

GOVERNANCE COMMITTEE

29 JUNE 2016

Subject Heading:

**Terms and Conditions Review –
Progress Report**

CMT Lead:

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Policy context:

Update Committee Members on progress
of the review.

Financial summary:

The content of the report relates to
information and procedure and
has no specific financial implications

**The subject matter of this report deals with the following Council
Objectives**

Havering will be clean and its environment will be cared for
People will be safe, in their homes and in the community
Residents will be proud to live in Havering



SUMMARY

The report anticipates that the Committee will be asked to make a decision on changes to staff terms and conditions of service in the autumn and updates the Committee on the progress of the review.

RECOMMENDATIONS

That the Committee receive the report, notes its contents and records any comments for the guidance of officers conducting the review and the consultation with staff and trade unions.

REPORT DETAIL

1. The Council is undertaking a review of the terms and conditions of service of its staff. The purpose of the review is to identify and replace those existing terms and conditions that are inconsistent, outdated, potentially unfair or do not assist the delivery of services. As well as creating a set of terms and conditions that are more fitted to the Council's business needs it is also intended that the review should create savings as part of the Council's budget strategy. The Chief Executive has authority to approve the proposals that will be subject to consultation but not to approve the implementation of those proposals or any variation upon them that might result from consultation.
2. Under section 112 of the Local Government Act 1972 this function is a non-executive function and, depending on the outcome of the consultative process it is anticipated that the Council will need to decide whether or not to implement the changes. For that reason, the Council, on 30th March 2016, delegated to the Governance Committee formal decisions in relation to Council wide changes to terms and conditions of service and amended the terms of reference of the Committee accordingly.
3. A formal decision on the final proposals arising from the review is not anticipated to be required before the autumn and possibly later. The review process has been underway for over a year and informal consultation with trade unions has recently begun prior to formal consultation with both staff and trade unions, now anticipated to start in September. It may be necessary to seek formal authority for actions in relation to this review before the final decisions about its outcome and it is important that the Committee is informed about progress and developments as the review progresses.
4. The Terms and Conditions Review applies to the vast majority of employees including corporate staff and support staff in in Community and Voluntary Controlled schools. The proposed new grading arrangements will not apply to some specialised staff but changes to allowances will potentially apply to all. The proposed changes will not require a withdrawal from existing National Agreements nor from the application of the Outer London Pay Spine which forms part of the London Agreement.
5. It is proposed to adopt more modern and relevant Job Evaluation Schemes, a revised grading structure whereby 33 grades are reduced to 18 each of 5 salary points and progression within the scale being subject to performance criteria. It is also proposed to reduce the value of most allowances e.g. overtime and enhancement rates.
6. Corporate managers and head teachers have been consulted on the proposals and informed of their anticipated impact. The recognised trade

unions have also been advised of the overall proposals, albeit in less detail so far, and have expressed concerns about some of them and how they will impact upon their members.

7. As a result of this feedback (especially from schools) some aspects of the grading structure have been revised and some of the proposals in relation to allowances are now being re-modelled.
8. Because of these changes it has been decided not to commence formal consultation before the summer holidays but instead to reschedule for a September launch. The time over the summer will be used to continue to informally consult with trade unions to identify any further issues which might be amended prior to formal consultation. Further consultation with Headteachers and Governing Bodies of Schools will also continue to ensure that all the issues specifically relevant to Schools have been identified and addressed as far as possible.
9. Further progress will be reported to future meetings of the Governance Committee prior to a full report setting out the conclusions of the review with final proposals for the Committee to consider.

IMPLICATIONS AND RISKS

Financial implications and risks: There are no financial implications or risks arising directly from this report.

Legal implications and risks: There are no legal implications or risks arising directly from this report.

Human Resources implications and risks: The report relates to a major review of employee terms and conditions but has, of itself, no direct bearing on human resources.

Equalities implications and risks:

The report has no direct equalities or social implications nor is an Equalities Assessment required. It should be noted that the review of terms and conditions referred to in the report might potentially have equalities implications and will be subject to an independent equalities assessment before being presented to this Committee for a decision.

BACKGROUND PAPERS

None