened and the unit will report to the Deputy Chief Executive of the LGA.
7. The functions to be transferred to the LAE will include
 - Pay Strategy and Employment Relations
 - Pensions and Health and Safety
 - The Consultancy Unit
 - European Employment issues
 - Fire Examinations (until phased out in 2006)
8. The functions to be further considered as part of the Collaboration Project are most of Research and Intelligence, Communications and the Educational Psychologists service.
9. The proposals call for a comprehensive review of the relationships between the LGA and central bodies and regions, where the regional employers' organisations are valued by many councils. That work will be carried out in parallel with this review and its findings will be reported at the end of 2005.
10. A closer strategic relationship with representative organisations in Wales, Scotland and Northern Ireland will enhance the integrated approach, particularly in those areas where the employers operate on a UK basis.
11. The review leaders present this consultation document to you for your consideration and deliberation and look forward to working with staff and stakeholders to bring about the desired results.
12. Local authorities and stakeholders will be able to access the full document and appendices via the EO website www.lg-employers.gov.uk