



## General Purposes Committee 13 September 2012

### Report from Director of Finance and Corporate Services

Wards affected:  
ALL

## Employee Benefits Review

### 1.0 Summary

- 1.1 Following GP Committee approval of Brent's draft collective agreement on harmonised terms and conditions of employment in June 2012, the outcome of the trade union ballots is now known. Universal agreement was not obtained. This report sets out the recommended approach for harmonisation in light of this.

### 2.0 Recommendations

- 2.1 GP Committee is asked to agree to the implementation of the harmonisation package as set out in the detail of the report.

### 3.0 Detail

- 3.1 GP Committee agreed for officers to pursue a collective agreement to implement the harmonisation of terms and conditions as set out in the previous report. The terms of the collective agreement previously sent to this Committee were agreed by the trade unions at regional and local level as being the best which could be achieved through negotiation. Both unions balloted their members as to whether to enter into a collective agreement. The GMB voted in favour of entering into the agreement. Unison on a turnout of 60 members (out of a membership in excess of 1000) voted not to enter into the agreement with 40 members rejecting the proposals. Such a low turnout suggests that the majority of Unison members did not consider the issue sufficiently significant to vote as proposals only impact on a small number of staff.
- 3.2 Discussions are currently underway with regional Unison officials who following legal advice had in fact recommended that their members accepted the proposals. Regrettably the letter which accompanied the ballot papers did not reflect this position saying instead that Unison could not recommend acceptance. This was compounded by the Unison branch secretary being on annual leave during the ballot which meant

that staff did not have access to a trade union representative for clarification purposes whereas GMB had been available during the balloting process. Furthermore since the Unison ballot has taken place we have made two changes to compensation arrangements which further benefit staff: i) offering compensation to libraries staff for removal of 5% enhancement for weekend working and ii) increased compensation for staff on scale 4 and above for increase from a 35 to a 36 hour week. In view of these factors Regional Unison officials are now considering a possible re- ballot however this may not be the preferred course of action.

3.3 Both trade unions have indicated that if the new terms and conditions were implemented without a collective agreement this would not be a matter that they would consider to be so serious that industrial action would follow, notwithstanding Unison's disagreement. GMB has voted to accept the terms of the collective agreement and therefore expects Brent to progress the harmonisation arrangements as outlined in the draft collective agreement but we cannot enter into a collective agreement in the absence of acceptance from Unison. Unison has indicated that given the ballot was so small in terms of numbers who voted that industrial action would not be an option and they had no intention to ballot for it and the expectation would be that Brent would proceed with issuing revised contracts of employment as planned on 1 October 2012. Neither union anticipate staffing issues arising as a result.

3.4 In light of the GMB's agreement and Unison's neutrality on industrial action Members are asked to agree to the recommendation above which will be implemented on no less favourable terms than those outlined in the collective agreement, which includes compensation arrangements for affected staff. This would defer implementation of the new arrangements to 1 January 2013 instead of 1 October 2012. This approach has already been adopted by London Borough of Harrow and some other London Boroughs.

#### **4.0 Financial Implications**

4.1 Implementation will be deferred until 1 January 2013 in line with our contractual obligations. This will mean that savings achieved in 2012/13 will be reduced from £379,697 to £198,848.

4.2 The decision to offer compensation arrangements to library staff and to improve the compensation offer to staff increasing their working week incurred an additional cost of £72,924.

#### **5.0 Legal Implications**

5.1 Implementing the terms of the proposed collective agreement can be achieved legally, in two ways. Firstly, by a formal Collective Agreement being entered into with the trade unions recognised for collective bargaining purposes. To achieve a formal Agreement it is necessary to obtain the agreement of both GMB and Unison. If both unions do not agree then a formal Agreement cannot be entered into at all, even with the membership of the GMB who have voted in favour of the proposals.

5.2 If any further ballot fails to return a mandate for the Agreement, then the other manner of implementation that is available is to undertake a change management exercise. This would be an administrative exercise which would involve informing affected staff of the date on which the new terms and conditions would come into effect and the nature of those new terms and conditions. It is theoretically open to any affected staff member to challenge the implementation and leave the Council's employment. However, there is very little risk of this happening in practice as the nature and extent of the changes are not particularly significant at an individual level. Further, any legal claim that could be initiated is unlikely to be successful as there has been a full and thorough process of consultation and the substantive rationale behind the change is to eliminate pay inequalities and the potential for claims of Equal Pay being made against the Council, which is likely to be considered to be an appropriate justification for the changes being made.

## **6.0 Diversity Implications**

6.1 There are no additional diversity implications arising from this report.

## **7.0 Staffing/Accommodation Implications**

7.1 The main body of this report deals with staffing matters and there are no further implications other than those already set out.

## **Background Papers**

Previously agreed terms of the collective agreement.

## **Contact Officer**

Cara Davani  
Interim Head of Human Resources

## Draft

### Outline Collective Agreement – updated compensation/buyout arrangements

The proposals below apply to all staff employed on Brent council contracts with the exception of those staff in Facilities Management who will transfer out of the council after October 1<sup>st</sup> 2012 and will transfer on their current terms and conditions. Should Facilities Management remain within the Council then the new terms and conditions proposed in this document will apply.

Item	Proposal	Compensation proposed	Cost of compensation	Savings 2012-13	Savings 2013-14	Savings 2014-15
Contract	One Council draft contract agreed and reissued to all staff by 1 October 2012. Statement in contract to assert that the majority of staff will continue to work Monday to Friday. This will not impact on the majority of staff who currently work Monday to Friday.	N/A	N/A	N/A	N/A	
Working Week	From 1 October all staff to work 36 hours a week. The normal working week will be between 6am and 10 pm. Part time staff will be required to increase their working hours to reflect the 36 hour working week. Part time staff who are	Scales 1-4 will receive a payment equal to 1 additional hour each week for 6 months.  Sc5-PO4 will receive a payment equal to 1 additional hour each week for 3months	£88,000	Notional saving £250,000	Notional saving of £500,000	No

Item	Proposal	Compensation proposed	Cost of compensation	Savings 2012-13	Savings 2013-14	Savings 2014-15
	unable to work additional hours will retain existing hours on a reduced rate of pay	PO5 and over – no compensation				
Weekend Working	<p>From 1<sup>st</sup> October 2012 Saturday plain time. Sunday time and a half. From 1 April 2014 Saturday and Sunday plain time.</p> <p>All staff appointed from 1 October 2012 will be appointed on plain time for any weekend working.</p> <p>Libraries 5% enhancement withdrawn as at 1 October 2012.</p>	<p>Based on amount of weekend earnings in 2011/12 People earning between: £2,500 - £3,500 receive £900 £1,500-£2,499 receive £700 £500-£1,499 receive £500 £200-£499 receive £75</p> <p>As above payment will be based on the amount of weekend earnings in 2011/2012.</p>	<p>Total cost £26,025</p> <p>Total cost £20,000</p>	<p>£20,000</p> <p>£20,000</p>	<p>£40,000</p> <p>£40,000</p>	<p>£25,000 saving on Sunday working</p>
5 over 7 working week	Brent's working week will be five days over seven with effect from March 2013. This will not impact on the majority of staff who currently work Monday to Friday.	N/A	N/A	N/A	N/A	
Night Work	Time and one third for all hours worked between 10pm and 6am with effect from 1 October 2012.	0	0	£1,500	£3,000	
Subsistence	No subsistence for breakfast, lunch & tea. £15 allowance for evening meal when staying overnight (not taxable) with	0	0	£200	£400	

Item	Proposal	Compensation proposed	Cost of compensation	Savings 2012-13	Savings 2013-14	Savings 2014-15
	effect from 1 October 2012. Any associated travel will be claimed at HMRC mileage rates. Managers will have discretion within their budgets to cover the costs of people attending conferences or service related visits to other authorities					
Irregular Hours	No irregular hours payments with immediate effect.	Compensated and costed as part of the legacy agreements	N/A	N/A		
First Aid	To be reviewed as part of the move to the Civic Centre March 2012.	N/A				
On Call/ Standby	£75 per session (Mon-Sun) no overtime for non-attendance. Council overtime rates paid when called out. With effect from 1 October 2012.	0	0	£2,000	£4,000	
Mileage	HRMC mileage rates with effect from 1 October 2012.  Lump sum payments cease with effect from 1 October 2012.	0  Affected staff still can continue to receive lump sum until 31/3/2013 <u>or</u> receive 1 year lump sum payment on 1 October 2012.	0  £41,000	£40,500	£81,000  £41,000 less the cost of mileage claims	
Outer London GLPC Pay Spine	Implement with effect from 1 October 2012.		N/A	£735	£1,470	
London Living Wage	Implement for all permanent staff (excluding schools) or	This will be applied by moving any member of staff onto a spinal point	£9,226 (full year cost of	0	0	

Item	Proposal	Compensation proposed	Cost of compensation implementing)	Savings 2012-13	Savings 2013-14	Savings 2014-15
	<p>staff with contracted hours with effect from 1 October 2012. Brent Council will recommend schools apply the London Living Wage.</p>	<p>which equates to a payment of at least £8.30 per hour if currently receiving under this rate.</p>				