

## **WILTSHIRE COUNCIL**

### **Staffing Policy Committee**

**7 March 2018**

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### **Trade Union Deduction of Contributions at Source (DOCAS)**

#### **Purpose**

1. To provide an update to staffing policy committee on the council's proposals regarding an appropriate calculation for each union so that deduction of contributions at source (DOCAS) regulations are complied with.
2. To present the currently draft "Service Level Agreement" (SLA) on DOCAS that will need to be signed by payroll and each trade union by 10 March 2018.

#### **Background**

3. A report was presented at the staffing policy committee in November 2017 on the current draft trade union DOCAS regulations 2017 which are due to be implemented on 10 March 2018.
4. The deduction of union subscriptions from wages in the public sector (DOCAS) is the process whereby a union member has their union subscription deducted from their pay via their employer's payroll. The employer's payroll team then forwards the collected union membership subscriptions to the union each month with supporting information of a membership list and a deduction list.
5. The Trade Union Act 2016 included a provision to restrict the use of DOCAS or "check off" arrangements across the public sector. To support this the draft DOCAS regulations are being introduced which include a requirement for an employer to charge an appropriate administration fee for offering this service.
6. In addition, in order to comply with the new regulations, the council will require confirmation from each union that they offer alternative methods to their members to pay their union subscription other than via the council's payroll.
7. Wiltshire Council's payroll team currently processes DOCAS on behalf of two of our recognised unions, UNISON and GMB at no charge.

#### **Main considerations**

8. The proposed new DOCAS regulations will mean the council is only able to deduct trade union subscriptions from employees where the union makes reasonable payments to the council which represent the total cost to public funds of making the deductions.

9. The council proposes that it charges a 2.5% administration fee to process the monthly membership fees for each union with effect from April 2018.
10. The rationale for the 2.5% charge is that this will generate sufficient income to meet the costs of an employee working on this for approximately 1 day per month. As well as processing the subscription, the time would be spent making any ongoing adjustments, the annual assessment and subsequent notifications and ad hoc work to maintain and test the configuration of the payroll system to ensure accurate processing of subscriptions.
11. The council has consulted with colleagues from other authorities and have found that 2.5% is the most frequent charge being applied by other councils' payroll teams for these services.
12. To support DOCAS, appendix A contains the proposed draft service level agreement (SLA) for signing by the council, UNISON and GMB prior to the service commencing. The council is currently consulting its legal team before a finalised SLA is produced.
13. The SLA covers DOCAS for council employees and Wiltshire maintained schools.
14. For Wiltshire academies who have the council as their payroll provider the council will continue to undertake the same level of DOCAS on their behalf. It is the responsibility of each academy to agree a charge and raise an invoice with each union.
15. At joint consultative committee in February 2017 the recognised unions agreed to the 2.5% charge and provided evidence that they give their members alternative ways to pay their subscriptions.

### **Environmental Impact of the proposal**

16. None

### **Equalities impact of the proposal**

17. None

### **Risk Assessment**

18. None

### **Financial Implications of the proposal**

19. The new regulations will mean that the council will receive a cost to cover the administration of collecting union members' subscriptions via payroll deductions.

### **Recommendations**

20. It is recommended that staffing policy committee agree that the 2.5% charge is applied and that the council and the trade unions sign the service level agreement attached at appendix A (subject to legal advice).

**Joanne Pitt**  
**Director, HR&OD**

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## Appendix A :Draft DOCAS Service Level Agreement

### **DOCAS Service Level Agreement**

This agreement is between:

Wiltshire Council and XXXXXX (name of union) for the provision of collection of union subscriptions at source in an electronic format.

This agreement will commence on <day month year> and shall continue until terminated by either party serving the other with at least six months' written notice of termination which shall be preceded by discussions between the employer and the union.

In accordance with the Data Protection Act and the General Data Protection Regulation 2016 (GDPR) the union will at all times treat any information provided in the strictest confidence, except where the union has obtained the consent of the member to release such information or if required to by law.

Under the Trade Union & Labour Relations (Consolidation) Act 1992 XXX (name of union) is required to keep an up to date list of their members' names and addresses. Employers may disclose data that is necessary for the legitimate interests pursued by the union about those employees who are members of the union. Members of the union have explicitly provided consent for this information to be provided to the union by the employer as part of the authorisation they have signed.

The council will deduct the appropriate amount of subscription rates, as authorised by the employee, from the salary or wage that the employee receives.

Payments by the council will be made monthly by BACS, by the fifteenth day of the month following collection, (add in union bank details)

Deduction listings can be sent via email to XXXX using Ref XXX and the period the file relates to in the subject line of the email.

Notification of payments will be made by remittance advice. BACS remittance advices should be emailed to XXXX

The remittance advice should detail the total payment by:

- employer (if more than one)
- period (e.g. for each salary run - weekly, fortnightly, four weekly or monthly)
- periods covered - eg. date ranges
- amount for each period
- any charges applied should be deducted prior to sending the payment to UNISON

Following receipt of the new rates and bandings from the union the council will review the employee's income from employment at 1 October each year and allocate the employee to the correct subscription band. Subject to receiving the new rates and

bandings from the union the council will implement this change with effect from 1 October each year.

The union may notify the council at any time of the revision of an employee's subscription band where, for example, there has been a significant increase or decrease in income from employment.

The council will notify members electronically of any change to their subscription band before the start of deduction of the new subscription.

Where any member disagrees with the increased level of subscription, the member must refer the matter to the union.

Member data files and remittances should be sent to **XXXX**.

The steps required for the introduction of DOCAS data by electronic means are outlined below.

Initial discussions will be arranged between the council and union representatives from the region, and/or branch. Occasionally staff from the union's national office may need to be involved.

At the initial meeting the union will provide the employer with a registration form and a record layout for discussion and completion. Following this meeting the employer will dispatch a test file to **XXX (email address)** in the agreed format clearly identified with the name of the employer and a contact to deal with any queries.

Notification that a Test File has been sent should go to **XXXXX (email address)**

The union will notify the council of any problems experienced while processing the file. Following the satisfactory processing of the test data, the council will be notified in writing with an agreed start date for the processing of live data.

The frequency of despatch of the DOCAS files should be monthly and they should be sent to **xxxxxx (email address)**.

### **Subscription Rates**

The following subscription rates have been effective since **XXX (date)** and should be used as the basis for deducting members' subscriptions until further notice.

**Example table – actual one relevant for union signing this SLA to be used.**

<b>Subscription Band</b>	<b>Annual Pay</b>	<b>Weekly Subscription (£)</b>	<b>Monthly Subscription (£)</b>
A	Up to 2000	0.30	1.30
B	2001 – 5000	0.81	3.50

C	5001 – 8000	1.22	5.30
D	8001 – 11000	1.52	6.60
E	11001 – 14000	1.81	7.85
F	14001 – 17000	2.24	9.70
G	17001 – 20000	2.65	11.50
H	20001 – 25000	3.23	14.00
I	25001 – 30000	3.98	17.25
J	30001 – 35000	4.68	20.30
K	Over 35000	5.19	22.50

In some cases subscription rates may vary from the above because of local arrangements for an additional local levy to be deducted. If this is the case, appropriate subscription rates will be supplied to the council by the union.

Where a member has elected not to contribute to the Affiliated Political Fund or the General Political Fund, the council will still deduct the full amount of the subscription shown above and the union will take responsibility for reimbursing the member, in line with the Trade Union and Labour Relations (Consolidation) Act 1992.

Existing members who choose to opt out of the Political Funds must apply to the union to do so.

Subscription rates for new members may alter in the future.

**Administrative charge**

The council will charge 2.5% of the total union employee membership subscriptions. This charge will be applied monthly to the union and the union will pay this charge by the fifteenth of the following month.

This level of charge will be reviewed every 3 years from commencement of this SLA.

Signed & Dated: .....Council

Signed & Dated: ..... (name of union)