

STOCKTON-ON-TEES BOROUGH COUNCIL

CABINET RECOMMENDATIONS

PROFORMA

Cabinet Meeting16th June 2011

1. Title of Item/Report

Proposed Changes to Employee Policies

2. Record of the Decision

Members were reminded that on 20th January 2011, Cabinet received a report, exploring the potential to review some terms and conditions of employment to assist in meeting the future budget gap identified in the Medium Term Financial Plan. Two areas were identified for further consideration, and Cabinet agreed that consultations should take place with the recognised Trades Unions with a view to amending the current Redundancy Policy and Policy in respect of Overtime Payments.

Negotiations had taken place with the Trades Unions and the outcome of those negotiations was provided.

Discussions were held directly with staff through a series of road shows in January and February and at the same time consultations were held with the Trade Unions both through the Trade Union Liaison Group and the Schools Joint Consultative Forum with a formal offer made in writing on 13th April. The proposal was either to reduce the multiplier to 1.6 with effect from 1st October 2011 or to reduce the multiplier to 1.5 but to defer implementation until 1st April 2012. The basis of calculation would be retained as the employee's actual salary. This delay in implementing the change was in response to the consultations to date and recognised that the 1st April 2012 would coincide with the completion of the EIT programme. Unison, Unite, GMB had responded to indicate that they were willing to accept the proposed amendment on the basis of a multiplier of 1.5 to take effect from 1st April 2012 as the best that could be achieved through negotiation. They were willing to proceed on that basis. NASUWT had not formally responded but had also indicated, during consultations, their preference for this proposal.

It was explained that the Council paid overtime at a rate of time and a half for all hours worked in excess of 37 hours per week. All overtime worked was on a voluntary basis. Last year £428,536 was paid in enhanced overtime (excluding schools), so removal of the enhancement would realise savings of around £142,845. Although it would be useful to retain

some flexibility within the scheme to ensure cover was maintained in some critical areas, removal of the premium would also bring the Council into line with other Tees Valley Authorities as well as providing a long term and ongoing saving to the Authority. Unison had indicated that it had no objection to the proposal but following advice nationally had indicated that it wished to ballot its members on the proposed change to the scheme. GMB had also indicated that it wished to ballot its members. Unite had indicated that it was not proposing to ballot and were willing to proceed on the basis that this was the best that could be achieved through negotiation. Again, no formal response had been received from the NASUWT either for or against the proposal. It was reported to the meeting that notification had been received from GMB that its members had accepted the proposed change. The outcome of the ballot by Unison would not be known until the end of June.

Cabinet noted that provided agreement was reached with the Trade Unions the Council would be able to implement the proposals without any requirement to terminate current employment contracts and re-engage on the new terms and conditions. However, if the Trade Unions did not accept the proposals in respect of the overtime payments, then members would need to consider whether they wished to impose the change whilst giving employees appropriate notice. It was therefore proposed that delegated authority was given to the Corporate Director of Resources in consultation with the Cabinet Member for Corporate Management and Finance and the Director of Law & Democracy, to agree an amendment to terms and conditions of employment in respect of the proposal to pay overtime at plain time rate if the outcome of the Trade Union ballot was positive. If the proposal was rejected through a negative ballot, then members would be asked to reconsider the proposal at a future Cabinet meeting

RESOLVED that

1. an amendment to the Redundancy Scheme which reduces the current multiplier of 2.2 to 1.5 with effect from 1st April 2012 be approved
2. delegated authority be given to the Corporate Director of Resources in consultation with the Cabinet Member for Corporate Management and Finance and the Director of Law & Democracy, to agree an amendment to terms and conditions of employment in respect of the proposal to pay overtime at plain time rate if the outcome of the Trade Union ballot is positive. If the proposal was rejected through a negative ballot, then members would be asked to reconsider the proposal at a future Cabinet meeting.

3. Reasons for the Decision

To seek Members agreement to amendments in respect of the current policies in respect of redundancy and overtime payments.

4. Alternative Options Considered and Rejected

None

5. Declared (Cabinet Member) Conflicts of Interest

Councillor Beall declared a personal prejudicial interest in the item entitled proposed changes to Employee Policies as he had a close family member who would be affected by the proposals. Cllr Beall spoke on the matter but left the meeting room during debate and voting on the matter.

Councillor Nelson declared a personal non prejudicial interest in the item entitled proposed changes to Employee Policies as his employer was referred to in the report.

Councillor Harrington declared a personal non prejudicial interest in the item entitled proposed changes to Employee Policies as he was a member of Unison, which was referred to in the report.

6. Details of any Dispensations

Not applicable

7. Date and Time by which Call In must be executed

Midnight on Friday 24 June 2011

Proper Officer
20 June 2011