

## TRAFFORD COUNCIL

**Report to:** Employment Committee  
**Date:** 12<sup>th</sup> July 2016  
**Report for:** Information  
**Report of:** Director of HR

### Report Title

**Staff Terms and Conditions – Update on the Extension of Mandatory Unpaid Leave and Proposals for introducing a Voluntary Additional unpaid Leave Scheme**

### Recommendations

**It is recommended that Employment Committee:**

- **Notes the update on the extension to the mandatory unpaid leave provision for one further year.**
- **Notes the approach to be taken in promoting the additional voluntary unpaid leave scheme in order to try and mitigate the requirement for a further extension to the mandatory unpaid leave arrangement.**

Contact person for access to background papers and further information:

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Relationship to Policy Framework/Corporate Priorities	This proposal aligns with the council's Corporate Priorities in respect to 'Low Council Tax and Value for Money' and 'Reshaping Trafford Council'.
Financial	The extension of the mandatory unpaid leave scheme will achieve savings in the region of £0.5m to support the 2016/7 budget savings.
Legal Implications:	The implementation process to date has been fully compliant with employment legislation.
Equality/Diversity Implications	An Equality Impact Assessment was undertaken in line with the Equality Framework and is available to members of the committee upon request.
Sustainability Implications	None
Staffing/E-Government/Asset Management Implications	The implementation of a voluntary scheme may assist with improving morale and employee engagement.
Risk Management Implications	The risks associated with promoting a voluntary additional unpaid leave scheme are that the financial savings of £0.5m are not fully achieved

	and the Council will need to maintain an ongoing mandatory scheme.
Health & Wellbeing Implications	A voluntary scheme may have a positive impact on staff health and wellbeing as they will not be mandated to take the unpaid leave.
Health and Safety Implications	None

## **1.0 BACKGROUND**

- 1.1 Further to the consultation which took place during 2013, the Council implemented a package of changes to employee terms and conditions, effective from 1<sup>st</sup> April 2014. These changes included the introduction of 3 days mandatory unpaid leave for a temporary period of two years (1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2016).
- 1.2 This position was reviewed in October 2015 and in January 2016, following a period of collective and individual consultation, the Employment Committee took a decision to extend the period of 3 days mandatory unpaid leave for a further one year (until 31<sup>st</sup> March 2017)
- 1.3 In addition, the Committee agreed to pilot a simplified Voluntary Additional Unpaid Leave Scheme, providing staff with the ability to take additional unpaid leave, spreading the costs over a 12 month period.

## **2.0 UPDATE**

- 2.1 Further to the decision made by Employment Committee in January 2016, affected staff were invited to voluntarily sign up to an extension of the mandatory unpaid leave scheme. By 7<sup>th</sup> February 2016, 81% of staff had voluntarily accepted the change; this meant that just under 300 staff were issued with formal notice to terminate their employment and re-engage them on the revised terms and conditions. Termination and re-engagement took place on 3<sup>rd</sup> May 2016 and as a result of this process, 100% of affected staff accepted the extension to the mandatory unpaid leave scheme; this meant that no dismissals took place.
- 2.2 During this period, a simplified scheme for staff to request Voluntary Unpaid Leave was also rolled out and promoted across the workforce. This scheme allowed staff to take up to an additional 7 days voluntary unpaid leave, spreading the costs of this over a 12 month period. As a result of this scheme, a total of 108 staff applied for and were granted a period of voluntary additional unpaid leave; this totalled c£60k for the year 2016/17, which represents an additional saving to that achieved through the mandatory scheme.

## **3.0 NEXT STEPS**

- 3.1 The Employment Committee has indicated an ambition to achieve the savings from unpaid leave via voluntary measures, wherever possible. This reflects the preferred position taken by the recognised trade unions and the affected workforce.

- 3.2 In order to try and realise that ambition, the Voluntary Additional Unpaid Leave Scheme will be promoted to the workforce over this summer, with a view to encouraging a high level of sign up; this will be promoted on the basis that if sufficient savings are achieved, then this will mitigate or negate the need for a mandatory scheme going forward.
- 3.3 The voluntary scheme will be launched during July 2016, with an anticipated deadline for applications for unpaid leave being made by 31<sup>st</sup> August 2016. This will enable a review to take place during September 2016, with a proposal about the future requirement for a mandatory scheme being submitted to the Employment Committee during October 2016. This will allow sufficient time for a collective consultation process to take place, should there be a requirement to further extend the mandatory unpaid leave arrangement.

#### **4.0 CONCLUSION**

- 4.1 Employment Committee is asked to note the content of this report and the work being undertaken to try and mitigate or indeed negate the requirement for a mandatory unpaid leave scheme going forward.
- 4.2 A further update will be provided to the Employment Committee in October 2016.