

EAST AYRSHIRE COUNCIL

CABINET – 21 APRIL 2010

REVISED CONDITIONS OF SERVICE FOR LOCAL GOVERNMENT EMPLOYEES

Report by the Executive Director of Finance and Corporate Support

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise Cabinet of the outcome of the Trade Unions' consultations with their members on the Council's proposed revised conditions of service for Local Government Employees and to recommend further action in order to progress the implementation of the revised conditions of service.

2. BACKGROUND

- 2.1 At its meeting on 20 May 2009 Cabinet, having considered a report containing proposals for revised terms and conditions of service for the Council's Local Government Employees Workgroup, agreed:-
- (i) to approve, for the purposes of consultation, the proposed revised terms and conditions of service as detailed in Appendix 1 of the report;
 - (ii) that the Head of Human Resources commence consultations with the Trade Unions with a view to reaching a collective agreement on the proposals;
 - (iii) that a further report be submitted to Cabinet following conclusion of the consultations with the Trade Unions; and
 - (iv) otherwise, to note the contents of the report.
- 2.2 Following the decision of Cabinet on 20 May 2009, consultations were held with the Trade Unions and at its meeting on 18 November 2009 Cabinet, having considered a further report which detailed the outcome of the consultations which had taken place to date with the Trade Unions, agreed:-
- (i) to approve the amendments to the Council's proposals in respect of shift allowances;
 - (ii) to note the preservation arrangements which would apply;
 - (iii) to note the outcome of the Employee Briefing Sessions held during the summer;

- (iv) to approve the Head of Human Resources' continued consultations with the Trade Unions with a view to reaching a collective agreement on the proposals;
 - (v) that a further report be submitted to cabinet following the conclusion of the consultation with the Trade Unions; and
 - (vi) otherwise, to note the contents of the report.
- 2.3 Following the Cabinet meeting on 18 November 2009 a further meeting was held with the Trade Unions on 16 December 2009 when the Council's final proposals were discussed. The Trade Unions confirmed that they were unable to reach a collective agreement.
- 2.4 At its meeting on 13 January 2010 Cabinet, having considered a report which advised of the result of the conclusion of the consultations with the Trade Unions, agreed:-
- (i) to approve the Council's final proposals in respect of the revised Conditions of Service for Local Government Employees;
 - (ii) that the statutory consultation period commence on 22 January 2010 and the implementation be 1 August 2010 at the latest;
 - (iii) to note that a further report would be submitted to Cabinet on 21 April 2010 on the outcome of consultations with the Trade Unions on the revised Scheme of Terms and Conditions of Service; and
 - (iv) otherwise, note the contents of the report.
- 2.5 Following the Cabinet meeting on 13 January 2010 all employees covered by Local Government Employees conditions of service were issued with the Council's full proposals in Single Status Update No.22.

3. TRADE UNION RESPONSE TO THE COUNCIL'S PROPOSALS

- 3.1 During the statutory consultation period the Trade Unions consulted with their members and have submitted to the Council their response to the proposed terms and conditions of service. The formal response is attached to this report as Appendix 1.
- 3.2 As can be seen from Appendix 1, the key areas for the Trade Unions are:-

- Retention of existing allowances
- Shift allowances
- Car mileage rates
- Overtime
- Timetable for implementation

3.3 The issues raised by the Trade Unions reflect the issues which they raised previously and which were reported to Cabinet at their meeting on 18 November 2009 when it was agreed to amend the proposals in respect of shift allowances. No other changes to the proposals were agreed by Cabinet at that meeting. The Council's revised proposals are attached as Appendix 2. As requested by the Trade Unions the Head of Human Resources will be meeting with them in advance of Cabinet. Any developments arising from this meeting will be intimated to Cabinet.

3.4 In submitting their formal response, the Trade Unions have indicated that they wish to be heard by the Appeals Panel.

4. FUTURE ACTION

4.1 Subject to the outcome of the Trade Unions' representations to the Appeals Panel, Cabinet requires to give consideration to the actions which will require to be taken to implement the revised terms and conditions of service.

4.2 Given that the Trade Unions have indicated that it will not be possible to reach a collective agreement it will be necessary for amendments to employees' terms and conditions of service to be effected by a different method. This will require the amendments to be intimated to employees and effected on an individual basis in the following way.

4.3 All employees will be written to seeking their agreement on a voluntary basis to the variations proposed to their current contract of employment. The letter to employees seeking their agreement to the voluntary variation in their contractual terms will set a date by which they must respond indicating their acceptance. In the event of any employee not accepting the voluntary variation to their contractual terms then the letter will indicate that their current contract will be terminated from a due date and they will be dismissed from the Council's

employment and offered re-engagement on the revised terms and conditions. This is not a redundancy situation and there is no intention that any employee will, lose their job as a result of the implementation of the revised conditions of service.

- 4.4 Employees who do not return the offer of re-engagement will be dismissed from their post and will not be entitled to any redundancy payment.

5. FINANCIAL IMPLICATIONS

- 5.1 As indicated to Cabinet previously as a result of the 3 year preservation provisions, the Council will not be able to achieve maximum savings until August 2013. The savings associated with the Council's proposals at this time are estimated at approximately £65,625 per annum. After the expiry of three year preservation period the annual saving to the Council of the revised terms and conditions is estimated to be around £600,000.

6. POLICY/LEGAL IMPLICATIONS

- 6.1 The implementation of revised terms and conditions of service will mean that the Council has fully implemented the Single Status Agreement and in so doing has gone a significant way towards countering any future potential equal pay claims.

7. RECOMMENDATIONS

- 7.1 Cabinet is recommended to:-
- (i) note the submission from the Trade Unions following their consultations with their members;
 - (ii) refer the matter to an Appeals Panel to consider representations from the Trade Unions;
 - (iii) otherwise, note the contents of the report.

Alex McPhee
Executive Director of Finance and Corporate Support

6 April 2010

LIST OF BACKGROUND PAPERS

1. Report on Revised Conditions of Service for Local Government Employees by the Depute Chief Executive/Executive Director of Corporate Support to Cabinet meeting on 13 January 2010.
2. Progress Report on Revised Conditions of Service for Local Government Employees by the Depute Chief Executive/Executive Director of Corporate Support to Cabinet meeting on 18 November 2009.
3. Report on Revised Conditions of Service for Local Government Employees – Summary of Proposals by the Depute Chief Executive/Executive Director of Corporate Support to Cabinet meeting on 20 May 2009.

Members wishing further information should contact Martin Rose, Head of Human Resources, Tel: (01563) 576092.

Implementation Officer: Martin Rose, Head of Human Resources

Result of Trade Unions' Consultation with their Members on Revised Terms and Conditions

(as taken from e-mail submission received Wednesday 7 April 2010)

Martin

I would wish to make the following points on behalf of the Joint Trade Unions following formal consultation with our members-

1 The Joint Trade Unions remain in disagreement about proposals to withdraw contractual allowances following a period of cash conservation. These proposals will have a significantly detrimental effect for a number of our members following the 3 year cash conservation period. We would therefore formally ask for further consideration of the proposals to discontinue the Weekend Allowance, the Environmental Allowance for Social Work employees working in the prison, Unsocial Hours allowance to Recreation Assistants and Caretakers, Lead in payments to 9 Janitors, Attendance Allowance paid to 4 staff in cleaning and caretaking, Split Shift Payment paid to 10 Centre Supervisors, Irregular Hours Allowance paid to 117 staff, Weekend Allowance/ Frost Firing payment to Janitors, Centre Bonus Payment paid to 7 employees, Janitor Summer Let Allowance, Super Janitor Allowance, Special Needs Allowance to Early Years Staff, Supervisors Allowance to Drivers/ Forepersons, Early Years Intervention Team Allowance, Responsibility Allowance and Personal Preservation Payments not related to the revised pay and grading scheme.

2 Our members have expressed concern about the proposal to reduce overtime rates to time and a half except for public holiday working. The Joint Trade Unions would prefer if our members did not feel required to do overtime however overtime working is a reality for a number of our members. In areas such as Road Gritting overtime is required to maintain public safety. The Joint Trade Unions are disappointed that the proposals contain a reduction in overtime rates which will affect the earnings of some of our members and may provide a disincentive to overtime working in crucial areas such as road gritting. We would therefore ask that the proposal to reduce overtime rates is reconsidered.

3 During the formal consultation a number of members raised concerns about the shift payment proposals. The proposals as they stand will mean substantial earnings reductions for a number of our members particularly in important sectors such as the Risk Management Centre. Again we would request further consideration of the shift payment proposals.

4 A number of questions were raised about the implementation timetable contained within Single Status Bulletin 22. - a If we get to the stage of a letter going to people who have not accepted a voluntary variation of contract will that notice of termination letter have an effect on continuity of service and other employment rights. It is important to get the view of the authority on this issue.

b In the implementation timetable in Single Status Bulletin 22 the 3rd of May 2010 is given as the date when 2 letters will go out to employees one which gives an opportunity to accept a change in conditions voluntarily and the other one which serves notice. The date of July 23 is then indicated as the end of the notice period. We would ask for clarification as to whether it is the intention to put these two letters out together. We would also ask for clarification as to length of time between May 3 and the end of the notice period indicated in Bulletin 22 of July 23 as this would appear to us not to be 90 days.

5 The proposals for increased annual leave are welcome. On behalf of our members we have been asked to clarify when the proposed increases will apply from.

6 A number of members who attended the consultation meetings expressed concerns about the proposed cut in car mileage rate. The Trade union view is that this cut in mileage will prove to be a disincentive for people to use their cars for work purposes. The consequence of significant numbers of staff not using their cars for work purposes will cause operational difficulties in a number of sectors. It is also the case that the current rates of car mileage do not adequately meet fuel costs and maintenance costs and this situation will be compounded by the introduction of inland revenue rates. In the light of the above points we would ask the Council to look again at the car mileage issue.

7 A group of Onsite staff who work as Domestic staff at Ross Court Galston have asked for clarification of their position in relation to weekend. Currently the staff work some Saturdays and Sundays as part of their normal working week and are paid enhanced rates on these dates. As this was a specific example

raised at one of our meetings we would welcome clarification that these weekend payments will be cash conserved.

8 A colleague from the Palace Theatre raised some queries about various allowances he is being paid at present. We are going to get a list of allowances he is paid at present and come back for clarification of whether they will all be cash conserved. Again this was a specific issue which came up at one of our meetings and this is the reason I am highlighting it within this e-mail.

9 A number of issues came up during the consultation meetings which require further discussion at service level. For example the position in relation to level of payment for Road Gritting came up at a number of meetings as it did at previous briefing sessions with yourself and the Chief Executive and the Joint Trade Unions would welcome further discussion on this issue.

The Joint Trade Unions would ask that the above points are noted and given consideration. We also understand that the above issues will be reported to Cabinet on April 21.

Arthur West- Joint Trade Union Convener.

ps Having consulted with Regional Officers I am also in a position to indicate that representatives of the Joint Trade Unions are able to attend a meeting on the morning of April 14 to further discuss the points indicated above if you feel that would be helpful.



Single Status

Conditions of Service



Quality | Equality | Access | Partnership

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INTRODUCTION

The 1999 Single Status Agreement sought to establish a single local government Workforce and to remove the previous differences in pay and conditions of service which had existed between former APT&C etc Staff and Manual Worker employee groups.

In implementing the Single Status Agreement, the Council has so far developed and implemented a revised Pay and Grading Scheme and required to agree new terms and conditions of service for the Local Government Employee workgroup. It was not an option to leave the current conditions of service unrationalised as to do so would expose the Council to possible challenge on the grounds of Equal Pay.

The Council recognises that it must move forward with these changes and support employees during the process.

IMPLEMENTATION DATE

The new terms and conditions of service will become effective from 1 August 2010.

SUMMARY OF MAIN TERMS AND CONDITIONS

This section summaries the main proposals contained within the revised terms and conditions of service.

There are a number of existing provisions that will not change, including:

- Sickness Provisions
- Pensions
- Maternity, Paternity and Adoption Provisions
- Special Leave
- Discipline and Grievance Provisions
- Code of Conduct, Acceptable Use Policy Governing the Personal Use of Communications Systems
- Harassment and Bullying Provisions
- Group Life Assurance provisions
- Redeployment and Redundancy provisions

The Council will also continue to recognise allowances in respect of:

- First Aid Allowances
- Registrar Allowances

STANDARD WORKING WEEK

The core working week will be Monday to Sunday 6 am to 10 pm.

No enhanced payments will be made for hours worked, as part of the normal working week, within this timescale.

The Council have no plans to impose changes to the existing working hours. Any future changes to existing arrangements will be the subject of early consultation and negotiation with a view to reaching a mutual agreement.

The specific hours at work might vary in accordance with the differing needs of services and the setting of the standard working week does not contain any other proposals to change current working arrangements.

PART-TIME WORKING

Employees working less than full-time hours will be paid the same grade as full-time employees doing the same job.

Holidays and all other entitlements such as first aid allowance will be paid on a pro-rata basis.

OVERTIME

Employees will be paid plain time for all hours worked up to 37 hours (the national standard working hours). In the case of former APT&C employees currently on 35 hours, the first two hours worked in any week over and above 35 hours will be paid at plain time.

Overtime payments will be based on an employee's hourly rate.

All Overtime payments will be at the rate of time and a half for all hours worked in excess of 37 hours per week except for overtime worked on a General or Public Holiday when the overtime payment will be at the rate of double time.

The overtime ceiling will be SCP 40 (top of G10). Where in exceptional circumstances it is agreed that an employee graded above G10 may work overtime then the hourly rate applicable will be SCP40.

SHIFT ALLOWANCE

There are three levels of Shift Allowance payments to reflect the relative complexities of the shift pattern as follows:

Basic Shift Pattern 10% of Hourly Rate

This is a shift rota as part of the employees' normal working week which does not include working between the hours of 10.00pm and 6am on a rota of no more than 2 weeks. To qualify for this payment, the employee's normal working pattern must not remain static but must change.

Medium Shift Pattern 12.5% of Hourly Rate

This is a shift rota as part of the employees' normal working week which does not include working between the hours of 10.00pm and 6am on a rota of no more than 3 weeks. To qualify for this payment, the employee's normal working pattern must not remain static but must change.

Complex Shift Pattern 15% of Hourly Rate

This is a shift rota as part of the employees' normal working week which includes working between the hours of 10.00pm and 6am on a rota of no more than 3 weeks. To qualify for this payment, the employee's normal working pattern must not remain static but must change.

ANNUAL LEAVE ENTITLEMENT

The annual leave entitlement will be:

Service	Entitlement
Less than 5 years	20 days
After 5 years	25 days
After 10 years	28 days
After 15 years	29 days
After 20 years	30 days

The Council's leave year is 1 January to 31 December. Employees will be able to carry over their annual leave until 31 January of the next year. Any annual leave not used by 31 January will be forfeited.

PUBLIC HOLIDAYS

The number of public holidays will remain at 12 fixed per annum. 2010 dates used for illustrative purposes:

NEW YEAR

Friday 1 January
Monday 4 January

MAY DAY

Monday 3 May

CHRISTMAS PERIOD

Monday 27 December
Tuesday 28 December
Wednesday 29 December
Thursday 30 December
Friday 31 December

EASTER

Friday 2 April
Monday 5 April
SEPTEMBER
Friday 17 September
Monday 20 September

Departments will, subject to agreement with the Trade Unions, continue to have the facility to agree local variations to the above days.

WORK ON A GENERAL OR PUBLIC HOLIDAY

Employees required to work on a general or public holiday, as part of the working week will be paid in addition to normal pay for the time actually worked within normal working hours as follows:

Plain time with time off with pay in lieu at a later date on the following basis: -

<u>Time worked</u>	<u>Time Off</u>
Half of a normal day/night/shift or less	Half of normal day/night/shift
Over half a normal day/night/shift	The whole of a normal day/night/shift

or

At double time for the time actually worked within the normal working hours, with no time off at a subsequent date in lieu of the general or public holiday. (This equates to treble time).

WORK ON A REST DAY OR FREE DAY

Where required because of the existing working pattern, a free day and rest day will be determined dependent upon the working pattern of each job. Payment for hours worked on these days will be at the rate of time and a half.

CAR MILEAGE

Employees will be reimbursed business mileage on the basis of the Inland Revenue mileage rates i.e. currently first 10,000 miles at 40p per mile with 25p per mile thereafter.

The local public transport rate will be 25p per mile and other travelling expenses e.g. rail fares actually and necessarily incurred by employees in respect of journeys authorised to be undertaken in the performance of their duties will be reimbursed by the Council.

NIGHT WORKING ALLOWANCE

Employees will be paid at the rate of time and a third for work required at night as part of the normal working week for all hours worked between 10 p.m. and 6 a.m.

TEMPORARILY UNDERTAKING HIGHER DUTIES

Employees will be paid from day one for undertaking higher duties but payment to be linked to % of higher duties actually undertaken. The duties must be at a higher level and outwith the demands of their current job. The % payment to be kept under review to determine that it accurately reflects the higher duties being undertaken throughout the period involved.

This payment will not be paid where the higher graded postholder is absent on annual leave except in situations to avoid service failure e.g. where a squad needs a driver and someone requires to take on driver's duties to enable work to be undertaken. Employees will not be paid the higher duties payment while they are on sick leave, annual leave or maternity leave.

MARKET FORCES PREMIUM

The facility to make a payment of 5% of salary in accordance with the Policy agreed previously by the Council will remain. Included within this allowance will be the £1,500 per annum paid to those employees who are required to exercise statutory responsibilities under relevant Mental Health legislation within Social Work to reflect its positive influence on recruitment and retention rather than as a payment for holding a specific qualification.

STANDBY DUTY ALLOWANCE

A standby duty allowance will be paid where employees are required to participate in a formal standby duty rota and remain at home after normal working hours and at weekends to deal with emergencies as they arise. This will also incorporate disturbance and call out payments. The current standby allowances are:

Standby Duty Allowance (Effective from 1 April 2009)

For each complete week of standby duty actually performed Plus	£80.24
For each public holiday or extra statutory holiday in that week	£15.05
For broken periods of standby duty: Monday to Friday	£7.99
Saturday	£17.02
Sunday, public and extra statutory holiday	£23.18

SUBSISTENCE ALLOWANCES

Employees who are prevented by their official duties from taking a meal at their home or Administrative Centre or establishment where they normally take their meals or who are required to be absent overnight while working are entitled to be reimbursed for additional expenditure incurred as follows:

Meal	Cost
Breakfast	£4.48
Lunch	£6.17
Tea	£2.43
Evening Meal	£7.64

MEAL CHARGES

The current meal charges to former Residential and Nursery Employees are as follows:.

Meal	Cost
Breakfast	61p
Dinner/Main Meal	£1.09
Tea	32p
Snack Supper	48p
	£2.50 per day
On a weekly basis	£17.50
On a monthly basis	£76.04
On an annual basis	£912.50

OUT OF POCKET EXPENSES

The current out-of-pocket expenses allowances for employees on residential training courses are as follows:

Daily	£3.63
Weekly	£14.55

RECALL TO WORK

An employee who has returned home at the end of the working day and who is recalled to work will be paid overtime as follows:

Return to work is less than two hours
Return to work is more than two hours

A payment of two hours at time and a half
Time and a half paid for all hours actually
worked as overtime

DISTURBANCE/CALL OUT PAYMENT

Employees not undertaking standby duty who are contacted or called out will be paid on the following basis effective from 1 April 2009:

For each occasion on which an employee is contacted and which results in the exercise of skills for which the standby duty is required, either at the employee's home or elsewhere will be paid effective from 1 April 2009, a payment of £17.63. An employee will, however, only be entitled to receive one such payment within each period of two hours, commencing with the first contact.

Where the call out or subsequent disturbance or call out is in excess of one hour, the employee will be entitled to further payment for the whole period of disturbance or call out at the appropriate overtime rate.

RELOCATION EXPENSES

Financial assistance to enable prospective employees to relocate their home in order to take up employment with the Council is available limited to a maximum of £5,500 inclusive of VAT. Details of the criteria and categories of expenses are outlined in the Council's Relocation Scheme.

PAY CYCLE

All employees will be paid 4 weekly from a future date to be agreed with the Trade Unions.

NOTICE PERIOD

The minimum notice period to terminate employment by both employees and the Council will be 4 weeks for all local government employees except for temporary employees where a shorter notice period can be objectively justified. Employees may be able to negotiate a shorter notice period by agreement with their Head of Service.

CASH CONSERVATION (PAY PROTECTION)

The Council has endeavoured to minimise any adverse impact on employees as much as possible. The Council is committed to ensuring that employees are supported as necessary through this period.

Cash preservation will apply for a period of 3 years from the Implementation date and will apply to contractual payments only. Casual overtime is not contractual.

The term cash conservation means that any cost of living pay award will not be applied whilst an employee is on cash preservation during the 3 year period. The relevant cash conserved amount will continue until the end of the three year cash conservation period or earlier if as a result of pay awards the basic salary plus contracted earning exceeds the current total earnings.

All correspondence to employees will detail if they are in a cash conservation position and will outline the value of the pay protection.

PENSION ISSUES

Employees whose current total earnings results in a cash conservation payment and who are members of the Strathclyde Pension Fund will receive a Certificate of Material Change in Circumstances which will remain in force for a period of 10 years. The purpose of the Certificate of Material Change in Circumstances is to ensure that employees' pensions are protected despite a reduction in earnings.

Further details will be issued with the formal notification of the implementation of the revised terms and conditions of service.

DECEMBER 2009