

MINUTES OF A MEETING OF THE
LOCAL JOINT PANEL HELD IN THE
COUNCIL CHAMBER, WALLFIELDS,,
PEGS LANE, HERTFORD ON MONDAY
8 FEBRUARY 2010 AT 10.00 AM

PRESENT: Employer's Side

Councillor M R Alexander (Chairman).
Councillors A P Jackson, S Rutland-Barsby,
M Wood.

Staff Side (UNISON)

Patrick Newman (Substitute for C Cooper)
Jane Sharp, Andy Stevenson.

ALSO IN ATTENDANCE:

Councillors D A A Peek and J O Ranger.

OFFICERS IN ATTENDANCE:

Lorraine Blackburn	- Committee Secretary
Claire Burton	- Human Resources Officer
Alan Madin	- Director of Internal Services
Tinu Olowe	- Interim Head of People and Organisational Services

ACTION25 APOLOGIES

Apologies for absence were received from Chris Cooper and Chris Clowes. It was noted that Patrick Newman was substituting for Chris Cooper.

RECOMMENDED ITEM26 TERMS AND CONDITIONS REVIEW - FEEDBACK

The Director of Internal Services advised that following a failure to reach agreement at the Local Joint Panel on 1 December 2009, the matter was referred to the Joint Secretaries for the East of England. Two meetings had subsequently taken place with the Joint Secretaries, i.e. December 2009 and February 2010. At the December 2009 meeting, the Employer's Side undertook to review equality issues in relation to the car lease scheme and to undertake an impact assessment of the proposals.

The Director advised that UNISON had provided 15 proposals to achieve savings which had been included in the Medium Term Financial Plan. It was noted that a lengthy meeting had taken place on 1 February 2010. Notwithstanding the efforts of both sides, there was a failure to reach an agreement. The Director advised that on 1 February 2010, it was thought that there was a form of words which both sides could agree to. This was not the case.

The Staff Side requested clarification on what savings would be achieved if the reduction in the loyalty award was not implemented until the following year. The Director advised that the savings would first come from the car leasing scheme. The impact on savings in the loyalty award scheme would be felt towards the latter end of the MTFP rather than immediately.

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The Staff Side referred to the Employer's projections in salary savings of approximately £60,000 based on a "0%" pay award this year notwithstanding any arbitration. He stated that in the longer term, there would be a reduction in costs.

The two issues of concern were:

(A) a reduction in the loyalty award from 5% to 2%; and

(B) the phasing out of the car lease scheme.

The Staff Side accepted that there was a good case for a reform of the car lease scheme as there were inequalities in the application of the scheme. The Staff Side were also happy to discuss further measures regarding a reduction in the loyalty scheme if it could be shown that the Council's position had "worsened" following the election in June 2010. The Staff Side assured the Employer's Side that it was prepared to continue discussions about the car lease scheme and the loyalty scheme.

Notwithstanding the loyalty awards, Councillor J O Ranger referred to the car leasing scheme and urged both sides to come to some form of agreement on this issue.

The Staff Side referred to the fact that Staff had been told at Briefings that their employment would be terminated and they would have to sign a new contract. It was suggested that given the fact that an election was imminent, discussions on the loyalty award should be deferred, until further information was available which would confirm a "worsening" of the Council's financial position. The Staff Side explained the mandate it had from its Members in relation to the two issues of concern and that any major changes in proposals, would necessitate referring back to Staff for their views. If a decision could be reached regarding

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the car leasing scheme, then assurances were sought that plans relating to the loyalty award should be deferred by the Employers until next year.

Councillor J O Ranger encouraged both the Staff Side and the Employer's side to come to an agreement in relation to the car lease scheme suggesting that it could be phased out over three years. He suggested that a reduction in the loyalty award could be considered at a later date. He acknowledged the fact that the 5% payment was pensionable and the difference this would make to staff salaries.

Councillor A P Jackson acknowledged the Staff Side's sentiments. He referred to the economy and what was happening in terms of local government and cuts in spending, reduced investment income stating that what was being proposed, was less radical than what some other local authorities were doing. He referred to the need to keep "control" over the Council's budget so that it could manage its finances.

Councillor Jackson commented that residents were taking reductions in salaries and of the perception by some, that Local Government employees had an "easier time" than in the private sector. He referred to the worsening of the world economy and the need to ensure that the MTFP enabled the Council to set a realistic budget and acceptable level of Council Tax. He felt that there was no reason to defer a decision on the loyalty award. He added that residents wanted to know why local government should be treated differently than the private sector and referred to the large scale redundancies taking place.

The Staff Side stated that what been imposed was a salary cut and a pay freeze for a number of years. The Staff Side stated that the 5% was not a benefit, it was part of Staffs' basic remuneration and had become an integral part of their salary. Inflation was running at 2.9% and to impose a pay freeze which could go on for

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four years was a pay cut which would impact on pensions.

Councillor J O Ranger acknowledged the number of redundancies taking place in Councils and urged both sides to move forward on the car scheme.

The Chairman commented that by deferring consideration of the loyalty award would raise staff expectations. He added that he could not see any positive changes to the economy for a number of years.

Councillor A P Jackson expressed concerns about the protracted delays which could occur in deciding the definition of “worsening conditions” in relation to the loyalty award and the suggestion of deferring a decision on this matter.

The Staff Side explained that the public sector was “sharing the pain” of the private sector. He added that the public sector salaries had not kept up with inflation and pay awards. Many areas were experiencing increases in activity and workloads, changes to pensions had recently been announced, staff were working longer hours and there were restrictions on recruitment.

The Staff Side stated that radical changes had been built into the MTFP and that things might well change with a change in Government. He stressed that there was no evidence to support radical changes now. The Staff Side stressed the goodwill of staff and the fact that some staff felt that there was a vocational element in terms of working for the Council.

The Staff Side referred to the fact that there were 30 staff, (1/12th of the workforce), who would become 65 over the next four years, most of whom were highly paid and the positive effect this would have on the

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budget.

The Staff Side stated that in terms of moving forward on the car scheme, assurances were sought from the Employer's Side that the loyalty award would be deferred for the time being, bearing in mind the forthcoming election.

Councillor A P Jackson advised that further information would be available in June in terms of cuts from Westminster. There was an expectation that matters would get worse and more difficult in terms of cuts. He referred to the issue of the Staff Side protracting debate on the reduction of the loyalty award if a decision was taken to defer the matter until after the Election in June. The Staff Side added that if a change of Government made matters significantly worse, there it would be appropriate to continue discussions.

The Director of Internal Services acknowledged that there was a commitment to further discussions but no commitment to sign up anything. He stated that discussions had been ongoing since July 2009. He questioned what the outcome might be in relation to a commitment to further discussions. He stated that there was a fundamental issue about the 5% loyalty award and the fact that nothing had been said so far, suggesting that the Staff Side would accept what was being proposed by the Employer's Side. The Staff Side stated added that it was prepared to accept a phasing out of the car lease scheme, if assurances were given from the Employer's Side to defer a decision on the imposition of a reduction on the loyalty award. The Staff Side stated that the Employer's Side was intent on reducing salaries.

Councillor A P Jackson reiterated that matters would get worse and that there was a fundamental difference of opinion on the loyalty award issue. He added that in June there would be a further debate about the

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definition of “how worse” matters might be.

The Staff Side expressed concern that having identified savings which could be achieved, matters were so bad that that the Employer’s Side needed to “raid” staff salaries? Councillor A P Jackson referred to the level of services residents expected at a price people were prepared to pay. He explained that the Council was trying to address the financial difficulties in a managed way, rather than making across the board redundancies.

The Director of Internal Services explained that the 30 staff reaching retirement age over the next 2, 3 and 4 years had been factored into the MTFP and that he had not ruled out looking for voluntary or making compulsory redundancies.

In response to a query from the Staff Side regarding what concessions Members were taking during this process, Councillor A P Jackson explained that there was an agreement that Members’ Allowances would not increase. He referred to the number of hours Members worked and the impact this had on his own professional business.

The Staff Side referred to the fact that the Employer’s Side was effectively “raiding” staff terms and conditions. He added that staff had experienced low pay awards in the past, hours and pressure of work and now they were asked to take a four year pay freeze. He referred to matters of legalities which would need to be addressed and possibly tribunals should a collective agreement not be reached and questioned whether this was worth doing from the Employer’s Side.

Councillor J O Ranger stated that “raid” was an unfortunate choice of word. He outlined the background to the award of the 5% loyalty award which was to prevent staff from leaving to take jobs in

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London. He explained that more would be known in June following the election. He suggested that a proposal to postpone a decision on the 5% might move matters along. Councillor A P Jackson stated that if this was deferred then the debate would commence again and protract a decision being taken.

In response to a query from the Director of Internal Services on what the Staff Side were now proposing, the Staff Side stated that they would commit to recommend to their Members, that the lease car scheme be phased out with effect from June on the basis that there would be a commitment on the decision to reduce 5% when more was known after the election and whether things were worse. The Staff Side stated that Unison needed to convince Members that matters were worse.

The Director of Internal Services stressed that the position in the MTFP showed that there was an assumption that things were sufficiently bad to warrant the implementation of the loyalty award from 5% to 2%. The reduction was not interdependent on matters becoming significantly worse.

Councillor J O Ranger stated that there was no urgency to make a decision on the 5% in terms of implementation to achieve savings. He encouraged both sides to come to a collective agreement and to work harmoniously and avoid the need to impose changes.

Councillor A P Jackson suggested that if the decision on the 5% was deferred and that later it was found that matters had “worsened” then the changes would be implemented without further debate. This was not supported by the Staff Side. The Staff Side commented that if things had “worsened”, Staff would be more than willing to take part in further discussions. He reminded the Employer’s Side of the range of issues which were discussed with Mike Collier and

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Emma Freeman including a freeze on recruitment. 30 Staff about to retire would provide substantial savings.

The Staff Side stated that matters were progressing and that half of the collective agreement had been achieved, in that there was a commitment to recommend to Members that the car leasing scheme be phased out.

The Director of Internal Serviced stated that it would not be until Autumn that the Council would know what its grant would be for 2011/12. There would be a clearer view of the situation in November 2010. The Council would also have a clearer view in relation to investment returns. He could not see anything changing to alter the situation before September 2010.

The Staff Side commented that there was no rush to change the terms and conditions as no savings would be achieved next year. Councillor A P Jackson added that these measures needed to be in place now, given the situation the Council was presuming. He asked for an agreement from the Staff Side that the terms as proposed should be imposed without further debate if it was found that the situation has “worsened” when further information was available from the Government regarding grants this Autumn.

The Staff Side reminded the Employer’s Side that no savings were going to be achieved this year and questioned the need to be pressed for agreement. Councillor A P Jackson stated that the Council would wish to achieve a collective agreement to the proposals if matters “worsened” in September / October 2010. The Chairman suggested that the words “have not improved” might be included in any recommendation.

The Director of Internal Services suggested that if the financial position of the Council worsens, then the collective agreement be “triggered” and the changes

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are imposed. This was not supported.

Councillor A P Jackson stated that the proposals as they stood offered the Staff Side a degree of security in that if things worsened, Members might seek something more radical in October / November. He suggested now, that there was an element of control. The Staff Side suggested that if the Employer's could give a commitment to reduce 5% to 2% April 2011 then some form of collective agreement might be achieved if the Council's situation deteriorates.

Councillor J O Ranger suggested a form of words for a recommendation for Members consideration that " the decision regarding the 5% scheme be postponed until September. If the Council's position has not improved the reduction in the loyalty scheme take place reduction with effect from April 2011".

After being put to the vote, and there being equality of votes the matter was referred without recommendation to Human Resources Committee.

RECOMMENDED – that the issue concerning hanged to Staff Terms and Conditions be referred to Human Resources Committee.

RESOLVED ITEMS27 MINUTES

RESOLVED – that the Minutes of the meeting held on 1 December 2009 be approved and signed by the Chairman as a correct record.

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28 DATE OF FUTURE MEETING

RESOLVED – that the next meeting of the Local Joint Panel be held on 18 March 2010 in the Waytemore Room, The Causeway, Bishop’s Stortford.

The meeting closed at 12.00 pm

Chairman
Date