

EXECUTIVE COMMITTEE

2nd August 2011

REVISED EMPLOYMENT POLICIES

Relevant Portfolio Holder	Councillor Michael Braley, Portfolio Holder for Corporate Management
Portfolio Holder Consulted	Yes
Relevant Head of Service	Teresa Kristunas, Head of Finances & Resources
Wards Affected	None
Key Decision / Non-Key Decision	

1. SUMMARY OF PROPOSALS

To present Members with the revised employee policies that have been developed in conjunction with Trade Union Representatives.

2. RECOMMENDATIONS

The Committee is asked to RECOMMEND that

the Employment Policies attached at Appendices 1–7 be approved.

3. KEY ISSUES

- 3.1 As Members are aware, officers and Unions have been working together to review a number of employee related policies over the last 12 months.
- 3.2 This report includes the proposed revised policies developed and agreed with the trade unions to reflect the following:
- a) agreed changes to Terms and Conditions following the formal Collective Agreement being reached with the Unions in May 2011;
 - b) revised proposed policy in relation to periods of pay protection offered to staff if their pay is reduced as a result of Job Evaluation;
 - c) a proposed reorganisation and change policy to ensure that all staff are treated within a fair and consistent framework during the periods of change.
- Terms and Conditions**
- 3.3 A period of 90 days formal consultation was entered into with the Unions in relation to the proposed changes to Terms and Conditions. Regular joint meetings were held and a number of revisions to the original management proposals were made following these meetings to

**EXECUTIVE
COMMITTEE**

2nd August 2011

ensure that the outcome reflected the discussions that were undertaken during the period of negotiation.

A ballot was held with Union Members and a significant proportion voted to accept the proposals. The main changes as identified in the policies attached at Appendix 1 – 7 include:

- a) reduction in the car mileage rate to the Inland Revenue allowances of 45p per mile;
 - b) increase in the number of miles to be entitled to essential car user allowance to 2,500;
 - c) simplifying of the annual leave criteria to reflect time with the Council rather than grade.
- 3.4 It was agreed that the impact of a number of policies would be phased over a period to ensure that detrimental impact was mitigated as much as possible.

Job Evaluation

- 3.5 As part of the continued discussions in relation to the implementation of Job Evaluation officers have proposed a revision to the period of pay protection. The proposal is to increase the protection for any staff whose pay is reduced as a result of Job Evaluation to 2 years from date of implementation. This is reflected in Appendix X.
- 3.6 As previously reported to Members there have been a number of discussions and negotiations with Trade Union representatives with the aim to achieve a Collective Agreement for the implementation of a revised pay model to reflect Job Evaluation. Following a 90 day period of consultation a final pay model and relevant equality impact assessments were sent to UNISON National Office for consideration. It is hoped that following this consideration a ballot will be held and formal agreement reached. A report will be presented to Members once a response is received from the National Office.

Reorganisational Change

- 3.7 The proposed reorganisation and change policy is attached at Appendix 7. This policy has been developed with the Trade Union representatives and recognises that the Council has a need to be able to adapt to changing economic, technological and organisational circumstances through the sharing of services.
- 3.8 The objective of the policy is to provide a framework for carrying out organisational change in a fair, open and consistent manner, whilst considering the responsibilities and obligations regarding consultation with employees and Trade Unions. In addition there are a number of

**EXECUTIVE
COMMITTEE**

2nd August 2011

measures that will be considered with the aim to avoid compulsory redundancy where possible.

3.9 The key elements of the policy include:

- a) Alternative Employment;
- b) Redeployment;
- c) Pay Protection;
- d) Consultation periods;
- e) Outplacement support.

3.10 Members are to note that the period of pay protection in relation to service reviews and restructures is proposed at 12 months. This is an increase to the current protection level of 6 months full / 6 months half pay but is less than the protection afforded to staff as a result of Job Evaluation (proposed at 2 years from date of implementation). However it is proposed by officers that any employee who, as a result of a service review, has a reduction in pay during the period of Job Evaluation implementation, will receive up to 2 years protection on their pay.

Financial Implications

3.11 During the medium term financial plan considerations a number of proposals were investigated by officers to realise savings to meet the significant cut in Government Grant. By revising the mileage allowance paid to staff to the Inland Revenue of 45p together with increasing the criteria miles to be undertaken for the receipt of essential car user car allowances to 2,500 miles pa has resulted in savings of approximately £100,000. The majority of other changes to Terms and Conditions are offset and will not realise further savings.

3.12 The funding for the 2 year period of protection for Job Evaluation has been included in the 3 year financial plan and is to be funded from the additional budget allocated as a result of implementing Job Evaluation.

Legal Implications

3.13 All proposed changes to employee related policies have been developed in conjunction with Union representatives in accordance with employee legislation. In addition officers have considered the following in developing the proposed policies :

**EXECUTIVE
COMMITTEE**

2nd August 2011

- a) Working Time Regulation 2007;
- b) National agreement on pay and conditions of service for Local Government Services;
- c) Employment Rights Act 1996;
- d) Employment Relations Act 2004;
- e) Trade Union and Labour Relations (consolidation) Act 1992.

Service/Operational Implications

- 3.14 The proposed revised policies have been negotiated with Union representatives and communicated to staff at a number of meetings and staff forums to ensure that all staff were aware of the proposed changes. Changes to annual leave are to be phased over a period of 3 years to reduce the impact on the staff affected.
- 3.15 Following the Collective Agreement the changes to Terms and Conditions were effective from 1st June 2011 and there has been no impact on service delivery following the implementation.

Customer / Equalities and Diversity Implications

- 3.16 Assessments have been made across all proposed policies to identify any equality issues. These have been discussed with the Union representatives and further analysis of impact has been undertaken where required.

4. RISK MANAGEMENT

The proposed policies reflect the changes required to ensure a consistent approach to employee related matters and to support the operational change and Job Evaluation implementation in the future. There is a requirement for the Council to have clear, negotiated policies for staff and the risk of challenge from employees and Unions is significant if this process is not followed.

5. APPENDICES

- Appendix 1 - Annual Leave Policy
- Appendix 2 - Committee Allowance Policy
- Appendix 3 - Non Regular Forces Policy
- Appendix 4 - Flexi Time Policy
- Appendix 5 - Travel & Subsistence Policy
- Appendix 6 - Job Evaluation Policy

**EXECUTIVE
COMMITTEE**

2nd August 2011

Appendix 7 - Reorganisation and Change Policy.

6. BACKGROUND PAPERS

Previous employment related policies.
Minutes / documents from negotiations with Union representatives.

AUTHOR OF REPORT

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