



## **TRADE UNION REPORT FOR STAFFING COMMITTEE MEETING ON 14<sup>TH</sup> SEPTEMBER 2011**

This report follows on from our formal dispute meeting with the Regional Joint Secretaries and lays out why UNISON in Waltham Forest believes that these proposals should not be pursued further.

We believe that the Council should not agree proposals that breach our National Agreement. These were:

Sick Pay – this is covered by Part 2 paragraph 10 of the National Agreement.

Car Allowances – these are covered by Part 2 paragraph 12 of the National Agreement.

Incremental Pay Freeze – this is covered by Part 2 paragraph 5 of the National Agreement.

However, with regard to these items we would now like to state the following:

**Sick Pay:** During the meeting with the Joint Secretaries management offered to “park” the sick pay proposals. They said that they still need to save the target amount from the sick pay scheme but felt it might be possible to review the local sickness management arrangements and make savings through better local management of the scheme. The UNISON Regional Head of Local Government recommended that we accept the invitation to form a working party with management to identify how the scheme will meet its targets. UNISON has agreed to take part in this Joint Review.

**Car Allowances:** We argued that many Council jobs benefit from staff using their vehicles at work. It is absolutely essential for some operational staff such as the Meals on wheels Delivery Assistants, Social Workers and Highways workers. The proposed massive reductions will mean that workers will not be adequately compensated for using their cars at work and will actually incur financial losses for essential car use. Staff may elect not to use their cars and this will cause problems for the delivery of Council services. It will also mean more claims for public transport and taxi fares. It is our view that the savings predicted will not be achieved and Council services will be adversely affected. There may also be insurance problems as essential car user allowance was paid on the basis that staff had fully comprehensive business use cover. The Joint Secretaries both ruled that this is a matter that can be negotiated as a local level without breaching the National Agreement so we turn to this committee to acknowledge that removal of this allowance is unfair on employees who have to use their own vehicles for work.

**Incremental Pay Freeze:** This will lead to individual employees being paid different rates for doing the same job and could potentially make the Council vulnerable to equal pay claims. It will also disproportionately impact on newer employees and possibly some of those recently promoted or upgraded via Single Status. The Joint Secretaries could not agree whether this item was covered by Part 2 of the National Agreement so it will be referred up to the National Joint Council. We would ask that this Committee recommend that this matter be put “on hold” until the dispute has been resolved at national level.

It is also worth noting that every single employee could take a claim for unfair dismissal and claim discrimination (if they are covered by a protected characteristic), which could cost hundreds of thousands, and the council is unlikely to win back costs even if the claims fail.

It is a matter of some concern that the Council are considering such action as it will have a negative impact on many employees at a time when they face increasing workloads and the consequent increase in stress levels.

The following items that we wish to see withdrawn were discussed by the Joint Secretaries but no progress was made. This is the case we put:

**Premium Payments:** UNISON disputes the rationale behind these proposals based on the argument that we now live in a 24/7 society. Though there are some services that do indeed operate on that premise it is still the case that most working families still get to spend time together at weekends. Schools do not work 24/7 and working parents do need time with their children. The Council should be seeking to support parents in spending time with their children – a subject that has become increasingly important as the nation reflects on the recent riots.

However, the Council does run services that do require 24/7 attention and the staff who carry out those services should be properly compensated for the leisure and family time that they have to forego in order to provide those services. It is also true to say that these services are generally provided for by lower paid employees for whom the loss of premium payments will mean loss of income, potentially the inability to pay bills and keep up mortgage payments which could result in a spiral of poverty for these Council employees.

The Council’s proposals all fall outside the provisions of the National Agreement Part 3. We acknowledge that these items can be negotiated locally, but at the time of signing the National Agreement it was envisaged that these national provisions could be improved upon. It was understood that the National Agreement provided a base line from which these premium payments would be made. They were designed to compensate lower paid workers in operational jobs which required them to work unsocial hours, weekends, occasional overtime and to provide standby for services that require it. These are the workers that have been chosen for swingeing pay cuts.

UNISON argues that this is unfair. Lower paid public sector workers did not cause the country's current financial plight, but they are being asked to pay more than their fair share in supposedly putting it right.

**Weekend Enhancements:** These payments are generally only made to staff who are paid at Scale 6 or below as per Part 3 of the National Agreement. This is a benefit paid to staff in lower paid jobs whose duties mean that they have to work at weekends. These include residential care workers, home care workers, facilities management staff, library workers and WFD staff. All are front line workers carrying out essential jobs for the Council.

The proposals are to abolish this benefit completely and leave these workers out of pocket to save £497,000. The burden of this saving will fall on 425 employees, 372 of whom are graded at Scale 6 and below, that's 86.6% of all those affected. This clearly is a disproportionate impact on our lowest paid members and if evenly shared would mean a loss of £1,169 per annum each.

It also impacts disproportionately on women who make up 78.1% of those affected and on BME staff who make up 57.9% of those affected.

**Standby Payments:** The proposals are to abolish these payments. Standby payments are currently made to 126 staff, 40.5% of whom are scale 6 and below. These payments are made so that staff remain available for work outside of normal working hours and include Environmental Health, Noise Officers, Highways workers who clean up after accidents and incidents in Waltham Forest, Facilities Management (the porters and security staff for Council premises), Homelessness Workers, Building Control and Home Care. The proposals are to save £182,000. Again, if this were distributed evenly across the workforce that is affected then each employee would lose £1,444.

The abolition of this payment will have knock on effects. If the Council lose the goodwill of staff how will a standby rota be maintained in these services? It could mean that emergency work will require the use of agency staff or external organisations who will charge fees. Will these be more or less than the Council pays under the current stand by system?

**Overtime:** The proposals are to save £227,000 by reducing overtime payments to plain time rates only. Again this has a disproportionate impact on the lower paid staff that make up 64.2% of those affected. This is not surprising as the National Agreement provides enhanced overtime rates to staff at Scale 6 and below.

In total 293 staff are affected, which means that each employee would lose £775 each if the loss were to be evenly distributed.

The proposals also withdraw the one day time off in lieu agreement for workers who work Bank Holidays. Currently an employee who works Christmas Day would receive overtime at double time rate and would get a day off in lieu in line with the National Agreement provisions in part 3.

Overtime is mainly paid to residential care, home care, environmental health, catering, early years, Facilities management, parking, benefits, committee services library and WFD workers. Nearly all of these jobs are front line, operational jobs. Again it is the same staff suffering the burden of the bill and there is a disproportionate impact on BME employees, who make up 51.9% of those affected.

Overtime is also voluntary. UNISON believes that staff will not be so willing to do overtime when it is only paid at plain time rate. However, the work will still need to be done. We believe extra costs will be encountered as the Council is forced to bring in agencies and external organisations to cover work previously covered by overtime.

**Shift and Shift Leader Allowance:** The proposals are to save £163,000 by abolishing this payment. A total of 99 staff are affected, 70.7% of them are women; 64.6% are BME and they would each lose in the region of £1,646 if the impact were distributed evenly between all those affected.

The purpose of these payments is to ensure clear lines of responsibility are maintained when the management team are not on duty and to compensate employees who have to work irregular, non-standard patterns of working hours that are not covered by other premium payments. Again it is residential and home care workers, library staff, WFD workers and environmental health that take the brunt of these savings.

**Unsocial Hours Payments:** These are paid to 5 staff in Children's Services and Environmental Health Directorates. They are all graded at Scale 6 or below and the Council anticipate savings of £2,000.

### **Premium Payments Conclusions**

The abolition of premium payments directly and disproportionately affects front line operational staff who are lower paid (72.8% of those affected are paid at Scale 6 and below), BME (54.1%) and female (67.4%). The proposals will widen the pay gap of the Council, especially when these proposals are compared to the Council's proposals to increase the earnings potential of its senior, highly paid staff.

It should also be noted that the Council intends to implement all these proposals for non-teaching support staff in schools. The Council's school workforce is largely women and the vast majority are on grades below Scale 6. Unfortunately the Council cannot provide data on the pay of its employees working in schools. It is also unable to provide an equality impact assessment for schools employees, so these staff cannot be included in any analysis. The cuts to pay and conditions to staff in schools will contribute nothing to the savings target of the Council and as such UNISON argues that school staff should not be threatened with these cuts and dismissal if they do not accept them.

## **Dismiss and Re-engage Proposal:**

The threat to dismiss and re-engage employees who do not voluntarily agree to these proposals is not acceptable to UNISON. We would hope that Labour Group would not support such action.

## **Proposals for Changes to Non Pay Related Terms and Conditions**

UNISON also put forward our case pointing out that none of these savings contribute to the Council's savings targets. UNISON has no equality impact information in relation to them. It is the trade unions' view that they should play no part in these negotiations as they do not make any cashable savings.

The proposals include:

### **Special Leave:**

**Funeral and Bereavement Leave:** Employees will no longer be able to access special leave for the funeral or death of an uncle, aunt, niece or nephew. It is unclear what access to special leave would be granted to employees suffering the loss of in-laws.

**Arranging A Funeral:** Special Leave of 5 days was provided by the Council but the proposals reduce this to 3 days.

These changes are hard to understand and demonstrate that the employer wants to provide less support to employees than it used to.

**Candidate for Parliament Election:** This is being reduced from 20 days unpaid leave to 5 days.

**Medical Appointments:** Paid time off of one hour for appointments that the Council decrees as being within the employee's control is to be scrapped. Again it would simply seem to underline the Council's desire to provide less support to its employees.

**JP or other Public Body:** This was up to 18 days paid leave and is to be reduced to 12. Given that the Council appears to be looking at voluntary service to maintain some of its current functions, it appears inconsistent that it should reduce the time available to its own employees to volunteer for public duties.

**Special Leave for Public Duty:** This was 20 days paid leave and is being reduced to 12. Again, this appears to show some inconsistency in approach for the Council.

**Special Leave for Personal or Family reasons including sick dependant, Dependant Medical Appointment and Medical Support Leave:** Currently special leave arrangements provide for 5 days full pay and 15 days at half pay so that employees can meet their family responsibilities. For a Council that believes in work/family balance it does appear strange that this leave should be reduced

to just 5 days at half pay per year in total, especially when the proposal contributes nothing to the savings target.

Overall the changes to special leave appear to be designed to make life more difficult for employees who are already suffering a pay freeze, staffing reductions, larger workloads and increasing stress at work. They offer nothing to the savings and can only be seen as unnecessary and punitive by the majority of the workforce.

### **Definition of Night Work:**

The national Agreement defines night work as work taking place between 8pm and 6am. The proposal aims to cut that period by 2 hours so that night work begins at 10pm. This will once again impact on lower paid operational workers – the same staff that are hit so badly by the premium payments abolition.

### **Other Changes To The Employment Contract:**

**Place of Work:** UNISON is concerned at this proposal at this time because we know that the Council are planning to enter into shared service arrangements with other authorities. The unions fear that the Council will expect staff to travel beyond Waltham Forest boundaries in the future without any financial support for additional fares and journey times.

**Salary deductions:** Since the arrival of HCM we appear to have witnessed an increase in the frequency of overpayments. It appears that the Council is going to be admitting to the possibility of overpayments in the contracts that it offers to potential new employees. Again, we see that as providing another reason (even if it is only a small one) to decide not to work for Waltham Forest.

**Incremental progression:** UNISON views this as a breach of the National Agreement and as such regards it as unacceptable.

**Retention Payments:** Waltham Forest currently pays £1,000 twice a year to its front line social workers. Even so we are having to rely heavily on agency workers in Child Protection and the ceasing of these payments will only exacerbate these problems.

**Lunch Breaks and Start/Finish Times:** The Working Time Regulations stipulate that breaks have to occur at certain intervals and this proposal does away with the principal of core hours.

**Job Evaluation:** The Council propose that the method by which jobs are evaluated will be at the Council's discretion and may be changed on reasonable notice. At present this Council has clear joint job evaluation arrangements and is one area where unions and management work in partnership. This proposal, UNISON believes, will be used to further widen the pay gap as the Hay Scheme will be brought in to increase management and professional staff salaries. This is the scheme they currently use for Chief Officers and they even use Hay consultants to evaluate senior jobs. They would presumably be using such

consultants to carry out evaluations in the future at an increased cost to the Council.

### **Alternative Proposals**

UNISON believes that there is sufficient money available in the consultancy spend, the senior management pay review and the Council's reserves to secure funding that would make this £3 million cut unnecessary.

The Council's senior management review will allow for senior managers to increase their salaries by as much as 20,851 over the next few years whilst cutting the salaries of lower paid operational staff. The mitigation offered by management is far too little and will do very little to ameliorate against the hardships that our members will endure as a result of the Council's policies. Please see the appendix below.

The figures the Council gave under Phase 4 was for a projected level of reserves of 41.1 million. However it has been reported that Waltham Forest Council has usable reserves of £44.2 million. This means that the Council has £3.1 million of reserves it did not expect to have at the end of 2010/11. If some of this were used alongside savings from cuts to agency and consultancy budgets we believe that the £3 million target could be reached.

Furthermore, the Council Accounts (page 104) list Other Reserves under 5 Directorate headings. These total £3.737 million. Could this money also be made available to prevent these cuts?

In conclusion, the trade union side urges this committee to reject these proposals and maintain the Council's terms and conditions of employment. We would like to see this committee recommend this course of action to Cabinet. We believe that will help the Council to recruit and retain high quality staff and help boost the morale of its workforce over the coming years of difficulties and hardship that this Council and its community faces.

Dave Knight  
Branch Secretary  
UNISON in Waltham Forest

## **APPENDIX TO STAFFING COMMITTEE REPORT**

The table below shows that 11 Chief Officers, who earn, currently, £77,850.00 or more will receive an increase of up to **£20,150.00**

The average increase for those Chief Officers that will gain in the proposals will be £7,363.00 each.

<b>Current Role</b>	<b>Current potential Salary</b>	<b>New Role</b>	<b>New Potential Salary</b>	<b>Salary difference</b>
Executive Director Adult Social Care	139,332	Executive Director Adult Social Care	142,000	+2,668
Head of Strategic Commissioning	77,850	Divisional Director Strategic Commissioning	98,000	+20,150
Executive Director Children and Young People Services	139,332	Executive Director Children and Young People	142,000	+2,668
Deputy Director Children and Families	86,000	Divisional Director Children and Families	98,000	+12,000
Executive Director Environment and Regeneration	139,332	Executive Director Environment and Regeneration	142,000	+2,668
Director of Development	95,514	Director of Development and Leisure	98,000	+2,486
Assistant Director Property	95,514	Divisional Director Property	98,000	+2,486
Director of Public Realm	95,514	Divisional Director Public Realm	98,000	+2,486
Director Safe and Strong	118,842	Divisional Director Housing and Community Safety	98,000	-20,842

Director of Finance	127,038	Corporate Director Finance and Procurement	130,000	+2,962
Assistant Director Audit and Fraud	77,850	Assistant Director Audit and Fraud	85,000	+7,150
Assistant Director Finance Children and Adults	88,594	Assistant Director Families group	85,000	-3,594
Assistant Director Environment and Regeneration and Central Services	88,594	Assistant Director Environment and Corporate Directorates Finance	85,000	-3,594
Assistant Director Financial Planning	95,514	Assistant Director Financial Planning	85,000	-10,514
Assistant Director Accountancy, Exchequer and Pensions	77,850	Assistant Director Accountancy, Exchequer and Pensions	85,000	+7,150
Head of Procurement	95,514	Assistant Director Procurement	85,000	-10,514
* Director HR and Organisational Development	118,842	Corporate Director Human resources and Transformation	109,000	-9,842
Assistant Director ICT	88,594	Chief Information Officer	85,000	-3,594
** Assistant Director Residents First	95,514	Corporate Director Residents First	109,000	+13,486

\*The Head of HR was employed on a salary of £95,000.00 in December 2010, just 8 months ago. The table below shows that the Head of HR currently has the potential to earn £118,842.00 though we have been advised that as the post is at

the bottom of the increment table the current salary is a mere £106,957.00 an increase of £11,957.00 in just 8 months. However, if you look at the table it looks as though the post will end up losing £457.00 with the potential to lose £11,885.00, however as the post has attracted a further £11,957.00 in the last 8 months the impact will be lose just £72.00 overall compared to the starting salary.\*

\*\*In addition to the above post the Assistant Director of Residents First was advertised internally in November 2010 at a salary of £83,000, the post is currently shown as earning £86,988 with the potential to rise through increments to £95,514. How did this salary get inflated by £3,988 in just over 8 months? In the new proposals the post will have the potential to earn £98,000 with increments. This would be an overall increase from the starting salary of £15,000\*\*

The above table shows how much Chief Officers have the potential to earn now and the amount they will have the potential to earn in their new grade.

The total increase in salaries for the above officers minus the chief officers who will stand to lose salary will still cost the borough £25,866.00 more each year.

In addition to the proposed pay rises in this phase, many chief officers also receive market supplements. The table below shows some examples of this,

<b>POST</b>	<b>Monthly Amount</b>
Head of Development Management & Building Control	£833.33
Head of Physical Regeneration	£833.33
Program Manager (South)	£250.00
Head Of Economic Development	£833.33
Head of Audit, Fraud & Risk	£740.08
Principal Lawyer	£416.66
Lawyer	£416.66
Lawyer	£250.00
Contract Lawyer	£333.33
Overview and Scrutiny Manager	£166.67
<b>TOTAL PER MONTH</b>	<b>£5,073.39</b>
<b>TOTAL PER YEAR</b>	<b>£60,880.68</b>

Therefore, the figures given in the phase do not actually reflect the true rates of pay for many of these Senior Positions. Many are, in fact, receiving much more than their basic pay in Supplements, at a time when everybody else is expected to take cuts in pay and terms and conditions, or worse, lose their jobs. Residents are expected to accept cuts to their services, whilst at the same time the top end of the staff structure award themselves more money under the guise of an Evaluation Scheme that has not been approved by the Unions and is malleable enough that the council can set their own rates of Pay to these positions.

Compare this to the following case studies of Borough workers who will be affected by the T&C proposals alone, never mind the other 14 Phases.

Terms and conditions – case studies

<b>Job title</b>	<b>Scale</b>	<b>Salary</b>	<b>Hours</b>	<b>Premium payments lost</b>	<b>Financial loss</b>
Meals on Wheels Assistant	1c	£6,787	15	Essential car allowance	£600
Meals on Wheels Assistant	1c	£8,145	18	Essential car allowance & weekend enhancements	£995
Care Assistant	4	£20,877	36	Shift allowance, overtime, weekend enhancements	£4,202
Meals on Wheels Assistant	1c	£1,357	3	Car allowance, weekend enhancements	£640
Library Assistant	2	£17,196	36	Shift allowance, overtime, weekend enhancements	£2,853
Highways Enforcement	PO1	£31,761	36	Car allowance, standby	£7,784
Centre worker	SO2	£29,601	36	Weekend enhancements	£1,629
Library Assistant	3	£18,582	36	Car allowance, shift allowance, standby, overtime, weekend enhancements	£7,619
Kitchen Assistant	1c	£10,860	24	Weekend enhancements	£1516

Noise Officer	S01 -P03	£26,400 - £36,306	24 + 36	Car allowance, shift allowance	£103 £6080
Senior Noise Officer	P04	£37,179	36	shift allowance Car allowance,	£4,500 £103
Dog Enforcement Officer	S01	£26,400	36	shift allowance	£3400
Dog Enforcement Team Officer	P02	£31,761	36	shift allowance	£3400

Unions feel such increases are not justifiable and it is a slap in the face to our staff in residential homes, social work posts, highways, environment and homecare that could lose thousands of pounds a year due to proposed cuts in our terms and conditions.

It beggars belief that chief officers justify increasing their salaries by up to £20,150.00, (as is the case for the head of strategic commissioning) when we are making low paid workers redundant.

Unison and the GMB ask that this proposal is disregarded and that the money saved goes toward retaining the terms and conditions of the majority of our workforce.