

EAST HERTS COUNCIL

LOCAL JOINT PANEL- 6 APRIL 2010

REPORT BY SECRETARY TO THE EMPLOYER'S SIDE

TERMS AND CONDITIONS REVIEW

WARD(S) AFFECTED: NONE

Purpose/Summary of Report

- To inform the panel that Unison have advised that they will not enter into a collective agreement on the proposed changes to car leases and essential car user allowance.
- To inform the panel that, as agreed by HR Committee, in the absence of a collective agreement, all of the proposed changes to terms and conditions, as previously outlined, will now be implemented.

<u>RECOMMENDATION:</u>	
(A)	To note the rejection of a collective agreement by Unison
(B)	To note that the proposed changes to terms and conditions, as previously outlined, will now be implemented.

1.0 Background

- 1.1 A review of terms and conditions commenced in July 2009 through consultation with Unison and staff. The purpose was to modernise and help meet financial pressures.
- 1.2 The Council has worked on the principle that we are consistent and fair and that all staff, from Chief Executive downwards is affected by the proposals. The Council's priority is to minimise redundancies.

The Council hoped to secure a collective agreement on the proposals made on terms and conditions. Please see Essential Reference Paper 'B' for full details of the proposals. On 17 November 2009 Unison rejected a collective agreement and at

the Local Joint Panel on 1 December 2009 no recommendation was carried. In accordance with the LJP constitution, the matter was referred to the Local Joint Secretaries of the East of England Regional Council to advise/mediate.

- 1.3 Representatives from management and Unison met with the Local Joint Secretaries of the East of England Regional Council on 15th December 2009 on 1 February 2010. The Council and the Trade Union were unable to reach a collective agreement on the proposed changes.
- 1.4 Further meetings of both the Local Joint Panel and HR Committee were convened on 8th February 2010, the outcome of which led to a recommendation that Unison would consult its members on the closure of the lease car scheme and changes to essential car user allowance in June 2010 if management agreed to postpone any decision on the reduction of the 5% award until August 2010, when the council's financial position would be reviewed. In the event that there was no collective agreement to amend car leases and allowances, then all the proposed changes to terms and conditions would be implemented at the earliest opportunity.
- 1.5 On 16 March 2010 Unison formally informed management that they would not enter into a collective agreement. The changes will now be implemented in accordance with the decision of the HR Committee of 8 February.

2.0 Implications/Consultations

- 2.1 Information on any corporate issues and consultation associated with this report can be found within Essential Reference Paper 'A'.

Background Papers

None

Contact Officer: Alan Madin- Director of Internal Services

Report Author: Alan Madin- Director of Internal Services

ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/Objectives (<i>delete as appropriate</i>):	Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i>
Consultation:	Full consultation on review of terms and conditions with Unison and staff.
Legal:	Legal advice gained on the changes of terms and conditions of employment.
Financial:	As detailed in the report.
Human Resource:	As detailed in the report.
Risk Management:	Legal advice and risk gained on the changes of terms and conditions of employment.

Changes to Terms and Conditions

1. Lease Cars and Mileage

- To close the Car Lease Scheme
- Members of the scheme would be protected under a three year pay protection agreement. This would include keeping their lease car until renewal date and receiving compensation for the remainder period based on current lease car contribution rates. Where individuals have retained their lease car entitlement as a pensionable benefit, individual discussions will be held on the options open to them to protect their accumulated benefit.

2. Essential Car User

- To maintain the current essential car user lump sum to ensure that staff who need to travel for business reasons are compensated for wear and tear of their vehicles based on current rates and car size.
- Staff will be eligible to receive the essential car user lump sum based on new agreed criteria. Membership of the scheme would be reviewed on an annual basis to ensure consistency and fairness. For staff, that currently receive the essential car user lump sum that will not be eligible under the new criteria staff would be protected under a three year pay protection agreement.

New criteria for Essential Users

- Completes over 2000 miles on company business per annum (pro rated for part-time employees with the lump sum allowance being pro rated on the basis of annual hours worked).
- In exceptional circumstances, staff travelling less than 2000 miles per annum may be offered an essential user allowance where this can be shown to be the only means of meeting unavoidable travel needs.
- Membership of the scheme reviewed annually

NJC mileage rates remain unchanged.

3. 5% Local Award

To reduce the local pay award to 2% based on a phased reduction linked to national agreed pay awards. E.g. If pay award is 1% in April 2010, the 5% local award would be reduced to 4% for April 2010 and so on, until 2% is reached. Once the local pay award reaches 2%, the employee's salary will increase with pay awards. Retaining the 2% maintains a degree of retention incentive, which the Council believes important.

4. Professional fees

Review current scheme to ensure consistency.

5. Standby Allowances

Review current scheme to ensure consistency.

6. BUPA

To close the scheme. Members of the scheme would be protected under a three year pay protection agreement.