

EMPLOYMENT MATTERS COMMITTEE

3 NOVEMBER 2011

JOINT CONSULTATIVE COMMITTEE UPDATE

Report from: Tricia Palmer, Assistant Director, Organisational Services

Author: Wayne Hemingway, Democratic Services Officer

Summary

This report provides the Committee with the minutes of a recent meeting of the Joint Consultative Committee (JCC).

1. Budget and Policy Framework

1.1 The Joint Consultative Committee's constitution states that minutes of its meetings will be reported to the Employment Matters Committee.

2. Background

2.1 The Joint Consultative Committee (JCC) provides an early forum for consultation and meaningful debate between Medway Council and its employees through the recognised Trade Unions on matters relating to employment and conditions of service.

2.2 The membership of the Committee consists of an Employer's side (the Members of the Employment Matters Committee) and an Employees' side (Representatives of recognised Trade Unions).

2.3 The JCC met on 13 October 2011 and a copy of the minutes are set out in Appendix 1. In summary, the JCC considered a report on the Proposals for Pay (originally considered by the Employment Matters Committee on 28 September 2011), as part of the consultation process to freeze increments. The JCC debated a number of issues around the proposals.

2.4 Should the Council and Trade Unions be unable to reach a collective agreement on the proposals, a further meeting of the Joint Consultative Committee has been scheduled for 6pm, 18 January 2012, in advance of the Employment Matters Committee meeting to discuss the outcome of the consultation process to freeze increments.

3. Advice and Analysis

- 3.1 The Council will continue to negotiate with the Trade Unions to reach a collective agreement on the proposals. If a collective agreement is not reached and no alternative proposals are accepted it will be necessary to dismiss and re-engage employees to achieve the increment freeze.

4. Risk Management

- 4.1 Failure to consult appropriately with recognised trade unions could lead to poor employee relations and the possibility of a legal challenge.

5. Financial and Legal Implications

- 5.1 There are no direct financial or legal implications arising from this report.

6. Recommendation

- 6.1 That the Committee note the discussions of the Joint Consultative Committee held on 13 October 2011, as set out in Appendix 1 to the report.

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Background papers

None

Medway Council
Meeting of Joint Consultative Committee
Thursday 13 October 2011
6.15pm to 7.00pm

Record of the meeting

Present: **Employer's Representatives**

Councillor Avey
Councillor Carr
Councillor Christine Godwin
Councillor Paul Godwin
Councillor Iles

Employees' Representatives

June Adamson, UNISON
Michael Barton, Voice the Union
Tania Earnshaw, UNISON
John Somers, NAHT

In attendance: Paula Charker, Employee Relations Manager
Wayne Hemingway, Democratic Services Officer
Tricia Palmer, Assistant Director, Organisational Services

1. Chairman's Announcement

The Chairman announced that the start of the meeting would be delayed to 6.15pm to enable any representatives from the ASCL, UNITE, ATL, GMB and the RCN to attend the meeting.

2. Record of Meeting

The record of the meeting held on 5 July 2011 was agreed and signed by the Chairman as correct.

3. Apologies for Absence

Apologies for absence were received from Councillors Irvine and Mackinlay, Sue Calder (NUT) and Julia Harris (NASUWT).

Joint Consultative Committee – 13 October 2011

4. Declarations of interest

Councillor Christine Godwin declared a personal interest in agenda item 4 (Proposals for Pay) because she was a member of UNISON and retained her right to speak on the item.

The Assistant Director (Organisational Services) declared, on behalf of all officers attending the meeting, a personal and prejudicial interest in agenda item 4 (Proposals on pay), however, officers remained in the meeting for the item.

5. Proposals on Pay

Discussion:

The Assistant Director, Organisational Services, submitted a report which set out the proposals on pay, including changes to incremental progression. The Cabinet had considered the Medium Term Financial Plan on 6 September 2011 which reviewed the major financial issues facing the Council over the next three years and provided a framework for the more detailed preparation of the draft revenue budget over the next three years. It was reported that the funding gap for the next financial year was now projected to be nearer to £15 million and that incremental progression cost the Council £1.6 million. As part of the decisions made by Cabinet, it authorised the commencement of a consultation aimed at freezing incremental progression for the next two years to meet the financial constraints set out in the plan.

The report provided an analysis of pay arrangements and reviewed the possible options available to limit the continuing financial increases due to incremental progression. Appendix 3 to the report set out the consultation and timetable with the trade unions and employees which allowed for 90 days consultation. The consultation period had started on 19 September 2011 and was due to end on 21 December 2011.

The report also provided details of the outcome of discussions at the Employment Matters Committee on 28 September 2011, namely that the Committee had requested that officers attempt to reach a collective agreement with the trade unions in an effort to address the issue of low paid workers earning under £19,000, in a similar manner to last year's one-off payment; added a provisional meeting of the Joint Consultative Committee to the proposed timetable at 6pm on 18 January 2012 should the Council and Trade Unions not reach a collective agreement on pay and; requested a report detailing the options for further work to assess whether the current pay structure, including the long incremental grades, is fit for purpose.

The Assistant Director, Organisational Services, stated that it was the intention to reach a collective agreement with the trade unions on the proposal to freeze increments. The Employee Relations Manager

Joint Consultative Committee – 13 October 2011

confirmed that, with regards to the Diversity Impact Assessment, a full assessment would be carried out and that although most groups of employees were not affected disproportionately by the proposals, 9.2% of black workers could be affected by the proposals (noting that black workers made up 8.1% of the workforce).

Committee Members set out their views on a number of issues including:

- The process for considering alternative proposals to make budget savings.

The Assistant Director, Organisational Services, confirmed that any alternative proposals would be reported back to the Employment Matters Committee in January 2012.

- It was considered that the proposals impacted disproportionately on lower paid staff because lower paid were less likely than higher paid staff to have moved up the pay scales, and as such there was a broader issue in terms of equalities impact assessments than diversity alone.

The Employee Relations Manager confirmed that lower paid employees had been picked up in the Diversity Impact Assessment screening form (section 14) and this would be considered as part of the consultation process.

- That UNISON members considered the proposals to be unfair in the context of other issues including car parking, the freeze on the cost of living pay rise and the level of inflation. That UNISON had agreed to the existing freeze on increments on the basis that it was for 12 months. That lower paid staff were being affected disproportionately. That some staff were being downgraded as a result of phase 1 of Better for Less.

- Whether Members had taken a cut in their Members' Allowances.

It was confirmed that the Independent Remuneration Panel had commenced the process to consider the recommendation agreed at Council on 24 February 2011 to reduce Members' Allowances by 5%.

- That UNISON were holding a meeting on 17 October 2011 to discuss the proposals.
- The position of schools, where some schools decided to award increments in 2011/2012.
- The loss of support staff in schools.
- The need for a more fundamental review of the issue.
- The Local Authorities included in the survey, as set out in appendix 2 to the report.

Joint Consultative Committee – 13 October 2011

The Assistant Director, Organisational Services, confirmed that the Local Authorities included in Appendix 2 represented those that responded to the survey.

- Alternative proposals formulated by the Council prior to proposing to freeze increments.

The Assistant Director, Organisational Services confirmed that other proposals were considered by the Council and she was happy to share them with the Committee.

- The Council's overtime rates.

The Assistant Director, Organisational Services confirmed that enhanced rates of overtime (eg "time and a half") was paid up to point 28 on the Council's payscales and that overtime for staff on higher payscales may be paid if agreed "locally".

- It was considered that the starting point for low pay should be increased from £19,000 to £21,000.
- The level of turnover for lower paid staff and that retaining increments for those staff may decrease turnover and, consequently, a saving in recruitment costs.

The Chairman thanked everyone for attending the meeting and contributing their comments as outlined above.

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Chairman

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Date

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