

Proposed Changes to Staff Terms and Conditions

RESPONSE TO FIRST PROPOSALS and FINAL PROPOSALS

15 January 2016

1 Introduction

With reference to the timetable for consultation as previously circulated, this document provides a response based on the feedback to the First Proposals. As the two elements are linked, the Board has also incorporated the Final Proposals into this document. These were discussed with Unions on 13 January, at Manager's Forum on 14 January and are to be circulated to staff on 15 January 2016.

2 Reasons for the Review

- To explore ways to make savings to ensure that the Council meets its budget targets in the short and medium term - £100,000 savings to support the 2016-17 budget and a further £45,000 for the 2017-18 budget, all from the General Fund
- To address inequalities and create harmonisation of terms and conditions.

3 Feedback Received

Overall, there were 48 responses received – 9% (from a possible 523) although some of these responses were representative of more than one person. A comprehensive response was received from the Unions which represent 70% of staff.

Service Area	No of Responses
Chief Executive	5
Cultural Services	2
Democratic Services	2
Development Services	9
Finance	3
Health & Community Protection	3
Housing & Property Services	18
Neighbourhood Services	4
Total Individual Responses	48 (9% of staff)
Unison & GMB	1

NB: some responses are representative of more than one member of staff

The Project Board would like to thank the individuals, Unison and GMB who have provided feedback to the First Proposals and also suggestions to help achieve savings.

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As a result of the feedback received, the Board made recommendations to the Senior Management Team (SMT) on 6 January 2016, the outcome of which forms the Final Proposals for consultation which is being circulated as part of this feedback document.

4 Specific Feedback Received and Response

Proposal 1 Essential Car User Allowance (ECUA)

The majority of comments received were regarding this proposal with concerns being expressed regarding the cost and practical arrangements for using pool cars, cars needed to carry heavy or bulky equipment, loss of income, loss of reimbursement for wear and tear/repairs to cars and staff no longer using their cars on WDC business. There were also constructive comments regarding a need to review low volume mileage and inconsistencies regarding the allocation of ECUA.

Proposal 2 Essential Car User (ECU) Mileage Rates and Proposal 3 Casual Car User (CCU) Mileage Rates

Comments on Proposals 2 and 3 were a mixture of an understanding for the need to reflect HMRC rates or that they should remain the same as current rates. Additional comments were received regarding the need for more controls on the amount of mileage done and stopping non-essential journeys

Proposal 4 Mileage rate for Cycling on Council Business and Proposal 5 Mileage rate for using a Motorbike on Council Business

Some concerns were received about the practical implication of this regarding what is a reasonable journey to undertake by bike or motorbike on WDC business.

Proposal 6 Car Parking Passes and Charging or Parking Passes

A number of comments were received on this; mainly that implementation of a charge or allocated spaces would mean that staff would then find free parking elsewhere in the district and the impact of a flat rate charge on lower paid roles. However, some staff agreed with paying, if it was necessary to achieve cost savings.

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Proposal 7 Weather wear/PPE (Personal Protective Equipment) Allowance

Whilst only a small number of staff commented on this, the majority agreed with its withdrawal as it was felt to be unnecessary if equipment is already provided and inconsistently applied.

Proposal 8 Homeworking Allowance

Only a few comments were received on this, with some agreeing to its withdrawal as the benefits of homeworking outweighed the financial compensation, or that it was reasonable to compensate for working at home.

Proposal 9 Professional Subscriptions

The vast majority of comments received on this were against the proposal as it was felt that staff would seriously consider not renewing their memberships resulting in a risk to the Council and that it was not in line with other councils locally.

Proposal 10 Landline Telephone Line Rental and Broadband

Only a few comments were received on this mainly agreeing that it is unnecessary if staff are issued with a mobile phone.

Proposal 11 Long Service Award

The majority of comments received on the introduction of a 15 year long service award were against it.

Proposal 12 Subsidised Sports Facilities

Whilst not many comments were received on this proposal, it appears that some staff are unaware of the subsidies offered and, in addition, that other ways should be explored to help keep staff healthy and fit.

Proposal 13 Subsistence Policy & Payments

All comments received were in favour of a review stating a lack of clarity and consistency in the policy.

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Proposal 14 Enhanced Overtime Payments

The comments received on this were mainly around lack of consistency and understanding of when overtime could be given at all but there were financial concerns expressed should the proposal be introduced.

Proposal 15 Use of Standby Payments

Concern was expressed that if it was removed, staff would not then respond to incidents or emergencies. However, other comments were made regarding the need to address the inequalities of the payments.

Proposal 16 Absence Pay

A number of comments were received about this proposal ranging from wanting to see improved ways of tackling short term absence or absence that is perceived to be not genuine, to if the proposal was implemented it would be attacking vulnerable staff when they most need it and concerns about what would happen with staff with life threatening illnesses.

Proposal 17 Redundancy Payments

Comments received on this proposal ranged from suggesting that a cap be introduced to asking why this was necessary to review at the present time.

General Comments

- C There are too many senior officers on inflated salaries and a top heavy management structure
- A A review of Senior Management is already scheduled to take place
- C WDC salaries fall a long way behind Stratford, Rugby & Solihull; behind equivalent roles in private sector – harder to recruit/retain staff; WDC salaries 4% behind Stratford & Rugby. Has there been a comparison with other Local Authorities? If WDC are quoting National Conditions of service and looking at pay scales they should not just pick the bits they want to implement and look at wage scales as well.
- A A review of WDC's package of salaries and benefits will be undertaken which will take into account and compare specific roles within the local and national markets.

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- C The Equality Impact Assessment has not taken into account professional front line officers
- A The need to consider EIA's is a local government requirement to ensure that people with the 9 protected characteristics under the Equality Act are not impacted on adversely by any proposed changes. Professional front line officers are not a protected characteristic under the Equality Act.
- C Prospect of no pay rise over 1% for future 5 years – impact on morale
- A This has also been raised via IIP and one of the reasons why a review of WDC's package of salaries and benefits has been requested.
- C There was too short a timescale for feedback
- A The Board appreciates that the feedback deadline to the First Proposals was tight which was the reason for extending it to 31 December. These Final Proposals are being sent out ahead of schedule in order to provide more time for feedback.
- C WDC must be planning to make large scale redundancies if the Redundancy Policy is being looked at
- A WDC is not planning on making large scale redundancies and has not changed its ethos under the FFF Policy of trying to redeploy staff wherever possible.
- C Re pool cars:
- Managing supply and demand - when demand is known the supply of cars can be achieved, however when demand is not known in advance supply can't be achieved,
 - Getting into a Pool Car only to find there is little or no fuel, damage, not safe to drive
 - Getting into a Pool Car only to find there is damage to it.
 - Getting into a Pool Car only to find it is not safe to drive, i.e. no water in the windscreen washer, tyres incorrectly inflated.
 - Being blamed for damage to a Pool Car when it already had been done by a previous user.
 - The proposed use of pool cars has not been adequately costed, or their effectiveness quantified in any format. There are additional considerations such as accidental damage, out of hour's usage for dangerous structure cover, travelling to and from place of work. How is safety equipment to be transported and ferried between vehicles? There will also be increased insurance costs the WDC.
- A There were a number of similar comments regarding Pool Cars which have been reflected in the Final Proposals.

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- C I understand that this is not part of the first consultation but it would be good to know exactly how the savings would be spent in which area of the Council?
- A The savings are to meet WDC's budget targets in the short and medium term. They are not being spent elsewhere.
- C The report does not identify any other areas where cost savings could be made; the whole approach is not balanced and is negative. WDC benefits financially from new development including housing and commercial - is this factored into the report?
- A The Board has considered all contractual terms and conditions where savings can be made. However, please inform us if there are any specific areas that you think have been overlooked.
- C I would be against the removal of the Subsistence Policy
- A There is no plan to remove the Policy – just to review and clarify the current one.
- C I have to say WDC's current package is extremely generous and certainly out of step with practice elsewhere
- A Your comment has been noted.
- C Has natural wastage been taken account for?
- A This review is looking at terms and conditions rather than jobs, as per the reasons for the review ie cost savings and addressing inconsistencies.

Suggestions

- Q Could closure during Xmas period be considered – like Coventry, Nuneaton & Bedworth?
- A This has been considered previously and discussed with Unions - no financial benefit was recognised and it was not seen as positive by all staff
- Q I would like to see a section relating to the expectations for staff responding to out of hours to emergencies under the Council's statutory responsibilities under the Civil Contingencies Act 2004.
- A This will be reviewed as part of Phase 2
- Q Is it possible to review OOH as part of Phase 2?
- A If by OOH it is meant Standby, then yes, this is being reviewed as part of Phase 2

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- Q Propose that suggestions do not apply to self-financing units eg Building Control
- A There will be a separate review of Building Control as agreed by Employment Committee in December 2015
- Q Regarding Annual Leave – instead of waiting 5 years before having additional leave, would it be possible to grant an additional day every year for 5 years?
- A This will be reviewed as part of a Salary and Benefits Review
- Q Rather than reducing sick pay, could WDC look at addressing short term absence by having the first 3 days absence unpaid?
- A This will be reviewed as part of a Salary and Benefits Review
- Q Could WDC introduce a charge for carrying out a right to buy application as many are made and why should WDC cover these costs? The Council could raise extra revenue; one way would be to charge appropriate rent for garages, eg. It is cheaper to rent a garage in factory yard Warwick, than to park on the surface car park. The Council has entered into construction contracts that encourage contractors to work inefficiently and have their overheads and profits guaranteed at the start of the contract, also required out sourced administrators to make sense of the payment systems in place. I know this is now being reviewed but after a couple of years of pain and wasted funds. Could WDC use a house Removal Company for clearing items from void council properties (at an agreed set rate) instead of using Ian Williams who charge varying amounts depending on time taken? Could WDC charge an admin fee for raising refund cheques to WDC tenants, these cost money for WDC to raise so I think this cost should be covered by the tenant and not WDC. Could the OOH repairs service be dealt with by another existing method eg Warwick Response at Acorn Court?
- A Thank you for these suggestions – comments will be referred to individual Service Heads to consider
- Q Could WDC charge local sports clubs for the use of WDC outdoor leisure facilities for training etc, which they are currently just turning up at and using without hiring.
- A Thank you for this suggestion – comments will be referred to individual Service Heads to consider
- Q Why can't we be looking at proposals for raising income for WDC?
- A We are continually looking at ways of raising income and welcome any suggestions

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- Q Surely a better proposal is to divide the saving across the staff by reducing wages by an agreed percentage or even divide the saving by number of employees i.e £100,000 by 500. How would all staff, from the Chief Exec to the cleaners feel about a percentage reduction in wages?
- A This has been considered in the past, but there is currently no agreement to progress this
- Q Shouldn't we reduce reliance on external consultants?
- A This is constantly under review and the cost elements are recognised. Consultants are used when needed ie when WDC does not have the expertise in house. Any specific questions or concerns should be directed to individual departments.
- Q Could we stop having and paying for temporary staff?
- A WDC has reduced its recruitment of temporary/agency staff significantly over the last few years and continues to only recruit on this basis if absolutely necessary eg long term absence or short term resource cover.
- Q Could there be a review of how many managers and seniors attend all the training and legislation updates in London and other cities, are these cost effective and are the information fed back to staff?
- A Managers should constantly review the need to attend training, the cost and numbers attending. Feedback should always be given to line managers about training received.

5 Final Proposals

Below are the Final Proposals for consultation with staff and Unions based on feedback received and savings needing to be achieved.

Phase 1

Terms & Conditions	First Proposal	Final Proposal
<u>Proposal 1</u> Essential Car User Allowance (ECUA)	Proposal to withdraw ECUA for all staff and provide pool cars	<p>Proposal to continue to withdraw ECUA but to not provide pool cars as part of this consultation.</p> <p>To recompense, the proposal is to provide a buy out for all staff currently receiving ECUA according to current amount received and agreed threshold (amount to be determined through negotiations with Unions).</p> <p>Note: This will only be paid if individuals agree to use their own car for WDC business.</p> <p>New ways of working and improved management of mileage and travel by line managers and staff to be implemented E.g. review of the need to travel on Council business.</p> <p>Savings achieved = £92,600</p>
<u>Proposal 2</u> Essential Car User (ECU) Mileage Rates	Proposal to amend the Essential Car User Mileage Rates for all staff to the HMRC rate (currently 45p per mile or 25p above 10,000 miles) regardless of engine size or type of car eg electric	<p>Proposal to pay ECU mileage at HMRC rate continues as First Proposal</p> <p>However, The Board acknowledges the comments relating to a need for increased management and staff controls on mileage and non-essential journeys</p> <p>Savings achieved (proposals 2 & 3) = £12,300</p>
<u>Proposal 3</u> Casual Car User (CCU) Mileage Rates	Proposal to amend the Casual Car User Mileage Rates for all staff to the HMRC rate (currently 45p per mile or 25p above 10,000 miles)	<p>Proposal to pay CCU mileage at HMRC rate continues as First Proposal</p> <p>However, The Board acknowledges the comments relating to a need for increased management and staff controls on mileage and non-essential journeys</p>

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	regardless of engine size or type of car eg electric	Savings achieved (proposals 2 & 3) = £12,300
<u>Proposal 4</u> Mileage rate for Cycling on Council Business	Proposal to introduce a mileage rate at the HMRC rate (currently 20p per mile) for mileage incurred when using a bicycle on Council business	Proposal to introduce a cycling mileage rate at the HMRC rate continues as First Proposal However, The Board confirms that there would be an expectation that cycling for business use purposes is only conducted when it is reasonable to do so and it supports service delivery needs
<u>Proposal 5</u> Mileage rate for using a Motorbike on Council Business	Proposal to increase the mileage rate to the HMRC rate (currently 24p per mile) regardless of engine size	Proposal to pay Motorbike mileage at HMRC rate continues as First Proposal However, The Board confirms that there would be an expectation that using a motorbike for business use purposes is only conducted when it is reasonable to do so and it supports service delivery needs
<u>Proposal 6</u> Car Parking Passes and Charging for Parking Passes	Proposal that staff: 1. retain their car parking pass on a discretionary basis (this means that it will no longer be contractual that staff receive a pass – passes will still be issued but will become discretionary) up until the office relocation occurs when the situation will be reviewed	1. <u>Proposal to Retain Car Parking Pass on Discretionary Basis</u> Proposal to retain Car Parking Passes as they are currently but to make non-contractual continues as First Proposal The current car parking arrangements ie spaces, passes and car parks remain unchanged. However, the proposal is to change contractual arrangements to retain on a non-contractual rather than contractual basis pending the office relocation WDC Terms and Conditions are either contractual (the majority) or non-contractual. This proposal changes the current car parking arrangements to being offered on a non-contractual basis due to the pending relocation when car parking will be reviewed.

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	<p>2. be charged an annual fee for the use of eligible car parks Pro rata for part time staff according to no of days or hours of work</p> <p>3. are only eligible for a space subject to making their car available for business use if their job requires it. i.e. if a member of staff is required to use their car for business use and refuses to do so, they will not be offered the opportunity to purchase a parking pass</p> <p>Disabled spaces will be free of charge and eligibility criteria for them will be retained</p>	<p>2. <u>Proposal to Charge for Car Parking</u></p> <p>Proposal withdrawn</p> <p>Subject to the savings target being achieved according to the table in Point 6, Phase 1, there is no requirement to progress this at the current time. However, this will be reviewed along with discussions regarding office relocation</p> <p>3. <u>Proposal to allocate spaces only if make car available for business use</u></p> <p>Proposal withdrawn</p> <p>Subject to Proposal 1 being agreed, there is no requirement to progress this at the current time. However, this will be reviewed along with discussions regarding office relocation</p>
<p><u>Proposal 7</u></p> <p>Weather wear/ PPE (Personal Protective Equipment) Allowances</p>	<p>Proposal that the Weather wear/PPE Allowance be withdrawn for staff</p>	<p>Proposal to remove PPE Allowance continues as First Proposal</p> <p>However, there is an understanding that staff will be provided with the necessary PPE to fulfil the role on a risk assessed basis</p> <p>Savings achieved = £350</p>
<p><u>Proposal 8</u></p> <p>Homeworking Allowance</p>	<p>Proposal that the Homeworking Allowance be withdrawn for staff</p>	<p>Proposal to remove Homeworking Allowance continues as First Proposal</p> <p>However, existing staff currently working at home and receiving an allowance will have the choice to continue to work from home or attend an office if they prefer</p>

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		Savings achieved = £5,000
<u>Proposal 9</u> Professional Subscriptions	Proposal that the Council reduces the contribution to Professional Subscriptions to 50% of the total	Proposal withdrawn Subject to the savings target being achieved according to the table in Point 6, Phase 1, there is no requirement to progress this. The Board recognised the feedback regarding professional competencies
<u>Proposal 10</u> Land line Telephone Line Rental and Broadband	Proposal that the reimbursement for landline telephone line rentals and broadband rental be withdrawn for staff	Proposal to remove the reimbursement for landline telephone line rentals and broadband rental continues as First Proposal However, staff who require telephone access should be provided with a mobile phone Savings achieved = £3,000
<u>Proposal 11</u> Long Service Award	Proposal that an additional award of an extra 5 days holiday pro rata is introduced at 15 years' service from June 2016	Proposal withdrawn However, this will be included in a review of WDC's package of benefits and salaries
<u>New Proposal 11 a</u> Queen's Garden Party tickets	Current arrangements: The Council is invited annually to nominate 4 representatives to attend the Queen's Garden Party - currently the Chairman attends with people of his/her choice	Proposal to reward long service of 20 years and above by annually selecting 4 names out of a draw of staff or Councillors to attend the Garden Party (any individual can only attend on one occasion)
<u>Proposal 12</u> Subsidised Sports Facilities for Staff	Proposal that staff retain this benefit on a discretionary basis (this means that it will no longer be	Proposal to retain Subsidised Sports facilities for staff as they are currently but to make non-contractual continues as First Proposal

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	<p>contractual that staff can use this benefit – reduced fees and free swims will still be available but will become discretionary) up until the potential external contract for leisure centre management comes into place (likely to be sometime in 2017) when the situation will be reviewed</p>	<p>The current subsidised sports facilities remain unchanged. However, the proposal is to change contractual arrangements to retain on a non-contractual rather than contractual basis pending the Leisure Development review.</p> <p>WDC Terms and Conditions are either contractual (the majority) or non-contractual. This proposal changes the current subsidised sports facility arrangements to being offered on a non-contractual basis due to the pending Leisure Development review.</p> <p>Alternative options will be explored as part of the Health and Wellbeing agenda.</p> <p>Further information on this is attached as Appendix 2.</p>
<p><u>Proposal 15</u> (was in Phase 2)</p> <p>Subsistence Policy & Payments</p>	<p>Proposal that a Subsistence Policy review is undertaken including a review of criteria for claiming, amounts that can be claimed and review of ability to claim without a receipt</p>	<p>Proposal to review Subsistence Policy continues as First Proposal</p> <p>ie to review policy and to bring forward to Phase 1 to ensure in line with review of Member subsistence</p> <p>The review of the policy and refining of the criteria will be carried out separately outside of this consultation.</p>

Phase 2

Terms & Conditions	First Proposal	Final Proposal
<p><u>Proposal 13</u></p> <p>Enhanced overtime payments</p>	<p>Proposal to pay in line with the National Conditions of Service (Green Book) i.e. only pay enhancements to staff up to and including SCP 28</p>	<p>Proposal to review Enhanced Overtime Payments continues as First Proposal</p> <p>Proposals being firmed up and will be brought back for further consultation to fit in with the timescales already outlined</p>

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<p><u>Proposal 14</u></p> <p>Use of Stand by payments</p>	<p>Proposal that Stand By payments are reviewed and possibly removed</p>	<p>Proposal to review Stand By Payments continues as First Proposal</p> <p>Proposals being firmed up and will be brought back for further consultation to fit in with the timescales already outlined</p>
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Additional Options Considered

Terms & Conditions	First Proposal	Final Proposal
<p><u>Proposal 16</u></p> <p>Absence pay (to include sickness and other paid absences)</p>	<p>Proposal that an Absence Pay review is undertaken to e.g. reduce sick pay to full pay for 3 months and half pay for 3 months</p>	<p>Proposal withdrawn</p> <p>However, this will be included in a review of WDC's package of benefits and salaries</p>
<p><u>Proposal 17</u></p> <p>Redundancy Payments</p>	<p>Proposal that a review of Redundancy Payments Policy Pay is undertaken to e.g. reduce to a statutory payment, cap the total pay-out at the tax free threshold</p>	<p>Proposal withdrawn</p> <p>However, this will be included in a review of WDC's package of benefits and salaries</p>

6 REVISED SUMMARY OF ESTIMATED SAVINGS

The table below details the potential savings that could be achieved by implementing the revised proposals set out in this document in Phase 1.

Phase 1 Implementation June 2016

	Proposed T&Cs changes	Approximate Savings (general fund)
Proposal 1	Stop Essential Car User Allowance	*£92,600
Proposal 2 & 3	Harmonise mileage rates to 45p a mile for all	£12,300
Proposal 7	Stop Weather wear / PPE Allowances	£350
Proposal 8	Stop Homeworking Allowance	£5,000
Proposal 10	Stop broadband and land line rentals payments	£3,000
	Total	£113,250
Proposal 13	Review Subsistence Policy and Payments	**£11,500

* The savings from HRA would be an additional £45,100

** These figures include General Fund and HRA as it is not possible to split them

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The table below details the potential savings that could be achieved by implementing the revised proposals set out in this document in Phase 2.

Phase 2 Implementation April 2017

	Proposed T&Cs changes	Approximate Savings (general fund)
Proposal 11	Review Enhanced overtime payments	**£3,240
Proposal 12	Review Stand by payments	£28,100
	Total	**£31,340

** These figures include General Fund and HRA as it is not possible to split them

7 PROCESS AND TIMELINE

The proposals are a complete package of proposals and not stand alone options. The Council's aim is that following a period of consultation, agreement will be reached to vary terms and conditions, introducing the Phase 1 revised package from June 2016 and the Phase 2 from April 2017

During this period, the Council will aim to reach a collective agreement with the Unions, individual agreement with staff, implementation via a process of termination and re-engagement or consider a further review.

The timeline for consultation to achieve the changes is set out as Appendix 1.

8 COMMUNICATION AND FEEDBACK

This Final consultation document is being circulated to Heads of Service, Senior Officers and Unions for cascading to staff as well as being communicated via the Big Button on the Intranet (Hard copies are available on request). Managers were also informed at Manager's Forum on 14 January 2016.

The deadline for receiving feedback to these Final Proposals is 5 February 2016 and the Project Board welcomes feedback and comments via the following mechanisms:

- Terms and conditions generic email inbox - tandcreview@warwickdc.gov.uk
- The Project Board
- Line Managers
- Unions
- HR
- Employee Support Officers

9 CONCLUSION

This paper sets out a number of proposals for consultation for Council staff in order to achieve significant savings. In achieving any changes to terms and conditions, the Council is committed to protecting jobs, core pay and pension benefits.

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