

EMPLOYMENT CONDITIONS COMMITTEE

19 MARCH 2014

Present: County Councillor Michael (Chairperson);
County Councillors Burfoot, Davis Margaret Jones, Joyce.
Love, and Walsh

Apology: County Councillor Walker

Also: Anna Freeman, Independent Advisor WLGA

1 : ELECTION OF CHAIRPERSON

The Committee noted that the County Council at its Meeting on 30 January 2014 had elected County Councillor Michael as Chair of this Committee for 2013/14.

2 : DECLARATIONS OF INTEREST

The Chair reminded Members that they had a responsibility under Article 16 of the Members' Code of Conduct to declare any interests and complete Personal Interest Forms, at the commencement of the agenda item in question.

4 : WORKFORCE PACKAGE 2014/15

The Committee was advised that in response to the circa £50M budget deficit and the need for the Council to make significant cuts to the size of the workforce from 2014/15 onwards, Cabinet on 16 January 2014 considered how job losses might be minimised through a proposed Workforce Agreement for 2014/15. Although a Collective Agreement to implement this could not be secured, Council on 27 February 2014 agreed to progress implementation of the contractual changes for in-scope staff. As the JNC for Chief Executive and JNC for Chief Officer groups were in scope, there was a requirement for the matter to be considered by this Committee.

In view of the scale of the budgetary challenges, confidential discussions were commenced in early November 2013 with the recognised Trade Unions to try and achieve a package of measures to reduce employment costs and potentially save a number of jobs from being lost. Cabinet on 16 January 2014 confirmed that a Workforce Agreement should be sought to deliver the required savings for 2014/15.

The proposal relating to employees covered by JNC for Chief Executive and JNC for Chief Officers was:

- a 2.7% pay contribution (This in % terms was equivalent to the proposed reduction in working hours for staff outside this group, with consequent loss of pay for them)

- ceasing payment of professional fees and ceasing payment of interview/relocation expenses from 1 April 2014.
- suspension of the honoraria scheme for any new requests or extensions requested, received from 1 April 2014.

The proposals would involve a variation of contractual terms and conditions. An employer cannot unilaterally vary a contract of employment. In law a contract of employment can be varied in one of the following three ways:

- A. Collective Agreement with the recognised Trade Unions. In the present case it had not been possible to secure a Collective Agreement following the outcome of the ballot
- B. By individual agreement with each employee where as an individual they agree to a variation of their contract. If the employee did not agree then Option (c) would have to be considered.
- C. Dismissal of employees accompanied by the offer of a new contract on the revised terms and conditions.

In the present situation, due to the budgetary pressures time did not permit Option (b) followed by Option (c) for those staff who did not agree to the contractual changes and it was therefore proposed to combine Options (b) & (c).

The Committee was advised that the implementation would ultimately involve all in-scope staff receiving a letter towards the end of April explaining the contractual change required and the reasons for it. This letter would give in scope staff the opportunity to agree to sign to accept the new contractual arrangements. It would also explain the implications of staff not agreeing to accept the changes and state that where they did not agree to the changes outlined, the letter would be treated as their JNC 3 months notice to terminate their contract and that they would be dismissed and offered a new contract on the revised terms and conditions.

The Committee was advised of the financial implications: The Council's budget for 2014/15 as approved by Council on the 27 February 2014 included savings of £3.9 million arising from the implementation of a workforce package together with further savings of £281,100 from professional fees, relocation expenses and honoraria arrangements. This included a saving of £45,000 directly relating to the 17 individuals in post at Assistant Director and above which fell within the remit of this Committee for 2014/15. The approval of the recommendation of this report accords with the Council's agreed budget for 2014/15.

Members of the Committee asked to see copies of the Equality Impact Assessment. In response the Committee was advised that the Equality Impact Assessment was undertaken in respect of the proposed Workforce Agreement which showed that there were no negative implications.

Members of the Committee were concerned with the issues surrounding staff dismissals falling into the wider definition of redundancies for the purposes of the collective consultation requirements of the Trade Union and Labour Relations (Consolidation) Act 1992. In response the Committee was advised this was a technical process following the formal agreement at Budget Council on 27 February 2014.

Members of the Committee acknowledged that Council had agreed to the proposals on 27 February 2014, however, negotiations were still taking place between Trade Unions at this time and asked that the report be referred back until the final decision was made.

The Committee was advised that this was a technical process and due to the timescales involved an immediate decision on the matter was required.

Members of the Committee asked why the report was not considered by Employment Conditions Committee before going to Council for approval, as the final decision was still at the negotiating stage with the Trade Unions.

The Committee were referred to the timescales and were advised that no action would be taken before the final decision was made following Trade Union negotiations and Recommendation 1 covered this.

RESOLVED – That the Committee

1. noted the decision of Council on 27 February 2014 to proceed to implement the provisions of the workforce package to in-scope groups which included those employed under the JNC for Chief Executive and JNC for Chief Officers (subject to the outcome of the statutory consultation)
2. approved the proposed revisions to pay, terms & conditions and other matters for all posts within the remit of this Committee for 2014/15
3. agreed that, should any posts within the remit of this Committee become vacant, the provisions of the workforce package be made clear to prospective candidates.