

EMPLOYMENT MATTERS COMMITTEE 19 FEBRUARY 2013 PAY REVIEW – NATIONAL AGREEMENT

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Services

Summary

This paper updates the committee on the progress in relation to the discussions with the trade unions on coming out of the national agreement, outlines the consultations responses and recommends the way forward.

1. Budget and Policy Framework

1.1 It is within this committee's delegations to recommend to Full Council to come out of the National Agreement on pay and terms and conditions.

2. Background

- 2.1 The Council's budget for 2013/14 is challenging with significant savings required. The continuing uncertainty around national negotiations provides no stability for financial planning. Therefore the Council has proposed to come out of the national agreement and to undertake local pay bargaining in order to maintain better control.
- 2.2 The Employment Matters Committee on 13 September 2012 agreed that officers should continue discussions with the trade unions to reach agreement on coming out of the national agreement for pay and terms and conditions. These discussions have been continuing and the Council guaranteed not to cut pay and/or terms and conditions for a period of 3 years in return for the trade unions signing a collective agreement to come out of the national agreement. This included agreeing 100% pay protection for two years followed by 25% in protection in year 3 for changes due to the pay and grade review. The trade unions undertook a ballot on this offer and it was rejected by nearly two thirds of those voting.
- 2.3 On 30 October 2012 the Employment Matters Committee decided to commence formal consultations to come out of the national agreement and dismiss and re-engage employees should agreement not be reached. The trade union ballots were completed on 23 November and on 3 December 2012 formal consultation commenced with individual employees. The trade unions were given a 90 day consultation period. The statutory requirement is to ensure that any consultation is meaningful. Employees were therefore given until 31 January 2013 to comment on the proposals, and the trade

unions were given until 19 February 2013. The offer to individual employees was that if they agreed to come out of the national agreement so that any pay award would be subject to local negotiation, the Council would agree to continue to mirror all other national terms and conditions for a period of three years.

2.4 During this time negotiations have continued with the trade unions and in addition to maintaining the level of terms and conditions for 3 years from 1 April 2013 the Council has also offered a one-off £50 payment to all employees on or below £21,519 at a cost of £73, 350. The trade unions agreed to ballot on this improved offer and the results of the ballots will be know by 18 February 2013.

3. Consultation

- 3.1 Extensive consultation has now taken place with all affected employees, including schools. Individual consultation letters have been sent to all relevant employees, and managers have been briefed to ensure that the messages are cascaded at team meetings. In addition the Chief Executive and the AD, Organisational Services have held 9 consultation meetings and these have been well attended by over 500 employees. The comments and questions from these meetings are attached at Appendix 1.
- 3.2 We have also received 121 comments and questions by e mail and letter. These are attached at appendix 2. In general individuals understand the need to be able to control the pay award, but are unhappy that they will be losing the perceived security of remaining in the national agreement. Whilst the offer is to maintain terms and conditions and not cut pay there are still anxieties that, as the financial position gets tougher the council will be unable to honour this commitment. There are also very real concerns as to what will happen in 3 years when the agreement expires. The strongest comments came from schools based staff, who are working alongside teachers who remain within a national regulatory framework.
- 3.3 Meetings have been held with staff in schools and school governors attended by the Head of HR to ensure that they are fully aware of the offers on the table and respond to any questions and concerns. It is clear that there is no support for this proposal from school governors and their comments are shown at Appendix 3.
- 3.4 As yet no formal comments have been received from the trade unions, but discussions are on-going.

4. Issues

4.1 **Schools** -There are clearly a number of issues for the Committee to consider should Council agree to come out of the national agreement. Firstly whilst the Council is keen to treat employees equally and include schools, there is clearly little support for this. Any cost of a pay award will fall to individual schools and therefore will not alleviate the budget difficulties the Council is currently facing. It is therefore proposed that school non-teaching staff are not included in this proposal. This may led to a risk of an equal pay claim, but this risk is deemed to be manageable as any national award agreement will be relatively small. A schools DIA is attached at Appendix 4 and shows that there

- would be a disproportionate impact on the grounds of gender should this proposal go ahead.
- 4.2 **Difficult to recruit posts** -There have been strong representations from Soulbury staff that they should not be included in this proposal as they feel this will severely affect recruitment and retention. This group is relatively small (25 employees) and should such difficulties arise there are other schemes (such as market premia) which could alleviate the position. This applies to other difficult to recruit posts, such as children's social workers. It should also be noted here that in general Medway Council salaries compare favourably with the market.
- 4.3 **TUPE** There are a number of teams proposed to be transferred out on 1 April 2013. The legal advice on this situation is covered in section 7 of the report. Under the circumstances the Council will strongly advise these employees to sign and accept the new contract prior to transfer.
- 4.4 **Appeals** If no collective agreement is reached and it is necessary to dismiss and re-engage employees then there will be an individual right of appeal. A proposed appeal process is attached at Appendix 5. This is based on previous arrangements the council has implemented in such circumstances.
- 4.5 **Local Pay Bargaining -** A proposed approach to local pay bargaining is shown at Appendix 6. It aims to use the current mechanisms, such as the quarterly meetings with the Chief Executive and the Joint Consultative Committee to ensure a meaningful dialogue. The timetable may vary slightly each year depending on national announcements on the budget.

5. Next steps

- 5.1 The Chief Executive and the Assistant Director, Organisational Services will continue the dialogue with the trade unions to try and reach agreement. However should that not be possible and Full Council agree to come out of the national agreement on 21 February 2013 then it will be necessary to dismiss and re-engage affected employees. All relevant employees will be given their full notice entitlement. This may mean that some employees remain on national terms after 1 April 2013. Any new contracts or agreed variations will need to make clear that any contractual entitlement to an increased pay from 1 April 2013 (including any retrospective entitlement if an award is made in due course) will be limited to the notice period and that pay under the new or varied contract will be at pre 1 April 2013 levels subject to any local negotiations.
- 5.2 A timetable showing discussions so far and the next steps is shown at Appendix 7.
- 5.3 The recommendations of this Committee will be reported to Full Council on 21 February 2013 in an addendum report.

6. Risk management

6.1 The risks of coming out of the national agreement are related to the morale and goodwill of employees, who may see this as an erosion of their pay and benefits. Clearly if the Council is able to reach agreement with the trade

unions and provide a three year protection of no cuts this will mitigate some of the risks. Should the Council fail to come out of the national agreement then a national pay award would have some financial consequences, as outlined below.

7. Financial and legal implications

- 7.1 The financial implications of remaining in the national agreement and the possibility of a 1% pay award could result in an added pressure of £900,000 in the next financial year. The financial cost of a one-off payment of £50 to the low paid is £73,350.
- 7.2 If it is agreed to come out of the national agreement this would result in a change to the current contractual terms and conditions of employment for council employees. In order to implement these changes, it will be necessary for the council to enter into a collective agreement with the recognised trade unions or reach individual agreements with employees to vary existing contracts or terminate existing contracts and re-engage employees on new contracts including the new terms. The effect of a collective agreement is that the proposal would become binding on individual contracts of employment.
- 7.3 In the absence of a collective agreement, the council could reach agreement with individual employees to agree a variation to their current contracts of employment whereupon the proposal would be incorporated into the individual employee's contract of employment. However, given the shortness of time, it is suggested that, in the absence of a collective agreement, notice of termination is served immediately after the decision by Full Council, and employees are given the opportunity to agree to vary their contracts to incorporate the new terms and conditions without the notice expiring. In such a case the notice would be rescinded. To encourage employees to agree to variations, the terms available to those agreeing to vary should not be less favourable to those whose contracts are terminated.
- 7.4 Following the end of the formal 90-day period referred to above and after having taken in to consideration any consultation responses, the council would only have the ability to vary unilaterally the existing contracts of employment, by issuing the employee with the contractual notice to terminate their current employment contract and then issue the new contract of employment incorporating the new terms and conditions of employment. If the individual employee maintains an objection to the new terms imposed, a right of appeal would be available and details of the appeal process would be provided at that time. There is a risk that legal challenges may be brought should agreement not be reached with employees either individually or collectively with the trade unions as the termination and offer of reengagement amounts to a dismissal in law.
- 7.5 Successful legal challenges will be minimised by ensuring that full and meaningful consultation takes place and that Diversity/Equality Impact Assessments are carried out as per the council's obligations under The Equality Act 2010.
- 7.6 It is important to note that the position for employees due to transfer on 31 March 2013 is somewhat complex. As mentioned, the proposed date to come out of the national agreement is 31 March 2013. If the contracts have been

changed before 31 March 2013 (by collective or individual agreement or by the termination of their old contracts and entry into new contracts) the employees will transfer on the local arrangements.

- 7.7 If their notice period comes to an end before 31 March and they have not entered into new contracts, they will have been dismissed and will not be in employment at the time of the transfer. As a result, they will not transfer to the new provider and will not be employed by the Council.
- 7.8 If they have been served notice which has not expired on 31 March, their employment will be transferred but it will still be subject to the notice of termination. As a result, their contracts will be transferred to the new provider but will come to an end when the notice period expires after 31 March 2013. If the employee had entered into a new contract with the Council prior to the transfer, then that new contract (with local pay bargaining) will take effect between the new provider and the employee at that stage.
- 7.9 If the employee had not entered into the new contract with us prior to the transfer, their old contract will still come to an end when the notice expires. The employee will then either have to enter into a new agreement with the new provider (on whatever terms, if any, are available) or that employee's contract will come to an end they will no longer be in employment.
- 7.10 The council must ensure that the process for any changes to contracts of employment complies with the required statutory obligations to inform and consult employees both collectively and individually under Section 188 of the Trade Union and Labour Relations (Consolidation) Act 1992 and in addition complies with its re-organisation procedures.

8. Recommendations

- 8.1 Members are asked:
 - (i) to note the discussions so far and the consultations responses
 - (ii) to recommend coming out of the national agreement for all staff outside of schools to Full Council
 - (iii) to agree to the collective agreement attached at Appendix 8, should agreement be reached with the trade unions, OR
 - (iv) subject to Council approval of 8.1(ii), to agree to dismiss and re-engage employees with a guarantee of mirroring terms and conditions (other than pay awards) for a period of 3 years from 1 April 2013, AND
 - (v) subject to Council approval of 8.1(ii) to offer employees who have been given notice of termination under (iv) the opportunity of agreeing to vary their contracts with a similar guarantee, in which case the notice would be rescinded.
 - (vi) Subject to Council approval of 8.1 (ii), to note the proposals on local pay bargaining and appeals and agree to delegate authority to the Assistant Director, Organisational Services to continue discussions and agree these, in consultation with the trade unions.

Lead officer contact

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Background papers

Employment Matters Committee Papers 13 September 2012 and 30 October 2012.

Face-to-Face Pay Negotiation Briefing session FAQ's

Pay increase/award

Q. Is a 1% pay increase confirmed nationally?

A. No.

Q. Who is offering the 1% pay increase?

A. National employers . However it is to be self funding, which means that terms and conditions could change nationally.

Q. Is the 1% pay increase just a recommendation?

A. It is just a proposal at the moment. If it is agreed nationally we will have to pay it if we are still in the national agreement.

Q. Medway is a higher paying council. Would wages be dropped by coming out of the national agreement?

A. This proposal is about coming out of the national pay award. Members do not want to reduce pay.

Q. Will there be a payment of £250 for lower paid staff again?

A. This will be paid to staff earning under £21.5K and whose increments are frozen.

Q. Could there possibly be a pay increase if Medway Council comes out of the national agreement?

A. Not this year, and probably not for the next 2 years either.

Q. Have senior management had a pay freeze as well as staff?

A. Senior management have had their pay frozen the same as everyone else and have never been treated any differently.

Q. Has the decision already been made?

A. If you look at the freezing of increments issue, there were changes (£250) as a result of consultation.

Q. As the cost of living rises and pay doesn't rise to match it, will staff be losing out?

A. When salaries are compared to the market the mid points of each grade work out at about the market average. The bottom points work out as slightly below average and the top points slightly above average. However there is a real terms cut in pay.

Q. Will this be the 4th year of no pay award?

A. Yes.

General

Q. Are all Medway employees affected?

A. All apart from teachers.

Q. Have other councils done similar things?

- A. Southampton are cutting pay and coming out of national conditions. Bromley are also consulting on introducing local pay arrangements.
- Q. Medway Council haven't put Council tax up for years. Could you have done so looking at the future, rather than employees bearing the brunt?

 A. For the first 6 years of Medway there was a conscious Member decision not to increase Council tax. In recent years Council tax has been increased. This year Council tax is capped by the Government at 2% but we wanted to increase it to 4%. This equates to a £2m budget pressure.

Terms and Conditions and Allowances

Q. Will terms and conditions be changing at all?

A. There is no proposal to change terms and conditions. The only difference will be that we will not be following a national pay award. The proposal if we cannot reach a collective agreement with unions is to mirror national terms and conditions for 3 years.

- Q. Could there be changes to terms and conditions after 3 years?
- A. Yes. However there are no proposals to do this.
- Q. What happens to terms and conditions after 3 years?

A. We can't guarantee what will happen after 3 years. There could be a different national government, a different administration, different priorities etc.

- Q. If the essential car user allowance is removed could Medway insist on employees still needing a car?
- A. There are no proposals to change car allowances.
- Q. How will coming out of National terms and conditions affect temporary contracts?
- A. There will be no difference to contractual arrangements in terms of this proposal.
- Q. Can we have some clarity on terms and conditions?
- A. Working time, sick pay, maternity, hours of work are all in the national agreement and we will not change these if a collective agreement is agreed. The issue of mirroring comes into play if we cannot get a collective agreement.

Collective Agreement and Unions

- Q. What will happen if no collective agreement is reached?

 A. Medway Council will sign up to mirror national terms and conditions for 3 years, excluding pay.
- Q. Why are individuals being offered a worse deal than the Unions?

 A. There is no legal framework to agree contractual changes with employees, if we can't get a collective agreement with unions. We are still trying to reach a collective agreement with the unions, hence a slightly different offer to staff.
- Q. Have any alternative proposals been put forward by the Unions?
- A. No alternative proposals have been put forward at the moment.

- Q. Unions (26%) have been balloted. What about balloting non union members (74%)
- A. If we get a ballot back from non union members it does not achieve a collective agreement and has no legal status.
- Q. Why are unions against this proposal?
- A. Unions are wedded to national bargaining and conditions of service.

Pay Protection

Q. Is the 3 year pay protection solely dependant on reaching a collective agreement with Unions?

A. Yes.

Dismissal, Re-engagement and new contracts

Q. If staff are dismissed and re-engaged will it be on the same pay and grade?

A. Yes.

- Q. How much would it cost to terminate and re-engage?
- A. The cost will be in HR staff time and the postage. The major costs come in the form of challenges and appeals.
- Q. What are the plans if people don't sign their new contracts?
- A. If you turn up to work and accept your salary you have been deemed to accept the new contract, even if you haven't signed to accept the new contractual terms.
- Q. What will the reason for dismissal be?
- A. SOSR (Some other substantial reason)
- Q. If dismissed and re-engaged would terms and conditions be the same?
- A. You will be treated exactly the same as someone who agreed to the new contract.
- Q. Will continuous service be preserved?

A. Yes

- Q. Contracts are meaningless, why are you doing it?
- A. The reason that this is being done is so that we can come out of the national pay award which could cost £900,000 this year and be able to determine future pay awards locally.
- Q. The main difficulty is the uncertainty about what will be in new contract.
- A. We will set out the contractual changes in due course. The only change will be no references to the national pay award or conditions of service. Reference will be to local pay bargaining and conditions of service.

Academies and Schools

- Q. What would be the issue if schools were not included in coming out of national terms and conditions?
- A. Medway Council is the employer in community and voluntary controlled schools. If schools stay in national terms and conditions there is the risk that an equal pay claim could be lodged against the authority.
- Q. Academies are completely separate, how does that link to funding?
 A. Academies are autonomous from Medway Council and a lot of central funding that supported schools have been reduced in Medway's budget by the Department for Education.
- Q. Why are schools potentially being treated differently?
- A. Governors have legal powers for staffing in schools and we can only advise them on what to do.
- Q. Do you feel that it is not fair on support staff in schools if they don't get an increment and teachers do?
- A. This is about the pay award not increments. Increments are still payable for support staff in schools.
- Q. More schools might become academies to protect their pay and terms & conditions and this will further affect Medway funding. What can you do to try and prevent this happening?
- A. Schools can do this anyway. Members are giving an assurance that terms and conditions will not change from national for 3 years. We will lose more money if schools become academies which will worsen Medway's budgetary position in future.

Appeal Process

- Q. Should staff challenge collectively or individually?
- A. You would need to ask your Unions about this.
- Q. Will any appeals be heard before the change is implemented? A. No.

Pensions

- Q. How will this affect pensions?
- A. Your pension will be calculated on the best of the last 3 years. If salary is reduced by no fault of the employee then it will be the best of a 3 year period in the last 13 years.
- Q. When contracts change will employees be given the opportunity to freeze their pensions?
- A. Pensions are entirely separate. Pensions advice is available from KCC pensions on an individual basis.

Pay and Grade Review

- Q. Will the re-grading process in 2014 also require termination and reengagement of contracts?
- A. It will depend on whether we can reach a collective agreement or not. If not then it will follow the same process.

- Q. Are you looking to make any savings from the pay and grade review? A. There isn't a savings target at the moment.
- Q. Will increments be gone for good after the review?

 A. We don't know what the new scheme will look like yet. Increments will be related to performance and competency in the future however. This is called

contribution pay.

- Q. Will there be pay cut in real terms due to the Pay and Grade Review?

 A. If people are subject to a pay cut as a result of the review members have agreed 100% protection for 2 years from April 2014 if a collective agreement can be reached with the unions on coming out of national pay and conditions of service.
- Q. Who will be responsible for assessing an individual's performance? A. The scheme hasn't been designed yet but normally it will be your line manager.
- Q. Will you be looking at all grades? A. Yes we will.
- Q. Progression is not going to be time served but based on performance. If you are good at your job you will get to the top of your grade quicker. What would be the incentive for the individual to continue working to their best?

 A. We are very out of line by having 10 point incremental scales, based on time served. Schools can make different payments if they wish based on the grading scheme in place in the local authority.
- Q. If you are on the top of your scale now will you be likely to go down?

 A. It will depend on the banding for the new grades. Until the pay modelling has been completed we will be unable to see how it will change.

Communications

- Q. In the first phase of Better for Less communication wasn't very good. What could be done differently in the future to improve communication?

 A. We are happy to do as many briefing sessions as necessary for employees. Traditional communication methods have not been entirely successful and we are looking into how we can improve this.
- Q. Do you feel that the wording of the communications was a bit threatening? A. We have to be completely clear on what we are saying are the options for employees and we apologise if this was taken as a threat.

Morale and staff engagement

Q. Is there a staff morale issue in regards to the pay negotiations? A. Yes we believe there is.

Alternative revenue sources

- Q. The Income generation team generates quite a lot of money. Where does it go?
- A. The generated income goes into Medway's overall budget.
- Q. Have you got any income generation plans for Medway?
- A. There are lots of plans to generate income within Medway. Some examples include:
- New growth and jobs
- New homes generate income for Medway.
- Q. Can the £900,000 only come from the staffing budget?
 A. No, the money can be found from other sources e.g. a tougher procurement process.

Future

- Q. Can you still make changes during the 3 years by a 90 day consultation? A. Legally yes, but members are very clear that they will not change anything for 3 years.
- Q. Is there a plan to move back to the national pay award after 3 years? A. Anything could happen within the next 3 years.

Pay Responses Summary

Non Schools

- Morale is low.
- Feel that it's just a smokescreen to cut terms and conditions.
- Soulbury staff feel they should not be included within the proposal.
- This is not a consultation process, the decision has been made.
- Staff on lower pay scales are disproportional affected.
- Unhappy that there is not a clear picture of what could happen in the future. (After 3 years).
- Social workers feel that these changes will have an affect on retention and may have a detrimental affect on vulnerable people.
- Staff feel undervalued.
- Money being wasted on consultants, BFL, Medway Makers, City status etc
- Staff feel contracts are valueless.
- Confusion over Pay & Grade Review (Staff feel that their pay will be cut down if the bands are shrunk)
- No benefit to staff by coming out of the national agreement.
- Consultation period not long enough. (Should be 90 days Unions then 90 days staff)
- Well lead to a loss of skilled staff throughout the council (E.g. Educational Psychologists)
- Some feel that communication has not been good enough to get the message across.
- Staff already under pressure due to low recruitment and B4L.

Schools

- Feel that they work hard for a low wage.
- Feel the LA have wasted money on projects that were not needed (e.g. bus station)
- Women proportionally more affected
- Confusion over who can make changes to contracts (Governing body or the council)
- Non teaching school staff generally feel undervalued and unappreciated.
- Feel that their views and opinions are not important.
- Governing bodies appear to be unanimously against the proposal.
- If the proposal goes through governing bodies worry that it will have a serious affect on all employees and their commitment their normal duties.
- The changes could have an affect on pupils if employees are unhappy and not performing at their best. (Joint worst in country for KS2 results?)
- It will create a two tier system in schools between teaching and non teaching staff causing friction and dissatisfaction.
- Will increase pressure for schools to become academies.
- Appears that the council is using this as an opportunity to change terms and conditions.
- Some are uncomfortable signing an agreement that may change in the future.

- Could have a negative impact on recruitment and retention.
- Feel that this hasn't been a consultation process and the decision has already been made.
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- Feel that this hasn't been a consultation process and the decision has already been made.

National Pay Agreement Responses – Non-Schools THESE ARE NON-SCHOOLS RESPONSES

Number of responses - 49

Alternative Proposal

1.

Thank you for the e-mail which I have read through as suggested. At present the morale of staff (in my opinion) is low and this (again in my opinion) stems from the uncertertainty around their future employment and their terms and conditions with many believing that the main aim of coming out of national terms and conditions is pay cuts to staff all of whom are, like the council, struggling in these difficult economic times and, like the council, are concerned about their own economic future/certainty.

The e-mail seems to suggest that the reason for the proposal to come out of national terms and conditions is to "provide certainty for the council in setting the budget." during the difficult economic times we are currently in, however, staff perception is that this is more to do with cutting pay, terms and conditions and not certainty over budget setting.

This feeling is made worse by a <u>Rumour</u> that at the last employment matters committee meeting a member of the committee was heard to remark that any initial loss that might result from a 1% pay increase I.e £900.000 will be easily clawed back once the national terms and conditions have been withdrawn, this rumour obviously adds fuel to the fire and to the belief that the council are really seeking to reduce the pay of its employee's and replace the current terms and conditions with less attractive alternatives.

The e-mail also suggests that all proposals would be considered as part of the consultation process. With this in mind would it not be possible (As an alternative proposal) to provide certainty for the council in setting the budget if staff were to agree a further period of pay freeze/s as the council would know that no pay demands would be put forward for a set period allowing the council to manage its budget with certainty?

This would also help (in my opinion) to off set the considerable anxiety felt by staff around their future. staff have already accepted, previously, no pay increment in recognition of the dire financial circumstances of the economy as a whole and may do so again. Although many may wish to have an increase in pay due to some years of no increase this alternative may prove more acceptable than a possible decrease in pay terms and conditions.

I enjoy working for Medway council and hope to do so for many years to come, however, It is worth noting that almost everyday I hear some staff discussing looking at alternative employment opportunities/re training in fear of a reduction in their pay and a possible worsening of their conditions here at Medway. It would be a shame if Medway were to lose previously

dedicated employees or if employee's that remain are less dedicated as a result of the current proposals, therefore it would seem that the above proposal might be a good alternative.

I'm sure you have already had this or a similar proposal but I hope this proposal might be helpful.

Thank you for your comments and apologies for the dealay in responding.

I acknowledge your comments about staff morale and this has been drawn to Members attention.

I was at Employment Matters as one of the officers attending and do not recall any comment of that nature.

Regarding your alternative proposal it would not be possible for staff to voluntarily forego a pay rise if one were agreed nationally as Medway is currently bound by national pay arrangements. This is why consultation is taking place on changing contractual terms.

I can confirm that there is no intention to worsen terms and conditions and that is confirmed by the proposal to mirror national terms and conditions for 3 years from April.

2.

I am currently working as a CO in the Community Team and I have the following concerns:

You state that terms and conditions cover various things from Pay to Sickness etc,etc, yet further down the email it states that the proposal is for terms and conditions to be mirrored for 3 years other than those relating to pay?

My concern is that although we will technically be saving the council £900,000 there is still the threat of possible pay cuts within those 3 years. If we are saving that much money why cant the Pay be mirrored for the next three years also? Employee's are in a bit of a no win situation as the increments have also been stopped for the past 3 years and the cost of living rising the future is looking and feeling pretty bleak.

I feel that if you included pay in your terms and conditions to be mirrored for 3 years then Medway Council would have a better chance of employee's agreeing to the proposal.

Sorry for the delay in responding.

The Council is having to take difficult decisions and Members are trying as far as possible to preserve jobs. If there is a national pay award of 1%, costing Medway

£900,000, then that money would have to be found from other sources.

£900,000 equates to roughly 40 jobs.

3.

As the Local Representative for the Association of Professionals in Education and Children's Trusts (ASPECT), I would like to share my concerns regarding Medway Council's proposal to come out of the National Agreements for pay and working conditions. As School Improvement Professionals, the majority of us enjoy Soulbury Terms and Conditions. We have expressed understanding regarding the need for a local pay bargaining mechanism due to the forward budget planning required and financial pressures. However, myself and my members have serious concerns that withdrawing from national terms and conditions would eventually lead to a withdrawal of the Soulbury pay scales, particularly with reference to the planned pay and grade review. We believe that removing Soulbury staff from the national agreement will not bring about the financial control the Council seeks.

In the second paragraph of the "Proposal to come out of the National Agreements – Employee Consultation Document" under Background, there is mention of national agreement on pay increases for the year 2013. It is our understanding that Soulbury will be putting forward a 0% increase, as they have done for the past three years. Combined with the Council's decision not to grant a Cost of Living Allowance, this amounts to a decrease in salary in real terms and is not a threat to the Council's financial plans for 2013 - 2014. We understand that there are currently 25 Medway employees under Soulbury T&Cs, 9 of whom are in the School Improvement Teams, 13 in Educational Psychology and 2 in the Early Years Team. We would ask you to consider the Soulbury Members to be a 'Special Case', as there are relatively few of us in number and a 0% pay increase has been proposed. Excluding us from the changes would have a zero impact on overall financial considerations, but a large impact on staff morale and associated recruitment and retention issues. The School Improvement Teams have been running with significant numbers of vacancies for well over a year which have proved impossible to recruit to despite numerous attempts.

The fifth paragraph of the consultation document, still under Background, speaks about 32 out of 74 authorities "on local pay negotiations", then cites Kent and nine local authority areas. These areas <u>may</u> have local pay agreements in <u>some</u> areas such as rubbish collection and highway maintenance, but Soulbury terms, conditions and pay still apply across the Authority, as evidenced in the recent 'Soulbury scale' job advertisements for Kent posts.

There are numerous examples of such exemptions within the authorities quoted in your proposal as having 'exited' national agreements. Milton Keynes succinct pay policy statement for 2013 – 2014 clearly demonstrates a model of local bargaining for the majority with some exceptions.

- Joint Negotiating Committee for Coroners
- National Employers' Organisation for School Teachers (NEOST)
- The Soulbury Committee
- Joint Negotiating Committee for Youth and Community Workers

http://cmis.milton-

keynes.gov.uk/CmisWebPublic/Binary.ashx?Document=37799

In summary, I would like to suggest a counter proposal that Soulbury staff be exempt from exiting the national agreement and I look forward to reading your response.

I can confirm your comments were received on time and will be included in the analysis to Members

4.

I am an Educational and Child Psychologist working in for Medway Educational, Child and Community Psychology service. I am one of 25 Medway employees under Soulbury T&Cs, thirteen of whom are EPs.

I would like to ask you to consider the Soulbury Members to be a 'Special Case', as there are relatively few of us in number and so excluding us from the changes would have a low impact on the overall financial considerations. Additionally withdrawal from Soulbury would impact dramatically on our pay and terms and conditions of service and impact on the retention and recruitment of future colleagues, of which there are few .

I have Doctoral Level qualifications and a high level of skills that I feel should be reflected in my pay and conditions. You may or may not know Medway has a long history of difficulty with staff recruitment and retention in the Psychology service. I feel that any changes to term and conditions will only exacerbate this further.

From what I have been told to date, It seems the LA is asking its employees to sign a legally binding, blank piece of paper, with the details to be filled in by the LA at a later date. In particular, we have not as yet received any guidance or information as to the content of any potential new Contract of Employment.

I would like you to know that Soulbury will be putting forward a 0% increase in pay, as they have done for the past three years. Combined with the LA's decision not to grant a Cost of Living Allowance, this amounts to a decrease in salary in real terms. In my personal case, I have been on a pay freeze, incrementally and inflation wise since 2010.

Colleague have pointed out that Medway have identified other authorities "are on local pay", then cites Kent as nine local authority areas. These areas may have local pay agreements in some areas such as rubbish collection and highway maintenance, but Soulbury conditions still apply to EPs across the Authority. This is evidenced by job adverts for Psychologists which specifically say that new recruits to the EPS will be under Soulbury T&Cs.

If Medway were to deviate from this and not be competitive then I assume looking forward and from a personal perspective with a young family to consider, it would most likely be more rewarding to work in nearby LA's or in London where they have London Weighting added on to pay.

I would also like to point out that Soulbury recently restructured its own Pay Bands, ensuring that all Psychologists have a clear route, which has allowed for a fair starting range. Medway have already frozen, initially for 1 year and

then extended until 2014 pay for all staff and we have already been impacted by this. The impact on recruitment and retention of valued and experienced colleagues will be affected by this already.

I know you most likely received hundred of consultation replies. I hope you have read my comments and take into consideration this small but highly skilled, valued and statutory service that helps Medway meet many aspects of the Children and Young People's Plan. I hope you can see the 13 EP's and indeed the other 12 Soulbury workers as a "Special Case" and reflect on the value they add to Medway.

Thank you for your comments which will be forwarded to Employment Matters for their consideration on 19 february 2013.

To pick up on a couple of points raised in your e mail.

- 1.Although the proposal is to withdraw from the national pay award and terms and conditions there is no intention to change national terms and conditions, unless they change nationally for a 3 year period. The fact that Soulbury will be putting forward a 0% pay award in effect means that should Medway go ahead with it's proposal then your situation would be no different.
- 2. The only change to the contract of employment would be that it would have no reference in it to the national pay award or conditions of service, but would refer to local pay bargaining and conditions of service.
- **5.** This letter is written on behalf of the Educational Psychology Service at Medway, as a whole, with the content being agreed by each member of the service.

We would like to firstly raise some issues with Medway Council's consultation process:

- 1. With reference to the document circulated to council employees, 'Proposal to Come Out of the National Agreements Employee Consultation Document', in paragraph 5, we are told that 32 out of 74 Local Authorities 'are on local pay negotiations'. We believe that this is a misleading and factual error several of the LAs listed are in fact districts of Kent County Council, rather than a Local Authority. In addition, whilst these areas may have local pay agreements for some of their employees, we know that the Educational Psychology Services remain on Soulbury Pay and Conditions. This can be evidenced by job advertisements for Educational Psychologists, which refer to the fact that Soulbury Pay and Conditions remain.
- 2. We would take issue with the notion that we have been asked to agree (or not) to new, local terms and conditions being imposed on us, but have not been told what these terms and conditions will be. This is in spite of the fact that we have asked for clarification several times, and

- also asked a representative of your team in person, when she attended our team meeting. To us, this seems to mean we are in effect being asked to sign a blank contract, with the details to be added at a later date.
- 3. We wonder as to the legality and practicality of the Council's 'dismiss and re-engage' policy. Given that there are statutory elements to our work, we wonder how these obligations would and could continue to be met under these circumstances.

Secondly, we would like to raise points regarding the detrimental effect of withdrawing from the Soulbury National Agreement.

- 1. Medway Educational Psychology Service has a long history of difficulties with recruitment and retention indeed we have had occasions when there have been no applicants for posts, and we regularly face a small field of candidates. Withdrawing from the Soulbury National Agreement would serve to further alienate potential future employees, who have the choice to seek employment in authorities where this remains. Additionally, those already employed are likely to be faced with difficult decisions regarding their futures, should the situation change. To reiterate, we believe the only way to ensure a service staffed by good quality Educational Psychologists is to remain under Soulbury Pay and Conditions.
- 2. Only a few years ago, Soulbury re-structured its pay bands. This ensured that Educational Psychologists, including those who now enter the profession with a doctoral qualification, have a fair starting point, that Educational Psychologists have a clear route for pay progression which relates to experience, professional development and contribution to the service, and which allows scope for a clear pay differential between main grade colleagues and those who take on management and other responsibilities. We do not believe that a system of 3 to 5 pay bands, as proposed by the Council, could offer the same protection.

We are aware that Medway Council currently employs only 25 people under Soulbury Pay and Conditions, of whom 13 are Educational Psychologists. This is a very small group in comparison to the council as a whole. As such, we believe it should be possible to regard the Soulbury group as an exception to the current plans. This would have little financial impact on the council. We thank you for your time reading our response and hope that you consider our submission.

To pick up on a couple of points in your letter;

- 1. There is no intention to deviate from national Soulbury conditions of service. The proposal is solely about coming out of the national pay award, and introducing local pay bargaining. Given the recruitment and retention issues you mention it would not make sense for Medway not to mirrior national Soulbury conditions, apart from the national pay award.
- 2.Should dismissal and re engagement occur the job description and job role would not change, including any statutory elements to the role.
- 3. The pay and grade review you mention is an entirely separate exercise and subject to a full consultation with staff and unions. There are no proposals to alter the soulbury pay scales.

6.

I am a Senior Educational and Child Psychologist working in for Medway Educational, Child and Community Psychology service. I am one of 25 Medway employees under Soulbury T&Cs, thirteen of whom are EPs. I have been working for Medway since September 2001.

I would like to ask you to consider the Soulbury Members to be a 'Special Case', as there are relatively few of us in number and so excluding us from the changes would have a low impact on the overall financial considerations. Additionally withdrawal from Soulbury would impact dramatically on our pay and terms and conditions of service and impact on the retention and recruitment of future colleagues, of which there are few .

Medway have identified other authorities "are on local pay", then cites Kent as nine local authority areas. These areas <u>may</u> have local pay agreements in <u>some</u> areas such as rubbish collection and highway maintenance, but Soulbury conditions still apply to EPs across the Authority. This is evidenced by job adverts for Psychologists which specifically say that new recruits to the EPS will be under Soulbury T&Cs. Part of an EPs role is statutory and therefore if Medway was not in line with its neighbouring LAs then recruitment and retention could be an issue. On a personal level, I live in London, but really enjoy working at Medway but not being in line with other LAs, given the commute, is likely to make me reconsider.

I would also like to point out that Soulbury recently restructured its own Pay Bands, ensuring that all Psychologists have a clear route, which has allowed for a fair starting range. Medway have already frozen, initially for 1 year and then extended until 2014 pay for all staff and we have already been impacted by this.

From what I have been told to date, it seems the LA is asking its employees to sign a legally binding, blank piece of paper, with the details to be filled in by the LA at a later date. In particular, we have not as yet received any guidance or information as to the content of any potential new Contract of Employment. This is concerning given that Paula Charker, HR, attended our team meeting

on 8th January 2013 and reassured us that we would be sent this information prior to 31st January 2013 and this hasn't happened. I am unclear as to how any individual is expected to comment appropriately within the consultation period without recourse to all relevant information.

Thank you for your response which will be forwarded to Employment Matters for consideration on 19 February 2013.

A couple of points to pick up;

- 1. There is no intention to deviate from national Soulbury conditions of service. The proposal is solely about coming out of the national pay award, and introducing local pay bargaining. Given the recruitment and retention issues you mention it would make no sense for Medway not to mirror national soulbury conditions of service apart from any national pay award.
- 2. The new contract will be the same as the existing contract apart from not referencing national pay and conditions of service. It will refer to local pay bargaining.

General Complaints

1.

Dear Sir or Madam.

I am contacting you for some clarity around the content of the communication received yesterday, and also of previous emails which have been sent out to staff in relation to coming out of the national Agreements we currently work to. Please could you confirm that I am correct in my interpretation from the information I have received that the decision to move away from the National Agreement has actually been made, and that this is not a choice staff are being offered.

If this is the case I can't help but wonder why staff are being consulted in the matter, if the change is going to be implemented anyway.

Is it likely that the Council will decide not to go ahead ?, as it would seem the majority of staff are against this change.

apologies for the delay in responding.

As you know there has been ongoing consultation with unions and staff on the proposal. The Council is still wishing to reach a collective agreement with unions on the proposal, and continues in discussions.

A final decision will be made by Members on 21 February at the budget setting council meeting.

2.

I have a few queries in relation to the email sent Monday 3rd December 2012 and the attached document.

Points:

- "These may include but are not limited to pay, car mileage allowances, the sickness scheme, and Part three of the national agreement which covers things like working time and additional payments such as overtime and weekend working."
- 2. "A 1% pay award would cost the council £900,000 (excluding schools), which is equivalent to 40 posts."
- 3. "The process for local negotiations is yet to be agreed"
- 4. "Over time it would provide increased flexibility to pay differently for areas such as overtime and unsocial hours although these changes are not envisaged as part of this proposal."

Queries:

- 1. Why are these not specified more in depth as to the potential changes?
- 2. Why is it that every time any financial change is discussed the number of potential job losses are displayed prominently? This seems like a threat that is repeated regularly by HR.
- 3. Why are these not agreed before staff have to agree to them? If they are not already planned how can they be immediately implemented from April 2013 if not already decided?
- 4. Are there any other proposals that are in the pipeline which are not included within the document? If so what are they?

Generally speaking I am in favour of a local agreement for staff however it seems that we are being asked to accept a lot "on trust", something that is in short supply after reading proposal documents such as the "Employment Matters Committee" report dated 13th September 2012, particularly point 4 Risk Assessment which is demeaning to staff in my opinion.

I would prefer further clarification on the above points, particularly the actual proposed changes to pay, will this include a performance related increment scheme or similar as majority of central government departments use appraisal based pay rises annually as well as the private sector.

If the whole proposal were to be or appear to be more transparent I think you would receive a better response from staff, personally I can't help but think this is some sort of subterfuge to save money over staff performance / morale. Having already had my contract terminated at least twice in the past 24 months due to car allowance changes and pay increment freezes my opinion is that whatever is decided by senior officers will happen whatever the ground level staff think.

Apologies for the delay in responding.

- 1. There is no proposal to move from national conditions, apart from pay. The proposal is to mirror national conditions for 3 years from April---as there is no proposed change nothing can be specified in more depth.
- 2. The number of potential job losses is not meant to be a threat. It is to put the proposal in context when staff consider the proposal.

- 3.Members will have to agree the process. Unions will also need to be consulted on the process. That consultation has not yet taken place as we are still trying to reach a collective agreement with them.
- 4. There are no other proposals regarding introducing local pay bargaining and withdrawing from the national agreement not covered in the consultation document.

There is an entirely separate piece of work that has just started on changing the current pay grades, introducing job families, and linking pay to performance/competency. That will be subject to a new consultation.

3.

Could you please explain the purpose of commencing individual consultation? As you state, regardless of the outcome and whether of not individual agreement can be reached, you will have no option other than to vary your existing contracts by issuing staff with contractual notice to terminate our current contract and then issue and offer the new employment contract incorporating the new terms, which would effectively result in withdrawal from the national pay negotiations and conditions of service from 31 March 2013.

It would appear the decision has already been decided regardless of invidual choice.

I look forward to your response

Sorry for the delay in responding,

There is a legal requirement to consult with staff individually and trades unions collectively on a proposal that if implemented will change an employees contract of employment.

4.

I am totally opposed to the proposal to come out of National Agreement with regard to negotiating employee pay and conditions

Apologies for the delay in responding.

Your view has been noted and will be reported to Employment Matters in due course.

5.

Hello Employee Consultation,

Please see my response to the Consultation document in italics below.

Most of the terms and conditions of employment for Medway Council staff, (apart from teachers), are agreed on a national basis by trades unions and the Local Government Employers Association. Terms and conditions include:

working time, annual leave, maternity leave and pay, sick leave and pay, notice periods, overtime payments, weekend working, night work, split shifts, lettings, standby duty, public and extra statutory holidays, car allowances, the pay spine and annual pay increases.

Teachers are currently part of national pay agreement, even with the chancellors announced move to deregulate teachers pay and move to local arrangements there will be minimum and maximum pay levels set. Will Medway Council set minimum pay levels for worker's roles?

At a national level there has not yet been an agreement on a pay increase for 2013. However the Local Government Association has written to the trades unions saying that they wish to reach an agreement in relation to a pay increase, but are linking that to changes to some terms and conditions as any pay award will need to be self-funding. These may include but are not limited to pay, car mileage allowances, the sickness scheme and Part three of the national agreement which covers things like working time and additional payments such as overtime and weekend working.

Medway Council have already indicated that any national pay arrangement would be ended once a move to local pay was enacted, and rescind any pay awards made on a national basis. The cost of maintaining a motor vehicle is escalating in advance of the rate of inflation.

The RAC noted 23/11/11,'It now costs Brits over £6,600 per year to keep a car on the road. Over the past 12 months the average annual cost of owning and running a car has soared by 14.0% (£819) to £6,689 per annum, according to RAC's annual Cost of Motoring Index1. This increase is almost 3 times the current inflation rate of 5.0%2 and represents yet another blow to Britain's cash strapped motorists. The latest annual figures mean drivers now have to pay on average £128.64 per week, or 55.74 pence per mile to own and run their vehicles'

Those of us who are required to provide a car (my employment based mileage for November 2012 approached 1,000 miles) do so at ever increasing expense. Any freeze or adjustment to terms and conditions relating to motor vehicles will have a disproportionate impact on my ability to provide a vehicle which is essential for me to conduct the work the council asks me to do. Along with many other Public Servants I expect to perform unpaid overtime each month as I wish to offer the best service I can. Over that last three months my unpaid overtime has averaged 16 hours per month. Medway Council has not acknowledged this aspect of workers adding value to their posts in this consultation.

The financial position for the Council, and Local Government in general, is alarmingly bleak and shows no sign of improving with an expectation that the Chancellor's Autumn Statement, due this week, will herald further cuts in public spending. On 27 November the Cabinet received a report that forecast a budget gap for next year of almost £12 million rising to over £23 million for 2015/2016. The £12 million gap will have to be closed in some way at the Budget and Council Tax setting meeting of Council on 21 February 2013.

Due to the economic climate and budgetary constraints the Council needs certainty for budget setting purposes as any national pay award would need to be funded from the council's resources. A 1% pay award would cost the council £900,000 (excluding schools), which is equivalent to 40 posts. Therefore moving out of the national agreement to local pay negotiations would provide certainty for both the Council and it's workforce.

Medway workers have accepted a pay an increment freeze for three years already.

'The inflation rate in the United Kingdom was recorded at 2.70 percent in October of 2012. Inflation Rate in the United Kingdom is reported by the UK Office for National Statistics. Historically, from 1989 until 2012, the United Kingdom Inflation Rate averaged 2.8 Percent' (http://www.tradingeconomics.com/united-kingdom/inflation-cpi)

If the average inflation rate has been 2.8 percent for this last three year period Medway workers have already taken a real terms pay cut of 8.4%. I interpret the councils 'need for budget certainty' to mean a further three years pay freeze. Applying the same average inflation rate would lead to a six year real terms wage cut of 16.8%. It is also reasonable to note that people not at the top of their spinal scales and/or those gaining professional qualifications will not have expected increments, another cost saving to the Council that is not acknowledged in the consultation document.

The consultation does not mention the regrading exercise that is being considered at present. Ultimately this will result in pay cuts for some staff.

It is worth noting that 31 of the 74 authorities in the South East are on local pay negotiations, including Kent, Dover, Ashford, Thanet, Swale, Shepway, Maidstone, Sevenoaks, Dartford and Canterbury.

It is worth noting that over half of the South east Authorities remain in National Pay arrangements. Has the impact of local pay arrangements been to the benefit of any workers in those authorities that have opted out?

The impact on workers who are on lower payscales is as ever disporortionate, especially so when the band of 'working poor' is increasing. Welfare benefits whilst increasing, are increasing below the rate of inflation. Those Medway Council employees in receipt of benefits such as Working Tax Credits and Child Tax Credits will have had real terms wages cuts set by Medway Council and real terms benefits cuts set through the budget, a double whammy that this consultation document does not acknowledge.

I can't accept an opt out of the National Pay arrangements on the basis of the tabled offer of a further three year freeze on terms and conditions, an implicit further three year freeze on pay, with no opportunity for incremental pay based on professional development and new qualifications.

Medway Council is asking workers generally to accept a six year real terms wage cut.

Thanks for your comments and apologies for the delay in responding.

I will not be able to comment on some of the details you put forward, but will respond where appropriate.

- 1.Teachers pay is statutory .Details of changes to teachers pay from September 2013 as set out in the next Teachers Pay and Conditions Document will clearly be implemented by Governing Bodies and the Council. That detail is not yet finalised.
- 2.Medway will continue to pay essential user allowance and essential/ casual user mileage rates. There is no proposal to change this.
- 3. Members are aware of the dedication of staff in terms of going the extra mile.
- 4. There is a review of the current grading scheme that has just started which will result in some staff having a reduced pay rate, and some staff having an increased pay rate. That will be subject to a separate consultation.

6. Dear HR.

Please take this as my notice that I do not want my employer, Medway Council, to come out of the National Agreements and introduce local pay negotiations. I feel that this will just allow them to remove all positive benefits and install negative ones. As local government employees we are seen by the wider public as having 'golden' terms and conditions, whereas in reality these are being eroded and making the incentives for working in the public sector non-existent.

Should collective agreement with the trade unions fail, and Medway Council wishes to implement this change to my contract, then I would welcome a discussion around the proposed variation to my contract.

Apologies for the dealy in responding.

I note your comments that will be forwarded to Members of Employment Matters Committee.

Please contact me directly should you wish to have a personal discussion.

7.

I do not agree with withdrawing from National agreement. Medway Council has not fully explained and detailed what the implications are and what local agreements have been decided. it is impossible to reach a decision when it is not clear what I am actually agreeing to.

On a personal note I have a lease car and what does this mean for the future? Will I be expected to buy a car at short notice? I feel this is more uncertainty about the future. I enjoy my job and feel I work hard and give my best to

Medway Council. I am both an employee and resident. In return I would like to feel that I can trust Medway Council.

Thanks for your e mail.

I note your comments which will be reported to Employment Matters Committee.

There is no proposal on introducing local arrangements regarding conditions of service, apart from withdrawing from national pay arrangements. The proposal is to mirror national conditions of service for 3 years, excluding pay.

There is no proposal to change current lease car arrangements.

8.

Please could you note that I do not approve of the council's proposal to come out of National Agreements. My reasoning is that I am a professionally qualified Social Worker, working in Care Management. I am on the National Register for Social Work Professionals, for which I ensure I have completed the appropriate ongoing training, and which also incurrs a cost each year for renewal. These are in place to safeguard both myself, and members of the public that I am working with.

In return, I would expect to be paid appropriately, and in line with the government's guidelines, with the terms and conditions that they suggest for my profession across all authorities. Once the council decide to withdraw from the national terms and conditions, there is no safeguard after three years to how my profession will progress locally, and this could result negatively on the vulnerable people living in Medway, as it will no longer be an employer that is respected and trusted. It may result in professionals leaving this authority and moving to authorities where their income and prospects are more stable.

Also, and possibly more importantly - we are being asked to sign an agreement, without actually knowing what the future looks like. Three years is a very short time, and 5758 colleagues across council services are being expected to sign a document that does not explain how our future terms and conditions will be affected in 2016.

I would expect far more information about the future pay structures before I could agree to this proposal.

Thank you for your response which will be reported to Employment Matters Committee.

Clearly Medway will be mindful of posts for which it may be difficult to recruit or retain staff. There are separate mechanisms to address this should it be necessary, such as market premia.

There are no proposals to change terms and conditions after 3 years.

A separate grading review is just starting, which will look at all job grades, and will be subject to a separate consultation.

9

Like all my colleagues i am very aware that the council is operating under very difficult circumstances with the financial restraints that are being put in place. As someone working at ground floor level with face to face contact with our customers i and my colleagues in the physical disability team see the effects of these cuts on the daily lives of our service users, people who would not be known to us if they were not at a disadvantage in the first place. Despite this we as a team continue to provide a professional and supportive service to disabled people in Medway and i love the job i do and feel i always endeavour to provide the best i can for the people i work with. I started in Medway in September 2010 after working as a care manager in Kent for 5 years. I do not regret the change of employment as i have enjoyed the experiences and both colleagues and service users i have come into contact with.

The councils decision to withdraw from national terms and agreements to local terms is something i cannot agree to at this stage without the council being more open in discussion with the union to what we are actually agreeing to. I found the e-mail stating that if the changes didnt go ahead and costs were incurred by the council the 3 year protection couldn't be guaranteed threatening. Moral in my experience is very low and only by being more open with their employees can we work together to the benefit of Medway residents, which is after all want we all want.

Thank you for your communication. I am pleased that you enjoy working for Medway.

There have been a number of meetings with the unions about the proposal, and those meetings are continuing. We would very much like to reach a collective agreement with the unions.

The proposal is that local pay arrangements will be implemented from 1 April 2013, and Medway council will mirror national conditions of service, excluding pay, for 3 years . There are no proposals to change conditions of service after 3 years.

10.

I wish to lodge my objections, in the strongest possible terms, to this proposal.

You have a loyal, industrious workforce and this is a clear message to them that you place little value on their loyalty and hard work. In this time of austerity you need the good will of your staff more than ever, not only to run the services to the best of their ability, but to maximise internal efficiencies and reduce waste. People will tolerate much from employers, politicians and other public figures but only up to a point. I do believe that staff at Medway Council have reached the point of no return; we don't believe in your promises and fear for our future.

Of course, we realise that the economic situation was not caused by Medway Council and we are **fully** aware of the difficulties that shrinking budgets impose on the council and the services to the local area. However, the staff of Medway Council are already feeling the severity of increased prices on 2008 salary levels, the continuation of the BFL process and the worry of redundancy that accompanies BFL. The prospect of no pay rises or increments in the foreseeable future plus a pay review are a hard facts of life but taking away the protection of NJC is too much, no matter how much you reassure us that you will play fair. We do not believe that this step is inevitable and that you have no other choice. Everywhere we turn we see money being spent on the move to Gun Wharf, application for city status, consultants, BFL, Medway Makers, festivals, Christmas lights etc - it begins to sound like bread and circuses!

Surely you can see that staff are the most important part of Medway Council, your best resource and your best hope for the future. You just cannot afford to lose the goodwill of the staff at any time; in these times of austerity it is imperative that we are all on board from the Cabinet and Chief Executive down to the most junior and low paid member of staff. The lower paid staff are the ones with the most to lose here, having the fewest financial resources but tend to be the backbone of the council. Their contribution to the running of the council is invaluable, which has been recognised in the past by the £250 one off payments. The cost of transport, fuel and parking to attend work has added to these woes.

The long term effect from all of this is on pensions; the average LG pension for a woman is less than £5000 and with the state pension added to that, it makes a bare £10,000 to live on. I know only too well, as that it what I face next year. People are worried about their future, their families and their finances; this proposal on top of that add extra worries to an already burdened workforce.

I implore you to stop this course of action,and to find another way to deal with the budget. The repercussions from pushing this through in such an aggressive way could well cost you far more than the £900,000 you quote, in loss of trust and empathy. Local negotiations for pay would be very time consuming, many meeting would have to be arranged not only with TUS but also with staff. The proceedings could be a long exhaustive process with all the appeals, arbitration and legal processes that are currently handled nationally.

I have copied this email to Cllr Carr who is my local councillor.

Thank you for your heartfelt comments which will be reported to Employment Matters Committee.

11.

I'm not sure if my views have already been received, but they are as follows -

I regard a commitment to National Pay Negotiations as an important recognition of the professional standards expected of council employees in carrying out duties that are laid down by successive governments in law and regulations. It affords an important protection to those standards.

We have demonstrated our recognition of the difficult financial climate, by accepting successive pay and increment freezes, but this feels to me a step too far.

Thank you for your comments which will be reported to Employment Matters Committee.

12.

I would like share my concerns regarding the future plans for Medway council to withdraw from the national pay scheme, which in effect may potentially see my salary decrease. Through speaking with my union rep i understand that our current employee contracts will be torn up and new contracts issued with very different working terms and conditions, of which i am not only concerned but also very unhappy about as my pay has already remained the same for a number of years now. My concern is that due to being employed by local authority for over 10 years continuous service i have be part of pay cuts and no increase in wages for some time. Should new contracts be drawn up, cutting back on essential benefits such as essential user allowance, my wages will again see a further reduction. With the cost of living already at an all time high this is going to make my life even more financially problematic and in my opinion totally unfair. The work i undertake and pressures that increase weekly to meet deadlines are ongoing. Therefore to this end i would like my feelings around the damaging changes that lay ahead shared with those who are willing to listen. There appears to be an increase in employee performance expected but a cut in pay likely, which i disagree with and feel very strongly about. I have aired my views on a regular basis with my managers but would like some reassurance that my pay and working conditions are not going to change to the point where my family and i are going to feel the pinch of the financial situation even more so.

Thank you for taking the time to ready my e-mail

Thank you for your e mail.

You have been misinformed by your union representative.

The proposal is to mirror national conditions of service, excluding pay, for 3 years from April. This means that all conditions of service, including the essential user allowance, will not be any different to what is in place as part of national conditions of service. Your current pay rate will not be affected by this proposal.

The only change would be that local pay bargaining would be introduced, and any national p[ay award not paid from April.

13.

Dear Colleague,

I have read the email and attachment you have kindly sent below, but have failed to find how the decision to withdraw from nationally agreed terms and conditions of employment for staff will benefit me as an employee of Medway Council, and remain a little confused as to the need given the amount of revenue Medway Council have achieved from the increase in Parking charges in the last financial year.

Also in the email dated 21st November 'Pay negotiations - update' it stated 'The council's proposal is to withdraw from the national terms and conditions and provide a guarantee that it will not change to the detriment of employees, any of the terms and conditions including pay, for a period of three years from 1 April 2013, when local pay arrangements will be put in place'. Therefore can you please provide some clarification of what this guarantee will look like.

However, I would like to comment on how refreshing that Ms Palmer has not insulted our intelligence by using the fiasco known as "consultation", or even referring to it, in her email on 3 December by very clearly outline Medway's intentions:

"A separate letter will be sent to you asking for your agreement to the proposal. If individual agreement cannot be reached, the Council will have no option other than to vary your existing contract by issuing you with the contractual notice to terminate your current contract and then issue and offer the new employment contract incorporating the new terms, which would effectively result in withdrawal from the national pay negotiations and conditions of service from 31 March 2013 onwards."

At this time, without being given clear advice on the impact on me as an employee, and without being in receipt of my individual letter, I feel unable to agree to the Council's "proposal".

Thank you for your comments which will be forwarded to Employment Matters Committee.

Should the proposal be agreed by Members on 21 February then it will be that trems and conditions will mirror those in place nationally for 3 years, excluding pay, which will be subject to local negotiation.

There are no proposals to change this.

14.

I want to add my voice to the disquiet about your proposals to remove Medway Council employees from national pay and conditions agreements.

Employment rights have been developed over years and the national agreement provides a satisfactory system that has worked for years.

I do not want to come out of the national conditions of service. I understand that there is a proposal as to what should happen for the next 3 years but no plans after that. I find that hard to believe as local authorities are obliged to have longer term plans. The lack of information is bound to make us suspicious about the motivation for removing us from the national pay and conditions scheme. The council can only wish to reduce costs and therefore it is likely that employees will be worse off, both financially and on the other pay conditions - annual leave, sick leave, maternity/adoption/paternity leave, etc etc.

15.

I have recently attended one of the briefing sessions regarding the Council's proposal to come out of the NJC agreement, which will mean varying our contracts or issuing a new contract. I certainly do not agree to this proposed change in my contract.

Whilst I do not question the legality of what you are proposing, I am very disappointed in the way this is being carried out. The message is certainly coming across that this is not a consultation but has already been decided by members and we either accept it or we are out of employment.

It would seem that having a contract of employment is of no value if you as an employer can just tear this up and issue a new contract. As such I feel that any guarantee to mirror other NJC terms and conditions for 3 years is somewhat meaningless.

It would appear to me that leaving NJC will be of no benefit to staff and can only be to our disadvantage. Whilst I understand at the moment this is just about avoiding a cost of living increase, in future other terms and conditions may be altered and with circumstances as they are, it can only be to the detriment of staff. We have not had a cost of living rise for 3 years and it would seem that a pay freeze will be in place for a least a further 3 years, yet the cost of living is still rising – this is leading to a very real lowering of our standard of living. It seems that we are paying the price for poor decisions made in the past.

According to Neil Davies we understand that balancing the budget has been extremely difficult since the inception of Medway Council, but surely knocking hard working staff who are committed to providing a good service and are loyal to the council, is not the way forward. The Council claims to be a caring Council but the message coming out does not back this up – staff are feeling undervalued and demoralised by this action.

16.

I want to add my voice to the disquiet about your proposals to remove Medway Council employees from national pay and conditions agreements.

Employment rights have been developed over years and the national agreement provides a satisfactory system that has worked for years.

I do not want to come out of the national conditions of service. I understand that there is a proposal as to what should happen for the next 3 years but no plans after that. I find that hard to believe as local authorities are obliged to have longer term plans. The lack of information is bound to make us suspicious about the motivation for removing us from the national pay and conditions scheme. The council can only wish to reduce costs and therefore it is likely that employees will be worse off, both financially and on the other pay conditions - annual leave, sick leave, maternity/adoption/paternity leave, etc etc.

Thank you for your comments which will be passed on to the Employment Matters Committee.

17.

I'm contacting you to highlight an issue, which I doubt has been over looked, but one which your team may wish to give some thought in any recommendations made to council if it has.

At the weekend I was talking to a friend of mine who although retired was the head of a HR department for a PCT some years ago. They recalled an issue some years ago when several local PCT's went to Local pay bargaining, which my friend said proved eventually to be very short sighted and counterproductive for the following reasons.

The trusts concerned found that, as was frequently the case, they had post's that were difficult to recruit for and used agency staff which proved expensive.

Initially the local pay bargaining yielded savings for the trusts but in a short space of time in order to recruit to post that needed filling, especially the posts more difficult to recruit to, each trust was poaching staff from neighbouring trusts and to do this had to offer enhancements to pay terms and conditions without which they were just unable to attract staff.

This was followed by **equal pay claims** by other staff members and things began to spiral out of hand with staff applying for positions in the neighbouring trust/s where terms and conditions were marginally better which then meant the other trust/s had to match or better the offers made to attract or retain.

There was apparently initial staff movement from one trust to another purely because although they worked in one area they were closer geographically to the neighbouring trust and a move made financial sense and experienced and dedicated staff were lost as a result.

Eventually the trusts reverted to national pay agreements to stabilise their pay scales and help resolve staffing issues. I'm sure the above issues have already been discussed & considered already and a view taken, but felt that as part of the consultation process I should raise them to assist you and your team in any recommendations you may make to council members.

thank-you for these observations. I am grateful for the points you have made and appreciate that local pay bargaining brings a number of issues. One of the differences here may be that a lot of authorities (50%+ in the south east) already have local pay bargaining. That said it is clearly important for us to keep a weather eye on the market to make sure we are not falling behind. At the moment salaries in Medway are comparable and at the top of the scale are generally pretty good.

I will of course make sure your comments are passed onto elected members. Regards

18.

The Educational Psychology Service in Medway is highly regarded. All educational psychologists are on Soulbury Pay and Conditions, which provides an excellent structure for professional career development. It is imperative for the continued quality of this service that Medway can continue to recruit good quality educational psychologists. Soulbury is necessary for this. Without it, Medway risks lowering the standards of care and support for our children and young people, especially for the most vulnerable and those with special educational needs and disabilities.

Thank you for your comments which will be reported to Employment Matters Committee on 19 February.

19

I realise I am responding after the deadline but understood that such responses could also be considered.

I just wanted to express my concern as service manager about the impact that coming out of Soulbury will have on our ability to recruit and retain EPs. I am aware that there is reassurance that Soulbury conditions will be mirrored but in that case it is hard to understand the justification for exiting Soulbury given there is no request for a pay award this year. What will be clear to our EPs is that Medway could choose to offer a less favourable package to EPs if it wished and that is already having an impact on motivation to stay in Medway.

Medway (along with Kent) has historically struggled to recruit EPs because of our geographical position which is near a lot of LAs offering higher pay including London weighting. We continue to have permanent vacancies covered by trainee EPs and struggle to attract appropriate candidates to interviews. EPs who are not at the top of the scale have seen their pay reduced significantly in relation to peers in other areas over the past 2 years. Many of our EPs travel in from London and have the choice of applying for London jobs with additional London weighting. Kent, which is currently advertising for posts (and, indeed, advertises significant EP vacancies each year) has not had an increment freeze and there is a danger our excellent staff will be poached to work in Kent. Staff are also concerned about the possibility of losing essential car allowance, which for the lower paid, newer EPs in particular, will mean they can no longer afford to pay for petrol to travel to their many appointments. Again, there are a lot of vacancies offering much better pay on offer.

We have a very strong and valued EP team in Medway and it has a good reputation within the profession. However, we cannot deliver a service without EPs and in the absence of permanent employees, we are compelled often to employ locuums at a much higher rate. It is a very small service in the context of Medway LA and I think there are compelling reasons to maintain the status quo and treat EPs as exceptions, enabling them to remain in Soulbury.

I hope you are able to direct this response appropriately and that it is still in time to be considered.

Thank you for your email. This will be reported to Employment Matters Committee on 19 February .

To clarify a couple of points;

- 1. There is no intention to deviate from soulbury conditions of service. The proposal is solely about coming out of the national pay award, and introducing local pay bargaining. The only change to contracts will be to remove all references to the national pay award and terms and conditions and replace with reference to local pay bargaining and conditions of service. I reiterate that there is no intention to alter Soulbury conditions of service.
- 2.Should a collective agreement not be reached with the unions the proposal is to mirror national soulbury terms and conditions, apart from the national pay award for 3 years. There is no proposal to move from Soulbury after this period as there is no benefit to Medway in doing this.

Questions

1.

I have some questions regarding yesterday's email stating the intention to vary employee contracts with effect from 31st March unless staff agree to the proposed withdrawal from the national pay agreement and, in return, gain 3 years of protected terms before contracts are subjected to locally determined variation.

What are the proposed differences in our terms of employment, other than pay increases in line (or not) with the increased cost of living; how will annual leave entitlements, public holiday and extra statutory leave arrangements, sick pay provisions, notice periods and redundancy entitlement linked to years of service be affected? would, for instance, redundancy pay rate be determined by years of actual service or years since the re-negotiation of contracts, similarly would sick pay and maternity pay be determined from this more recent date or the actual start of employment with the council? What guarantees would be in place in relation to the 3 years where contracts would mirror the national scheme?

What assurances do staff have that senior level executives will also be subject to the same presumed bar on annual pay increases, or in fact any part of our contracts - will their terms mirror the general terms that all staff are subject to?

Why is a 1% increase in pay, which seems to happen each year, such a problem to account for when it is a regular occurrence?

Will continuous service, i.e. staff who have currently worked for the council for 10 years, count on the new contracts?

How will staff currently under TUPE arrangements following a transfer from KMPT be affected - will our terms still be protected or does such a renegotiation of contracts nullify the TUPE arrangement?

Thanks for your e mail. Apologies for the delay in responding.

There is absolutely no proposal to change conditions of service such as annual leave, sick pay etc. The proposal is to mirror national conditions of service, except pay, for 3 years from April. Any new proposal regarding

conditions of service would have to be agreed by Members and subject to consultation.

Continuous service is not affected in any way at all--therefore all terms and conditions linked to service are unchanged.

All staff, apart from the Chief Executive, who is already on local terms and conditions and pay, are affected in exactly the same way.

A 1% pay award is not affordable in the current financial climate for Medway. There has been a national pay freeze for the last 3 years, aswell as the current incremental freeze.

A new contract/withdrawal from the national agreement will nullify TUPE protection as the reason for change is not directly linked to the transfer and is for economic reasons.

Thanks for the reply.

After the three year period of mirroring terms and conditions what is planned?

As I understood it, based on the notification and the news coverage that followed (which made reference to a "take it or leave it" offer), any staff who did not agree to the proposal would not be given this three year period of mirroring the nationally agreed terms and conditions. Am I correct on this, was it presented unclearly or will all staff be given this three year period where terms and conditions - excluding pay - will mirror the national conditions regardless of whether or not they agree to the proposals? In light of meetings last night I have been given the impression that this three year period of mirroring terms is in fact "off the table", would you be able to confirm whether this is the case?

The issue regarding a 1% pay increase was not presented in terms of being an unaffordable expense in the original notice of negotiations commencing with the trade unions, rather that it was set so late in the year that it presented an accounting problem (of £900,000 in this example) as the budget for the next year had already been set before any increase was announced. To quote the 3rd December email - "Due to the economic climate and budgetary constraints the Council needs certainty for its budget setting purposes as any national pay award would need to be funded from the Council's resources. A 1% pay award would cost the council £900,000, (excluding schools). Moving out of the national agreement to local pay negotiations would provide certainty for the council in setting the budget. "Was this initial statement incorrect or has the reasoning for coming out of the national agreement since changed?

As a point of interest, what would happen should employees refuse this new contract - would it be that their employment is terminated with immediate effect from 31st March 2013; that they have resigned with immediate effect; been made redundant or...?

The proposal to mirror national conditions of service, excluding pay, is applicable to all staff should Members agree the proposal at the Council budget setting meeting on 21 February.

I cannot comment on the financial aspect as I am not party to the process or discussions.

Should employees refuse to attend and work to a new contract and do not accept payment they will have been dismissed. There is no redundancy as the job still exists.

If the employee attends work under protest and receives pay they will have accepted the new contract.

2.

I read the email yesterday regarding the above. I am not a union member and consequently do not attend their meetings. I am curious to know if under the new proposal if my salary will be reduced, any overtime payments reduced, holiday reduction and pension.

I really wanted to know under my current conditions what exactly will change for better or worse under the new agreement as it does not give much of an indication in the letter. It merely says vary existing contract. Thank you.

Sorry for the delay in responding.

There is no proposal to reduce salary, overtime, holiday entitlement or pension. The only thing that will change is not receiving a pay award if one is agreed nationally.

The proposal is to mirror national conditions of service for 3 years from April . There is no proposal to then change conditions of service. That would need to be subject to a Member decision and further union and staff consultation.

3.

I am part of a team that maybe TUPED to a new owner on April 1st 2013, could you advise on what terms and conditions will I and the team be TUPED, the present national or Medway Councils proposed new terms and conditions?

Sorry for the delay in responding.

There is no proposal to change terms and conditions apart from not being bound by a national pay award. However whatever is in place in terms of the contract of employment and terms and conditions at midnight on 1 April would TUPE should that happen.

4.

Is it correct that Medway are considering reducing the pay bands and that people at the top will have a reduction in salary?

Apologies for the delay in responding.

A review of the current grading structure has just started. There will inevitably be winners and losers. At this point I cannot say which grades will be affected. There will be full consultation once the proposals are finalised.

5.

Could someone clarify one point please.

It is understood that should staff agree to the proposals then the only element that will be varied will be the pay (with 3 years protection). If there is no consensus then the other terms and conditions may be altered and the full 3 year pay protection removed. Or, is this false information?

Apologies for the late response.

The current proposal is to mirror national terms and conditions, excluding pay, for 3 years from April. There is no proposal to alter terms and conditions in the absence of agreement.

The collective agreement that was rejected included pay protection for 3 years for staff that may lose out as a result of the grading review that has recently commenced. This will be subject to a separate consultation.

6.

I understand the current terms and conditions will continue for the next three years. I would like to know what happens afterwards. I also understand that it is normal for councils to work to a 5 year plan, so there should be some idea of what you want to happen then. I am a single widow living alone and bills are going up more than I can afford. I hope to hear from you soon.

Sorry for the delay in responding.

There are no proposals currently as to what will happen to terms and conditions after 3 years. As things stand the proposal is that conditions of service will mirror national conditions of service, excluding pay. The Council will obviously be mindful of remaining an employer of choice for staff in Medway.

7.

Thank you for your letter dated December 19th regarding the above. I am currently on maternity leave and I am due to return to my post as a social worker in may 2013.

The letter states that due to it not being possible to reach an agreement with the trade unions, an individual consultation with me is now commencing. Please could you clarify in writing what it would mean to me, as an individual employee, if the changes were to go ahead as proposed to enable me to

make an informed decision? Specifically, how would the changes affect me and what would my new entitlements and terms of employment be?

Thanks for your e mail.

The proposal is to withdraw from the national agreement on terms and conditions, including pay, and introduce local pay bargaining from April.All other terms and conditions would mirror national conditions of service for a 3 year period.

As things stand the only thing that it is proposed to change is not to pay a national pay award should one be agreed.

8.

Can you provide me with a list of the benefits that I will be entitled to by coming out of the nationally agreed terms and conditions of employment please

Thanks for your e mail.

The proposal is to introduce local pay bargaining, and mirror national conditions of service, excluding pay, for 3 years. Therefore the only thing that would change in terms of benefits would be not receiving a national pay award if one is agreed and the proposal is implemented.

9. Dear Colleague,

I have read the email and attachment you have kindly sent below, but have failed to find how the decision to withdraw from nationally agreed terms and conditions of employment for staff will benefit me as an employee of Medway Council from April 2013 for three years and beyond that.

Therefore, to enable me to make an informed decision can you please answer how I as an individual employee would benefit from this proposal in the first three years and following the initial three years.

Please could you also outline the processes and options for me as an individual should I agree or decline this proposal.

I look forward to your response within the next 10 working days.

Thank you for your e mail.

The current proposal is to withdraw from the national agreement and introduce local pay bargaining from April.National conditions of service, excluding pay, would be mirrored for 3 years. There is no proposal to change conditions of service at the end of the 3 year period.

What the proposal does is give certainty to employees that their conditions of service will not differ from national conditions for 3 years. This excludes pay which will be determined locally.

Should a collective agreement not be reached with the unions then individual agreement to vary the employment contract would be sought. If that were not to be successful then the employment contract would be terminated and another contract offered on revised terms. There would be no break in continuity of service. Should the individual employee not take up the new contract and decline to work then they would in effect be dismissed and would have the right of appeal.

Thank you for you response.

I am left with a further questions.

Given all aspect of the conditions of employment will remain EXC Pay for the first three years, however could change after the three years; please advise what constitutes pay? and what constitutes conditions?

Specifics:

- essential user payment
- mileage rates
- additional hours
- annual leave
- sick leave
- maternity leave
- flexible working
- pension

Following this would my pay be reduced or increased within and after the 3 years of this proposal? And would I loose or have changed the abovementioned specifics I mentioned within these changes.

The reference to pay relates to the annual pay award. Your list relates to conditions of service. Pension is totally separate and not part of this proposal.

If local pay is introduced it will be for Members to put forward an amount of money each year, dependent on the budgetary position, to negotiate a pay award with the unions. I cannot say if there would be a pay award during the 3 years.

Regarding the conditions of service whatever they are nationally will be mirrored in Medway for 3 years. What happens after that I cannot say, because I don't know.

Hope this helps.

Following your responses to information I asked for and having considered the proposal, I am writing to inform you that I **do no agree** with the proposal to withdraw from Nationally agreed terms and conditions of employment for staff and the introduction of local pay negotiations.

Thank you. We are still talking to unions in an effort to reach a collective agreement. Should that not be possible then you will receive a letter following the council meeting in February, depending on the decision of council.

10.

Having read the notification sent on November 6th, I can appreciate the advantages that withdrawing from the national pay agreement would give the the local authority but can you please explain what the benefits and guarantees this action would offer me as an employee of Medway Council.

Thanks for your e mail.

The benefit to employees is that they will have a guarantee that conditions of service, excluding pay, will mirror national conditions of service for 3 years.

please could you explain what will happen after three years time and what will happen with the proposed pay now?

There is no proposal to change any conditions of service after 3 years.In terms of any pay award from April----if local pay is implemented any pay award would depend on whether Members made money available to negotiate an award with the unions.

11.

To whom it may concern,

Having read the notification sent on November 6th, I can appreciate the advantages that withdrawing from the national pay agreement would give the the local authority but can you please explain what the benefits and guarantees this action would offer me as an employee of Medway Council.

Also in the email dated 21st November 'Pay negotiations - update' it stated 'The council's proposal is to withdraw from the national terms and conditions and provide a guarantee that it will not change to the detriment of employees, any of the terms and conditions including pay, for a period of three years from 1 April 2013, when local pay arrangements will be put in place'. Therefore can you please provide some clarification of what this guarantee will look like.

Therefore at this stage, without the answers to my above questions I am unable to agree to the proposal by the local authority to withdraw from the National Agreement for Pay.

Thank you for your e mail.

The proposal is to mirror national conditions of service, excluding pay, for 3 years. This gives employees certainty that conditions of service, excluding pay, would be no worse that those applicable nationally.

The proposal set out in your second paragraph was not accepted by the trades unions as they did not agree to the collective agreement. The current proposal does not offer pay protection for 3 years for staff who may lose pay as a result of the separate pay and grade exercise. The council is still trying to reach a collective agreement with the trades unions.

12.

Having read the notification sent on November 6th and the update on November 21st, I can appreciate the advantages that withdrawing from the national pay agreement would give the the local authority but can you please explain what the benefits and guarantees this action would offer me as an employee of Medway Council after the three year period you have quoted. I understand that should any pay award or employee benefit a local authority may wish to give their staff could be done through the national pay agreement and that this agreement is in place to protect employees. Unless you can give me any information that will evidence this to the contrary I don't feel I can agree to your proposition at this time.

Thank you for your e mail.

There is no proposal to change any conditions of service after the 3 year period. Should any change be proposed in the future then that would be subject to consultation with trades unions and staff.

13.

I recall from the Corporate Consultative Committee Meeting, held on 05/12/2012 that HR offered to speak to individual teams to discuss the effect of coming out of the nationally agreed terms and conditions of service. As an Educational Psychology Service we have the protection of Soulbury to safeguard conditions of service. Signing individual contracts and transferring to local terms and conditions will have a serious impact on and adversely affect our current working conditions and ability to negotiate future pay awards.

Some of our concerns at this time are to do with:

- 1. In terms of Retention and Recruitment; maintaining an EP workforce that will not have equivalent terms and conditions to Soulbury (we are also aware that if our Union feels that Medway is offering t&cs below Soulbury, they will not carry our adverts, and this is the only route to recruitment for educational psychologists)
- 2. Maintaining a salary and career structure that will attract new employees to this service.
- 3. Ensuring that new employees, and those nearing the end of their careers are not disadvantaged in terms of starting salaries and pensionable rights.

4. As a Team, we are concerned also with the suggested 90-day consultation periods for Trade Unions and Individual employees. We are unsure regarding the legality of one, 90-day period for consultation with Trade Unions starting on 29/11/2012 and then, before that period of time has ended a further 90-day consultation period for individual employees, starting on 30/11/2012. We feel it would have been right and proper to complete one set of consultations and know the results of those consultations before commencing the next set. We would appreciate HR's thoughts on this matter.

The EPS would like to invite a member of HR to a Team Meeting - we suggest 08/01/2013 at either 2:00 to 2:30 or 2:30 to 3pm (whichever is most convenient) to discuss with us the full implications of leaving Soulbury and accepting a local agreement offer. We would be grateful for an opportunity for a Questions and Answer element to be included in the discussion.

I will look forward to hearing from you further, With best wishes.

It was good to attend the team meeting and hear people's views directly. Thank you for inviting me. I have put your comments below into the employee consultation folder so they will be reported to Members and I have fed back the team's views to Tricia and Ralph. Please find attached the presentation that Neil and Tricia are doing at the staff pay briefings.

I said at the meeting that letters would be going out soon asking individuals (subject to the final Council decision of course) if they wish to agree to the variation to contract, rather than existing contracts being terminated with the offer of a revised contract. However, I understand that discussions are ongoing on when the letters will be issued. I wonder if you would be kind enough to let the team know?

I will be in touch again as soon as there is clarity on this point.

14.

Having re-read your emails sent in November and now having attended a union meeting I am still unclear as to the legal position with regard to possible dismissal and re-engagement.

You say that you are in a negotiation process with the unions but that if they do not agree to Medway Council's proposal to withdraw from the National Pay agreements that the Council will go ahead anyway. If individuals do not then agree they will be 'dismissed' and re-engaged on the new terms. I have not been able to get a clear answer as to the legality of this. On what grounds would a person be dismissed?

I understand that the Council is trying to save money and that pay and conditions is an area that is seen to be one that could be used for that purpose. I assume this means that after the 3 years of not changing terms, pay and conditions that the Council will be looking at reducing pay. Is this the case?

It would be helpful to have answers to these questions in order to know what the future holds.

I have been asked to respond to your e-mail to tricia.

Should the council fail to reach a collective agreement with the trades unions then individual agreement will be sought to vary the contract of employment. Should that not be possible then the legal position is that the individual would be issued with contractual notice of dismissal and offered a new contract with revised terms for immediate re engagement at the expiry of the contractual notice. The technical reason for dismissal is some other substantial reason. Should the individual decide not to take up the new contract then they will be deemed to have resigned.

With regards to what will happen after 3 years to pay I cannot answer that as it will depend on the financial position of the council at that time.

15.

have had a few enquiries from members at Medway who face a variation of contract following the decision by Medway councillors to withdraw from national pay bargaining mechanisms.

Firstly, in view of the small number of employees employed on Soulbury I would like to ask if it is necessary or desirable to subject these members to a such a variation. I note that Kent and East Sussex continue to pay Soulbury rates and the decision of the Council is likely to lead to a haemorrhaging of skilled professionals over a short period of time. I would be grateful if a breakdown of the cost saving can be sent to me as part of the current consultation that Medway anticipate that would be gained by withdrawing specifically from Soulbury Pay (as opposed to wider proposal to withdraw from NJC pay). I would also be keen for a formal response to my thoughts above.

Secondly, I have some factual question regarding exactly what is being proposed that I list below,

- Should members refuse to agree to a variation of pay and terms will they then be issued with new contracts following notice?
- In respect of the above situation will conditions still honoured for three years from 1st April 2013?
- What is the notice period for Medway employed Soulbury staff as this can vary from LEA to LEA and are these tied to STPCD term dates; if so the notice period would need to be 30th April for our affected members.

I need to clarify that the proposal is to withdraw from national conditions of service, including the national pay award. The intention being to introduce local pay bargaining from 1 April 2013. This does not mean that Medway will cease to pay Soulbury pay rates to staff . Kent County Council already operate local pay bargaining.

In relation to the particular points you raise;

- 1. I confirm that the proposal is that staff will be issued with new contracts of employment following termination of existing contracts should they not agree to a contractual variation.
- 2. The proposal is that conditions of service, excluding pay, will mirror national conditions of service for 3 years from 1 April 2013.
- 3. Soulbury staff in Medway are not subject to STPCD notice provisions linked to term dates.

Thanks for this. Kent do have local pay bargainning for LG officers but, to my knowledge continue to employ and follow Soulbury. It is for these staff that I am requesting due consideration bve given for retention of the Soulbury and following of the national pay bargainning for this small number. The reasons are compelling in my view and include,

- + Retention Soulbury are specialist grades with unique skills. Other authorities do offer Soulbury and it is likely that retention will be an issue.
- + Cost as requested please can you let me know the number of Medway staff employed on Soulbury and the cost saving of the proposed variation of contract. I suspect that the savings are minute and therefore there remains a compelling argument to leave this group as they are.

To confirm again Medway proposes to continue with Soulbury grades and conditions of service, apart from the national pay award.

There are 26 soulbury staff and a 1% pay award would cost £16,000 including on costs.

Thank for this. I am clear that it is just pay.

The sum you have given is just a 1.7% of the overall cost savings proposed by Medway in withdrawing from national pay mechanisms for non STCPD staff. I would ask once again, if such a saving is a proportionate means of achieving a justifiable objective and imposing a unilateral variation of members' contracts or justifying a dismissal. The sum is a very small one in the context of the wider remit to make cost savings.

Please can the request not to withdraw from Soulbury pay, as opposed to NJC more generally, be given genuine consideration as part of the current consultation exercise? The small cost involved compared to the poor morale

that the withdrawal from Soulbury would cause as well as retention issues should be given proper and meaningful consideration separately from the wider proposals.

Your request will be put to Members in February as part of the consultation response.

16.

I just have one point that I have been asked by some of my team to clarify, regarding what happens if a national pay award is agreed that would normally be applied from 1st April 2013.

My understanding is that if a collective agreement has been reached, or if an employee has agreed to the proposed variation to their contract, that they would **not** get any benefit from any national pay award from 1st April 2013, even if the increase was only for a few weeks until the new contract applied.

However, if a collective agreement was not reached, or the employee refused to accept the contract variation, then they would get some additional pay until the new contract applied.

If this is the case, there seems to be no benefit in an employee agreeing to their contract variation (and saving HR some additional work), as even a few days worth of a pay increase is better than no increase at all.

Wouldn't be simpler if the Council offered to pay any national award to <u>all</u> staff, regardless of whether they accepted the contract variation? Surely the cost in paying this for a few weeks would be less than the cost to HR in having to vary everyone's contract individually, and the loss of good will from employees?

If I have misunderstood this, please correct me.

No problem. If we have a signed collective agreement, that will be incorporated into our contracts so there will be no national pay award paid to us from 1 April 2013 (because we will be on local negotiations by then). If we do not get a signed collective agreement, it has been decided that it would not be fair for those staff who agreed individually to a variation to contract to be worse off than those who do not agree and therefore that is why we say under Answer number 10

Staff will be asked towards the end of the consultation period to let us know whether, if the proposal is agreed at the Council meeting on 21 February 2013, they are willing to accept a variation to their individual contract. If that is the case, there will be no need to issue notice to those staff and a variation to contract will be offered. If agreed, the implementation date will be the same as it would have been had they been given notice. This is to ensure that there is no detriment to those staff that may prefer to accept a variation to contract.

So, the benefit for staff who accept a variation to contract is that they do not get a dismissal letter and offer of new contract with the new terms, instead they get a variation to contract letter (And, yes, it does save HR time as well).

I hope this assists.

I am copying in the employee consultation in box as we are recording all comments and responses.

and I have requested clarification from HR regarding whether those that refuse to sign a new contract could then benefit from a national pay award, if only for a few weeks. Please see response from Paula Charker (below).

HR have verbally confirmed that it is **not** their intention that anyone should lose out financially by agreeing to a contract variation, as opposed to waiting it out and having their contract amended anyway.

It is therefore their intention that, if a national pay award is agreed for 2013/14 (and it may not be), then <u>all</u> employees would benefit from it for a few weeks until the notice period has (or would have) expired.

You may wish to consider this when deciding whether or not to agree to a contract variation if a collective agreement is not reached.

If you have any concerns please discuss with David and myself.

There should also be some employee road shows arranged for January.

The situation below is referred to in the consultation document sent to staff in the paragraph at the top of page 5, in the next steps section.

As has been said there will be an opportunity to clarify details like this at staff meetings in January.

17.

To whom it may concern.

I would like the follow point captured within the consultation.

The agreement with trade unions offered and 3 year guarantee that employment contracts would not change, why is has this guarantee not been offered to employee in generals? Trade unions only represent approx 23% of the employees of Medway yet they are being offered what seems to be a better agreement.

In the face to face meeting I attended Neil confirmed that during the period of time our increments have been frozen, and for on going pay arrangements, that all senior members of the Council including him self and Tricia have been included and haven't received any pay increase. I think it would be good to communicate this so that front line staff understand that senior managers are also included in this process.

Thank you for your comments.

If Medway can reach a collective agreement with the trades unions then the offer of no change to conditions of service, excluding the national pay award, for 3 years would apply to all staff affected regardless of union membership.

In the absence of a collective agreement Members would need to decide on what applies to staff in terms of no change or mirroring national conditions of service for 3 years.

18.

In the meeting last week you said we could email you direct, I hope that is still ok?

My comment is regarding the 'one off' payments that have been previously made to staff on lower incomes and I'm not sure if there are any plans to repeat this. Previously only members of staff who were not at the top of their pay grade were included and therefore many more staff who are on lower incomes still did not receive any increase. Would it be fairer to make a payment to all staff on a lower income.

A proposal has been put to the unions covering all staff earning £21,519 or less.

It is now a matter for the unions to move forward.

19.

If we decide not to agree to the new conditions and are then given notice is it guaranteed that we will receive a new contact with the new conditions? Or is there a chance, even if it's a small chance, that we wouldn't be and could be unemployed come the 1st April 2013?

Also the email we received states that all staff are affected except staff on teaching terms and conditions. Does this mean all staff, top to bottom or does it mean all staff paid on NJC? Could you provide me with a list of the employee grades that will be affected by this for example does it include Service Manager grades or Soulbury staff?

Sorry for the delay. I am looking at the comments sent to the employee consultation inbox.

If we fail to reach a collective agreement with the unions, and then individual agreement with the employee, notice will be given to terminate the contract and immediately re engage on a revised contract. There is no chance that a revised contract will not be offered.

All staff, including soulbury, youth, service managers, assistant directors and directors are affected by the proposals . The only member of staff not affected is the Chief Executive who is already on ocal terms and conditions.

I just have another question regarding this that has come up from the briefing sessions. I understand that when we move out of NJC conditions will be protected for 3 years but is this just if we agree to the new varied contract or does the protection still apply if we are issued with notice and a revised contract?

If there is no protection what is the likely or possible impact of this as I know there is the separate issue or a pay and grade review coming as well.

The proposal to staff is to move out of the national agreement on pay and terms and conditions and mirror national terms and conditions, excluding pay, for 3 years from 1 April. 2013. Staff will be treated the same whether they agree to the variation to contract or are issued with notice and reengaged on a new contract.

We are still trying to reach a collective agreement with the unions on this.

20.

I work for Medway Council as an Educational and Child Psychologist currently paid on Soulbury terms and conditions.

I joined Medway Council in September 2011 and I was very clear both at interview and in my contract letter about my salary and terms and conditions. However, under the new proposals I don't know what my pay band will be and at what point it would change. As such I don't know how to plan my finances. In the Consultation document on page 3, there is mention that a letter will be sent to individuals asking for agreement with the proposal but at this stage we don't have the detail of the proposal. Once given the detail, how much time will we have to consider the proposal?

Is there an option of redundancy if we find the proposal unacceptable?

I am aware that I have the choice to work else where and currently there are vacancies in neighbouring local authorities for Educational Psychologists and there are also opportunities to work independently. Kent has vacancies and offers Soulbury terms and conditions to their Educational Psychologists. However, I enjoy my work with Medway Council, I am part of an excellent team and know that we make a difference to the lives of children, young people and families in Medway. I hope the full Council will be made fully aware of the implications of withdrawing from National Agreements for Educational Psychologists.

I am concerned too about my Pension and want to know what the implications are under the new proposal. Will Medway continue to work with Kent County Council to manage pensions?

I look forward to your response

Thank you for your letter which will be forwarded to Employment Matters on 19 February .

To comment on the points made in your letter.

- 1. This proposal is not about changing conditions of service and salary scales. It is about withdrawing from national pay bargaining and conditions in order to determine any pay award locally in future. There is also no intention to deviate from national soulbury conditions of service or pay scales. Your conditions of service and pay remain unaltered by the proposal to introduce local pay bargaining.
- 2. Your job remains and therefore there is no redundancy.
- 3.Pensions are covered by national pensions regulations, and are not affected in any way by this proposal.KCC will continue to administer the LGPS on behalf of Medway.

21.

As part of the employee consultation on exiting the National Agreements of Pay and Conditions, the Educational Psychology Service have submitted a joint letter.

I would like to reinforce the points made in that letter, as an individual response to the consultation.

I was concerned to see, on several occasions, the misleading statement about 32 of 74 'Local Authorities' changing to local agreements. I would have hoped that Medway Council would seek to be as clear and transparent as possible, but when we raised this with the HR representative at our team meeting there was no clear explanation as to why this wording was used.

As stated in our joint response, Kent chose NOT to move its Soulbury employees off from their T&Cs. As you are aware, Kent is our closest competitor in recruitment, taking into account both geography and the lack of outer/inner London pay weighting. Kent are clearly advertising for educational psychologists on Soulbury T&Cs.

Moving away from Soulbury T&Cs could also put the Council in dispute with our National Union, if proposed changes are not equivalent to or better than Soulbury. This is significant for us as a Service as our sole method of recruitment is through national adverts placed with our Union (your recruitment team will be able to confirm this). When our Union is in dispute with a Local Authority, it will advertise this with an explanation as to why the dispute has occured, refuse to take adverts for that Authority, and encourage educational psychologists not to apply for jobs within that Authority until an agreement has been reached. A national announcement of this nature within

our profession could have a long-term detrimental effect on our reputation and ability to recruit.

As stated in our joint letter, the financial impact of exluding Medway Soulbury employees would be be negligible for the Authority, particularly as our Union is yet again intending to put in a zero percent pay claim this year. However, making the Medway Educational Psychology Service reputation vulnerable nationally, and therefore reducing our capacity, will have an impact on our preventative work within the Authority, including acting as mediators and professional witnesses in SEN Tribunal Processes, supporting pupils moving back into schools within Medway, providing timely and professional advice for the Statutory Assessment Process, and supporting schools to include children within their local mainstream school. This in turn will have long-term financial implications for Medway - for example, a successfully fought Tribunal case, with full support from the educational psychologist, can easily save the Authority over £350,000 - see the attached summary which was prepared for Councillors a couple of years ago.

I hope that the decision-makers in this process are able to balance short-term savings with the long-term impact on the Authority.

Thank you for your comments which will be reported to employment Matters on 19 February.

To pick up on a couple of points;

1. There is no intention to deviate from national soulbury conditions of service. The proposal is solely about coming out of the national pay award, and introducing local pay bargaining. There should therefore not be an issue with your national union.

22.

Hello There, I have received a form from Unison re the above but some of the issues are unclear. Can you clarify the following from the Council's point of view?

As staff we do not seem to have been given much firm information from the Council itself? Why does the council consider National Pay rates unacceptable?

If staff are dismissed will they be **guaranteed** to be re-engaged? What is the purpose of the appeals process?

Would they be re-engaged at their existing pay rate? Or changed directly to local pay?

I assume then that 'local pay' would be introduced for new staff as from 1 April 2013? How will a local pay rate be established?

Please reply to this e-mail or write as I'm on leave currently.

Thank you for your e mail.

Appendix 2

In response,

- 1.The Council wishes to introduce local pay bargaining and not be bound by a national pay award which would give the council greater control over it's budget setting.
- 2.Yes staff will be guaranteed re-engagement in exactly the same job and pay rate. The only difference would be the contract would refere to local pay negotiations and conditions of service. There is no intention to offer worse conditions of service than those currently in force certainly for the next 3 years.
- 3. There is a legal right of appeal against dismissal, should that be necessary.
- 4. There is a totally separate exercise looking at pay rates, Any changes would not come in until April 2014 at the earliest. There are also salary protection arrangements. If there is a positive ballot result no pay will be cut until 2016.

23.

As the Local Representative for the Association of Educational Psychologists (AEP) and on behalf of the Membership I would formally like to draw your attention to our concerns regarding the Local Authority's (LA's) proposal to come out of the National Agreements for pay and working conditions. As Educational Psychologists (EPs), we currently enjoy Soulbury Terms and Conditions, and we feel to withdraw from Soulbury in favour of Locally Arranged Terms and Conditions would be detrimental to our Members.

We understand that there are currently 25 Medway employees under Soulbury T&Cs, thirteen of whom are EPs. We would ask you to consider the Soulbury Members to be a 'Special Case', as there are relatively few of us in number and so excluding us from the changes would have a low impact on the overall financial considerations. In contrast, withdrawal from Soulbury would impact dramatically on our pay and terms and conditions of service.

We were disappointed with the e-mail from Terry Stockwell (dated 03/12/2012) under the title, "Proposal to come out of the National Agreements and introduce local pay negotiations", which refers the LA's proposal as to what would happen if the Trade Unions did not reach an agreement to withdraw from the National Agreement, (para 5). It appeared that as the LA could not reach an agreement with the Trade Unions, the LA has decided to consult with individuals before the Trade Union consultation period has finished. The two Consultation Periods overlapped to meet the LA's deadline of implementation of the new agreement by 31st March 2013. This perceived threat has caused alarm and distress among the Membership especially as, some three months later they have not as yet received any guidance or information as to the content of a new Contract of Employment. It seems the LA is asking its employees to sign a legally binding, blank piece of paper, with the details to be filled in by the LA at a later date.

We would like to comment on three aspects of the document "Proposal to come out of the National Agreements – Employee Consultation Document" We wish these points to be taken into consideration:

- In the second paragraph under Background, there is mention of national agreement on pay increases for the year 2013. It is our understanding that Soulbury will be putting forward a 0% increase, as they have done for the past three years. Combined with the LA's decision not to grant a Cost of Living Allowance, this amounts to a decrease in salary in real terms.
- 2. There is an error in the fifth paragraph, still under Background, which speaks about 32 out of 74 authorities "are on local pay negotiations", then cites Kent and nine local authority areas. These areas may have local pay agreements in some areas such as rubbish collection and highway maintenance, but Soulbury conditions still apply to EPs across the Authority. This is evidenced by job adverts for Psychologists which specifically say that new recruits to the EPS will be under Soulbury T&Cs.
- 3. We would like clarification as to the legal basis of a "dismiss and reengage", especially in light of a refusal to sign a new contract of which the details are still unknown to us. The work EPs do has Statutory elements and as such EPs will not be in a redundancy situation and we wonder on what basis the "dismiss" element can be legal.

We would ask the LA to note that the Soulbury Report national agreement recommends full recognition by LAs of the professional associations represented on the Soulbury Committee, including "regular consultation with representatives on all questions affecting their conditions of service" (paragraph 11.1). Although we value the support from other Trade Union colleagues, they do not have the authority to negotiate pay and working conditions on our behalf. Until now our representative has not been invited to attend any JCC meetings; we understand a meeting has been scheduled for 11/02/2013, which our representative will be happy to attend.

Furthermore, although we understand the rationale for the LA to consider restructuring the current Pay Grades, the AEP is very concerned that a new Pay and Reward Scheme will have a severely detrimental impact on Educational Psychologists. We cannot see a way to align our current salary bands into a proposed – but not yet consulted on or agreed, 3 to 5 bands. We are hard pressed to see who we can be aligned with, within a 'job – family' system. Also bearing in mind, Soulbury recently restructured its own Pay Bands, ensuring that all Psychologists have a clear route which has allowed for a fair starting range for our newly qualified Doctorial colleagues and incorporating a structure for professional development and progression. We are particularly concerned about the impact the change in pay banding may have on (possibly) Trainees, Part-Time colleagues and those colleagues approaching retirement in terms of pension security. We are also concerned, about the possible pay differentials between Main Grade staff and Senior staff and the possible impact on recruitment and

Appendix 2

retention of valued and experienced colleagues. We have in a previous email (sent to Paula Charka, on 12/12/2012) already highlighted the concerns raised if the LA were to be In Dispute with the AEP in terms of advertising for EPs to join the Service.

The AEP would like to thank you for your time in reading and considering our proposal for regard as a "Special Case". This letter should be considered as a joint letter from the EPS under our AEP banner. I understand EP colleagues are considering making individual responses to the consultation and I shall urge them to have their responses to you by the end of the consultation period.

Thank you for your letter to tricia which I have been asked to respond to as part of the consultation process. This will be reported to Employment matters on 19 February.

To clarify a couple of points;

- 1. There is no intention to deviate from soulbury conditions of service. The proposal is solely about coming out of the national pay award, and introducing local pay bargaining. The only change to contracts will be to remove all references to the national pay award and terms and conditions and replace with reference to local pay bargaining and conditions of service. I reiterate that there is no intention to alter Soulbury conditions of service.
- 2.Should a collective agreement not be reached with the unions the proposal is to mirror national soulbury terms and conditions, apart from the national pay award for 3 years. There is no proposal to move from Soulbury after this period as there is no benefit to Medway in doing this.
- 3. There are different consultation requirements regarding a collective consultation requirement of 90 days with the trades unions and individual staff consultation which has to be meaningful, but with no set timescale. The consultation periods have to meet the Council budget setting timescale which this year is 21 February.
- 4.In the absence of a collective agreement or individual agreement it is legal to dismiss and immediately re-engage on new contractual terms. This is set out in employment law. There is no redundancy as the work, including the statutory work, still exists.
- 5. Any new pay and grade system will retain the soulbury grading structure.

24.

The National Agreement provides a safety net for pay awards which means that staff pay, terms and conditions will not fall below a certain minimum standard. Medway Council's intention to withdraw from National Agreement is a indication that staff are not worth even the minimum pay that is negotiated nationally. In addition, now that the 3-year pay freeze is coming to an end and the government is recommending a 1% pay award for local government

employees, Medway Council is seeking a way out of recompensing staff "for the hard work over the past 12 months," Councillor Rodney Chambers and Neil Davies, Chief Executive (December 2012)

The Local Government Association is currently looking to reform Local Government Pay, Conditions and Negotiating Machinery. It would be wise for Medway Council to wait until such discussions have taken place before making a decision about withdrawal. Still, any move to localised negotiations needs to be costed in terms of staff and employer time required, year on year, in negotiating and managing change, which if it becomes protracted, will only utilise more resources, not to mention the negative impact on recruitment and retention of staff. In addition, uncertainty and apprehension over localised pay negotiations threaten to undermine transparency, fairness and equity which the National Agreement currently offers. Withdrawing from the National Agreement would also result in Medway Council losing the many benefits of national representation, including the economies of scale that national pay and negotiations bring and the ability for the National Employers to speak on behalf of the sector in discussions with Government.

The current system provides a level playing field, preventing a race to the bottom of the top on pay and avoids damaging competition for staff. It minimises transactional costs involved in pay and determination and removes pay as a source of industrial relations conflict at an organisational level.

The New Economies Foundation report, The Economic Impact of Local and Regional Pay in the Public Sector examines the government's arguments for localising public sector pay and the potential economic impact of the policy. It finds that these arguments are not supported by the evidence, and that the policy would have a significant negative impact on the economy which could reach almost £10 billion. We therefore oppose these new proposals as it would not only be detrimental to staff and customers but also to the local economy as Medway Council is the largest local employer. Having high areas of deprivation any wakening of the spending power of council workforce will further seriously damage the local economy. At a time when local businesses are struggling in a difficult climate, driving down the wages of thousands of council employees (most of whom currently resides in Medway) will have a devastating impact on the viability. The plans will also have serious implications for service delivery. If changes to pay (and we strongly believe pay is just the opening salvo; terms and conditions will be raided next) are imposed while neighbouring councils, such as Dartford Council, are awarding pay increases, employment patterns are likely to respond accordingly and Medway Council could see itself losing skilled staff to higher paying areas. which damaging impact on the quality of service delivered locally. This could drive up further deprivation in the borough compared to the rest of the region.

The only benefit we envisage Medway Council can derive from withdrawing from the National Agreement is that the Council may have the ability to set its pay award (or NOT given it's clear intention so far) ready for the start of the budget year on 1 April each year. Any other 'flexibilities' are already possibly whilst remaining in the National Agreement and always have been. If

Councillors have been advised this is not the case then they have been misinformed.

There is no promise or indication of a probable pay award via local decision making process; indeed Councillor Alan Jarret, Finance Member, informed the BBC on 18 December 2012 that "As and when we can afford to increase pay, we will". This statement suggest that the council has no intention of offering staff a pay rise anytime soon, despite the increase in cost of living and the government's mantra of "Making Work Pay". The majority of staff currently struggle to manage month on month and their standard of living has significantly dropped following the 3-year pay freeze but still we turn up for work and give of our best. Councillor Chambers and Mr Davies further acknowledged that although government funding has decreased to the public sector, leaving the council to make difficult choices, the council is "extremely conscious that an organisation such as Medway Council is people orientated and needs experienced and committed staff to achieve all that it sets out to do. And we think it is fair to say that much has been achieved in Medway in 2012". Therefore, depriving staff of much-needed and well-deserved cost of living pay award is not only unjust but also unfair.

Removing the protection provided by the National Agreement will not be an attractive proposition to future staff or reassure current ones and will not result in Medway Council being able to attract and retain a skilled and flexible workforce. Tricia Palmer, Assistant Director Organisational Services, in her submissions to Employee Matters Committee on 13 September and 30 October 2012, acknowledged this as one of the risks for pursuing this course of action.

In addition, Tricia Palmer in seeking permission to consult with staff, further informed the committee that "The Medium Term Financial Plan for the council is forecasting very significant financial deficits for the coming years excluding any presumption for pay increases and against a background and potential increase in pay would pose a risk to services and/or jobs". This suggests that withholding staff pay awards will always be a solution to any budget overruns and/or financial mismanagement, which is way beyond the majority of staff control. This sort of mentality can only service to destroy staff morale and motivation (which is already at rock bottom), leading to deterioration in service delivery.

In order to enforce its proposals, the Council has indicated that it will have no choice but to dismiss and re-engage its workforce, at an undisclosed cost, which will bring it adverse publicity. Tellingly, the Council has withdrawn the 3-year protection guarantee given to staff once withdrawal has taken place because the Unions and their members dared to disagree with the council's proposals, which are wholly disadvantageous to staff.

There is no guarantee that, once a localised scheme becomes operational, the Council will not make it a practice to whittle away our other employment terms and conditions whenever it suits them.

Staff are already stepping up to the challenges of delivering more with fewer resources, through the ongoing Better for Less Programme, which is clearly geared towards making efficiency savings, an idea which staff bought into. However, continually hitting staff in their wage packers for savings will only disengage staff from management and the unions will become even more important henceforth.

The pay proposal put forward by the Council is not clear in that there is no indication as to what local indicators would be used to determine future (if any) pay awards.

Recruitment freezes and post deletions in conjunction with expanding demands on the services are clearly placing strains on the workforce and service delivery. To plug the gaps in staff shortages, the council has resorted to utilising high-cost agency staff rather than seeking to efficiently recruit placements.

Medway Council has described the pay negotiations as a consultation exercise but this can hardly be the case when the only options for staff are to accept the changes or be sacked. In our view it is *fait accompli*.

In her submission to Employee Matters Committee, Tricia Palmer suggested that the pros and cons of exiting the National Agreement need to be carefully weighed up. However, the verdict on this analysis has not been made known.

The belief the Council has that it is in a stronger position and will prevail is not only indicative of how low in esteem they regard staff but also a form of blackmail, given the state of the jobs market.

The destabilising effects of ongoing organisational change such as the proposed rebanding of posts, restructuring brought about be BfL, recruitment freezes as well as the morale-sapping pay freeze are all signs that the council, as an employer, intends to continue to squeeze the workforce.

Questions that we would need addressed

- 1. How long has the budget not been balance?
- 2. What is the financial position of the Council?
- 3. Has the Council considered drawing on its reserves to meet the government's proposed 1% pay award, seeing that they turned down the union's proposed 'sweetener' of £1.5h-£2k each staff?
- 4. What other alternatives has the Council explored other than freezing pay awards indefinitely?
- 5. What sort of equality impact assessment has been carried out as it appears the proposals will disproportionately affect women (majority in the workforce) than men?
- 6. Are there risks of potential equal pay/discrimination cases?
- 7. What savings did the pay freeze deliver on previous forecasts in 2011/12 and 2012/13?

- 8. What is the percentage of savings will the pay awards of £900,000 (i.e. 1% pay award for all staff that will be withheld) provide in relation to the overall council staff pay bill?
- 9. What is the percentage of senior management pay (which by the way is not subject to the National Agreement and is therefore not affecting senior management pay, terms and conditions) in relation to the overall council staff pay bill?
- 10. What areas have over-spends and under-spends and why?
- 11. Provide a breakdown of agency workers and consultants' costs for 2011/12 and 2012/13.
- 12. When is the budget normally signed off and reviewed?
- 13. What are the redundancy payment costs for 2011/12 and 2012/13?
- 14. How many new posts have been created since BfL started and at what cost?
- 15. What measures are being taken to mitigate the consequences of inevitable low staff morale and motivation?
- 16. Is the Council willing to renegotiate with the unions with an improved offer?
- 17. What are the long-term effects of several years' of no pay awards on staff pensions?

| Question | Response |
|---|--|
| 1. How long has the budget not been balanced? | Successive Medium Term Financial Plans (MTFP) have reported anticipated shortfalls in spending v funding for the Council's annual revenue budget. Most recently the MTFP report to Cabinet in October 2012 forecast a revenue deficit of £5.9m to be addressed for 2013-2014. |
| 2. What is the financial position of the Council? | The most recent report to Cabinet reported that the revenue deficit to be managed for 2013-2014 had increased to some £11.9m as a result of further cuts to central government funding. This position has improved by some £2m following the provisional financial settlement in December that was reported to Cabinet in January. |
| 3. Has the Council considered drawing on its reserves to meet the Government's proposed1% pay award, seeing that they turned down the unions' proposed "sweetener" of £1.5k - £2k for each member of staff? | Unallocated reserves of some £18m are considered minimal in view of annual revenue expenditure in excess of £500m. It is also a key component of the financial strategy to achieve a sustainable budget without recourse to the continued use of reserves. |

| 4. What other alternatives has the Council explored other than freezing pay awards indefinitely? | There is no proposal to freeze pay awards indefinitely. The Council looked at overtime payments and enhanced payments for unsocial hours working but these costs were significantly less than £900,000. |
|---|---|
| 5. What sort of equality impact assessment has been carried out as it appears the proposals will disproportionately affect women (majority in workforce) than men? | A screening form for the Diversity Impact Assessment was completed in October 2012 (copied below as Appendix A). The analysis of staff who may have received a pay award in 2013 demonstrated that of the 5690 staff that may be impacted upon 4578 staff are female, which is 80.1%. |
| | The total group (excluding Service Managers and above who are already on local pay, but including teaching staff) is 7442 staff of which 5990 are female. This shows that 80.1% are female. There is therefore no disproportionate impact. |
| 6. Are there risks of potential equal pay/discrimination cases? | The Council's view is that there are no risks. |
| 7. What savings did the pay freeze deliver on previous forecasts in 2011/12 and 2012/13? | The pay freeze is estimated to have delivered savings of £824,000pa in 2011/12 and a further £854,000pa in 2012/13 |
| 8. What is the percentage of savings will the pay award of £900,000 (ie 1% pay award for all staff that will be withheld) provide in relation to the overall deficit? | A pay award costing £0.9m would increase the reported forecast deficit of £11.9m by some 7.5% |
| 9. What is the percentage of senior manager pay (which by the way is not subject to the National Agreement and is therefore not affecting senior management | Senior manager pay (Service Managers and above) is not subject to the National Agreement but has been determined each year following any national pay award. Without exception, the Employment Matters Committee has agreed to award the same pay award to senior managers as the National Pay Award. |
| pay, terms and conditions) in relation | Senior manager pay is approximately 6% of the overall staff pay bill. |

| to the overall council staff pay bill? | | | |
|--|--|---|---------------------|
| 10. What areas have over-spends and under-spends and why? | The forecast deficit for 2013-2014 is as a result of reduced funding rather than increases in spending. Cost increases are limited to unavoidable contract uplifts and demographic changes in areas such as social care. However these have been more than offset by efficiency savings, substantially via the 'Better for Less' programme. | | |
| 11. Provide a breakdown of agency workers and consultants' costs for 2011/12 and 2012/13 | £2.4m 2011-2012 £2.2m 2012 – Year to date | | |
| 12. When is the budget normally signed off and reviewed? | The budget is approved by / March for the following find on April 1st. Cabinet then had manage that budget and reports on a quarterly basis | ancial year c as responsib ceives appro | ommencing ility to |
| 13. What are the redundancy payment | | Non Schools | Schools |
| costs for 2011/12 and 2012/13? | 1 April 11 - 31 March 12 1 April 12 - 30 September 12 (data only available until S | £996,648 £166,806 | £365,172 £60,935 |
| 14. How many new posts have been created since BfL started and at what cost? | To date across the two completed phases of BFL there has been 192.5fte of posts created. It should be noted that whilst these would be deemed new posts, the vast majority have been created by the re-allocation of duties from existing roles into new teams and structures such as customer contact, adminsitration and performance and intelligence. 19% of this FTE has been filled by individuals external to the organisation (38FTE). The remainder have been filled by individuals in the affected population across these two phases. All of the new structures have been funded within existing resources, and indeed the BFL programme to date has saved £2.9 million. | | |
| 15. What measures are being taken to mitigate the consequence of | A number of briefings have to raise questions/issues di Executive and senior mana | rectly with th | e Chief |

| inevitable low staff morale and motivation? 16. Is the Council willing to renegotiate with the unions on an | discussed individually or collectively during one-to- one sessions and team meetings, employees are encouraged to still take advantage of development and career opportunities available to them, and we will be undertaking an employee survey shortly to guage the views across the workforce. We regularly review and update all employee benefits and have run a number of well-being events over the last year, and will continue to run these for the foreseeable future. We are also looking to establish a network of employee engagement champions. The Council has already made an improved offer to the unions of a £50 payment for those earning £21,519 or below |
|--|---|
| improved offer? 17. What are the long-term effects of several years' of no pay awards on staff pensions? | As we have final salary pension schemes it will affect the amount of pension paid to those retiring over the year following the zero pay award. It is impossible to quantify this as there is no compulsory retirement age and the Council does not know who will retire each year. |

Appendix A

Diversity Impact Assessment: Screening Form

| Directorate | Name of Fund | ction or Policy or Ma | jor Service Change | |
|-----------------------|---|---|---------------------|--|
| Business Support | Proposal for local pay negotiations | | | |
| Officer responsible f | or assessment | Date of | New or existing? | |
| | | assessment | | |
| Paula Charker | | | New | |
| | | 23 October 2012 | | |
| Defining what is be | | | | |
| 1. Briefly describe | the The Co | ouncil has an esta | blished process for | |
| purpose and objec | of the council' The finanational cent part of £900 | · | | |
| | | dium term Financial I asting very significan | | |

| | the coming years excluding any presumption for pay increases and against this background any potential increase in pay would pose a risk to services and/or jobs. | | | |
|--|--|--|--|--|
| 2. Who is intended to benefit, and in what way? | Savings are intended to be achieved in a way that ensures financial sustainability whilst not disproportionately impacting on or unfairly disadvantaging any sections of the community. | | | |
| 3. What outcomes are wanted? | That the Council continues to deliver vital services to customers whilst at the same time managing reductions to funding and functioning as a sustainable organisation continuing to focus on priorities and providing effective services. Obviously, this proposal will have detrimental impact on the earning capacity of those workers who may otherwise have received a pay award on 1 April 2013. This proposal is being considered as a way of delivering savings, which goes someway to sharing the impact equally across the organisation. | | | |
| 4. What factors/forces could contribute/detract from the outcomes? | Contribute Good analysis of the proposals Effective consultation Clear communication of proposals | Detract Decisions made without full analysis and discussion | | |
| 5. Who are the main stakeholders? | All Staff and Members | | | |
| 6. Who implements this and who is responsible? | Senior Management Team | | | |
| Assessing impact 7. Are there concerns that | ut | | | |
| there <u>could</u> be a | YES No | | | |

| differential impact due to racial/ethnic groups? | NO | | | |
|--|---|----|--|--|
| What evidence exists for this? | The analysis of staff who may have received a pay award next year demonstrates that of the 5690 staff that may be impacted upon 91.6% are from a white ethnic group and 8.4% are from a BME group. The total group (excluding Service Managers and above who are already on local pay, but including teaching staff) is 7442 staff. This shows that 91.9% are from a white ethnic group and 8.1% are from a BME group. | | | |
| | | | | |
| | There is therefore a 0.3% disproportionate impact but this is a small difference and not significant statistically. | | | |
| 8. Are there concerns that there <u>could</u> be a | YES | No | | |
| differential impact due to disability? | NO | NO | | |
| What evidence exists for this? | The analysis of staff who may have received pay award next year demonstrates that of the 5690 staff that may be impacted upon 124 staff are disabled, which is 2.2%. | | | |
| | The total group (excluding Service Managers and above who are already on local pay, but including teaching staff) is 7442 staff. This shows that 2% are disabled. There is therefore a 0.2% disproportionate impact but this is a small difference and not significant statistically. | | | |
| | | | | |
| 9. Are there concerns that there could be a | YES No | | | |
| differential impact due to gender? | NO | | | |
| What evidence exists for this? | The analysis of staff who may have received a pay award next year demonstrates that of the 5690 staff that may be impacted upon 4578 staff are female, which is 80.1%. The total group (excluding Service Managers and above who are already on local pay, but including teaching staff) is 7442 staff of which | | | |
| | | | | |

| | 5990 are female. This shows that 80.1% are female. | | |
|--|--|--|--|
| | There | is therefore no disproportionate impact. | |
| 10. Are there concerns there <u>could</u> be a | YES | Do not know | |
| differential impact due to sexual orientation? | NO | | |
| What evidence exists for this? | pay av 5690 | nalysis of staff who may have received a ward next year demonstrates that of the staff that may be impacted upon 15 staff ay or bisexual. This is 0.26%. | |
| | The total group (excluding Service Managers and above who are already on local pay, but including teaching staff) is 7442 staff of which 18 are gay or bisexual. This is 0.24%. | | |
| | There is therefore a 0.02% disproportionate impact but this is a small difference and not significant statistically. | | |
| | the ec | of staff have not completed this data on quality monitoring form so this data is not le in any event. | |
| 11. Are there concerns there <u>could</u> be a have a differential impact due to | YES NO | Do not know | |
| religion or belief? What evidence exists for this? | The analysis of staff who may have received a pay award next year demonstrates that of the 5690 staff that may be impacted upon 257 staff have declared a religion or belief. This is 4.5%. | | |
| | The total group (excluding Service Managers and above who are already on local pay, but including teaching staff) is 7442 staff of which 341 have declared a religion or belief. This is 4.6%. | | |
| | impac | is therefore a 0.1% disproportionate at but this is a small difference and not cant statistically. | |
| | the ec | of staff have not completed this data on quality monitoring form so this data is not le in any event. | |

| 12. Are there concerns | _ | | |
|---|--|--|----------------|
| there could be a | YES | No | |
| differential impact due to | NO | | |
| people's age? | NO | | |
| What evidence exists for this? | The analysis of staff who may have received a pay award next year demonstrates that of the 5690 staff who may be impacted upon by age bands shows the following: | | |
| | Those affected: Inc. teaching staff: | | Inc. teaching |
| | 29 an 16% | d under = 15% | 29 and under = |
| | 30 - 3 | 39 = 18% | 30 - 39 = 19% |
| | 40 – 4 | l9 = 31% | 40 - 49 = 29% |
| | 50 - 5 | 59 = 26% | 50 - 59 = 26% |
| | 60 an | d over = 10% | 60 and over = |
| | 10% | | |
| | with n | ata generally follows the innor differences. There is portionate impact. | • |
| 13. Are there concerns that there <u>could</u> be a | YES | Do not know | |
| differential impact due to being trans-gendered or transsexual? | NO | | |
| What evidence exists for this? | We do not have information upon which to undertake any analysis | | |
| 14. Are there any other groups that would find it difficult to access/make use of the function (e.g. | YES | No | |
| speakers of other languages; people with caring responsibilities or dependants; those with an offending past; or people living in rural areas)? | NO | | |
| What evidence exists for this? | The a | nalysis above | |
| 15. Are there concerns there <u>could</u> be a have a differential impact due to | YES | No | |
| multiple discriminations (e.g. disability and age)? | NO | | |

| What evidence exists for | The analysis above |
|--------------------------|--------------------|
| this? | |
| | |

| Conclusions & recommendation | | | | |
|------------------------------|---|---------|--|--|
| 16. Co | uld the differential | YES | N/A | |
| - | ts identified in | 120 | | |
| - | ons 7-15 amount to | | | |
| | peing the potential | NO | | |
| | verse impact? | | | |
| | n the adverse | YES | N/A | |
| • | t be justified on the | 120 | | |
| _ | ds of promoting | | | |
| | ty of opportunity for | NO | | |
| reaso | oup? Or another | | | |
| | mendation to proceed | to a fu | Il impact assessment? | |
| TCCCOII | | | ice change complies with the | |
| | | | ation and there is evidence to show this | |
| NO | is the case. | cgisic | ation and there is evidence to show this | |
| | io tito odooi | | | |
| | | | | |
| | What is required to | | | |
| | ensure this complies | N | lo further action required | |
| | | | | |
| | with the requirements | of | • | |
| | with the requirements the legislation? (see D | | · | |
| | • | | · | |
| | the legislation? (see D | | • | |
| | the legislation? (see D Guidance Notes)? Give details of key person responsible an | d | | |
| | the legislation? (see D Guidance Notes)? Give details of key person responsible an target date for carrying | d | · N/A | |
| | the legislation? (see D Guidance Notes)? Give details of key person responsible an target date for carrying out full impact | d | | |
| | the legislation? (see D Guidance Notes)? Give details of key person responsible an target date for carrying out full impact assessment (see DIA | d | | |
| | the legislation? (see D Guidance Notes)? Give details of key person responsible an target date for carrying out full impact | d | | |

| Action plan to make modifications | | | | |
|--|--|--|--|--|
| Actions (with date of completion) | Officer responsible | | | |
| Continue to encourage staff to complete equality monitoring via Self Serve 4 You | HR Services Senior Managers | | | |
| | Actions (with date of completion) Continue to encourage staff to complete equality monitoring | | | |

| Planning ahead: Reminders for the next review | |
|---|--|
| | |

| Date of next review | N/A | | |
|--|-----|--------------------|--|
| Areas to check at next review (e.g. new census information, new legislation due) | N/A | | |
| Is there another group (e.g. new communities) that is relevant and ought to be considered next time? | N/A | | |
| Signed (Assistant Director) | | Date | |
| Mainer | | 23 October 2012 | |

THESE ARE SCHOOLS RESPONSES

Number of responses - 72

General complaints

1.

To whom it may concern

I am writing in order to register my complete outrage at the proposal to come out of the National pay structure and change gradings. This could lead to pay cuts for us. As we are already on a very low income I feel it would be an extremely callous and poor judgement to do so. Teaching Assistants are all part time, nearly all women and don't have the potential to ever work 37/52 I am at the very top of my pay scale but don't even earn £9000. I cannot believe that the members are even considering schools in this consultation. We work hard in schools and although professional, have a low wage. We take classes when teachers are absent or called away, we constantly support the most challenging and needy children in our schools and deserve at the minimum, our current pay. Also we are actually employed by governing bodies of our school not the council directly so should they be changing our contracts?

I was incensed by the callous way we have been told by Ralph Edwards that our contracts can be changed without our agreement, and if we turn up for work, we have accepted them, and if we don't turn up, we have left. I didn't realise that the local council could be so underhand and unethical. However I have noticed in the Consultation Document Point 4 Consultation Paragraph 4, that there will be a 'right of appeal' Ralph didn't advise us this or explain what it is. When we asked him our options, he basically said we had none! I understand there is a large deficit in the council but should part time working women be penalised for mismanagement of a budget. Did we need a million pound bus station? And why are we told that that came out of a separate budget? In my household if there isn't enough money for food we don't buy a new car or go on holiday. We take from the holiday/car budget and put it in the food budget!

I have spent the last 20 years raising two children, whilst working part time. The government want parents to be responsible for their children, want mum's to contribute to the society by working, yet target us by hitting the low paid mums with threats of pay cuts! We are all very aware that nearly all TAs are women. If it's not enough to juggle our family responsibilities with working, we are now told the council can do what they like with our contracts, as they are worth nothing.

I am also shocked to learn that the council are unwilling to sign a legally binding contract promising to mirror National Pay for 3 years and they are merely empty promises. In fact the three year deal seems to be a smoke screen anyway. I don't think in my 28 working years I have ever felt so unvalued or treated so badly by an employer. Ralph said that there was nothing we can do and it is totally legal. Apart from neglecting to tell us our right to appeal, I would question that it is legal. It is certainly unethical. In fact I think it is scandalous to be told we have no rights as an employee. That local government can target Teacher Assistants who have such a low earning

ability. And again I raise the point to who is our employer? My contract says I am employed by the school's governing body and I believe the school pays the council for its HR services not that we are employed by the council. I don't know who gets to vote or speak or how it will be decided but apparently on the 19th February it will be decided if school staff will be included in this pay restructure. I implore you support the TA roles in schools. They are low paid, they cannot work 37hrs over 52weeks so even on the top of the pay scale of D2 they earning ability is still low. The most the majority of TAs are employed to work is 25hrs over 38weeks with a high amount only employed in mornings making only 15-17.5 per week over 38 weeks. Can you really hit such low paid employees? I hope not In conclusion I urge you to leave school contracts alone and rethink ways to

Thank you for expressing your views which will be reported to the Employment Matters Committee on 19 February.

2.

Thank you for coming into Byron Primary School to talk to our non-teaching staff last week regarding the Council's proposal to come out of the NJC Agreement which will mean varying our contracts or issuing a new contract.

Though I understand the Council is facing the uncertainty of the current economic climate and government imposed budgetary constraints, I wish to register my concern that if the current proposal is adopted it will mean the previously agreed terms and conditions of employment negotiated by the National Joint Council will be disregarded and this will affect all employees of Medway Council. The contracts previously signed will therefore become meaningless and this will mean staff will feel undervalued and demoralised if this proposal goes ahead.

Thank you. Your comments will be forwarded to Employment Matters Committee that meets on 19 February.

3. (10 signed copies)

manage your budget.

I am writing with reference to the recent letter and your recent visit to our school, outlining Medway Council's proposal to come out of the National Agreements and to introduce local pay negotiations.

Though I understand that the Council is facing the uncertainty of the current economic climate and government imposed budgetary constraints, I am very disappointed with the current proposal. If this proposal is adopted it will mean that the Council will completely disregard the previously agreed terms and conditions of employment negotiated by the National Joint Council and as such, disregard the views of all affected staff in Medway schools.

As an employee of the Council I have signed a contract and have upheld all the terms and conditions within that contract for the duration of my employment. It appears that if the proposal is carried forward and adopted by the Council, my commitment to that contract will be meaningless.

It is for this reason that I wish to voice my opposition to this proposal. Medway Council claims to be a caring authority; unfortunately this proposal is leaving staff feeling completely demoralised and thoroughly undervalued.

Thank you for your comments which will be passed to Employment Matters Committee that meets on 19 February.

4.

Following a meeting of the school Governing Body of Balfour Infant School on 21 November 2012 and in consideration of the Council's proposals that they withdraw from the National Agreement on Pay and Conditions for its non-teaching staff in schools and the local council we have a number of objections that we would like to raise.

The governing Body at Balfour Infant school fear that a disproportionate toll would be placed on our part-time, term-time only staff who are in the majority women. We know that our staff work over and above their duties and hours employed and feel that all of this goodwill would be lost, and the least damaged. We are concerned that the children in our school would suffer as a result of this, as they probably would right across Medway at a time when Medway is trying to improve standards in schools and rise from the bottom of the Key Stage 2 league performance tables.

We urge you to think carefully about this proposal and the difficulties faced by staff, who are generally already low-paid but also about the effect on pupils in Medway.

Thank you for your letter raising a number of objections about the Council's proposal to withdraw from the national agreement on pay and conditions.

Medway Council does acknowledge the fact that a large percentage of staff working in schools are women in part-time roles. Linked to this is the concern that operating two pay mechanisms as a single employers lays the Councils and schools open to challenges around equal pay.

Employment Matters Committee will review the school situation next February, but as things stand there is still a legal requirement for the Council to consults its staff on the proposal.

5.

Your letter of the 5th November 2012 sent to our non teaching staff has been drawn o our attention.

This was raised at our Resources Committee Meeting and I have been asked to write to express our concern and disapproval of your planned action.

Obviously we are leaving any decisions to the individuals involved. All out staff are of an excellent standard and we feel do not deserve to be treated this way. We certainly do not agree that the offer is fair.

An acknowledgement of our comments would be appreciated.

Thank you for your letter which has been forwarded to me to respond to.

Medway Council does acknowledge the unique position of schools, but needs to be mindful of potential legal challenges around equal pay should it operate two pay mechanisms as a single employer.

Employment Matters Committee will review the school situation next February, but as things stand there is still a legal requirement for the Council to consult its staff on the proposal.

6.

Following the meeting of the Teachers Representative Forum I am submitting a collective response regarding the implementation of the proposed opting our of the national pay, and terms and conditions (NPTC) being extended to schools.

The proposal was first raised in September and at the time there was no indication that it would be applied to schools. The application of this proposal to schools will not save the council any money, as schools have their own devolved budgets. However the implementation of these changes will have a negative impact upon schools.

In conjunction with the union representatives listed below I would want to highlight several key concerns:

- 1) The opt out from NPTC will create a two tier system of pa increase within schools, where teachers (who are largely will paid) may get a small increase, while non-teaching staff (who are generally on lower pay) will not get any increase. This may result in dissatisfaction towards teachers enhancing the effect of points 2 and 3 below.
- 2) The impact of the notification of the proposed further pay freeze, and the possible loss of MPTC, has already had a detrimental impact upon non-teaching staff morale. This may make retention of experienced staff more difficult and maker employees less likely to give additional "good will" time to teachers.
- 3) The dissatisfaction and poor morale may make industrial action more likely and the impact of any action more severe. This may have a detrimental impact upon OFSTED inspections.
- 4) Despite the equality impact assessment across Medway being allegedly insignificant, that will not be the case for school staff. In schools the impact will unduly affect low paid and female staff (a very high percentage of support staff are female and on low pay (e.g. in my school out of the 65 people affected 97% are female and more than 90% are on low pay due to pro rata 26 ¼ hours 39 week contracts))

5) Finally, for schools these measures may make schools more likely to seek Academy Status because Head teachers will see decisions being imposed (seen in the lack of implementation of the past two year's incremental freeze). Should the change be imposed Head teachers may also see that once opted out of NPTC there will be less resistance by staff to a change to academy status. I would certainly be one of the head to consider this option, as I am morally against academy status, but the main reason for remaining with the Local Authority was to protect my staff's rights. I think the budgetary impact of between 30-40% of primary schools becoming academies should be considered in relation to the Local Authority budget. This would not just be on the education budget but also the proportion of government grants for other functions and buildings. I hope I do not paint an over dramatic picture, but head teachers and governing bodies do have a great deal of freedom and this imposition may result in a much smaller L that cannot service its functions. This loss of just the four special schools £10m budget falling outside the LA would further reduce the Local Authorities budget by nearly £900,000.

I think the specific impact on schools should be carefully considered in the light of the above issues on the morale within schools, the impact of possible accelerated move to academy status and the workload of Headteachers.

I think there are several ways forward, and one would be to the limit the impact of the change to employees earning over £15000pa (gross). This would preclude most school support staff and LA low paid staff. It may not have a significant impact on the reduction in the £900,000 of savings. However this would not alleviate the impact upon school business managers, some of who are NAHT members.

The easiest solution would be to make any change in school staff NPTC the decision of the school's governing body, and that would offset potential equal pay claims from previous frozen incremental points for non-school staff. Obviously letters have been issued to staff and there is already disquiet. Having school governing bodies' make the decision would remove significant numbers of affected employees from the procedure, but have no impact upon the £900,000 of necessary savings being made.

I look forward to your response to these considerations

Thank you for your letter of 12 November 2012 which as you know was passed onto Members of the Employment Matters Committee to consider at the meeting on 29 November. It was subject to further discussion at the corporate Consultative Committee meeting on 5 December. A decision will be made by Employment Matters in February 2013 as to whether schools are to be included in the proposal or not.

I would like to comment on some of the points raised in your letter, and will refer to the numbering used by you.

1. There will be a two tier pay system for non-teaching staff employed by Medway Council if local pay bargaining is introduced and only applied to staff not employed in a school.

Teachers pay and terms and conditions are statutory, and therefore nothing can be done by Medway to address the concern you raise.

- 2. I note your comments about staff morale being low. I would remind you though that support staff in schools have continued to receive incremental pay increases when staff not employed in a school have had increments frozen since 1 April 2011m and will continue to do so until 30 March 2014. This has caused disquiet.
- 3. Industrial action would be a matter for union members to determine, and be subject to a ballot.
- 4. I note your comments about the equality impact assessment. A further impact assessment will be undertaken to specifically consider the impact upon schools based staff.
- 5. The proposal to include schools will be the subject of consultation with governing bodies. I note your comments about schools seeking Academy status and the potential implication for Medway Council.

I will keep you informed of developments.

7.
I am writing with reference to the recent letter outlining Medway Council's proposal to withdraw from the National Agreements and to introduce local pay negotiations.

Though I fully understand that the Council is facing the uncertainty of the current economic climate and government imposed budgetary constraints, I am very disappointed with the current proposal. Have all cost cutting avenues been investigated fully, or is it a case of protectionism by the Council's decision makers as has happened numerous times in the past. If this scheme is adopted it will mean that the Council will completely disregard the previously agreed terms and conditions of employment negotiated by the National Joint Council and as such, disregard the views of all affected staff in Medway schools.

As an employee of the Council I have signed a contract and have upheld all the terms and conditions within that contract for the duration of my employment. It appears that if the proposal is carried forward and adopted by the Council, my commitment to that contract will become meaningless, along with the lost years of loyal service and any accrued benefits thereof.

It is for this reason that I wish to voice my opposition to this proposal. Medway Council claims to be a caring authority; unfortunately this proposal is creating

a condition where staff are feeling completely demoralised and thoroughly undervalued.

8.

Following the meeting of the Teachers Representative Forum I am submitting a collective response regarding the implementation of the proposed opting out of the national pay and terms and conditions being extended to schools. The proposal was first raised in September and at the time there was no indication that it would be applied to schools. The application of this proposal to schools will not save the council any money as schools have their own devolved budgets, but the implication of these changes will have a negative impact upon schools. This being at a time of Medway education already has many negative aspects.

We have several key concerns

The opt out from national pay agreement will create a two tier system in schools between teachers and non-teaching staff

Morale

Impact of any action

Impact unduely on low paid and female staff (a very high percentage of support staff are female and on low pay (in my school out of the 65 people affected 97% are female and more than

Thank you for your letter of 12 November 2012, which as you know was passed on to Members of the Employment Matters Committee to consider at the meeting on 29 November. It was subject to further discussion at the Corporate Consultative Committee meeting on 5 December. A recommendation to full Council will be made by Employment Matters in February 2013 as to whether schools are to be included in the proposal or not.

In the meantime, I would like to comment on some of the points raised in your letter, and will refer to the numbering used by you.

1. There will be a two tier pay system for non-teaching staff employed by Medway Council if local pay bargaining is introduced and only applied to staff not employed in a school.

Teachers pay and terms and conditions are statutory, and therefore nothing can be done by Medway to address the concern you raise.

- 2. I note your comments about staff morale being low. I would remind you though that support staff in schools have continued to receive incremental pay increases when staff not employed in a school have had increments frozen since 1 April 2011, and will continue to do so until 31 March 2014. This has caused disquiet.
- 3. Industrial action would be a matter for union members to determine, and be subject to a ballot.

- 4. I note your comments about the equality impact assessment. A further impact assessment will be undertaken to specifically consider the impact upon schools based staff.
- 5. The proposal to include schools will be the subject of consultation with governing bodies. I note your comments about schools seeking Academy status and the potential implications for Medway Council.

I hope this will help clarify the position of the NAHT in relation to this situation, and I have attached the letter and the reply. Key points

- We are against the proposals as it affects the rights of our members.
- The proposal places pressure on heads and makes maintained schools less attractive than Academies (although they may follow suit)
- The letter above highlights the key additional concerns
- Medway will take to cabinet on the mid February
- In the absence of a voluntary agreement Medway proposes to dismiss and reemploy staff on new conditions not the NPTC, once this occurs Medway can vary these terms with notice.

The key question is where the ability to dismiss and reemploy lies, I have sought legal advice and although Medway is the employer only the governing body of a school can dismiss employees. The response to my letter mentions this but as far as I am away Medway would have to remove the powers from the governing bodies of all the maintained schools if the governing bodies did not support the changes.

I have not had a firm response from Medway but a robust response from governing bodies could help to change the council position. I would appreciate any comments or updates on the proposal.

9.

Further to your presentation at the Chair of Governors briefing concerning the proposed move away from the National Agreement I would like to provide some feedback on the concerns I expressed.

As I expressed last night, although I am COG at an academy so not directly affected in this way, my wife is aTA at an LA controlled school and the vibe that I got from her and her TA colleagues was that they feel really undervalued at the moment and this proposal I believe could be the straw that breaks the camel's back.

If the move to Local proceeds and includes TAs (LSAs) this will essentially mean that they have not had a pay increase for the last 3 years with potentially another 3 yet to come. Although 1% probably only equates to about £70 per annum I feel that the fact they voted "NO" when balloted by their union shows how deeply they feel about this!

My wife attends a school with a good rating where the TAs were recognised by Ofsted as being a strong team making a good impact on the progress of students. My wife and her colleagues were really proud of this, however they all feel that the expectations and responsibilities on them has grown exponentially in the last few years and really far exceeds the existing remuneration they receive.

I myself have experience of being COG at a primary school which came out of special measures, where the impact of the LSAs was a vital part to the improvements made and actually became irreplaceable in their support to the teacher and pupils.

My worry for the authority will be the negative impact on school improvement should TAs/LSA's decide to work to rule. As I'm sure you are aware, although they are contracted in many cases only for 9 till 3 they usually start at 08.30 and leave once the last child has been collected and the classroom tidied, sometimes as late as 4pm.

In schools that improve, **ALL** adults in the classroom make a positive impact and I believe that if the wrong decision is made there will be a far reaching negative impact in the LA controlled schools, and if they are in a category this could hit school improvement dramatically.

10.

Medway is worst (equal, how comforting we aren't just worst!) in the country for KS2 and yet the LA feels the need to antagonise and demoralise key staff in schools by breaching their existing contract - TAs, HLTAs, caretakers, bursars, receptionists, admin staff, mms and others. It is further true that there will be absolutely no benefit to the LA financially from doing this.

Can you please explain to me why this is happening? Honestly, the only explanation I can imagine is a desire not to be equal worst!

Please answer and deliver to consultation on LA support staff pay and conditions.

I know you've asked Cllr Wicks to pass this on but I will also ensure that HR have sight of it. Ralph was very clear at the CoG briefings - there is no financial benefit to Medway for including support staff in this and he asked people to make any views known to the Employment Matters committee. Regards,

11.

I write to you on behalf of the Governing Body of Byron Primary School to express our concern at the proposal of Medway Council to withdraw from the national agreements for terms and conditions of employment and the introduction of local pay negotiations.

Although the Governing Body sympathises with the situation that Medway Council now finds itself in as a result of the current economic climate, it would appear to us that the council is using this situation as an excuse to unfairly change the terms and conditions for, in particular, its school staff. When you consider that most non-teaching school staff have not had a cost of living pay rise for the last three years and with any cost of living rise for the coming years looking extremely unlikely, we fail to see quite how this action is going to help the Council with its current predicament.

If this is a means of not having to pay staff their annual award following their annual performance review then surely this just brings the whole performance relayed appraisal scheme into disrepute and will leave staff wondering as to the value of such a scheme.

The other main concern that the Governing Body has, is how this enforced change will affect the goodwill and moral of the staff working at the school. At Byron we have excellent non-teaching staff, who work very hard for the benefit of the pupils of Byron and the Governing Body is concerned that this enforced change will detract from this to the detriment of the pupils at the school.

Non-teaching staff at the school have a real concern that this first step could be the 'tip of the iceberg' as far their employment rights are concerned and it has left many wondering just what other changes will be forced on them in such a heavy handed, take it or leave it, manner.

With this in mind the Governing Body would request that the Council reconsiders taking this course of action in the interests of maintaining staff moral and looking after its staff as the caring authority it purports to be.

Thank you for expressing the views of your Governing Body which will be forwarded to Employment Matters on 19 February.

One small point though the proposal is about coming out of the national pay award and is not about not paying increments.

12.

Following the Governing Body Meeting of 24 January 2013, we are submitting a response regarding the implementation of the proposed opting out of the National Join Council being extended to schools.

At a time when support staff are playing an increasingly important role in supporting teaching staff in the raising of the attainment of pupils in the school, this action will have a negative impact on the morale of staff.

The opt out from the National Pay Agreement will create a divisive 2-tier system in schools between teachers and support staff.

The proposal may make maintained schools less attractive than academies when recruiting support staff.

The proposal may make maintained schools less attractive than academies when recruiting support staff.

This will impact unduly on low paid and particularly female staff.

The application of this proposal to schools will not save the Council any more money as schools have their own devolved budgets.

Appendix 2

At Hilltop the non-teaching staff are valued and this is replicated in their commitment over and above their contracted hours. If this were to be withdrawn it would have a detrimental effect on our pupils.

There also remains the problem of who will dismiss staff if they refuse to sign new contracts. Our understanding is that although Medway Council is the employer only the Governing Body of a school can dismiss employees. This we would not be prepared to do.

Thank you for forwarding this to me.l will forward it to the Employment Matters Committee who meet on 19 February.

13.

I would like to raise my concerns around Medway Council coming out of the National Pay Agreement. I understand that due to the economic climate and budgetary constraints there is a need for certainty for setting budgets. However, having attended the roadshows it felt uneasy as we were advised that there can be no certainty that in 12 months time the proposal we are being asked to sign up for would not change if the funding allocated via Central Government continues to deplete.

I feel that I am being asked to sign an agreement when I have no idea of how the future will progress and/or how Medway Council will look in 2016. We were roughly advised that 1% pay award would be the equivalent of maintaining 30/40 posts. I can remember this figure being given in the past with regard to Pay Awards which Medway Staff accepted. However I believe that over 200 posts were lost anyway, so it would seem that the loyal support and understanding of staff over the past few years has done nothing to prevent this happening. Staff are the most vaulable resource and morale at this point in time seems to be at an all time low. As a Qualified Social Care Professional I worry about the longer term impact upon my profession once the council decide to withdraw from the national terms and conditions. I cannot help but feel that I that this is also likely to reduce the quality service we are currently able to provide to support some of the most vulnerable residents in Medway. I also worry about the impact on other council staff at the end of the three years as many are part time workers and women, who are having to work longer, with less pay, reduced pensions, and now uncertainty around their job security at the end of the three years.

Thank you for your comments which will be passed to Employment Matters Committee on 19 February.

14.

As the Chair of Governors for Featherby Infant and Nursery School I am writing to you to inform you of my disagreement with the proposal to leave the National Agreement on Pay Negotiations for Support Staff.

As you are probably aware, as a Governing Body we have refused to agree to the freezing of support staff salaries over the past two years, as we feel the need to reward loyal and conscientious staff, in order to maintain our judgement as a good school.

Our support staffs are an extremely valuable resource without which, we would find it very difficult to offer the level of education to our children that we currently provide.

One of the disadvantages you appear to have overlooked in your proposal is the impact these changes will have on staff morale and consequently the reduction in the standard of education that may be provided in Medway schools.

I am sure one of the reasons that Medway finds itself in such a perilous position regarding education provision, is because of the overwhelming lack of appreciation of its staff.

As a school, we feel we do appreciate our staff and we receive dedication and enthusiasm in return. We have a low turnover of staff, which makes team working such a strong influence in our school, every member of the team is considered to be integral in the successful running of the school.

The divisive policy you are proposing will have a detrimental effect on our school, as there will become a two tier staffing relationship. The teachers, who are supported by national Unions and protected through statute and the support staff who will see their terms and conditions decided locally, possibly on political whim.

I believe your proposal to be morally wrong and as such, feel that if the council decides to pursue such a proposal, this will result in more schools being pushed unenthusiastically towards academy application, so they can opt out of this unfair proposition.

I will include this with the responses to be reported to Employment Matters Committee on 19 February.

15.

With regards to the consultation about the changes to NJC agreement and new contracts being issued to non teaching staff in schools throughout Medway, the Governors of Rivermead School cannot support this proposal and wish to formally register our objections.

We believe that the proposals undermine staff morale throughout the schools of Medway. They are likely to impact on recruitment to non-academy schools because of pay restrictions and the uncertainty about the long-term effects of leaving the national agreement on terms and conditions. We believe those who are currently in post will feel that they are losing out because of the proposed changes and will make them feel undervalued, particularly as the teaching colleagues with whom they work so closely will have no change to their contracts. Any drop in morale will impact on work of the school and thus on the children.

Medway needs to look forward and value the staff they have. This move could potentially reduce recruitment levels and even lead to the loss of current post-holders. The authority should be mindful of the possible consequences to the quality of education in the area as a results of a cost cutting measure in schools that will have no impact on its own finances.

We are aware that there is concern that Medway's Key Stage 2 results are far below target and any added pressure on staff in institutions that are struggling to improve is likely to impede progress still further. Our own schools is thriving and recognised by Ofsted as good. Our emphasis, therefore, is building on our success to become outstanding. In cases such as ours the impact may hamper that progress upwards. If Medway is not content to remain at the bottom of league tables the authority must think carefully about this proposal.

So to conclude, the Governors of Rivermead do not support these proposals and wish councillors to consider exempting schools from any changes.

16

At a recent meeting of the governing body of Delce Junior School the proposal to come out of the National Agreement for support staff was considered. Having looked carefully at the advantages and disadvantages as set out in the proposal governors agreed to reject the proposal and to maintain the National Agreement.

Please let me know if you wish you hear out reasons for reaching this conclusion.

Thank you for you and your fellow Governors' carefully considered response to the proposal to withdraw from the national agreement. Your letter will be put to Members in February as part of the consultation response.

17.

Mine is just one small voice but I know that I speak on behalf of many many dedicated, passionate, hard working support staff working in Medaway schools. I have been fortunate enough to have begun my career in education at a time when the role of Teaching Assistant is being developed beyond comparison with its roots of being a paid parent helper. I am proud to be recognised as one who is contributing to the education of our future generations. I have taken Level 3 qualifications in order to excel within my post and have been able to contribute to my school's recent glowing Ofsted inspection (Brompton Westbrook).

In the workplace I am treated as equal to all staff, teaching and non-teaching; we respect each other's skills and experience. It is therefore with great concern and sadness that I have had to contemplate the implications of Medway's desire to opt out of the National Terms and Conditions. This gives me the message that, far from being valued for our skills, experience and qualifications, we now being seen as unessential extras to be wittled away.

For many of us, myself included, working in education is a career choice, not a stop-gap or a way to earn a little 'pin money'. We have taken it on despite the fact that, by the nature of the job, it can only ever give us a part-time salary. To have this wage as well as the security of working for local government threatened is, I believe, enough to drive many to loud protestation or to take our experience and skills elsewhere.

I ask that you keep to your word and that my response is both read and seriously contemplated.

Thank you for your comments which will be reported to Employment Matters on 19 February.

18. (22 signed copies)

I am writing to confirm my rejection of Medway Council decision to change the pay and working conditions of school support staff.

We all work above and beyond our role, i.e. coming in early, staying after school and taking work home to complete, which we are not paid for.

If this agreement goes ahead it will have an impact on children, teachers and the school as a whole, as we will all work our set hours and do no more.

Thank you for your staff's response to the proposal to withdraw from the national agreement. Their letters will be put to Members in February as part of the consultation response. I would be grateful if you could post this on your staff notice board.

19. (11 signed copies)

I should like my comments to be included and considered at the council meeting to be held on 19th February 2013 at St. Georges Centre, Chatham.

- I do not agree with the proposal to withdraw from NJC terms and conditions
- I strongly object that I am being asked to agree to accept a variation to my individual contract or to sign a new contract (if I don't agree) when there is no draft contract incorporating the new terms available for me to see in advance.
- CONSULATION PERIOD There has not been 'meaningful' consultation, nor has it been of appropriate length.
- We are told that the council guarantees that the national terms and conditions will be mirrored for a 3 year period from 1 April 2013. I can get not answers to the council's longer term plans... Surely there is a development/budget plan somewhere or there would be no need to be carrying out this budget saving exercise.
- Staff morale is already low, these changes will have a detrimental
 effect upon support staff morale in schools. A two tier system will be in
 place whereby teachers (Who's t&c's are protected by law) will be
 entitled to more favourable T's & C's thus encouraging a dramatic drop
 in the current practice of working extra hours for no pay and vastly
 increased resentment.
- Has the council budgeted/considered/consulted with governors and headteachers regarding recruiting, training of new staff should the necessity arise? What are the cost implications of dismissal and reengagement?
- If the withdrawal from NJC pushed more Medway schools to considered gaining academy status thus 'cutting out the middle man'

with regard to budget allocations, do they not think that maybe their actions will be a 'shot in the foot'?

Thank you for your staff's response to the proposal to withdraw from the national agreement. Their letters will be put to Members in February as part of the consultation response. I would be grateful if you could post this on your staff notice board.

20.

I have recently attended a briefing session regarding the Council's proposal to come out of the NJC agreement, which will mean varying or issuing new contracts. I certainly do not agree to this proposal.

Whilst I do not question the legality of this proposal, I do question the way this is being carried out. The message is certainly coming across that this is not a consultation, but has already been decided by members and we either accept it or we are unemployed.

It would seem that having a contract of employment is of no value if you as an employer can just tear it up and issue a new one. As such I feel that any guarantee to mirror other NJC terms and conditions for 3 years is somewhat questionable.

It appears to me that leaving NJC will be of not benefit to staff and can only be to our disadvantage. I can see that this could be an avoidance of a cost of living increase, and in future other terms and conditions could be altered too and with circumstances as they are, it can only be to the detriment of staff. We have not had a cost of living rise for 3 years and it would seem that a pay freeze will be in place for at least a further 3 years, yet the cost of living is still rising – this is leading to a very real lowering of our standard of living. We it seems are suffering for poor decisions made in the past.

We understand that balancing the budget has been extremely difficulty since the inception of Medway Council, but surely knocking hard working staff who are committed to providing a good service and are loyal to the Council, is not the way forward. Medway Council claims to be a caring authority, but the message coming out does not back this up. Staff feel thoroughly undervalued and completely demoralised by this action.

Thank you for your staff's response to the proposal to withdraw from the national agreement. Their letters will be put to Members in February as part of the consultation response. I would be grateful if you could post this on your staff notice board.

21.

Following a meeting of the school Governing body at Balfour Infant School on 21 November 2012 and in consideration of the Council's proposals that they withdraw from the National Agreement on Pay and Conditions for its non-teaching staff in schools and the local council we have a number of objections that we would like to raise.

The Governing Body at Balfour Infant school fear that a disproportionate toll would be placed on our part-time, term-time only staff who are in the majority women. We know that our staff work over and above their duties and hours employed and feel that all of this good will would be lost, and at the least damaged. We are concerned that the children in our school would suffer as a result of this, as they probably would right across Medway at a time when Medway is trying to improve standards in schools and rise from the bottom of the Key Stage 2 league performance tables.

We urge you to think carefully about this proposal and the difficulties faced by staff, who are generally already low-paid but also about the effect on pupils in Medway.

Thank you for your letter raising a number of objections about the Council's proposal to withdraw from the national agreement on pay and conditions.

Medway Council does acknowledge the fact that a large percentage of staff working in schools are women in part-time roles. Linked to this is the concern that operating two pay mechanisms as a single employer lays the Councils and schools open to challenges around equal pay.

Employment Matters Committee will review the school situation next February, but as things stand there is still a legal requirement for the Council to consult its staff on the proposal.

22.

Your letter of the 5th November, 2012 sent to our non teaching staff has been drawn to our attention.

This was raised at our recent Resources Committee Meeting and I have been asked to write to express our concern and disapproval of your planned action.

Obviously we are leaving any decisions to the individuals involved. All our staff are of an excellent standard and we feel do not deserve to be treated in this way. We certainly do not agree that the offer is fair.

An acknowledgement of our comments would be appreciated.

Thank your for your letter which has been forwarded to me to respond to.

Medway Council does acknowledge the unique position of schools, but needs to mindful of potential legal challenges around equal pay should it operate two pay mechanisms as a single employer.

Employment Matters Committee will review the school situation next February, but as things stand there is still a legal requirement for the Council to consult its staff on the proposal. As Chair of Governors of Featherby Junior school I am writing to express my opposition to the proposal to leave the National Agreement on Pay Negotiations for support staff.

Support staff play an extremely important part in school life and without them we would not be able to offer the level of support for children so essentail in schools today. The impact of this decision will have a serious effect on the morale of staff to the point where some of the" over and beyond duties " currently carried out by staff may be affected. We have a very enthusiastic ,loyal and dedicated staff and I would be distressed if any influences beyond the control of the Governing Body were to affect this.

As you are aware the teachers are supported by national conditions, and are not facing similar proposals as support staff. This seems very unfair to me and raises the question of inequality.

Adoption of this proposal may be yet another reason why Governing Bodies are forced to consider academy status.

I would urge Council Members to adopt another policy to achieve savings and to leave the support staff with continued protection of their pay and agreements

I will forward your comments to the Employment Matters Committee for their consideration on 19 February.

24.

With reference to the letter outlining Medway Council's proposal of intention to come out of the National Agreements and introduce local pay negotiations which will mean varying existing or issuing of new contracts I wish to formally register my dissatisfaction and concern were these proposals to come into effect.

Although I fully understand that the Council may be facing uncertainty in this current economic situation also due to budgetary limitations imposed by Central Government, had this proposal to be adopted this will only mean that previously agreed terms and conditions of employment duly negotiated by the National Joint Council will simply be disregarded affecting all Medway Council employees.

In such instance this will imply that previously signed contracts will become worthless and I, like all other team members am feeling undervalued, disheartened and stressed.

This announcement has instilled uncertainty in one and all.

Thank you for your comments which will be forwarded to the Employment Matters Committee who meet on 19 February,

25.

I am writing to you regarding the proposed changes to the support staff pay within Medway Council Schools.

I have been working for Medway Council in schools since January 2000 and am quite concerned regarding what is being proposed by the council to save money and to avoid redundancies. I am fully in support of this and voted towards the changes when my union wrote to us last year and unfortunately an agreement couldn't be made by members.

Since ticking the yes part in this agreement I have had lots of time to think about what is being proposed. As a member support staff I firmly feel that we are being forced into agreeing or face the fact that we could possibly lose our jobs. If we agree to this we will lose money, either way we are damned if we do and damned if we don't.

When I was working as a teaching assistant I was employed to support very needy children who actually needed a specialist school but unfortunately as there are so many needy children some have to attend mainstream schools. The teaching assistants at mainstream schools work extremely hard supporting children with what sometimes can be extremely complex needs and get paid a normal teaching assistant rate. Teaching assistants who work with fewer children in special schools get a special needs allowance, why? All teaching assistants work hard and in what can be a very stressful role. They do it because they enjoy what they do, most of the time but are being financially penalised. If there are not enough specialist spaces for the children of Medway then all teaching assistants should be paid the same, this is not fair. Maybe to save some money Medway Council should take this allowance away from those who get it already. Has this been considered? Currently we have one teaching assistant who is working with two children who are quite volatile and she gets no extra for this. Staff in mainstream schools get hit, spat at, items thrown at us and kicked and we do not get paid enough for this.

Also it is very hard to understand why teachers are not being included in the pay changes. We as support staff have to constantly listen to them complaining that they are not paid enough and that they only get a small increase each year. Compared to what we get it is a vast amount.

At Barnsole Primary where I work I lead the lunchtime team on the junior site. My staff are terrified that they will possible have a drop in wages are have actually said that they came off benefits to take the jobs. If the wage drop happens then I will lose some extremely good, hard working staff and that is not fair. The government are trying to encourage people off benefits and Medway Council are trying to make them go back on it. They will not be able to afford to work if this happens. But once again they are damned if they do and damned if they don't agree to this proposal.

Unfortunately I am unable to attend any of the sessions that Medway have arranged to hear what is happening and I would have liked to have attended. I have been told by my head teacher that we have the right to take time off and attend but we would be left extremely short staffed back at school and we work as a team and won't let each other down. After school there have been some sessions arranged. Unfortunately with these I am a Scout leader and

would have to cancel my pack meeting to attend and can't do that. My ladies who work at lunchtimes have other jobs and some are single parents so not able to attend. There is not a lot of chance of them attending as you will not want children present as they are either at lunchtime or in the evening. Maybe there should have been some morning sessions sorted.

I remember in my early days as a teaching assistant our pay scales were all changed and some took considerable wage drops and struggled to cope financially then. In this current economic climate who knows if we will still cope.

As a member of support staff, and as I have already said we are being forced into accepting new terms and conditions or possibly all be made redundant and to reapply for a job that we already do and for most, do passionately. Why make us all suffer? If people are not going to be supportive and help people keep jobs then these are the troublemakers that Medway should be getting rid of. Many support staff in schools go home at about 3.30pm but many also take work home with them as they need resources preparing for the following day and get no extra money for this, I do. They do it for the children that they work with because they care about providing the best possible support to our children. The role of school support staff has changed radically over the years with more pressure being applied and with no financial gain.

Can I also ask if the senior managers at Medway are also going through these changes as this would also release a huge amount of money?

As you will have realised I am not happy with what we are being made to do. Your comments would be appreciated and please take this forward to the relevant people.

Thanks for your letter which came across very well. I may be visiting Barnsole to talk to staff about this proposal next week, but will respond to the main points you make now.

- 1.The proposal does not take away money from school budgets which are totally separate from the Council budget. Therefore staffing levels are not affected in schools by the proposal. If the school had a budget problem, regardless of this proposal then governors would have to consider how to deal with that .
- 2. The proposal does not cut pay---it keeps it at the current level as if a national pay award were agreed it would not be paid to Medway staff.
- 3.All other terms and conditions, such as sick pay remain in line with national conditions of service for 3 years from April.
- 4. Teachers pay and conditions of service are statutory, and cannot be changed by Medway.

5.I can confirm that all Medway staff, excluding teachers, are included in the proposals.

I will forward your letter to the Employment Matters Committee.

26.

I am writing with reference to the recent letter outlining Medway Council's proposal to come out of the National Agreements and to introduce local pay negotiations.

Though I understand that the Council is facing uncertainty of the current economic climate and Government imposed budgetary constraints, I am very disappointed with the current proposal. If this proposal is adopted it will mean that the Council will completely disregards the previous agreed terms and conditions of employment negotiated by the National Joint Council and as such, disregard the views of all affected staff in Medway schools.

As an employee of the Council I have signed a contract and have upheld all the terms and conditions within that contract for the duration of my employment. It appears that if the proposal is carried forward and adopted by the Council, my commitment to that contract will be meaningless.

It is for this reason that I wish to voice my opposition to this proposal. Medway Council claims to be a caring authority, unfortunately this proposal is leaving staff feeling completely demoralised and thoroughly undervalued.

Questions

1.

I am Teaching Assistant in a Medway School, I only received my letter a week before the end of term, and knew nothing of it before then.

Could you give us some idea as to what your proposal for our contracts will be in how they will differ from what we have at the moment, i.e.

- are our hours likely to change,
- will our hourly rate be decreased.
- will the percentage that you as our employee pay towards our pension be changed.

Can you give us some indication as to when we will see a copy of our new contract and how long do we have to agree or decline it?

I do not see how I can agree to something that has not been set out very clearly.

Everyone needs time to go over a new contract and I don't see this happening in your time scale especially when some staff are receiving information ahead of others.

Appendix 2

Thank you for your communication. I am sorry if you only became aware of the proposal on receipt of the letter. Other communications have been sent to schools but obviously have not reached you.

The proposal is to withdraw from the national pay arrangements that determine the level of pay award. There is no proposal to change any other conditions of service, unless they change nationally.

Therefore your working hours remain the same unless changed for another reason not linked to this proposal. Your hourly rate remains the same, and the employer pension contribution rate remains the same.

Should it not be possible to reach a collective agreement with the unions or agreement with individuals new contracts would be issued in March. The process would be termination of the existing contract and an offer of immediate re engagement on a revised contract. Continuity of service would be preserved.

2.

Following my recent telephone conversation, I would like replies to my following comments please:

- My understanding is that you are asking us to sign an agreement for Medway Council to withdraw from the National Pay and Conditions, but with no knowledge of what our new pay and conditions will be. Is this correct?
- 2. I have worked in my current position for over 12 years. How will my continuous service be affected?
- 3. The unions mentioned that although the council are guaranteeing our pay and conditions will remain the same for 3 years, they also have the right to have a 90 day consultation during that 3 year period and then change our pay and conditions anyway. Is that correct?
- 4. We have not had a pay increase for a number of years whilst waiting for agreement to be reached. This seems vastly unfair that at the end of such a long wait, we are not actually going to receive the promised pay rise but possibly a pay reduction. Could you confirm this?
- 5. How can the Local Authority suddenly take on the dismissal of school staff when it is in fact the job of the school governors to employ and dismiss school staff? Does this mean that the legal position on appointment and dismissal in schools has changed?
- 6. School support staff are notorious for having a passion for their jobs. What is being done to us, without what I consider to be fair and reasonable consultation, is affecting morale. It seems a sad way to treat members of staff who regularly go "above and beyond" the call of duty because of their passion for their job. Perhaps you would like to comment on how you think this will affect productivity and the net cost of this to schools?

Appendix 2

- 7. It appears to me that Medway Council has found itself in a negative budget due to decisions, presumably made at the very top and yet it is support staff who are in effect being made to pay for these mistakes. With schools included, a high proportion will be part-time female workers. How is that fair?
- 8. If this is a cost cutting measure, why were the letters posted to Medway staff when surely you must know all our emails? The administrative costs, paper, printing and postage must cost a fortune!
- 9. Please can you give a true estimate of the cost of the whole process and indicate the resulting medium to long term savings against costs.
- 10. Can you confirm or deny that the council are thinking of including the following in any pay and conditions negotiations:
 - a. Removal of or reduction to sick pay allowances
 - b. Reduction in maternity benefits

Re-structuring of pay so that grades are capped at a level lower than they are currently (with the obvious impact on pensions that will follow from this)

Thank you for your email.

- 1.Pay and conditions will mirror the national conditions of service ,apart from pay, for 3 years from 1 April 2013. Therefore your conditions of service will be the same as national conditions of service, apart from the national pay award.
- 2. Your continuous service will not be affected.
- 3. The law as it stands would allow the employer to consult on changing conditions of service during a 3 year period. That is not the intention.
- 4. There will be no pay reduction as a result of coming out of the national agreement and introducing local pay bargaining. Indeed staff in schools have continued to receive increments whilst they have been frozen for other staff for 3 years from April 2011.
- 5.The Staffing Regulations changed in 2009 and legal opinion is that for an issue such as coming out of the national agreement it is possible for the council to dismiss staff in schools where it is the employer. However the council would wish to reach a collective agreement with unions or failing that reach individual agreement with employees.
- 6.I accept that staff in schools and outside of schools work over and above what is required of them. However the council has difficult decisions to make given the financial position it finds itself in.
- 7. The proposal affects all staff. I accept that a large proportion of staff in schools are female and part time. Medway has paid £250 for the last 2 years

to staff earning less than £21,000 (pro rata for part time staff) in recognition of there being no cost of living increase.

- 8.It was decided to post letters to staff on .org email addresses, as in the past important communications have not reached them.
- 9.I cannot answer this question. What I can say is that each 1% of a pay rise for staff, excluding schools, would cost the council £900,000.
- 10. The council is not thinking of including sick pay or maternity pay in pay and conditions negotiations. National employers may well be considering this in order to fund a national pay award.

There is a separate review of pay grades which is not linked to coming out of national conditions. Details of the impact on grades is not available as the work has only just started. There will be consultation with staff and unions at the relevant time. As with any pay review there will be winners and losers.

- 3. Please be advised that I am writing to express my concerns relating to the above proposal by Medway Council. I request that my comments and views are considered at the council meeting to be held on 19th February.
- 1. I do not agree with the proposal as I don't think we have been given sufficient information or satisfactory answers to our questions in order to make an informed decision.
- 2. A change in the terms and conditions of employment is a fundamental change and yet I have not been shown what the new terms and conditions are going to be. I asked you directly about this at the meeting held at Featherby Infants and you were unable to give me an answer.
- 3. We have not been given sufficient time to consider these proposals especially as we are not being given definitive answers to basic questions concerning the changes.
- 4. It very much feels to me that these changes are being forced upon us in quite a belligerent manner. The 'choice' appears to be accept the changes or be fired and then accept the changes in order to get our jobs back! In other words no choice!
- 5. These proposals are the result of Medway having to cut costs, have you considered the cost of firing and re-hiring all support staff in Medway? What are the costs of consultancy fees to carry out this whole process?
- 6. Has the council considered the repercussions should more schools opt for Academy status, thus negating the purpose of this cost-cutting exercise?

Thank you for your comments which will be forwarded to the Employment Matters Committee which meets on 19 February 2013.

Appendix 2

Just to pick up on a couple of points in your e mail.

Point 2---There are no proposals to change terms and conditions, and therefore there is nothing that I can alert you to on that point.

Point 5---There are no consultancy fees as no consultants have been involved.

4.

I find it hard to accept that 1/4 of the workforce have decided that 100% of the workforce will not accept/agree to move out of the national terms. I don't like the idea, but it has to happen given the ongoing economic climate and to provide some safeguards for colleagues' jobs. I would like to see a a formal agreement made with the staff who agree to local terms.

I would like to see my terms and conditions frozen as they are for the next 3 years. I do <u>not</u> want see them mirror the national terms as this could see an erosion of terms without the 1% pay increase to balance out the loss. I am not happy that the union decision will likely result in all staff losing out as their terms local terms mirror national terms.

Thank you for your comments which will be passed to Employment Matters on 19 February.

5.

I would like to comment on this proposal. At the end of my comments please see requests under FOIA which I require to be actioned.

- Medway is proposing to come out of the National agreement stating
 that a proposed 1% increase would cost them £900,000 I can only
 assume that as £900, 000 is a very small percentage of the council's
 budget the objective ultimately is to make savings from the changes in
 the contracts, for example changing the pay scales. This is not
 sustainable for many families given the huge increase in fuel bills,
 petrol and food. The fact that this affects yet again the lowest paid
 workers only makes matters worse.
- It appears that only some employees are being targeted and these unfavourable terms will not affect all Medway employees.
- It would be unfair to ask employees' to agree to the new proposals
 when we have not been fully informed about the changes in our
 contracts. It would be likened to being asked to sign a legal document
 without reading it first.
- The council have deliberately not made clear to the affected employees
 the exact nature of the proposed changes, lack of communication as
 regard to consultations and meetings has made it difficult for
 employees to attend. The dates of the meetings were not sent to
 schools until late, staff wishing to attend the meetings were then

- informed they were already booked. This is not the actions of a "good employer."
- It appears from the letter received by employees affected, no agreement could be reached with the unions, as a result of their members being balloted. Medway therefore are proposing to go ahead with the proposal and get agreement from individual employees. If the employee does not agree their contract will be terminated and a new less favourable contract issued. This could be perceived as bullying tactics.
- Medway listed under the 2 disadvantages to this proposal as "the
 council is seen as a good employer" This would definitely not be the
 case and will lead to general dissatisfaction and a loss of goodwill
 where employees often work overtime unpaid. It is possible that this
 could lead eventually to the loss of experienced, hard working, long
 serving staff.
- Teaching assistants in schools are low paid, often work many extra
 hours unpaid and over the years have been obliged to take on
 increased responsibilities in the work place with no recognition
 financially. The proposals which affect only support staff could have a
 detrimental effect on working relationships between teachers and
 teaching assistants.
- If the lowest paid workers continue to be targeted in the councils attempt to reconcile their large budget it will be economically unviable for many of these staff to remain in employment. Taking in to account the high costs of getting to the work place, either by car or the increasingly expensive public transport and the high cost of childcare. Add into this the fact that if you are unemployed you are entitled to a council tax rebate, thus further reducing the council's income, and entitlement to free prescriptions, free dental care, free school meals and free eye tests. This effects especially single parents struggling to raise families by themselves who rightly so are encouraged to get back into the workplace. I am sure Medway council would not want to discourage people from working.
- Benefits will increase by between 1% and 2% and yet those that are in low paid work receive no increase.
- Medway council need to make it clear to their employees exactly how their work conditions and pay will be affected by coming out of the national agreement.
- Medway council should look at all the areas they could make savings including higher salaried appointments, waste, unessential services and many other areas. If various options were proposed the residents and employees of the elected council would be able to make a more informed decision.

You plan to implement £900,000 of perceived savings from the lowest paid employees e.g. teaching assistants and general ancillary/support staff. I would be interested to know what alternatives have been discussed, studied or considered. Therefore I would like to see all papers, minutes discussion notes relating to this process. For the sake of clarity I request under the Freedom of Information Act (FOIA) to be supplied with all papers relevant or pertaining to

Medway Councils decision to consider withdrawing from the National Agreement.

I also want to know how much Medway have spent on this consultation process, were independent consultants involved, the cost of legal advice, cost of admin, to include letters sent to employees, cost of meetings and miscellaneous costs. Therefore my second FOIA request is to be supplied with estimates and papers on the cost of this process.

My third request under FOIA is to be supplied with all papers relating to the proposed changes in contract, effecting employees in the D2 scale.

Please treat these as three separate requests under the Act, happy to discuss if any of this is unclear. I look forward to hearing from you within the twenty working days as defined by the Freedom of Information Act.

Thank you for your response to the consultation which will be forwarded to Employment Matters Committee for consideration on 19 February.

I have been asked by Tricia Palmer to respond on her behalf to the points you raise.

- 1.The proposed withdrawal from the national pay award and national conditions will save £900,000 from the non schools pay bill .It is proposed to mirror national conditions of service, excluding pay, for 3 years in the absence of a collective agreement with the trades unions. There is no proposal to make savings by changing conditions of service.
- 2.All Medway employees, excluding teachers, are affected by the proposal. A decision on whether schools staff are included in the proposal will be made by Employment matters Committee on 19 February.
- 3. The only change to the contract of employment will be to remove references to national pay award and conditions of service. reference will be made to local pay negotiations.
- 4.Over 20 schools have been visited and staff given the opportunity to ask questions on the proposal. A number of schools staff also attended meetings at the brook theatre and Gun Wharf.
- 5.Discussions have been ongoing with the trades unions since the first ballot result, and unions are reballoting their members. If the ballot result is favourable then a collective agreement will be signed. If no collective agreement is reached individuals will be asked to individually agree to a new contract.
- 6.A number of comments have been made about loss of goodwill and dissatisfaction amongst staff and Members are being appraised of this.
- 7. Medway wouldclearly not want to discourage people from working.

Appendix 2

8.Medway has looked at other avenues to save money such as the Better for Less programme which has delivered some £4million savings. This does not affect schools.

9.In relation to what discussions/meetings have taken place relating to withdrawing from the national agreement. Discussions have taken place with Councillors and the Chief Executive. Discussions have taken place with trades unions and the Chief Executive, and HR and trades unions. These meetings are not formally minuted meetings. Employment Matters Committee considered the proposal on 13 September, 30 October and 29 November 2012. Minutes of these meetings are available on the Medway Council website. The Joint Consultative Committee also discussed this proposal on 30 October 2012. Please provide details of where you would like copies of minutes to be sent.

10.Medway has spent around £3,500 in potage and staff time in consulting with staff on the proposal.No consultants have been involved in this proposal. There are no papers relating to this.

11. There are no papers currently agreed relating to new contracts. i cannot therefore comply with your request.

I trust that the above answers the points raised.

6.

Thank you for attending the meeting at Park Wood Junior School on the 23rd January 2013.

I feel that you were not adequately prepared to deal with our questions and as you did not take any notes, I therefore feel it necessary to restate our questions and concerns in writing. Please ensure that the issues raised are brought to council's attention.

- You stated that the council was in consultations with employees but the
 affected employees have received no information directly regarding the
 meetings we were entitled to attend. I do not feel that this constitutes a
 consultation as we have not been allowed the opportunity to voice our
 concerns and opinions.
- The first notification of these proposed changes for those staff, not a member of a union, was the letter dated 3rd December 2012 received on the 7th December 2012.
- Many present at the meeting felt that the letter could be conceived as a "bullying letter."
- The dates of the meetings were sent to the schools during the holidays, you stated they were sent on the 4th January 2013. The date of the first meeting was the 8th January and was already booked before we had access to that information.

- The employees present felt that there has been a blatant lack of transparency on the council's behalf.
- You stated that if we were to accept the new contracts Medway guarantee no changes to our terms and conditions and pay for 3 years.
 However the letter we all received specifically says "other than those relating to pay." I feel that you did not address that point.

The questions I would like an answer to are:

- Why has there not been more information sent to The Board of Governors, Head Teachers and support staff?
- What is the council proposing in relation to the changes in pay scales?
- How is Medway council going to ensure that all employees are kept sufficiently informed?
- Will Medway ensure that we are given our new contracts in sufficient time to be able to take legal advice before the deadline?
- As you stated that if we accept the new contracts Medway guarantee no change to our terms and conditions and pay for 3 years are we to receive revised letters correcting that error?
- As an employer do you not have a duty of care towards your employees and how have you demonstrated that?
- Will Medway guarantee to revise their procedures to allow the opportunity for staff to voice their concerns and questions, and reasonable notification to allow all employees to access the consultation process?

Thank you for your comments.

I will respond to some of the points you make.

- 1.Consultation with affected staff commenced in early December 2012 and concluded on 31 January 2013. There have been numerous comments received from staff which will all be reported to Members on 19 february at Employment Matters Committee. Full and meaningful consultation with staff has taken place, ans collective consultation of 90 days has taken place with the trades unions which ends on 19 February.
- 2.Information has been sent to headteachers and chairs of governors .in addition governors have been briefed at the Medway governors Association and Chair of Governor briefings.
- 3. There is no detail available yet regardind how future pay scales may look.

Appendix 2

- 4. Changes to contracts will be clear and included with any individual letters sent to staff.
- 5.I stated that there are 2 options at the moment---if a collective agreement is reached there will be no change to terms and conditions, apart from the national pay award not being applicable, as local pay bargaining will be implemented. In addition pay would not be cut for 3 years from April 2013 for those staff who may lose out as a result of a future grading exercise.

If there is no collective agreement national conditions of service will be mirrored for 3 years, excluding the national pay award as local pay would be introduced.

National Pay Agreement Responses – Governors

THESE ARE GOVERNOR RESPONSES

1.

At a recent meeting of the governing body of Delce Junior School the proposal to come out of the National Agreement for support staff was considered. Having looked carefully at the advantages and disadvantages as set out in the proposal governors agreed to reject the proposal and to maintain the National Agreement.

Please let me know if you wish you hear out reasons for reaching this conclusion.

Thank you for you and your fellow Governors' carefully considered response to the proposal to withdraw from the national agreement. Your letter will be put to Members in February as part of the consultation response.

2.

With regards to the consultation about the changes to NJC agreement and new contracts being issued to non teaching staff in schools throughout Medway, the Governors of Rivermead School cannot support this proposal and wish to formally register our objections.

We believe that the proposals undermine staff morale throughout the schools of Medway. They are likely to impact on recruitment to non-academy schools because of pay restrictions and the uncertainty about the long-term effects of leaving the national agreement on terms and conditions. We believe those who are currently in post will feel that they are losing out because of the proposed changes and will make them feel undervalued, particularly as the teaching colleagues with whom they work so closely will have no change to their contracts. Any drop in morale will impact on work of the school and thus on the children.

Medway needs to look forward and value the staff they have. This move could potentially reduce recruitment levels and even lead to the loss of current post-holders. The authority should be mindful of the possible consequences to the quality of education in the area as a results of a cost cutting measure in schools that will have no impact on its own finances.

We are aware that there is concern that Medway's Key Stage 2 results are far below target and any added pressure on staff in institutions that are struggling to improve is likely to impede progress still further. Our own schools is thriving and recognised by Ofsted as good. Our emphasis, therefore, is building on our success to become outstanding. In cases such as ours the impact may hamper that progress upwards. If Medway is not content to remain at the bottom of league tables the authority must think carefully about this proposal.

So to conclude, the Governors of Rivermead do not support these proposals and wish councillors to consider exempting schools from any changes.

3.

As Chair of Governors of Featherby Junior school I am writing to express my opposition to the proposal to leave the National Agreement on Pay Negotiations for support staff.

Support staff play an extremely important part in school life and without them we would not be able to offer the level of support for children so essentail in schools today. The impact of this decision will have a serious effect on the morale of staff to the point where some of the" over and beyond duties " currently carried out by staff may be affected. We have a very enthusiastic ,loyal and dedicated staff and I would be distressed if any influences beyond the control of the Governing Body were to affect this.

As you are aware the teachers are supported by national conditions, and are not facing similar proposals as support staff. This seems very unfair to me and raises the question of inequality.

Adoption of this proposal may be yet another reason why Governing Bodies are forced to consider academy status.

I would urge Council Members to adopt another policy to achieve savings and to leave the support staff with continued protection of their pay and agreements

I will forward your comments to the Employment Matters Committee for their consideration on 19 February.

4.

As the Chair of Governors for Featherby Infant and Nursery School I am writing to you to inform you of my disagreement with the proposal to leave the National Agreement on Pay Negotiations for Support Staff.

As you are probably aware, as a Governing Body we have refused to agree to the freezing of support staff salaries over the past two years, as we feel the need to reward loyal and conscientious staff, in order to maintain our judgement as a good school.

Our support staffs are an extremely valuable resource without which, we would find it very difficult to offer the level of education to our children that we currently provide.

One of the disadvantages you appear to have overlooked in your proposal is the impact these changes will have on staff morale and consequently the reduction in the standard of education that may be provided in Medway schools.

I am sure one of the reasons that Medway finds itself in such a perilous position regarding education provision, is because of the overwhelming lack of appreciation of its staff.

As a school, we feel we do appreciate our staff and we receive dedication and enthusiasm in return. We have a low turnover of staff, which makes team working such a strong influence in our school, every member of the team is considered to be integral in the successful running of the school.

The divisive policy you are proposing will have a detrimental effect on our school, as there will become a two tier staffing relationship. The teachers, who are supported by national Unions and protected through statute and the support staff who will see their terms and conditions decided locally, possibly on political whim.

I believe your proposal to be morally wrong and as such, feel that if the council decides to pursue such a proposal, this will result in more schools being pushed unenthusiastically towards academy application, so they can opt out of this unfair proposition.

I will include this with the responses to be reported to Employment Matters Committee on 19 February.

5.

Following the Governing Body Meeting of 24 January 2013, we are submitting a response regarding the implementation of the proposed opting out of the National Join Council being extended to schools.

At a time when support staff are playing an increasingly important role in supporting teaching staff in the raising of the attainment of pupils in the school, this action will have a negative impact on the morale of staff.

The opt out from the National Pay Agreement will create a divisive 2-tier system in schools between teachers and support staff.

The proposal may make maintained schools less attractive than academies when recruiting support staff.

The proposal may make maintained schools less attractive than academies when recruiting support staff.

This will impact unduly on low paid and particularly female staff.

The application of this proposal to schools will not save the Council any more money as schools have their own devolved budgets.

At Hilltop the non-teaching staff are valued and this is replicated in their commitment over and above their contracted hours. If this were to be withdrawn it would have a detrimental effect on our pupils.

There also remains the problem of who will dismiss staff if they refuse to sign new contracts. Our understanding is that although Medway Council is the employer only the Governing Body of a school can dismiss employees. This we would not be prepared to do.

Thank you for forwarding this to me.l will forward it to the Employment Matters Committee who meet on 19 February

I write to you on behalf of the Governing Body of Byron Primary School to express our concern at the proposal of Medway Council to withdraw from the national agreements for terms and conditions of employment and the introduction of local pay negotiations.

Although the Governing Body sympathises with the situation that Medway Council now finds itself in as a result of the current economic climate, it would appear to us that the council is using this situation as an excuse to unfairly change the terms and conditions for, in particular, its school staff. When you consider that most non-teaching school staff have not had a cost of living pay rise for the last three years and with any cost of living rise for the coming years looking extremely unlikely, we fail to see quite how this action is going to help the Council with its current predicament.

If this is a means of not having to pay staff their annual award following their annual performance review then surely this just brings the whole performance relayed appraisal scheme into disrepute and will leave staff wondering as to the value of such a scheme.

The other main concern that the Governing Body has, is how this enforced change will affect the goodwill and moral of the staff working at the school. At Byron we have excellent non-teaching staff, who work very hard for the benefit of the pupils of Byron and the Governing Body is concerned that this enforced change will detract from this to the detriment of the pupils at the school.

Non-teaching staff at the school have a real concern that this first step could be the 'tip of the iceberg' as far their employment rights are concerned and it has left many wondering just what other changes will be forced on them in such a heavy handed, take it or leave it, manner.

With this in mind the Governing Body would request that the Council reconsiders taking this course of action in the interests of maintaining staff moral and looking after its staff as the caring authority it purports to be.

Thank you for expressing the views of your Governing Body which will be forwarded to Employment Matters on 19 February.

One small point though the proposal is about coming out of the national pay award and is not about not paying incremrnts.

7. Following a meeting of the school Governing Body of Balfour Infant School on 21 November 2012 and in consideration of the Council's proposals that they withdraw from the National Agreement on Pay and Conditions for its non-teaching staff in schools and the local council we have a number of objections that we would like to raise.

The governing Body at Balfour Infant school fear that a disproportionate toll would be placed on our part-time, term-time only staff who are in the majority

women. We know that our staff work over and above their duties and hours employed and feel that all of this goodwill would be lost, and the least damaged. We are concerned that the children in our school would suffer as a result of this, as they probably would right across Medway at a time when Medway is trying to improve standards in schools and rise from the bottom of the Key Stage 2 league performance tables.

We urge you to think carefully about this proposal and the difficulties faced by staff, who are generally already low-paid but also about the effect on pupils in Medway.

Thank you for your letter raising a number of objections about the Council's proposal to withdraw from the national agreement on pay and conditions.

Medway Council does acknowledge the fact that a large percentage of staff working in schools are women in part-time roles. Linked to this is the concern that operating two pay mechanisms as a single employers lays the Councils and schools open to challenges around equal pay.

Employment Matters Committee will review the school situation next February, but as things stand there is still a legal requirement for the Council to consults its staff on the proposal.

Schools Diversity Impact Assessment: Screening Form

| Directorate | Name | of Func | tion or Policy or | r Ma | jor Service Change |
|--|---------|---|---|------|---|
| Business Support | | Proposal for local pay negotiations – impact on schools pased staff | | | |
| Officer responsible for | assess | sment | Date of assessme | ent | New or existing? |
| Paula Charker | | | 1 February 2013 | | New |
| Defining what is be | eing as | sessed | | [| |
| 1. Briefly describe the purpose and objectives The Coubudget stages in term final agreemed award continuous (not included forecastic coming yincrease). | | Incil has an established process for setting its for the next financial year; one of the first in this involves updating the council's medium ancial plan each year. Incial implications of remaining in the national ent and the possibility of a 1 per cent pay ould result in an added pressure of £900,000 adding schools staff) next financial year. Idium term Financial Plan for the Council is ing very significant financial deficits for the years excluding any presumption for pay as and against this background any potential in pay would pose a risk to services and/or | | | |
| benefit, and in what way? en | | ensures dispropo | Savings are intended to be achieved in a way that ensures financial sustainability whilst not disproportionately impacting on or unfairly disadvantaging any sections of the community. | | |
| 3. What outcomes ar wanted? | ·e | That the Council continues to deliver vital services to customers whilst at the same time managing reductions to funding and functioning as a sustainable organisation continuing to focus on priorities and providing effective services. Obviously, this proposal will have detrimental impact on the earning capacity of those workers who may otherwise have received a pay award on 1 April 2013 This proposal is being considered as a way of delivering savings, which goes someway to sharing the impact equally across the organisation. | | | ne managing oning as a sustainable on priorities and re detrimental impact workers who may award on 1 April 2013. The day of someway to sharing |
| 4. What factors/force could contribute/det from the outcomes? | ract | Good analysis of the proposals Effective consultation Clear communication of proposals Consultation Clear communication of proposals Decisions made withe full analysis and discussion | | | cisions made without analysis and |
| 5. Who are the main stakeholders? | | All Staff | and Members | | |

| 6. Who implements this and who is responsible? | Senior Management Team | | | |
|---|---|--|--|--|
| Accessing impact | | | | |
| 7. Are there concerns that there could be a differential impact due to racial/ethnic | YES | No | | |
| groups? | NO | | | |
| What evidence exists for this? | The analysis of support staff in schools who may have received a pay award next year demonstrates that of the 2843 staff that may be impacted upon 96.4% are from a white ethnic group and 3.6% are from a BME group. The total group (excluding Service Managers and above who are already on local pay, but including teaching staff) is 7442 staff. This shows that 91.9% are from a white ethnic group and 8.1% are from a BME group. There is therefore a lesser proportionate impact on BME support staff in schools. | | | |
| 8. Are there concerns that there could be a differential | ı YES _{No} | | | |
| impact due to disability? | NO | | | |
| What evidence exists for this? | The analysis of support staff in schools who may have received a pay award next year demonstrates that of the 2843 staff that may be impacted upon 31 staff are disabled, which is 1.1%. The total group (excluding Service Managers and above who are already on local pay, but including | | | |
| | teaching staff) is 7442 staff. This shows that 2% are disabled. | | | |
| | There is therefore a lesser proportionate impact on disabled support staff in schools. | | | |
| 9. Are there concerns that there <u>could</u> be a differential impact due to <i>gender</i> ? | YES | Yes | | |
| _ | NO | | | |
| What evidence exists for this? | have r demor | nalysis of support staff in schools who may eceived a pay award next year estrates that of the 2843 staff that may be ted upon 2598 staff are female, which is | | |

| 10. Are there concerns there could be a differential impact | The total group (excluding Service Managers and above who are already on local pay, but including teaching staff) is 7442 staff of which 5990 are female. This shows that 80.1% are female. There is therefore a disproportionate impact on the grounds of gender. YES Do not know | | |
|---|--|--|--|
| due to sexual orientation? | NO | | |
| What evidence exists for this? | have r demor impact 0.14% The to above teachin bisexu. There this is statisti. | tal group (excluding Service Managers and who are already on local pay, but including ng staff) is 7442 staff of which 18 are gay or al. This is 0.24%. is therefore a disproportionate impact but a small difference and not significant cally. f staff have not completed this data on the | |
| | equality monitoring form so this data is not reliable in any event. | | |
| 11. Are there concerns there could be a have a differential impact due to religion or belief? | YES | Do not know | |
| What evidence exists for this? | The analysis of support staff in schools who may have received a pay award next year demonstrates that of the 2843 staff that may be impacted upon 109 staff have declared a religior or belief. This is 3.8%. The total group (excluding Service Managers an above who are already on local pay, but includin teaching staff) is 7442 staff of which 341 have declared a religion or belief. This is 4.6%. There is therefore a lesser proportionate impact but this is a small difference and not significant statistically. 96% of staff have not completed this data on the equality monitoring form so this data is not reliable in any event. | | |
| 12. Are there concerns there could be a differential impact due to people's age? | YES NO | No | |

| What evidence exists for this? | The analysis of support staff in schools who in have received a pay award next year demonstrates that of the 2843 staff that may be impacted upon by age bands shows the follow. Those affected: $29 \text{ and under} = 11\%$ $29 \text{ and under} = 30 - 39 = 17\%$ $40 - 49 = 36\%$ $40 - 49 = 29\%$ $50 - 59 = 28\%$ $60 \text{ and over} = 8\%$ $60 \text{ and over} = 1$ | | |
|--|--|--|--|
| | minor | ata generally follows th differences. There is th portionate impact. | |
| 13. Are there concerns that there <u>could</u> be a differential | YES | Do not know | |
| impact due to being trans- gendered or transsexual? | NO | | |
| What evidence exists for this? | We do not have information upon which to undertake any analysis | | |
| 14. Are there any other groups that would find it difficult to access/make use of the function (e.g. speakers | YES | No | |
| of other languages; people with caring responsibilities or dependants; those with an offending past; or people living in rural areas)? | NO | | |
| What evidence exists for this? | The ar | nalysis above | |
| 15. Are there concerns there could be a have a differential | YES | No | |
| impact due to <i>multiple</i> discriminations (e.g. disability <u>and</u> age)? | NO | | |
| What evidence exists for this? | The ar | nalysis above | |
| | | | |

| Conclusions & recommendation | | | | |
|---|-----|-------------------------|--|--|
| 16. Could the differential impacts identified in | YES | | | |
| questions 7-15 amount to | | | | |
| there being the potential for adverse impact? | NO | | | |
| 17. Can the adverse impact be justified on the grounds of promoting equality of | YES | Medway is one employer. | | |
| opportunity for one group? Or another reason? | NO | | | |
| Recommendation to proceed to a full impact assessment? | | | | |

| NO | Members will decide whether the disproportionate impact on support staff in schools due to gender, outweighs the need to have all staff on the same terms and conditions of employment. | | |
|----|---|----------------------------|--|
| | What is required to ensure this complies with the requirements of the legislation? (see DIA Guidance Notes)? | No further action required | |
| | Give details of key person responsible and target date for carrying out full impact assessment (see DIA Guidance Notes) | N/A | |

| Action plan to make modifications | | | | |
|---|--|-----------------------------|--|--|
| Outcome | Actions (with date of completion) | Officer responsible | | |
| Improve monitoring of all protected categories across the council to assist with future exercises | Continue to encourage staff to complete equality monitoring via Self Serve 4 You | HR Services Senior Managers | | |

| Planning ahead: Reminders for the next review | | | | |
|--|-----|--------------------|--|--|
| Date of next review | N/A | | | |
| Areas to check at next review (e.g. new census information, new legislation due) | N/A | | | |
| Is there another group (e.g. new communities) that is relevant and ought to be considered next time? | N/A | | | |
| Signed (Assistant Director) | | Date | | |
| Mainer | | 1 February 2013 | | |

Withdrawal from National Pay Award and Conditions of Service

Appeal Process

Collective Agreement

There will be no right of appeal, if a Collective Agreement is reached with the Trade Unions, as this will be incorporated into individual contracts of employment as provided for in existing contracts of employment.

Individual Agreement

In the same way, for those staff that have agreed to an individual variation to contract, there will be no right of appeal.

No agreement

The right of appeal will only apply to those employees where the Council unilaterally varies the existing contract by issuing employees with contractual notice to terminate their current employment contract and then issue a new contract of employment for re-engagement incorporating the new term, which would result in withdrawal from the national pay award and conditions of service.

In such cases, it is proposed that the appeal is initially considered by the Head of Human Resources and if the issues cannot be the resolved at that stage, a senior manager supported by a Human Resources representative would hear any outstanding appeals. Any such appeals would be considered as group appeals if the issues are the same or very similar.

The following would be regarded as legitimate grounds of appeal:

- If the individual employee considers they have not been consulted on the proposal;
- If the individual employee considers that the legal process for varying contracts of employment has not been adhered to.

The following would **not** be regarded as legitimate grounds of appeal as these were considered carefully during the consultation process by the Employment Matters Committee and Full Council and were the subject of discussions with the Trade Unions in the efforts made to reach a Collective Agreement. The full Diversity Impact Assessment submitted to the Employment Matters Committee considered any disproportionate impact on groups where the protected characteristics apply under the Equality Act 2010.

- Not knowing what will happen to pay and conditions of employment after April 2016;
- Perceived unfairness as the proposal does not impact upon teachers;
- Individual financial hardship as a result of the decision;
- Disproportionate impact on groups where the protected characteristics apply under the Equality Act 2010;
- Breaking away from national conditions of employment and introducing local pay bargaining and conditions of service;
- Increased cost of living;
- No pay awards;
- Morale, productivity, motivation and feeling undervalued;
- The right of employers to terminate contracts of employment and offer re-engagement on new terms;

- Alternative proposals to the proposal as these have already been considered;
- Impact on occupational pension.

Process for appeal

The process will be included with the letters to staff giving notice of termination of contracts. Staff will be informed they have the right to appeal against the decision to terminate their contract. Should they wish to do so they should write to the Head of Human Resources setting out the grounds of their appeal within seven working days of the date of the notice letter. The appeal will initially be considered by the Head of Human Resources and if the issues cannot be the resolved at that stage, a senior manager together with a representative from Human Resources would hear any outstanding appeals. Any such appeals would be considered as group appeals if the issues are the same or very similar. Staff will have the right to be accompanied at any appeal hearing by a trade union representative or workplace colleague.

Tricia Palmer

Assistant Director, Organisational Services

6 February 2013

DRAFT

MEDWAY COUNCIL

PROTOCOL FOR ANNUAL LOCAL PAY AND CONDITIONS NEGOTIATIONS

| AC | TION | TIMEFRAME | | |
|----|---|-------------------------------|--|--|
| 1. | Chief Executive updates trade unions on the budget and financial situation. | Early September | | |
| 2. | The Assistant Director, Organisational Services will invite the trade unions to submit their claim on pay and conditions of service effective from the following 1 st April. The trade unions will be provided with an analysis of the Council's financial position. | | | |
| 3. | The trade unions will first submit their Joint claim to the Assistant Director, Organisational Services | By end of October | | |
| 4. | The Chief Executive and the Assistant Director, Organisational Services will meet the trade unions to discuss and respond to the claim(s). | During November | | |
| 5. | Further meetings will take place as necessary during November/ December, including a Joint Consultative Committee (JCC) | November/ December | | |
| 6. | (a) Subject to 7 below, if agreement is reached, approval to recommend the agreement to full Council will be sought from the first Employment Matters Committee before the annual budget setting meeting of full Council. | January/ early February | | |
| | (b) If agreement cannot be reached, the matter will be referred to Joint Consultative Committee (JCC) at which officers will outline the negotiations and the trade unions can respond. | January | | |
| | (c) Recommendation(s) from the JCC will be reported to the Employment Matters Committee where a decision will be made for recommendation to full Council | Early February | | |
| 7. | Decision made and Budget approved by full Council. | End Feb/March | | |
| 8. | Any agreed pay award and/or changes to any terms and conditions implemented. | April | | |

Timetable

- 6 September 2012- Early consultation meetings with Trade Unions (TUs)
- 6 September 2012- E mail from Neil Davies to all staff regarding the proposal
- 13 September 2012- Employment Matters Committee asked officers to 'engage further with the trade unions to consider the options regarding pay and report back to Employment Matters within the next two months
- 20 September-22 October 2012-Further discussions with TUs regarding collective agreement
- 26 October 2012- Diversity Impact Screening Assessment shared with TUs and Equality Forums
- 30 October 2012- Employment Matters Committee decided to commence 90 day consultation if collective agreement cannot be agreed with trades unions.
- 20 November 2012- Commenced formal 90-day consultation with TUs
- 3 December 2012- Consultation letter sent to staff
- 31 January 2013- Staff Consultation ends
- 11 February 2013- JCC to consider staff and TU comments
- 19 February 2013- TU Consultation Period ends
- 19 February 2013- Employment Matters to consider staff and TU comments
- 21 February 2013- Council considers responses and decides on final decision.
- 22 February 2013- If no collective or individual agreement and the proposal was agreed at full Council, issue notice of termination of contract to affected employees and offer new contracts to those employees who have not accepted a variation to contract

COLLECTIVE AGREEMENT between MEDWAY COUNCIL (the employer) and RECOGNISED TRADE UNIONS – UNISON, UNITE, GMB (the unions)

Withdrawal from National Agreements

1. Introduction

- 1.1 The collective agreement covers the withdrawal from the national agreements set out in the Green Book, Pink Book and Blue Book for all staff, (excluding school based staff). Pay awards for staff covered by the LNFA are linked to the Pink Book.
- 1.2 The provisions of this agreement will be incorporated into individual contracts of employment by a letter of variation.

2. Agreement

2.1 It is agreed that individual contracts of employment will be varied from 31 March 2013 to state that:

"The amount of annual pay award will be determined by local collective bargaining and payable from 1 April each year if applicable."

All other references to the national agreement will also be removed from the contract.

Medway Council agrees not to cut pay or terms and conditions for a period of 3 years from 1 April 2013. Terms and conditions include:

Pay
Working time
Annual leave
Maternity leave and maternity pay
Sick pay
Notice periods
Overtime payments
Weekend working
Night work
Split shifts
Lettings
Standby duty
Public and extra statutory holidays
Car allowances

- 2.3 Local pay arrangements will be introduced from 1 April 2013.
- 2.4 Changes in pay as a result of the implementation of the pay and grade review will be protected from 1 April 2014 at 100% in year 1, 100% in year 2 and 25% in year 3 after which time the normal pay protection arrangements will apply unless negotiated otherwise. Any changes in pay resulting from redeployment or change of post will be subject to the normal pay protection arrangements of 100% in year 1, 75% in year 2 and 25% in year 3.
- 2.5 A one off payment of £50 (pro rata for part-time staff) will be paid in April 2013 to staff on salary point 25 or equivalent and below.
- 2.6 Nothing in this agreement will preclude the Council from undertaking further reorganisations in accordance with the Council's normal procedures.

3. Variations

Variations to this collective agreement can only be made through joint agreement with the employer and the unions.

| Signed on behalf of | |
|---------------------|-----------|
| Employer | Dated |
| UNISON | Dated |
| GMB | Dated |
| | Dated |