

	EMPLOYMENT COMMITTEE 14th June 2017	Agenda Item No. 5
	Title	Review of Staff Terms & Conditions of Employment(Standby allowance) – Phase 2
For further information about this report please contact	Tracy Darke	
Wards of the District directly affected	None	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number	6 th April 2016 Executive Committee	
Background Papers	3 rd September 2015 Executive Committee, 23 rd March 2016 and 14 th December 2016 Employment Committee	

Contrary to the policy framework:	Yes/No
Contrary to the budgetary framework:	Yes/No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	No
Equality Impact Assessment Undertaken	Yes/No (If No state why below)

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive/Deputy Chief Executive	26/5/17	Chris Elliott/Andrew Jones/Bill Hunt
Head of Service	26/5/17	Chris Elliott
CMT	26/5/17	Chris Elliott/Andrew Jones/Bill Hunt
Section 151 Officer	26/5/17	Mike Snow
Monitoring Officer	26/5/17	Andrew Jones
Finance	26/5/17	Mike Snow
Portfolio Holder(s)		Andrew Mobbs
Consultation & Community Engagement		

The review of terms and conditions has been the subject of a full consultation programme with all staff and with the Trade Unions. The review has been discussed at the Joint Communication Forum on 1st November 2016, 8th December 2016 and 10th May 2017, and the Members Trade Union Panel on 1st June 2017.

Final Decision?

Yes

Suggested next steps (if not final decision please set out below)

1. Summary

1.1 The purpose of this report is to explain the proposed changes to staff terms and conditions for phase 2 relating specifically to standby allowances following a trial of delivering the standby and out of hours service differently.

2. Recommendation

2.1 That the Employment Committee approves the following:

- (i) Standby and out of hours service provided for Building Control and Housing Repairs is delivered through the Warwick Response service

3. Reason for the Recommendation

3.1 A review of phase 2 terms and conditions has been undertaken. This included overtime payments, standby allowances and subsistence and allowances. Changes to overtime payments and subsistence allowances has now been implemented, and it was agreed that there would be a period of time to trial delivering out of hours cover to achieve the savings required from standby allowances.

3.2 The trial has consisted of all out of hours calls first point of contact being Warwick Response (WR) for housing repairs and building control. This has enabled WR to be able to filter the calls and only refer those calls that require a Housing Repairs or Building Control Duty Officer for technical input. During the trial, which started on 9th January, the number of calls being forwarded to the Duty Officer has significantly reduced from an average of 40-50 per week, to 0-4 approx. This is likely to reduce further as officers in WR become even more experienced in handling the calls. In terms of Building Control calls, there have been very few (2 calls and no visits necessary) during the trial. However, it must be recognised that a process needs to be in place, in case a significant incident occurs. The table attached at Appendix 1 gives the data collected on a week by week basis regarding the number of calls through WR. It also identifies the advantages and disadvantages of the change to the service and it is considered that the advantages far outweigh the disadvantages.

4 **Policy Framework –**

- 4.1 The report seeks to change the Council’s existing offer of terms and conditions to staff. Whilst these changes do not specifically affect contracts of employment, they have been treated in the same way as they have become custom and practice of the Council. Therefore, we have completed a formal consultation exercise with staff affected.
- 4.2 **Fit for the Future –** The Fit for the Future report to Executive of 3rd September 2015 included plans to achieve savings of £145,000. Phase 1 has been implemented and phase 2 is required to deliver £45K
- 4.3 **Impact Assessments –** Full consultation has taken place with the staff affected and it is not considered that any particular group or sector of staff will be dealt with unfairly under the definitions outlined in the Equality Act.

5 **Budgetary Framework**

- 5.1 The Council’s Budget and Medium Term Financial Projections assume that the Terms and Conditions review will generate savings of £145,000 per annum to the General Fund, and proportionate savings to the Housing Revenue Account. Phase 1 has delivered savings of £135,000. However, there is still a requirement to deliver the saving from phase 2, for which £43,000 has been factored into the 2017/18 Budget. Standby allowances and out of hours payments are expected to deliver £10,000 savings for the General Fund and in the region of £25,000 for the HRA. If this is not achieved, the Council will need to seek alternate savings. Finding additional savings is becoming increasingly difficult without impacting on services.

6 **Risks**

- 6.1 The risk of not achieving the savings identified results in significant financial implications identified in 5.2 above, together with continued inconsistencies across the Council. Furthermore, it is essential that officers explore different ways of delivering services that may be beneficial to its customers and the Council.
- 6.2 The risk of not reaching a Collective Agreement is that we enter into a process of ‘Dismissal and Offer of Re-engagement’. Whilst this is not a process the council would wish to pursue, and efforts would continue to reach agreement, this is recognised process in order to change terms and conditions of employment. Should an employee chose not to accept the new contract of employment they have the option of pursuing an unfair dismissal claim
- 6.3 As highlighted in 6.2 that if the proposals for revisions to the Terms and Conditions are not approved the Council will then need to find similar scale savings from elsewhere with potential effects on services and jobs as a result.

7 **Alternative Option(s) considered**

- 7.1 There were a number of proposals considered as part of the terms and conditions review consultation, but were discounted as they either did not achieve the level of savings required or they had a more significant impact on the business or staff.

8 **Background**

- 8.1 Following the review of terms and conditions phase 2, two of the three changes identified have been implemented, these being overtime payments and subsistence allowances. The final change relates to standby allowances.
- 8.2 A review of standby allowances took place through the implementation of a trial which was agreed by Employment Committee in September 2016. There appeared to be an opportunity of using the existing Warwick Response (WR) service, which currently operates 24/7 to provide Lifeline support to the Council's tenants in sheltered accommodation. A team was set up to run the trial, which consisted of officers from Housing Repairs, Building Control and WR. This commenced on 9th January 2017 and data has been recorded on all calls since then.
- 8.3 Previously, if a call was received by the Housing Repair Officer or Building Control out of hours, that officer would either deal with the call, attend the premises or request contractors to attend the premises to carry out specific works. The trial provided the first point of contact to be WR instead, and as shown in Appendix 1, the majority of calls were handled by WR. Very few were transferred to the Housing Repairs and Building Control Officers. The same officers continued on standby during the trial as an initial safety net, but it became clear very quickly that the calls could be handled through WR. There has been training to ensure the WR call handlers are adequately skilled in taking the calls, which has also included a list of FAQ's and asbestos awareness training. Furthermore, some of the Business Support Officers in housing repairs do extra shifts in WR, which has provided some continuity. It was also necessary to understand whether the amount of calls that contractors needed to attend did not increase as a consequence of the change. Data was requested from Housing Repairs but due to the way the information is held, the evidence was inconclusive. One of the contractors did provide some data relating to the number of occasions they were called out during January to April for 2015, 2016 and 2017. The pattern indicated that for the first two months of the trial period in 2017, the number of calls to the contractor did increase by approximately 15%, but this dropped off to the same level for the next two months, which may confirm the point that WR have become more experienced in handling the calls. It can therefore only be

assumed that there will be no noticeable change in costs as a result of the proposal.

- 8.4 The number of calls for Building Control were very low through the trial, ie. 2, however, standby is to ensure that there is cover for dangerous structures, which by their very nature may require expertise in this area and the Building Regulations do require the Local Authority to provide a qualified person to deal with dangerous structures. This is covered in several ways. First, the Council's Emergency Plan has a suitably qualified person listed. Secondly, the appointed Structural Engineering company used by the service now has 24/7 cover built into the contract, which will provide the suitably qualified person to meet the requirements.
- 8.5 The removal of standby allowances provides savings to the general fund as well as the Housing Revenue Account and removes the inconsistencies in payments across the Council. It is recognised that the removal of this allowance does affect a total of 8 staff (a further 2 are within the WDC's Joint Building Control service but provide call out specifically for Rugby BC. RBC requested that we trialled the change to standby for them as well) that rely on these payments as they have done for a number of years. However, the change in the business improvement process has been successful and the required savings can be achieved.
- 8.6 There are staff in Environmental Protection that also receive standby allowances to respond to noise nuisances and CCTV monitoring. This has been excluded from the trial as there is a separate review taking place within that service area. However, the savings achieved are part of the expected savings from this review. It should also be noted that standby allowance savings originally expected from Warwick Plant maintenance have been accounted for as part of the leisure centre contract.
- 8.7 The planning service no longer provides out of hours cover to respond to any gypsy and traveller incursions over the bank holidays, which will deliver a saving. The Emergency Plan is now relied on for this service.

9 **Process and Timeline to move forward**

- 9.1 The implementation of this change has been delayed by 3 months due to the time taken to set up and undertake the trial period, hence this will impact on the savings for 17/18. If this report is approved by Employment Committee, out of hours cover for housing repairs and building control will continue to be delivered through WR.

9.2 Consultation will continue to take place with the union and individuals with a view to reaching a collective agreement to implement the changes. An indicative timetable is given below.

Date	Action
Up to 14 th June 2017	Continue to work towards reaching collective agreement with the Unions to vary terms and conditions as detailed above
14 th June 2017	Employment Committee
26 th July 2017	Executive Committee
15 th June to 27 th July 2017	If agreement is reached, all staff will be given 6 weeks' notice of the changes to their terms and conditions of employment, subject to Executive approval
1 st August 2017	Implement revised terms and conditions subject to Executive approval

9.3 The termination and re-engagement route is not a preferred option but is a route that other Councils have adopted and in the event agreement is not reached an indicative timetable is set out below:

Date	Action
Up to 14 th June 2017	Continue to work towards reaching collective agreement with the Unions to implement changes as detailed above
14 th June 2017	Employment Committee
15 th June 2017	Issue letters to all staff seeking individual agreement to change terms and conditions on a voluntary basis
15 th June to 7 th September 2017	Commence 12 week termination and re-engagement process for those staff who have not voluntarily agreed to the proposed changes and continue to seek voluntary agreement to changes throughout the notice period
7 th September 2017	Implement changes to revised terms and conditions