



CABINET MEMBER DECISION

(28 March 2024)

KEY DECISION: NO

Membership of West Midlands Employers

1. Decision:

- 1.1 That West Midlands Employers be notified of the Council's intention to terminate its membership.
- 1.2 That the process of termination together with the implications, as set out in the report, be noted.
- 1.3 That the final termination be subject to the Leader of the Council reviewing the statement of liabilities once prepared and submitted by West Midlands Employers and any costs related to the liabilities being within Approved Budgets.

2. Statement of reasons:

- 2.1 West Midlands Employers (WME) is the Regional Employers Organisation in the West Midlands. It is a not-for-profit organisation collectively owned by 32 councils and membership is a contractual commitment under the WME Constitution.
- 2.2 WME provides support and advice on human resources, leadership, management and workforce development matters. It provides a link to the National Employers Federation which forms part of the National Joint Council (NJC) and Joint National Council (JNC). These lobby central government on local government staffing matters, undertake annual pay bargaining and determine national terms and conditions.
- 2.3 Membership also provides discounted access to services such as WMJobs, some shared delivery initiatives (e.g. recruitment portal, coaching pool) and various events.
- 2.4 The Council's ongoing membership has been reviewed in the light of its pioneering operating model, current usage of the services provided, the implementation of the talent acquisition model, future needs and requirements and the cost of membership.

- 2.5. The Council has identified its key requirements to be (i) high quality legal and procedural advice on human resource and employment issues, (ii) a service responsive to needs in a fast moving entrepreneurial organisation and (iii) value for money.
- 2.6 After careful consideration of the above criteria it has been concluded, and therefore recommended, that the Council should look to terminate its membership.
- 2.7 The shareholder subscription contribution runs from 1 April to 31 March each year. The District Council subscription for 2024-25 is £10,606:
- £7,828 regional employers organisation subscription and £2,778 for a workforce priorities fund
 - £2,778 to the workforce priorities fund (invested to tackle 'workforce challenges facing all councils').
- 2.8 A Council is required to serve 12 months' notice to terminate its membership effective at the end of a financial year (i.e. notice would need to be served by 31 March 2024 to terminate on 31 March 2025).
- 2.9 The WME constitution also requires that any authority terminating membership must meet its share of WME liabilities and the cost of establishing such liability values.
- 2.10 A Termination Notice triggers the start of an exit process. This includes the production of a statement of liabilities. The statement will be submitted at the earliest opportunity so the Council can consider whether to proceed with the exit or withdraw the Notice.
- 2.11 Councils that are not members of WME can still access many of its services, but at a higher rate.
- 2.12 Central to the review is the Councils commitment to innovation which can involve challenging existing arrangements and implementing alternative solutions.
- 2.13 The Council will:
- Procure alternative HR/Legal advice to interpret and apply employment law
 - Procure access to/ability to carry out ad-hoc Hay evaluations, investigations, mediation, benchmarking, coaching etc.
 - Consider future recruitment portal provision (the current contract is for 2024-27)
 - Secure a route to the NJC/JNC to obtain updates on national pay bargaining
- 2.14 If the process of withdrawing from the organisation does not commence by 31 March 2024, the earliest termination date will be 31 March 2026.

3. Any alternative options:

- 3.1 The Council could continue as a Shareholder Member of West Midlands Employers.

ClIr D Pullen
Leader of the Council.

(It has been determined that this Decision is urgent in order to serve Notice of the Council's intention by 31 March 2024 and is therefore not subject to call-In. In accordance with the Constitution the Chair of Overview and Scrutiny has been consulted).