

REPORT TO: POLICY AND RESOURCES COMMITTEE – 21 FEBRUARY 2019

REPORT ON: REVIEW OF TERMS AND CONDITIONS OF EMPLOYMENT

REPORT BY: EXECUTIVE DIRECTOR OF CORPORATE SERVICES

REPORT NO: 86-2019

1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to seek approval to begin consultation to amend a range of terms and conditions of employment.

2 RECOMMENDATION

- 2.1 It is recommended that:
- 2.2 The Committee note the terms of this report;
- 2.3 A further report will be brought to committee for their consideration

3 FINANCIAL IMPLICATIONS

- 3.1 There are no financial implications associated at this time.

4 MAIN TEXT

- 4.1 The Council provides key services to the citizens of Dundee and is committed to working collaboratively to ensure quality services are delivered efficiently and effectively.
- 4.2 Private sector organisations have increased accessibility to services by extending opening and service delivery times and providing on-line services and there are now similar expectations for public sector services.
- 4.3 Historically, when Single Status was introduced in 2008, the Council chose not to modernise terms and conditions/allowances. Only pay and grading was implemented.
- 4.4 The Council's Our People Strategy has underpinning key themes of modernising terms and conditions, health and wellbeing, improving communication and organisational development with the aim to support workforce development to meet the Council's vision and priorities and contributing to the Council's challenge of meeting budget savings targets. Whilst terms and conditions are only one component of how we manage workforce change, more flexible, equitable terms and conditions are key to a workforce equipped for the future.
- 4.5 Other drivers include the harmonisation of allowances for all employees eliminating morale and employee relations issues caused by different terms and conditions being applied to employees working alongside each other. In addition, current terms and conditions are complicated and difficult to administer leading to errors in payment in some instances. It also hinders efficient collaboration with other Councils on payroll matters.
- 4.6 There are a number of local agreements across service areas which add to the equality and complexity issues and these too require to be reviewed to ensure they remain fit for purpose. A comprehensive and streamlined package of terms and conditions aligned to the services the Council provides to the citizens of Dundee will significantly reduce administration costs and

provide transparency for employees. This will also provide a consistent approach for all employees.

- 4.7 The requirement for change is heightened in the current financial context, which includes the current national pay proposals, which if approved and implemented will result in a pay award for Scottish Joint Council (SJC) and Craft employees amounting to 9.5% over three years (backdated to 1 April 2018). This comes at a cost to the Council of £14m.
- 4.8 In addition and as part of the current pay proposals, there is a commitment to achieve the consolidation of the Scottish Local Government Living Wage into our pay and grading structure, with a corresponding cost to the Council of circa £300,000 in 2018/19, £309,000 in 2019/20 and £318,000 in 2020/21, with a continuing pressure on the pay and grading structure to ensure appropriate differentials are maintained and our job evaluation criteria is unaffected, each time the SLGLW increases.
- 4.9 The overarching aims for the consultation are –
- Avoiding compulsory job losses
 - Promoting investment in learning and skills development within our existing workforce
 - Promoting increased health and wellbeing
 - Managing change sensitively and in partnership, working with trade unions and employees
 - Addressing the demographic challenges within the workforce and seeking opportunities for young people
 - Achieving an agreed, negotiated outcome, based on mutual trust and respect.

5 AREAS TO BE CONSIDERED

- 5.1 The following areas will be considered:
- 5.2 Enhancements to employee benefits and discretionary leave including –
- Reviewing annual leave entitlement
 - Career Break scheme
 - Purchase of additional annual leave/banked annual leave
 - Volunteering Policy
- 5.3 Current terms and conditions, working practices and local agreements including -
- Harmonisation of the working week
 - Withdrawal and/or modification of irregular and unsocial hours payments
 - Removal of entitlements associated with former public holidays dating from before Local Government re-organisation in 1996
 - Amendments to the rates paid for voluntary overtime and address the outstanding holiday pay issue for regular overtime
 - Harmonisation of the rates of payment for night working
 - Streamlining the payment of shift allowances
 - Harmonisation of standard call out and standby payments in line with SJC rates
 - Reviewing all local agreements in services to ensure they are fit for purpose

6 IMPLEMENTATION

- 6.1 Making these changes will generally involve varying employees' contracts. Ideally, this will be done by agreement either on an individual or collective basis i.e. with each individual employee or with the employees' representatives. In the first instance, the Council will seek to reach collective agreement with the trade unions in accordance with the Managing Workforce Change Policy.

- 6.2 It will always be the aim of the Council to achieve change in partnership and agreement with employees and their representatives and whilst the overriding priority must be to ensure effective and efficient service delivery, the Council will always seek to do this in ways which avoid detriment to employees and it will take all reasonable steps to mitigate the effects of unavoidable detriment.

7 POLICY IMPLICATIONS

- 7.1 This report has been subject to an assessment of any impacts on Equality and Diversity, Fairness and Poverty, Environment and Corporate Risk. A copy of the Integrated Impact Assessment is attached to this report.

8 CONSULTATION

- 8.1 The Council Management Team has been consulted and is in agreement with the content of this report.

9 BACKGROUND PAPERS

- 9.1 None

Gregory Colgan
Executive Director Of Corporate Services

February 2019

Committee Report No: 86/2019

Document Title: Review of Terms and Conditions of Employment

Document Type: Policy

New/Existing: New

Period Covered: 21/02/2019 - 31/03/2020

Document Description:

Terms and Conditions of Employment Review

Intended Outcome:

To seek to achieve a negotiated agreement with the trade unions on varying current terms and conditions of employment thus achieving modernisation and harmonisation.

How will the proposal be monitored?

Regular reports back to council management team and P&R Committee as appropriate

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A. Equality and Diversity Impacts:

Age: Not Known

Disability: Not Known

Gender Reassignment: Not Known

Marriage and Civil Partnership: Not Known

Pregnancy and Maternity: Not Known

Race/Ethnicity: Not Known

Religion or Belief: Not Known

Sex: Not Known

Sexual Orientation: Not Known

Equality and diversity Implications:

Not known

Proposed Mitigating Actions:

Not known

Is the proposal subject to a full EQIA? : No

Not known

B. Fairness and Poverty Impacts:

Geography

Strathmartine (Ardler, St Mary's and Kirkton):	No Impact
Lochee (Lochee/Beechwood, Charleston and Menzieshill):	No Impact
Coldside (Hilltown, Fairmuir and Coldside):	No Impact
Maryfield(Stobswell and City Centre):	No Impact
North East (Whitfield, Fintry and Mill O' Mains):	No Impact
East End (Mid Craigie, Linlathen and Douglas):	No Impact
The Ferry:	No Impact
West End:	No Impact

Household Group

Lone Parent Families:	No Impact
Greater Number of children and/or Young Children:	No Impact
Pensioners - Single/Couple:	No Impact
Single female households with children:	No Impact
Unskilled workers or unemployed:	No Impact
Serious and enduring mental health problems:	No Impact
Homeless:	No Impact
Drug and/or alcohol problems:	No Impact
Offenders and Ex-offenders:	No Impact
Looked after children and care leavers:	No Impact
Carers:	No Impact

Significant Impact

Employment:	Negative
Education and Skills:	No Impact
Benefit Advice/Income Maximisation:	No Impact
Childcare:	No Impact
Affordability and Accessibility of services:	No Impact

Fairness and Poverty Implications:

Subject to individual and collective agreements there may be unavoidable financial detriment to some employees.

Fairness and Poverty Mitigating Actions:

Making these changes will generally involve varying employee's contracts. Ideally this will be done by agreement either on an individual or collective basis i.e. with each individual employee or with the employee's representatives. In the first instance the Council will seek to reach collective agreement with Trade Unions.

It will always be the aim of the Council to achieve change in partnership with employees and their representatives and whilst the overriding priority must be to ensure effective and efficient service delivery, the Council will always seek to do this in ways which avoid detriment to employees and it will take all reasonable steps to mitigate the effects of unavoidable detriment.

C. Environmental Impacts

Climate Change

Mitigating greenhouse gases:

No Impact

Adapting to the effects of climate change:

No Impact

Resource Use

Energy efficiency and consumption:

No Impact

Prevention, reduction, re-use, recovery or recycling waste:

No Impact

Sustainable Procurement:

No Impact

Transport

Accessible transport provision:

No Impact

Sustainable modes of transport:

No Impact

Natural Environment

Air, land and water quality:

No Impact

Biodiversity:

No Impact

Open and green spaces:

No Impact

Built Environment

Built Heritage:

No Impact

Housing:

No Impact

Is the proposal subject to Strategic Environmental Assessment

No further action is required as it does not qualify as a Plan, Programme or Strategy as defined by the Environment Assessment (Scotland) Act 2005.

Proposed Mitigating Actions:

N/A

Environmental Implications:

N/A

D. Corporate Risk Impacts

Corporate Risk Implications:

Corporate Risk Mitigating Actions:

Seek to achieve collective agreement with the trade unions and workforce to minimise the potential risks.