

## REPORT OF GENERAL PURPOSES AND LICENSING COMMITTEE

(Meeting held on 7 September 2012)

### 1. PROPOSED CHANGES TO TERMS AND CONDITIONS OF EMPLOYMENT (REPORT A) (MINUTE NO. 12)

The Committee has considered proposals to change the terms and conditions of employment.

This is one of the five workstreams that feed into the Council's medium term financial plan which is prepared against a background of reductions in government funding.

The final proposals considered by the Committee and as set out below, are the result of meetings of the Pay Panel and discussions with Employee Side representatives which commenced in late 2010 and continued throughout 2011. During this process, the Pay Panel considered a number of options suggested by both the employer's and employees' sides and recommended the following changes:

- o Private Health Care

The Council's Private Health care scheme was removed in the mid 1990s for all new contracts and staff. Existing staff retained their entitlement, and this will now be removed from 1 April 2013. If agreed, all affected individuals (17) will receive formal notice of this change.

- o Lease Cars

Staff entitlements to lease cars will end for all those currently in receipt of one at the end of their current contract period (up to 5 years) or 31 August 2014.

At the end of the lease car contract, staff on Bands 9 and above will move to the 85% cash alternative. Staff on Bands 8 and below dependent on job type will move to the Essential User allowance (plus essential user mileage rate) or Casual user mileage rate.

If agreed, all affected individuals (30) will receive formal notice of this change with details of when their car lease ceases.

- o Essential Car User Scheme (Band 8 and below)

The new essential user scheme (which will only apply to jobs that are visiting officers or jobs that manage across more than one site) will apply to existing employees who choose or request to change their contract of employment and to all new employees. This scheme will be reviewed in 2014/15.

The new policy will be effective from 1 November 2012 and guidance to managers and employees will be communicated by the end of September.

- o Essential Car User mileage rate

The Council currently pays 50.5p per mile for essential user miles. From 1 November 2012 this will come into line with the Inland Revenue rate (currently this is 45p).

This change will be communicated to staff via Forestnet during September and the new rate will come into place from 1 November 2012.

- o Council Vehicles for Work that are taken home

Currently employees who take Council vehicles home do so free. The new scheme (that the Council pays the first 10 miles to and from work and staff who work more than 10 miles away from their workbase make a contribution of 13p per mile to the fuel they use and this will be capped at £500 per annum) will apply from 1st November 2012 to existing employees who choose or request to change their contract of employment and to all new employees. This scheme will be reviewed in 2014/15.

The new policy will be effective from 1<sup>st</sup> November 2012 and guidance to managers and employees will be communicated by the end of September.

All three unions, UNISON, UNITE and GMB consulted their members on the final proposals in March 2012. All the unions have now balloted their members. UNISON members accepted the proposed changes but UNITE and GMB did not. This means that there will not be a collective agreement from the unions to accept the proposals.

Where no collective agreement has been reached, the Council can proceed and implement the proposed changes. However, in order to do this, the Council must communicate to all employees and give formal notice of the changes.

The Industrial Relations Committee considered the proposals on 6 September 2012 and they supported the proposed changes.

The Committee noted that all travel related allowances will be reviewed by the Pay Panel in 2014/15.

It is estimated that the proposals once fully implemented, as recommended by the Pay Panel, would achieve financial savings of £70,000.

The Committee, whilst mindful of the ballot results, supported the proposed changes to the terms and conditions of employment.

***RECOMMENDED:***

***That the proposed changes to the Terms and Conditions of employment detailed in section 5 of Report A to the Committee be agreed and implemented from 1 November 2012.***

**Cllr G Beck  
CHAIRMAN**