



**TRAFFORD  
COUNCIL**

**AGENDA PAPERS FOR  
EMPLOYMENT COMMITTEE**

**Date: Monday, 2 December 2013**

**Time: 5.00 p.m.**

**Place: Committee Rooms 2 and 3, Trafford Town Hall,  
Talbot Road, Stretford, M32 0TH**

<b>A G E N D A</b>	<b>PART I</b>	<b>Pages</b>
1.	<b>ATTENDANCES</b>  To note attendances, including Officers and any apologies for absence.	
2.	<b>MINUTES</b>  To receive and if so determined, to approve as a correct record the Minutes of the meeting held on 18 September 2013.	1 - 2
3.	<b>APPRENTICESHIP SCHEME OVERVIEW</b>  To receive feedback from former apprentice Holly Ryan, on her experiences working in the Transformation and Resources Directorate.	
4.	<b>CHRISTMAS CLOSURE ARRANGEMENTS</b>  To consider a report of the Director of Human Resources.	To Follow
5.	<b>PROPOSED CHANGES TO STAFF TERMS AND CONDITIONS</b>  To consider a report of the Chief Executive.	3 - 28
6.	<b>URGENT BUSINESS (IF ANY)</b>  Any other item or items which, by reason of special circumstances (to be specified), the Chairman of the meeting is of the opinion should be considered at this meeting as a matter of urgency.	

**THERESA GRANT**  
Chief Executive

Membership of the Committee

Councillors B. Rigby (Chairman), Mrs. P. Dixon (Vice-Chairman), J. Bennett, Mrs. L. Cooke, C. Hynes, J. Lamb and A. Western.

Further Information

For help, advice and information about this meeting please contact:

Ian Cockill, Democratic Services Officer

Tel: 0161 912 1387

Email: [ian.cockill@trafford.gov.uk](mailto:ian.cockill@trafford.gov.uk)

This agenda was issued on **Friday, 22 November 2013** by the Legal and Democratic Services Section, Trafford Council, Trafford Town Hall, Talbot Road, Stretford M32 0TH.

## EMPLOYMENT COMMITTEE – SPECIAL MEETING

18 SEPTEMBER 2013

### PRESENT

Councillor B. Rigby (in the Chair).

Councillors Mrs. P. Dixon (Vice-Chairman), Mrs. L. Cooke, C. Hynes, J. Lamb and A. Western.

#### In attendance

Corporate Director Transformation and Resources (Mrs. W. Marston),

Director of Human Resources (Ms. J. Hyde),

Head of Human Resources Business Partnering (Ms. D. Lucas),

Democratic Services Officer (Mr. I. Cockill).

### APOLOGIES

An apology for absence was received from Councillor J. Bennett.

### 7. MINUTES

That the Minutes of the meeting held on 1 July 2013 be approved as a correct record and signed by the Chairman.

### 8. EXCLUSION RESOLUTION

RESOLVED: That the public be excluded from this meeting during consideration of the remaining item of business because of the likelihood of disclosure of “exempt information” which falls within Paragraph 4 of Schedule 12A of the Local Government Act 1972, as amended.

### 9. CONSULTATION ON PROPOSED CHANGES TO STAFF TERMS AND CONDITIONS

(Note: The Chairman allowed consideration of this matter as an item of urgent business to allow the Committee to consider the outcome of consultation on proposed changes to Staff Terms and Conditions and convey its views to the Executive at its meeting on 23 September 2013.)

The Corporate Director, Transformation and Resources submitted a report proposing a revised package of proposals for proposed changes to staff terms and conditions, taking into account background information on the consultation that had taken place to date, a summary of the feedback received from staff and trade unions and information about similar activity across other local authorities.

The report also provided an update on benefits realisation in view of organisational changes and adjustments which had occurred since the original package of proposals was contemplated 12 months earlier.

**Employment Committee – Special Meeting  
18 September 2013**

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During the Committee's consideration of the proposals, the Director of Human Resources indicated that, in respect of the benefits realisation of the proposed reduced sick pay scheme, she would seek to provide Councillor A. Western with an indication of the anticipated number of staff to which it would equate.

RESOLVED –

- (1) That the Employment Committee endorses the proposed revised package of proposed changes to terms and conditions, as set out in the report, on condition that a fair and robust criterion to extend the payment of sick pay beyond the contractual entitlement is introduced to safeguard those genuinely incapacitated and other exceptional circumstances.
- (2) That, commending the work of the Director of Human Resources and her team, the Committee welcomes the quality and intensity of the consultation undertaken to date and recommends that the Executive conduct the formal consultation in the same robust manner.
- (3) That Members of the Committee be provided with a copy of the Critical Car User Scheme as soon as the details are available.
- (4) That the Committee notes that the Director of Human Resources will provide supplementary information in respect of the query outlined above.

The meeting commenced at 5.30 p.m. and finished at 6.03 p.m.

## TRAFFORD COUNCIL

Report to: Employment Committee  
Date: 2<sup>nd</sup> December 2013  
Report for: Decision  
Report of: Chief Executive

### Report Title

Proposed Changes to Staff Terms and Conditions

### Summary

This report provides an update on the outcome of the statutory consultation that has taken place in relation to proposed changes to staff terms and conditions. It also sets out a proposed position going forward, taking into account the feedback received from staff and trade unions.

The key change to the formal package of proposals is the removal of the SCP 28 cut-off point in relation to the Critical Car User Scheme.

The revised package of proposals set out in this report for Members' consideration is:

- **Withdrawal of the Essential Car User Scheme for all staff and introduction of a Critical Car User Scheme, with a revised assessment criteria and reduced lump sum allowance of £423 per annum;**
- **Introduction of a uniform mileage rate based on the HMRC rate (currently 45p per mile);**
- **Reduction in the sick pay scheme to a maximum of 3 months full pay and 3 months half pay;**
- **Introduction of a mandatory 3 days unpaid leave for a temporary period of 2 years;**
- **Introduction of a Trafford "Living Wage" of £7.20 for the lowest paid staff;**
- **Reduction in the rate of pay for non-contractual overtime to plain time;**
- **Removal of the relocation allowance for enforced moves within the borough (Appendix E payments)**

The indicative level of savings on the Council's revenue budget from the revised package of proposals is in the region of £1.9m.

The report also sets out a process and timeline for achieving the change to staff terms and conditions.

## Recommendations

**That the feedback from the formal consultation process is noted;**

**That the Employment Committee approves the adoption of a revised package of changes to staff terms and conditions, as set out below, for implementation with effect from 1<sup>st</sup> April 2014:**

- **Withdrawal of the Essential Car User Scheme for all staff and introduction of a Critical Car User Scheme, with a revised assessment criteria and reduced lump sum allowance of £423 per annum;**
- **Introduction of a uniform mileage rate based on the HMRC rate (currently 45p per mile);**
- **Reduction in the sick pay scheme to a maximum of 3 months full pay and 3 months half pay;**
- **Introduction of a mandatory 3 days unpaid leave for a temporary period of 2 years;**
- **Introduction of a Trafford “Living Wage” of £7.20 for the lowest paid staff;**
- **Reduction in the rate of pay for non-contractual overtime to plain time;**
- **Removal of the relocation allowance for enforced moves within the borough (Appendix E payments)**

Contact person for access to background papers and further information:

Name: Joanne Hyde

Extension: 1586

Background Papers: Report to the Employment Committee (18<sup>th</sup> September 2013)  
Formal Proposed Changes to Staff Terms and Conditions  
Full Staff Feedback on Formal Proposals

Relationship to Policy Framework/Corporate Priorities	These proposals align with the council's Corporate Priorities in respect to 'Low Council Tax and Value for Money' and 'Reshaping Trafford Council'.
Financial	The staff terms and conditions proposals aim to achieve savings in the region of £2m to support the 2014/15 budget.  The draft budget recently agreed by the Executive included a sum of £1.96m in savings from revised terms and conditions; the additional cost will have to be factored into the final budget proposals that

	the Council will agree in February 2014.
Legal Implications:	The implementation process will be fully compliant with employment legislation.
Equality/Diversity Implications	An Equality Impact Assessment is being undertaken in line with the Equality Framework and members of the committee will need to take it into account when considering the recommendations set out in this report.
Sustainability Implications	None
Staffing/E-Government/Asset Management Implications	The implementation process may impact upon staff morale and employee engagement.
Risk Management Implications	There are employment risks associated with these proposals. These relate to potential industrial action and ultimately a failure to accept the proposals, which would disrupt services; there is also a risk of litigation in relation to claims for unfair dismissal and breach of contract.
Health & Wellbeing Implications	As above, the proposals may impact on staff health and wellbeing; support is available via existing health management procedures.
Health and Safety Implications	None

## 1. BACKGROUND

- 1.1 In October 2012, as part of the budget consultation process, the Council began early engagement with staff and trade unions about potential changes to staff terms and conditions.
- 1.2 This early engagement involved sharing ideas with the workforce and recognised trade unions about changes to terms and conditions which might realise significant savings and thus mitigate potential job losses going forward. These ideas were subsequently developed into a package of draft proposals, which were subject to a period of informal consultation.
- 1.3 A final package of proposals was put to the workforce and the trade unions on 3<sup>rd</sup> October 2013, when the Council issued a S.188 notice. This marked the commencement of a statutory 45 day consultation period which ended on 17<sup>th</sup> November 2013.
- 1.4 The 12 month period of engagement with staff and trade unions was a dynamic process with regular interaction to inform the development of proposals. In addition, there was continuous engagement with the Corporate Management Team, Employment Committee and the Executive, who received regular reports throughout the various stages of consultation.

1.5 This report provides a summary of the feedback received during the period of formal consultation and sets out a final proposal and implementation strategy for changes to staff terms and conditions, which are recommended for approval.

## **2. FORMAL CONSULTATION**

2.1 On 3<sup>rd</sup> October 2013, the Council issued a S.188 notice to the recognised trade unions. This notice marked the commencement of a statutory 45 day consultation period on the following proposed changes to staff terms and conditions:

- Withdrawal of the Essential Car User Scheme for all staff and introduction of a Critical Car User Scheme, with a revised assessment criteria and reduced lump sum allowance, applicable only to those staff at SCP28 and below;
- Introduction of a uniform mileage rate based on the HMRC rate (currently 45p per mile);
- Reduction in the sick pay scheme to a maximum of 3 months full pay and 3 months half pay
- Introduction of a mandatory 3 days unpaid leave;
- Introduction of a Trafford “Living Wage” of £7.20 for the lowest paid staff
- Reduction in the rate of pay for non-contractual overtime to plain time
- Removal of the relocation allowance for enforced moves within the borough (Appendix E payments)

2.2 The framework for the statutory period of consultation mirrored that which had been adopted for the previous consultation processes which had taken place in December 2012 and June 2013. The formal process included a series of 11 staff information sessions, led by a Corporate Director, a member of the HR Leadership Team and an Elected Member. As in the preceding consultation exercises, these sessions were very well attended and generated lively discussion and feedback from the workforce. In addition, dedicated intranet pages were developed, direct mailshots were sent out to all staff (including absent staff) and formal weekly meetings were undertaken with the trade unions.

2.3 In order to gauge the general feeling from the workforce, a staff survey was also undertaken. The purpose of the survey was to assess whether or not staff would be willing to accept the proposals on a voluntary basis, should the Council be unable to secure a collective agreement with the recognised trade unions.

2.4 The period of formal consultation concluded on 17<sup>th</sup> November 2013 and a significant amount of feedback was once again received from staff and the trade unions. A copy of the formal trade union feedback received from Unison



can be seen at Appendix 1; GMB have indicated that the formal issues raised by Unison were of a similar concern to them. A summary of the staff feedback is at Appendix 2.

## 2.5 Trade Union Feedback

- 2.5.1 In summary, trade union colleagues were clear that they would not be able to sign up to the package of proposals as a whole as they represented an erosion of staff benefits in relation to national terms and conditions.
- 2.5.2 There was a particular strength of feeling from the trade unions about the changes relating to car users and whilst they welcomed the Council's shift to introduce a Critical Car User Scheme, they were particularly dissatisfied with the proposed cut-off point of SCP28, which they considered to be arbitrary; they were also dissatisfied with the 50% reduction in the value of the proposed CCU allowance and in addition, it was their view that the introduction of a uniform HMRC mileage rate represented a pay cut for casual car users. Their stance was that there should be no changes made in relation to car users and that the status quo should remain.
- 2.5.3 There was also a particular strength of feeling from the trade unions about the reduction in the sick pay scheme; their concern was that this proposal represents an erosion of a nationally agreed condition of service, which they cannot support. The trade union stance was that this national condition of service should remain.
- 2.5.4 In terms of the 3 days' mandatory unpaid leave, the view of the trade unions was that this also represented a pay cut and would not be workable in some service areas such as school catering, which they believed should be exempt. It was their view that the savings should be achieved through a voluntary unpaid leave system rather than a mandatory system.
- 2.5.5 The trade unions welcomed the Council's proposal in relation to the introduction of a Trafford Living Wage, however, they had a particular view that it should not be conditional upon the introduction of the other proposals; rather, it should sit as a standalone proposal. It was also the trade union view that the Council should enforce a Trafford Living Wage in all future contract specifications.
- 2.5.6 In terms of a reduction in the rate of pay for overtime, it was the trade union view that the use of overtime should be reviewed and that the Council should either employ additional staff or offer existing staff additional hours; in the interim, it was their view that the rate of pay should remain the same. In so far as the relocation allowance goes, the trade union view was that to remove it would be a breach of contract and that again, the allowance should remain.

- 2.5.7 In summary, the trade unions stated that they could not agree with the proposals although they offered no alternative solutions. They added, however, that they remained committed to the consultation process.
- 2.5.8 The trade unions also explained that subject to the Council's final position in relation to proposed changes to staff terms and conditions, it was their intention to undertake an indicative ballot of the workforce to gauge whether or not staff would be willing to consider industrial action or "action short of strike".

## 2.6 Staff Feedback

- 2.6.1 In terms of staff feedback, this generally reflected the position of the trade unions, with the changes relating to car users receiving the greatest volume and strength of feedback.
- 2.6.2 Reflecting the trade union stance, whilst staff welcomed the introduction of a Critical Car User Scheme, they were dissatisfied with what they perceived to be an arbitrary cut-off point at SCP28. This strength of feeling came from across the workforce, at all levels, from managers to front line workers. The general view was that there should not be a cut-off point and that all relevant staff should be assessed against the new CCU criteria, irrespective of their salary level.
- 2.6.3 In relation to the proposed changes to the sick pay scheme, the strength of feeling from staff during the period of formal consultation was greater than on previous occasions and the general feeling was that it was a severe measure to take and was disproportionate in relation to the savings that would be achieved; the preferred option would be for managers to take a more consistent and robust approach to managing absence.
- 2.6.4 In terms of the proposal to introduce a mandatory 3 days' unpaid leave, the general feedback from staff remained as it had done in the previous consultation exercises; comments received included concerns that due to work pressures, staff were not always able to take their current contractual leave entitlement and that these additional days would just increase stress levels and seriously affect service delivery. There was also a concern about how some services would manage operationally and that some may need to backfill with agency or overtime leading to an additional cost, which could result in them not being competitive. Staff also felt that it would be better if the unpaid leave could be introduced on an entirely voluntary basis, rather than mandatory. Conversely, there were some positive views expressed about this proposal and a number of staff expressed that they would welcome the proposal, in particular the proposal for additional voluntary unpaid leave of up to 7 days in addition to the mandatory days.

- 2.6.5 In terms of the proposals relating to the introduction of a Trafford Living Wage, the reduction in non-contractual overtime payments to plain time and the proposal to withdraw the relocation allowance, there was little strength of opposition and staff were generally supportive of these proposals being taken forward. The limited concern related mainly to a concern that services that had been reliant upon non-contractual overtime would struggle to deliver core services as staff would not do the work for plain time and some staff also felt that the relocation allowance should be phased out rather than fully withdrawn.
- 2.6.6 With regard to the feedback received from the staff survey, a total of 1086 employees responded, representing 38% of the workforce. Of those that responded 74% (802) stated that they would be willing to sign up to the proposals on a voluntary basis and 26% (284) stated that they would not be willing to sign up to the proposals.

### **3. PROPOSED REVISED PACKAGE OF PROPOSED CHANGES TO TERMS AND CONDITIONS**

- 3.1 Taking into account the detailed staff and trade union feedback and also taking into account the outcome of the staff survey, a review of the package of proposals has been undertaken; this review has included a reassessment of projected savings.
- 3.2 Further to this review, a revised package of proposals has been developed; it is recommended that these proposals represent the Council's final position in terms of a revised package of changes to terms and conditions. Details of these proposals are set out below.
- 3.3 Car User Allowances
- 3.3.1 It is recommended that the proposal to withdraw the Essential Car User (ECU) Scheme remains and that this scheme is replaced by a Critical Car User (CCU) Scheme, with robust assessment criteria, as set out in Appendix 3. Given the strength of feeling from the formal consultation feedback, however, it is recommended that the proposal of a cut-off point at SCP28 should not be adopted and that all existing ECUs remain eligible for assessment under the new CCU Scheme. The removal of a cut-off point will mean that the pool of staff eligible to be assessed for a CCU allowance will increase, which will ultimately mean that the number of staff who will meet the criteria for receiving the allowance will increase.
- 3.3.2 With reference to the value of the new allowance and in order to maintain a sufficient level of saving, it is recommended that the value remains as in the original proposal, i.e. it is reduced from its current value of £846 per annum, to a new value of £423 per annum. For clarity:

- only staff who are currently designated as ECUs will be eligible to be assessed against the CCU criteria;
- no new users will be eligible for assessment under the CCU Scheme;
- once the CCU pool is identified, that pool will be frozen;
- any new recruits will be employed on contracts which specifically require them to have access to a suitable vehicle in order to fulfil their contractual duties, without the lump sum recompense.

3.3.3 Whilst definitive numbers and savings cannot be confirmed until the CCU assessment process is complete, it is estimated that this revised approach will significantly reduce the number of staff eligible to receive the allowance.

3.3.4 In terms of the formal proposal to shift the car mileage rate to a uniform rate, based upon the HMRC rate (currently 45p per mile), the conclusion is that this remains a sound proposal, which will not only realise savings but will also simplify financial systems with respect to annual tax returns. In practice, this means that the current ECU mileage rate would increase from 40.9p per mile to 45p per mile but that the Casual Car User mileage rate would reduce from 52.2p per mile to 45p per mile.

3.3.5 In addition, it is recommended that the proposal to undertake a general review of car journeys across all service areas should remain, with a view to reducing these by an estimated 10% over the next 12 months. This review will specifically focus on challenging the requirement to travel to external meetings and will promote the use of the Council's investment in technology, making practices such as conference calls and video conferencing the norm, rather than the exception.

3.3.5 It is estimated that proposals relating to car allowance and mileage rates will equate to savings in the region of £400k.

### 3.4 Reduction in the Sick Pay Scheme

3.4.1 The sick pay scheme is based on the National Joint Council (NJC) scheme and gives an entitlement to sick pay on a sliding scale, based on length of service. The maximum entitlement once an employee has completed 5 years of Local Authority service is 6 months full pay, and then 6 months half pay. The entitlements are detailed in the table below:

During 1 <sup>st</sup> year of service	1 month's full pay and (after completing 4 months service) 2 months half pay
During 2nd year of service	2 months full pay and 2 months half pay
During 3rd year of service	4 months full pay and 4 months half pay

During 4 <sup>th</sup> /5th year of service	5 months full pay and 5 months half pay
After 5 years of service	6 months full pay and 6 months half pay

- 3.4.2 For the year ending June 2013, the Council paid out in the region of £1.4m in sick pay. In addition to the spend on actual sick pay, there is also a cost to cover absent staff in terms of overtime and agency spend as well as the indirect cost of low staff morale for those colleagues who have to sustain service delivery.
- 3.4.3 The proposal was for the sick pay scheme to be reduced to a maximum of 3 months' full pay and 3 months' half pay, subject to continuous service.
- 3.4.4 Whilst the trade unions have continuously argued against a change to the sick pay scheme, as set out in paragraph 2.5.3, this stance was echoed by staff during the formal consultation period and their strength of feeling was much greater than had been seen previously. Whilst this strength of feeling cannot be overlooked, it has had to be carefully balanced against the potential savings achievable. These savings have been estimated as being in the region of £250k.
- 3.4.5 The recommendation therefore is that this proposal remains and that staff receive an entitlement to sick pay on a sliding scale based on length of service, as set out in the table below:

During 1 <sup>st</sup> year of service	1 month's full pay and (after completing 4 months of service) 2 month's half pay
During 2 <sup>nd</sup> year of service	2 month's full pay and 2 month's half pay
After 2 years of service	3 month's full pay and 3 month's half pay

- 3.4.6 In terms of recognising the staff and trade union concern that this proposal will have a significant impact on vulnerable employees, the provision to extend the payment of sick pay beyond the contractual entitlement in exceptional circumstances will remain and it is recommended that requests are submitted for consideration and sign-off by the Chief Executive, in consultation with the Directors of Finance and HR. This will ensure that there is consistency of application across the organisation.
- 3.4.7 In addition, it is recommended that in order to provide all staff with a fair starting point on 1<sup>st</sup> April 2014, that they receive a fresh occupational sick pay entitlement, based upon their continuous service. Therefore, any occupational sick pay that has been paid out prior to this date will not be taken into account for any new periods of absence. It should be noted that this arrangement is only in relation to sickness payments and does not mean that periods of absences will be excluded for managing attendance purposes. In addition, this arrangement exempts statutory sick pay, which can only be paid out for a maximum of 28 weeks. Arrangements in relation to staff who are absent due

to sickness at the point the new sick pay scheme is introduced will be considered further, should these proposals be agreed.

3.4.8 In terms of the health and well-being of the workforce, the Council will remain committed to ensuring that all employees have access to support services such as Occupational Health, Counselling, Physiotherapy as well as preferential rates for Private Health Insurance via General and Medical which will support those staff who may require extra support during periods of long-term absence.

### 3.5 Mandatory 3 days' unpaid leave

3.5.1 Under the formal consultation process, the proposal was that all staff would be required to take a period of 3 days' mandatory unpaid leave and that this would be reviewed at the end of a 2 year period. Furthermore, there was a voluntary option for staff to take a further 7 days unpaid leave, should they wish to apply for it. Whilst there was a high level of feedback on this proposal, the feedback was mixed and some staff welcomed the idea of being able to take additional time off, even if this was unpaid.

3.5.3 Given the significant savings associated with this proposal and the fact that it is a temporary measure, to be reviewed in 2 years' time, it is recommended that this proposal is taken forward.

3.5.4 As part of the consultation, however, a commitment was given to assessing exemptions from the 3 days' mandatory leave. This assessment is currently being undertaken by the Corporate Management Team and to date, the following job categories have been agreed as being exempt:

- Catering, Cleaning, School Crossing Patrol staff and Passenger Transport Assistants, employed within the Operational Services for Education Service;

These exemptions will be reviewed on an annual basis at the beginning of each financial year.

3.5.5 Given that these exemptions are in service areas which trade on a recovery basis, there will be no resultant impact on the revenue budget and savings will remain as originally estimated at £574k.

### 3.6 Introduction of a "Trafford Living Wage"

3.6.1 The commitment throughout consultation has always been to increase the hourly rate of pay for the lowest paid workers to a Trafford Living Wage of £7.20 per hour. This proposal has been positively welcomed and is therefore recommended for implementation.

- 3.6.2 Furthermore, the recommendation is that the Council will encourage contractors and education establishments in the borough to adopt a Trafford Living Wage with respect to their workforce.
- 3.6.2 For clarity, the Trafford Living Wage will be established as a set hourly rate and will thus not affect the Council's pay and grading structure. In order to ensure that this minimum hourly rate is maintained, staff will not be subject to the period of 3 days' mandatory leave, until such time as they reach SCP10 or above.

### 3.7 Reduction in the rate of pay for non-contractual overtime

- 3.7.1 In 2012/13, the Council paid out almost £1.5m in non-contractual overtime. Given the limited negative feedback on this option from staff and trade unions it is recommended that this proposal remains and that all non-contractual overtime is paid at plain time rate.
- 3.7.2 It is estimated that this proposal will achieve savings in the region of £160k.

### 3.8 Removal of Relocation Allowance

- 3.8.1 In 2012/13, 146 employees claimed this allowance, totalling £68k for the year. The average claim was £50 per month.
- 3.8.2 Given the limited negative feedback on this proposal and the fact that staff generally felt that employees working for Trafford Borough Council should be expected to work at any location in the borough, without being paid an additional allowance, it is recommended that this proposal is also taken forward and the allowance is fully withdrawn from 1<sup>st</sup> April 2014.

### 3.9 Overtime and Agency Spend

- 3.9.1 Throughout the consultation process, there has been an overall commitment to reducing the significant Council spend on overtime and agency use. This work has been ongoing as part of the service review process and a fundamental assessment of working practices. This work will continue as we move towards the development of the new operating model.
- 3.9.2 It is estimated that this will realise savings of £500k.

## **4. REDUCTION IN ESTIMATED SAVINGS**

- 4.1 The savings assigned to changes to staff terms and conditions was estimated as £2m.
- 4.2 Following the formal consultation process and the review of proposals, it is estimated that these savings will now be in the region £1.9m.

## 5. PROCESS AND TIMELINE

- 5.1 The proposals remain a complete package of proposals and not standalone options. Given that they include a potential to change Part 2 terms and conditions and the trade unions have already indicated that they will not be able to sign up to them, it is likely that the Council will need to seek agreement to vary terms and conditions with staff at an individual level.
- 5.2 Given the final proposals have taken into account a number of the concerns raised by staff and trade unions, it has been suggested to the trade unions that a partial collective/local agreement should be possible. This is currently under consideration.
- 5.3 However, if a collective or individual agreement cannot be reached, then there will be a requirement to terminate and re-engage the workforce.
- 5.4 An indicative timeline for achieving the change and realising the associated benefits is set out below:

DATE	ACTION
2 <sup>nd</sup> December 2013	Employment Committee
3 <sup>rd</sup> December 2013	Executive Committee
4 <sup>th</sup> December 2013	Issue letters to all staff seeking individual agreement to change terms and conditions on a voluntary basis
6 <sup>th</sup> January 2014	Commence 12 week termination and reengagement process for those staff who have not voluntarily agreed to change their terms and conditions and continue to seek voluntary agreement to changes throughout the notice period
1 <sup>st</sup> April 2014	Implement revised terms and conditions

- 5.5 Given that the period of voluntary sign-up will take place in part, over the Christmas period, it is proposed to write to all staff to seek voluntary agreement to the changes immediately following the Executive on 3<sup>rd</sup> December 2013. The purpose of this is to allow staff maximum time to consider the revised proposals and respond to the letter in order to mitigate the number of termination and re-engagement letters that may need to be issued in the New Year. No formal action will be taken in relation to the sign-up process, however, until such time as any relevant call-in period has passed.
- 5.6 For clarity, no letters of termination and re-engagement will be issued before 6<sup>th</sup> January 2014 and all efforts will be made to ensure that voluntary sign-up



is promoted across the workforce prior to this date. Should it be necessary to issue termination and re-engagement letters, then all efforts will be made to engage with the workforce during the 12 week notice period to try and achieve voluntary sign-up in order to mitigate the number of dismissals

- 5.7 The decision in relation to proposed changes to staff terms and conditions will be made by the Employment Committee on 2<sup>nd</sup> December 2013. This will be followed by an Executive decision on the financial impact on the budget on 3<sup>rd</sup> December 2013.

**Finance Officer Clearance** (type in initials).....ID.....

**Legal Officer Clearance** (type in initials).....mj.....



**CORPORATE DIRECTOR'S SIGNATURE** (electronic).....

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Our ref: NL/JH

Your ref:

When telephoning  
please ask for:

12<sup>th</sup> November 2013

Mrs J. Hyde  
Director of Human Resources  
Trafford MBC  
Talbot Road  
Stretford  
Manchester  
M32 0TH



Regional Centre  
Arena Point  
1 Hunts Bank  
Manchester  
M3 1UN

Tel: 0845 355 0845  
Fax: 0161 661 6710  
[www.unisonnw.org.uk](http://www.unisonnw.org.uk)

*Please note that calls may be  
recorded for security / training  
purposes.*

Dear Mrs Hyde

### **Re: Proposed changes to Terms and Conditions of Staff**

I refer to your letter dated 3 October 2013 in respect of the consultation process indicating a possible dismissal arising from the implementation of changes to terms and conditions.

UNISON has carefully considered the proposals and discussed these with our members. It will come as no surprise that our members are both disappointed and sceptical at some of the proposed changes and see this as an attempt by the Authority at driving down terms and conditions of service.

i) **Essential Car User scheme and related allowances**

The purpose of this allowance is to recompense employees for regularly using their cars for work purposes.

The proposal to pay a reduced figure of 50% as a "Critical Care Allowance" to certain employees is effectively a pay cut to those employees who the council still believes should have access to a vehicle and who may have purchased a vehicle for that very purpose. For some employees it will no longer make economic sense to own a vehicle which would have implications on how they carry out their job and in some cases would cost the authority more in increased travel time and/or alternative modes of transportation.

The decision not to designate anyone as a Critical Car User if they earn over SCP 28 has not been properly explained. UNISON believes that if a business case shows that an employee needs access to a vehicle, it's irrelevant what the grade of their post is. UNISON does not wish to see a situation where an employee on SCP 28 gets promoted to SCP 29, only to find they lose their Critical Car Allowance.

UNISON therefore proposes that the existing Essential Car User allowance be retained at the national rate for those staff that the Authority deems needs access to a vehicle to undertake their duties.

ii) **Car User Mileage rates**

Over the last few years there has been an escalation of fuel and insurance costs. The rates are therefore up-rated by the NJC yearly to reflect such increases. However, HMRC rates are not up-rated yearly and although there was a modest increase from .40 to .45 pence a few years ago, this was the first increase in the HMRC rate for over 10 years.



Fuel costs in particular are expected to increase year by year, with the result that employees will be even worse off as time goes by. Any decrease in the existing mileage rate would affectively be a pay cut for those employees who use their cars on council business. For some employees it will no longer make economic sense to own a car which would have implications on how they carry out their job. In some cases it would cost the authority more in increased travel time and/or alternative modes of transportation.

iii) **Sick Pay Provision**

The national provision in Local Government and other public sector organisations is for up to 6 months full pay and 6 months half pay. The Council claim to have consulted all employees on its proposals to reduce this to 3 months full pay and 3 months half pay. The majority of employees will not have been off for more than 3 months and probably never expect to be, so it is hardly surprising that the Council suggest they appear to “support” this proposal. However, UNISON has evidence that the very people it currently affects i.e. those staff on long term sick, were not consulted, despite claims by the Authority that they were contacted while off sick.

The Authority claims that approximately 60 employees would be affected by its proposals and would save them in the region of £250,000 per annum. According to the information provided at the consultation meeting on 8<sup>th</sup> November the reasons for sickness include potential terminal illnesses (10), stress related conditions (13), Injury/Fractures (6), some of which may have been the result of a vehicle or other third party accidents.

The Authority has confirmed that Industrial Injuries are exempt from the savings identified, although employees who suffer workplace accidents in the future will no doubt have their sick pay entitlement reduced as well. However, reducing sick pay for accidents in the workplace will only lead to increased personal injury claims, so it’s doubtful whether there would be any overall saving. Similarly, for a vehicle or other third party accident the council is able to reclaim from insurance companies payments of sick pay, so in these cases there would be no saving.

Employees on long term sick are at their most vulnerable and the current sick pay scheme allows them the comfort of knowing that despite being severely ill, they will be continue to be paid until i) they return to work, ii) retire on the grounds of ill health or iii) pass away.

UNISON therefore does not believe that the full savings identified by the council will be achieved and that given the vulnerable status of those employees on long term sick, no variation be made to the national conditions.

iv) **Unpaid Leave Provision**

Requiring employees to take three days unpaid leave is effectively a pay cut at the very time council employees are suffering a financial loss due to a pay freeze over the last three years.

There are some areas where forcing employees to take three days unpaid leave would be unworkable, such as in school kitchens. Whilst the Authority has acknowledged that exemptions will need to be made, this should have been done, sooner rather than later.

UNISON suggest that rather than forcing employees to take three days unpaid leave, employees be advised they can apply for a period of unpaid leave instead.

v) **The rate of hourly pay for the lowest paid employees**

The introduction of a Living Wage in Trafford is a welcome move. However, UNISON does not believe that introducing it should be conditional on the other proposals being implemented, which has not been the case in other Authorities.

vi) There is the prospect that increasing the wage rates of the lowest paid, increases the risk of external organisations bidding for contracts with the result that services end up being outsourced to organisations who eventually declare an Economic, Technical or Organisational (ETO) reason why they can no longer afford to pay the Living Wage to those staff who transferred over. Although the Authority have stated that they would encourage companies to pay the Living Wage, UNISON requests that Trafford goes one step further and enforces the Living wage in future contract specifications.

vii) **Remuneration for overtime working;**

Overtime enhancements are paid to encourage employees to volunteer for working beyond full time hours, weekends and Bank Holidays sometimes at short notice and at times when other employees might be reluctant to work. There is an argument that if regular overtime is being worked, then the Authority should appoint more staff.

UNISON therefore recommends that the Authority examines in much more details those areas where overtime is regularly worked and appoints new employees and/or offer increases in hours to part time employees accordingly.

There will always be occasions where overtime is required from the existing workforce. UNISON proposes that existing enhancement rates be left at their current level; otherwise there would be the danger of employees refusing to work in those areas where overtime is required at short notice.

viii) **Relocation (Enforced move)**

The relocation allowance is payable where employees are moved from their normal place of work to another area within the Borough. Although it compensates employees for excess travel expenses, it has never compensated them for increased travelling time. Over the years in Trafford employees have been unsettled by being relocated, sometimes on more than one occasion. There is a suspicion that once relocation expenses cease to be paid, the Authority will relocate employees around the borough, resulting in some employees being out of pocket, all at a time when then the Authority are proposing other cuts to terms and conditions, on top of a three year pay freeze.

If the Council have no plans to relocate staff, then this proposal will not save any money in the future. If the proposals also extend to those employees currently in receipt of the allowance, this may constitute a breach of contract, and UNISON will offer legal representation to our members, should this be the case.

ix) **Working practices for those employed under the Groundforce Division**

A separate response will be sent by the Local UNISON Branch on this proposal.

In summary, UNISON cannot agree to the proposals as a complete package for the reasons stated above. However, we remain committed to the consultation process with the Authority and now ask that your proposals are re-considered in light of the above comments.

Yours sincerely



**NEAL LINSKY**  
Regional Organiser

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**PROPOSED CHANGES TO TERMS AND CONDITIONS**  
**SUMMARY OF FORMAL STAFF CONSULTATION FEEDBACK**

Further to a 45 day formal consultation period, which ended on 17<sup>th</sup> November, all feedback received has been collated and reviewed. Feedback was received at 11 drop-in sessions and also on an individual basis.

The table below details the consultation response in terms of numbers attending the 11 sessions and numbers who sent in feedback either in hard-copy or via e-mail.

Area	CFW	T&R	EGP	ETO	Anon	Total
<b>Attended road show</b>	92	37	12	83	0	224
<b>Individual Feedback received</b>	25	19	17	6	3	70
<b>Total</b>	117	56	29	89	3	294*

*\*This doesn't necessarily indicate the number of employees that have given feedback, as some may have attended a session and also sent in individual feedback.*

Shortly following the launch of consultation all employees in scope for the changes were e-mailed or written to, advising them that formal consultation had been launched. They were also asked to complete a survey to indicate whether they would be willing to sign up to the changes, if the current proposals were to be implemented. 1086 employees completed the survey which is 38 % of the workforce. Of those that responded 74% (802) stated that they would sign up to the proposals and 26% (284) stated that they would not be prepared to sign up to the proposals.

The table below details the response to the survey by Directorate.

Response	CFW	T&R	EGP	ETO	Total
<b>Would agree</b>	30%	37%	29%	13%	26%
<b>Would not agree</b>	15%	6%	21%	2%	9%
<b>No Response</b>	55%	57%	50%	85%	65%

**Key themes occurring relating to the proposals**

**General**

- There is a big risk of the loss of goodwill of employees, many of which have been working additional hours. The Council already makes savings from employees who work additional hours with no reward.
- The measures aren't protecting all jobs as restructures are still happening.

- Once terms and conditions have been reduced, even with an economic upturn they won't be increased again, and benefits are lost forever. There should be a review of all of them in future, not just unpaid leave.
- There is a big risk around delivering safe, effective services.
- Need more clarity on how the proposed saving on agency spend has been arrived at.
- Suggestion that some changes amount to constructive dismissal, i.e. if an employee cannot afford to run their car.
- The changes mean that staff will be subsidising public services from their income.
- Further to some staff already having had salary reductions after being redeployed, these changes mean they may face real financial hardship.
- When faced with the decision whether to sign up to the revised terms and conditions, staff are not really being given a choice.
- There needs to be acknowledgement that staff will not be able to absorb and undertake all the work when there is less available time to do it.
- VR/VER should be offered out to 53 and 54 year olds.
- Mileage claims for travel between meetings/locations should be ended.
- The position regarding staff who have joined the Council through a TUPE arrangement is unclear, i.e. will the rest of their terms and conditions be protected?

### **Changes relating to Car Users**

- Issues with the Critical Car User Criteria:
  - The decision that those on scp 28 and above will not be eligible for the Critical Car User Pool is unfair and discriminatory, as there are lots of staff above this level who undertake high business mileage. There was strong feeling around this.
  - The criteria should include a section on travel during unsociable hours, as some staff have to use their car for work in the evenings and weekends and public transport may not be available at these times and wouldn't be safe.
  - The questionnaire doesn't take into consideration how individual services operate.
  - As well as consideration being given to transporting service users, consideration should also be given to services that attract and retain investment in the borough.



- Social workers have issues with the fact that when they carry service users in their cars they can get soiled and damaged and there won't be compensation for this.
- A car pool and use of taxis should be considered where public transport isn't an option – this comment is based upon an assumption that employees can refuse to use their car for work.
- The allowance should be retained, but on a sliding scale depending on banding.
- The 45p per mile allowance is not enough, especially for cars with larger engines and with the reality that petrol and other car related costs are rising.
- If staff do not use their car for work there will be risks to service provision and could ultimately have an impact on residents.
- Pool car parking permits should be available in some cases, as some staff don't park at a Council Building very often, so shouldn't have to pay for a constant parking space which they don't use regularly (apparently Manchester have such a scheme).
- Unfair that employees who have recently started with the Council believed they would get the allowance (and made the decision to join the Council based on this) will lose it.
- There is lack of clarity as to which employees will have a requirement in their contracts to have access to a car for work purposes and whether this will be included in contracts upon staff may be reengaged in April 2014.
- Staff who need to use their car for work should be issued with a badge to use in their cars allowing them to park for free in Council car parks/on the roads of the borough for a certain time period.
- It is unfair that some staff pay for parking and other staff don't have to pay.
- The costings that support the estimated savings for this proposal don't include the fact that some staff who currently don't claim business mileage will do so as a result of losing the allowance.

### **Reducing the Sick Pay Scheme**

- The severity of the measure is disproportionate to the savings the Council will make.
- There should be guidance/criteria for the extension of sick pay.
- There is a question about the estimated level of savings, i.e. savings would not be as high as suggested.

- This will unfairly penalise the most vulnerable staff and is more likely to impact on older employees.
- If we services adopt private and third sector models in the future then it is unlikely that the exemptions will be honoured.
- Staff are more likely to return to work when not ready to do so which will also impact on colleagues.
- This targets lower paid staff. The current sick pay should be retained at 6 months full and 6 months half pay, however there should be a cap on the salary level that the authority should pay out of £38,500 or those in the 40% tax bracket. This would affect a minimal number of employees however may well achieve the same level of savings.
- During the first 6 months of employment (probationary period) only statutory sick pay should be received.
- There should be an appeal process further to an employee applying for an extension of sick pay.
- Feeling that it is unfair that the proposals haven't highlighted the fact that short-term sickness absence will affect when sick pay reduces/expires, not just long-term sickness.
- Fair transition arrangements will be needed if this proposal is implemented.
- Sickness should be properly managed rather than reducing sick pay.

### **Unpaid Leave**

- There are concerns about how services will manage to deliver with reduced time available especially for small teams and services that are already extremely stretched with increased demand. For some the only way this would be manageable is if the team take it all at one time with the service closing, e.g. at the Christmas shut-down period.
- Some services will have to provide agency cover which could lead to increased costs rather than savings.
- Where staff work term-time only, the leave will need to be taken during the school terms which will impact on the pupils.
- It will be more difficult for staff on lower salaries to manage with this salary reduction.
- There is no commitment to remove its mandatory status after 2 years.
- It would be better to encourage flexible working.

- Suggestion that instead staff should have a reduction of annual leave by 3 days – although this wouldn't make the cash savings it would mean better service delivery and there would be some savings.
- Risk of not meeting service levels and loss of income for services that are bought-in.
- An alternative voluntary scheme hasn't been given due consideration.
- Senior staff should have to take more unpaid leave to reduce the impact on lower paid staff.
- There will be inequity where employees who already don't take all their annual leave, TOIL etc. won't be able to take this additional leave and will take on even more work from colleagues who do take the additional leave. The staff who carry forward or lose annual leave currently should be exempt.

### **Introduction of a Living Wage**

- Fair proposal.
- The amount should be increased with inflation year on year, given the relatively small cost to the Council.

### **Reduce Overtime Rate**

- Fair proposal.
- Extra work that is already done isn't recognised.
- There is concern that service delivery would be affected, particularly when staff are required to work overtime at short notice.
- It will discourage staff from working flexibly to support service delivery.

### **Remove Relocation Allowance**

- Fair proposal.
- Instead consideration should be made as to reducing the payment period from 4 years to 2 years and possibly only those on the lower salary scales.

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**TRAFFORD COUNCIL  
CRITICAL CAR USER DESIGNATION QUESTIONNAIRE**

*Before completing this Questionnaire please refer to the document 'Critical Car User Status Designation Process' for assistance.*

POST TITLE: ..... .....	NAMES OF ALL POST-HOLDERS:		
TEAM ..... SERVICE..... DIRECTORATE ..... DATE ..... NO. OF POSTS.....			
1.	How often on average is it necessary to escort service users in the post-holder's own car?  On more than one occasion per day, every day On one occasion per day, every day On four days per week On two or three days per week On one day per week Less than one day per week Never	Tick one option  ..... ..... ..... ..... ..... ..... .....	HR Use
2.	What percentage of journeys on average does the post-holder carry essential equipment on behalf of the Council in their car (or likewise, items collected on behalf of the Council), which are either bulky or heavy?  Over 50% 40 - 49% 30 - 39% 20 - 29% 10 - 19% Below 10% Never	Tick one option  ..... ..... ..... ..... ..... .....	

3.	<p>How often on average does the post-holder use their car to travel to a location other than the normal base for work purposes (excluding journeys covered in 1&amp;2)?</p> <p>On more than one occasion per day, every day  On one occasion per day, every day  On four days per week  On two or three days per week  On one day per week  Less than one day per week  Never</p>	<p>Tick one option</p> <p>.....  .....  .....  .....  .....  .....  .....</p>	<p>HR Use</p>
4.	<p>What percentage of journeys on average undertaken in the post-holder's car are planned in advance? This does not include work carried out outside of normal office hours.</p> <p>0 - 10%  11 - 20%  21 - 40%  41 - 60%  61 - 80%  81 - 100%</p>	<p>Tick one option</p> <p>.....  .....  .....  .....  .....  .....</p>	

POST TITLE OF MANAGER COMPLETING FORM	
SIGNATURE OF MANAGER COMPLETING FORM	
AUTHORISED BY CORPORATE DIRECTOR	
DATE	

Please return to \*\*\*\*\* by \*\*\*\*\* . Please also attach a job description for the post.

<b>For HR Use Only</b>	
TOTAL POINTS	
AUTHORISED BY HR DIRECTOR	
DATE	