

REPORT TO: Appointments Committee
DATE: 4 February 2015
REPORTING OFFICER: Strategic Director, Policy & Resources
TITLE: Changes to Terms and Conditions of Service – Budget Savings
WARDS: Borough Wide

1.0 PURPOSE OF REPORT

1.1 This report is to update the Appointments Committee on negotiations regarding terms and conditions of employment for staff for 2015/16.

2.0 RECOMMENDATION: That the Appointments Committee agree the changes to terms and conditions of service for staff as discussed in this report.

3.0 BACKGROUND

3.1 In May 2012, the Council undertook negotiations with the recognised trade unions with regard to four days unpaid leave, which was to be taken over the Christmas period. Staff in front line services who were required to work at Christmas took leave at alternative times.

3.2 A consultative ballot by the unions of their membership was held on this proposal and the response was that they did not support the proposals.

3.3 However as this left the Council with a shortfall of £800,000 to balance the budget, the decision was taken to approach staff directly with the proposal for them to voluntarily agree to a change to their terms and conditions. If staff did not agree the Council would be left with no option other than to dismiss those who did not agree to vary their contract and offer re-engagement on the revised terms and conditions.

3.4 3,000 letters were issued and every employee voluntarily accepted the revised terms.

3.5 The four days unpaid leave was a time bound arrangement which will come to an end on 31st March 2015.,

3.6 Given the continuing squeeze on local government funding by central government, discussions have been on-going with the trade unions regarding changes to a number of terms and conditions, including both a continuation of the four days unpaid leave (for a further 3 years) and

a move to HMRC mileage rates for all staff who claim car mileage. This is a flat rate of 45p per mile.

- 3.7 As part of the negotiations this year, the unions were informed that if they were minded to seek the views of their membership to provide them with a mandate to enter into a local agreement, then only two items of the items under consideration (four days unpaid leave and mileage rates at HMRC rates) were being considered for implementation in the financial year 2015/16.
- 3.8 If the proposal, in respect of four days unpaid leave and mileage rates at HMRC rates is accepted by the unions, and if a “yes” vote by those in union membership followed, it would apply to all employees whether they were in a union or not, through collective bargaining arrangements.
- 3.9 Further discussions were then undertaken with the trade unions setting out the business need for the changes, the scope of the agreement i.e. four days unpaid leave (for a period of three years) and a permanent move to 45p per mile for all car user etc. The savings from these proposals as a package are in the region of £800,000. Therefore if these changes were not achieved, savings would need to be identified elsewhere in the Council's budget for 2015/16, possibly leading to additional job losses and a further risk to other terms and conditions
- 3.10 GMB and MPO balloted their membership on the 3rd December 2014 on the proposals, the result was to accept both proposals.
- 3.11 Further discussions were held with Unison locally, and following these discussions their Regional office agreed to a consultative ballot on a one year arrangement for the four days unpaid leave along with a permanent move to HMRC mileage rates. Workplace meetings were held and the results of those ballots were to accept both proposals, but on the basis of a one year extension of the four days unpaid leave, rather than a three year extension.

4.0 Current Position

- 4.1 As both unions have now agreed to enter into a local agreement for at least one year on unpaid leave, it is recommended that it would be appropriate to
- implement a 12 month extension of the existing arrangement with regard to the unpaid leave; and
 - implement a permanent change to HMRC rates for all employees who claim mileage.
- 4.2 If it is decided to continue the arrangement regarding unpaid leave next year and the year after then GMB and MPO have a clear mandate to

extend the agreement. Negotiations with Unison would need to be undertaken again in such a case.

5.0 POLICY IMPLICATIONS

5.1 The move to HMRC mileage sees a move away from the National Joint Council mileage rates and the Council will now link all mileage to the recommended HMRC rates on-going.

6.0 OTHER IMPLICATIONS

6.1 There are financial implications involved in these recommendations as they are estimated to contribute £800,000 in savings to the Council in the next financial year.

7.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

7.1 Children and Young People in Halton

There are no implications for children and young people.

8.0 Employment, Learning and Skills in Halton

8.1 There are no implications for employment learning and skills.

9.0 A Healthy Halton

9.1 There are no health implications.

10.0 A Safer Halton

10.1 There are no safer Halton implications.

11.0 Halton's Urban Renewal

11.1 There are no urban renewal implications.

12.0 RISK ANALYSIS

12.1 Employees may decide to seek employment elsewhere as they see this as an erosion of the terms and conditions of service.

13.0 EQUALITY AND DIVERSITY ISSUES

13.1 Human Resources processes must be applied consistently and fairly to ensure that unlawful discrimination does not occur. To reduce these risks, Human Resources procedures have been robustly tested over time and have been subject to extensive consultation to reach agreement with trade union colleagues.

13.2 Equality Impact Assessment has been undertaken on the Protocol.

14.1 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.