

TRADE UNION NEGOTIATIONS - UPDATE

Purpose of Report

1. This purpose of this report is to provide Staffing Policy Committee with an update on the trade union negotiations.

Background

2. Since July 2010 there have a number of meetings with the trade unions recognised for negotiating changes to locally agreed terms and conditions of employment for staff subject to the National Joint Council (Green Book) terms and conditions. Those trade unions are UNISON, UNITE and GMB.
3. The unions have been given detailed information about the need to make savings of £16 million from people costs by April next year and that £8 million of this amount will be found from the review of our management structures and reducing our number of managers by around 240. The anticipated annual savings of £5.5 million from the reduction in the use of temporary agency and consultancy staff has also been discussed.
4. The unions have been advised of the need to find further annual savings of at least £2.5 million from our people costs. In these discussions areas where savings could be achieved are those where staff terms and conditions have been locally agreed.
5. There has been some indication from the Local Government Employers (LGE) that steps may be taken shortly to negotiate changes to nationally negotiated terms and conditions.

Current Situation

6. At a meeting with the unions on 1st November there were discussions about possible areas which could, if agreed, deliver the £2.5 million of savings. These proposals included: -
 - Removal of the payment of essential car user allowances and lump sums, and the casual car user allowances – potential annual savings of £750,000.
 - Withdrawal of market plussage payments – potential annual savings of £500,000.
 - Reduction in overtime rates – potential annual savings of £250,000.
 - Removal of unsocial hours' plussage payments – potential annual savings of £500,000.
 - Withdrawal of subsidised lease cars – potential annual savings of £250,000
 - Withdrawal of the payment of a six month increment to staff who join, or are promoted on or after 1 October and before 1 April – potential annual savings of £250,000.

7. Other areas discussed with the unions included proposals to generate income by introducing a charge for staff car park permits.
8. There were also discussions about cost avoidance proposals including the reduction in the time new pay protection is paid from three years to 18 months, and the reimbursement of new excess home to work travel claims to be paid only where the excess mileage is over 15 miles. Payment of these travel claims would be reduced from three years to one year.
9. The estimated annual cost of not taking the actions described in point 8 is a minimum of £750,000. If these arrangements continue savings of the same amount will need to be found from other staffing costs. This was made clear to the unions during the discussions.
10. UNISON have consulted with their members, and used an indicative ballot to determine whether members would be likely to accept any of the proposals. It was made clear to the unions during the discussions, that the alternative to not achieving savings by reducing some terms and conditions, will be further job losses.
11. At a meeting with the unions on 18th November 2010, UNISON responded to the proposals and advised that the ballot indicated that members would not accept the proposals. Both GMB and UNITE indicated that their members would not support any proposals that would have a direct impact on them, specifically proposals to reduce unsocial hours payments and overtime rates.
12. It was agreed at that meeting to issue a communication to staff from the Chief Executive and to staff members from UNISON, to outline the progress of the negotiations and to confirm the indications from union members not to support the proposals to reduce some terms and conditions of employment. These communications were issued on Monday 22nd November 2010.
13. Negotiations with the trade unions continue, and at the most recent meeting on 29th November 2010 there were discussions about the scope for further negotiation. The unions were asked to consider the areas where they could negotiate changes to terms and conditions in order to provide savings and to avoid redundancies. It was agreed at that meeting for the council to redefine the proposals, and the steps that could be taken to achieve changes to some terms and conditions.
14. A further meeting with the trade unions is scheduled to take place on 14th December 2010.

Environmental Impact of the Proposal

15. None.

Equalities Impact of the Proposal

16. None.

Risk Assessment

17. None.

Options Considered

18. None.

Recommendation

19. Staffing Policy Committee is asked to note the content of this report.

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The following unpublished documents have been relied on in the preparation of this Report: None