

Tameside MBC

Proposed Changes to Terms and Conditions of Employment

Employee Information Booklet
December 2015

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Introduction

It is clear that our financial challenges are going to remain for the next five years. By the end of this financial year (2015/16), we need to have taken another £38 million out of our budget, and we estimate a further £15 million reduction will be necessary each year until 2020.

Whilst we have successfully managed our budget reductions so far, having taken £104 million out since 2010, we are probably only half way there. We still have significant shortfalls to make up this financial year to achieve a balanced budget.

In addition to our known budget reductions and plans that are in place, the Chancellor has set out an intention to reduce spending in the public sector by 25% - 40% in this parliament (2015 to 2020). This, on top of the cuts we are already facing, presents further significant challenge.

This means making hard decisions. To prepare for the tough times ahead and to help protect staff as much as possible the Council is looking to reduce its workforce costs through a review of terms and conditions to find a further £1 million per year from 2016/17, and beyond, to reduce the need for large-scale redundancies. Changes to existing benefits and terms and conditions for all are seen as the least worst way to reduce costs and protect services and jobs. We are working closely with trade unions to make sure that any proposals are as fair as possible.

This booklet and accompanying factsheet outlines the Council's consultation process and the range of proposed changes to terms and conditions of employment for implementation with effect from 1 September 2016.

Elected Members who have chosen not to accept any of the cost of living allowances awarded to employees since 2009, have also agreed to apply the equivalent percentage pay reduction to their allowances over the same period.

Why is the Council Proposing these Changes?

Since 2010 the Council has achieved a significant reduction in the size of its workforce whilst maintaining its commitment to avoid compulsory redundancies, therefore protecting jobs. Whilst we have managed to reduce the size of our workforce, our employment related costs have not reduced at the same level and continue to rise due to increased costs relating to agency, casual, mileage and overtime spend, and the ever increasing employer related costs due to pensions, national insurance and the Governments' National Living Wage. Whilst our staff absence levels continue to be one of the lowest in comparison with other councils in Greater Manchester and across the country, our absence levels remain unaffordable, particularly in comparison with private sector organisations.

Whilst it has been necessary to reduce the size of the workforce by around 200 FTE, and further reduce employment costs by £1 million each year for at least the next two years, the Council remains committed to:

- ✓ Protecting jobs and services
- ✓ Continuing to support good health and wellbeing of our workforce
- ✓ Continuing to listen to and act on the feedback and ideas from our workforce
- ✓ Continuing with the closure of the majority of workplaces during the Christmas and New Year period
- ✓ Supporting personal and professional development opportunities by reviewing job roles and responsibilities to enable more flexible opportunities for colleagues to work across the whole Council

Who is affected?

All Council staff, including support staff in schools are affected and will be covered by the proposed new terms and conditions. This is because equality law means everyone who has the same employer and is on the same terms and conditions must be treated equally. Only teachers are **not** affected as they are on separate statutory terms and conditions set by Government.

Tameside Council is consulting with all staff (except teaching staff) and recognised trade unions over proposed changes to terms and conditions that are being considered, and you are asked to provide your feedback and views.

What is the process from here?

Any member of staff can comment on these proposals through their trade union, or by responding to the consultation survey <https://www.surveymonkey.co.uk/r/tamesidetandc>. If staff do not have access to a computer, a paper copy can be provided by your Manager/Headteacher.

The formal consultation will end on 31 January 2016. All feedback and comments will be considered and a decision will be taken on which proposals will be implemented across the Council and schools with effect from 1 September 2016. We will advise you of the outcome and outline the process to implement the changes to your terms and conditions.

Before making any decision the impact of equality issues and/or the totality of impacts of a number of proposals will be considered. We need your feedback to do this properly and fairly.

Who can I speak to?

If you have any questions that are not currently covered by our frequently asked questions you can email them to our dedicated inbox listening@tameside.gov.uk, talk to your line manager and/or speak to your Trade Union who will be able to answer any queries you have.

Proposal 1: Pay the Living Wage Foundation Rate

Proposal 1 – Pay the Living Wage Foundation rate of £8.25 for employees on grade A and B (where the hourly rate of pay is currently less than £8.25)

Based on last year's figures this proposal would affect 3% of employees and cost £35K.

Under this proposal, a higher hourly rate than the current national minimum wage of £7.20 per hour would be applied, which would result in an immediate positive effect for the Council's lowest paid employees. This higher rate is called the Living Wage Foundation rate.

Whilst the significant majority of staff already earn the Living Wage Foundation rate of pay (currently £8.25 / hour), a number of employees on Grades A & B would see an increase. Whilst considering potential options to reduce the cost of our workforce, it is also important that we consider how best we can ensure a fair rate of pay.

Questions and Answers

How is this Living Wage Foundation rate calculated?

The Living Wage Foundation rate is a non-statutory hourly rate calculated independently. It reflects the rate of pay to enable individuals to live a reasonable quality of life based on the basic cost of living in the UK.

What is the current rate?

The current Living Wage Foundation rate is £8.25 per hour (as at 01 November 2015) and this will be reviewed annually in November.

Who will this affect?

The implementation of the Living Wage Foundation rate would affect all staff on Grade A and B (where the hourly rate of pay is currently less than £8.25) by increasing their hourly rate.

Proposals 2, 3 & 4: Occupational Sick Scheme

Current Occupational Sick Pay Scheme

The Council's Occupational sick pay scheme is shown in the table below:

During first year of continuous service	1 month full pay and (after completing 4 months service) 2 months half pay
During second year of continuous service	2 months full pay and 2 months half pay
During third year of continuous service	4 months full pay and 4 months half pay
During fourth and fifth year of continuous service	5 months full pay and 5 months half pay
After 5 years' continuous service	6 months full pay and 6 months half pay

Statutory Sick Pay (SSP) is included in full occupational sick pay. SSP is currently paid at a rate of £88.45 / week in addition to half occupational sick pay where the absent employee meets the SSP entitlement criteria.

Proposed Changes to the Occupational Sick Scheme

There are three proposed changes to the occupational sick pay scheme. Each proposal would see the Council's scheme change to a local scheme designed to support attendance at work and reduce our employment costs. These proposals would relate to any sickness absence that occurs on or after 1 September 2016.

Proposal 2 – No pay for the first 3 days of any sickness absence

Based on last year's figures this proposal would affect 55% of employees and save £450K.

This option would remove occupational sick pay for the first 3 working days of any individual period of absence. The remainder of the current scheme would be unchanged.

Example:

A full time employee is on Grade C (SCP13 £15,941). Their daily working rate is £61.08 per working day. The employee is off work sick for four days from a Tuesday to the following Friday.

On the **current scheme** they would receive full pay for these four days of **£244.32**.

On the **proposed scheme** they would not receive pay for the first three days but would receive pay of £61.08 for the fourth day of absence.

The result is a reduction in pay for this sickness absence of £183.24.

Proposal 3 – Reducing sick pay to 75% of your contractual sick pay

Based on last year's figures this proposal would affect 40% of employees and save £350K.

This option would reduce occupational sick pay to 75% of entitlement under the current scheme, which would then be as follows under this proposal:

During first year of continuous service	1 month at 75% full pay and (after completing 4 months service) 2 months at 75% of half pay
During second year of continuous service	2 months 75% full pay and 2 months 75% of half pay
During third year of continuous service	4 months 75% full pay and 4 months at 75% of half pay
During fourth and fifth year of continuous service	5 months 75% full pay and 5 months at 75% of half pay
After 5 years' continuous service	6 months 75% full pay and 6 months at 75% of half pay

Statutory sick pay would continue to be paid where the employee meets the criteria to receive this payment. No employee would receive more than 75% of their occupational sick pay entitlement under this proposal.

Example 1:

A full time employee is on Grade D (SCP 18 - £17,714) and has three years of continuous service. They are therefore entitled under the current scheme to four months at full pay and four months of half pay in any one rolling year. They are off work sick for a period of six months.

Under the **current scheme** they would receive the first four months at full pay (£1476.17) and the next two months at half pay (£738.08). This is a total pay of **£7380.84**.

Under the **proposed scheme** the employee would receive 75% of full pay for four months (£1,107.13) and the following two months at 75% of half pay (£553.56) totalling **£5,535.64**. The result is a reduction in pay for this sickness absence of £1,845.20.

	Monthly pay received under current scheme	Monthly pay received under proposed scheme
Month 1 of sickness absence	£1476.17	£1107.13
Month 2 of sickness absence	£1476.17	£1107.13
Month 3 of sickness absence	£1476.17	£1107.13
Month 4 of sickness absence	£1476.17	£1107.13
Month 5 of sickness absence	£738.08	£553.56
Month 6 of sickness absence	£738.08	£553.56
Total Pay	£7380.84	£5535.64

Example 2:

A term-time only employee working 36 hours over 44.23 weeks is on Grade E (SCP 19 - £18,376). This gives them a salary of £15,570.32. They have six months of continuous service. They are therefore entitled under the current scheme to one month at full pay and two months of half pay in any one rolling year. They are off work sick for a period of two months.

Under the **current scheme** they would receive the first month at full pay (£1,297.53) and the next month at half pay (£648.76). This is a total pay of **£1,946.29**.

Under the **proposed scheme** the employee would receive 75% of full pay for one month (£973.15) and the following month at 75% of half pay (£486.57) totalling **£1,459.72**. The result is a reduction in pay for this sickness absence of £486.57.

	Monthly pay received under current scheme	Monthly pay received under proposed scheme
Month 1 of sickness absence	£1297.53	£973.15
Month 2 of sickness absence	£648.76	£486.57
Total Pay	£1946.29	£1459.72

Proposal 4 – Reducing Occupational sick pay scheme to a maximum 3 months full pay and 3 months half pay from a current maximum 6 months full pay and 6 months half pay Based on last year’s figures this proposal would affect 3% of employees and save £150K.

Under this proposal, the maximum occupational sick pay entitlement for any employee would be reduced from 6 months full and 6 months half pay, to 3 months full and 3 months half pay.

The sick pay entitlement table would be as follows under this proposal:

During first year of continuous service	1 month full pay and (after completing 4 months service) 2 months half pay
During second year of continuous service	2 months full pay and 2 months half pay
After 2 years continuous service	3 months full pay and 3 months half pay

For all proposals, any sick pay payable under the occupational scheme will be inclusive of Statutory Sick Pay.

Questions and Answers

Under proposal 2, will the first three days of any sickness absence be unpaid, or is it a total of the first three days of any absence in a 12 month period?

The first three days of every individual period of sickness absence will be unpaid.

For example, if an employee is absent due to sickness for a single day on 6 individual occasions, all 6 days will be unpaid. If an employee is absent for 5 days on 1 occasion, the first 3 days of that sickness absence will be unpaid and the last 2 days paid based on the employee's sick pay entitlement.

I am currently absent from work due to sickness. Will I have three days deducted as unpaid leave if proposal 2 is implemented?

No, this is a consultation. Any changes to the occupational sick pay scheme will not be applied retrospectively. It is intended that any changes are effective from the implementation date of 1 September 2016. Should you return to work following the implementation date and are subsequently absent due to sickness, the first 3 days of this sickness absence will be unpaid if this proposal is implemented.

Will I receive statutory sick pay in addition to 75% pay under proposal 3?

No. All the proposals mean that the occupational sick pay entitlement would be inclusive of statutory sick pay.

I am currently absent from work due to sickness. Would my pay change if proposals 3 and 4 were adopted?

If, on the implementation date of 1 September 2016, you are absent from work, your occupational sick pay will be adjusted to comply with any new agreed scheme going forward.

I am currently off sick and I have had more than 3 months occupational sick pay – will this been deemed an overpayment and will I have to pay back monies if proposal 4 is adopted?

No. This is a consultation. Any changes to the occupational sick pay scheme will not be applied retrospectively. It is intended that any changes are effective from the implementation date of 1 September 2016. If, however, on the implementation date you are absent from work, your occupational sick pay entitlement will be adjusted to comply with any new scheme.

I am an Apprentice. Do proposals 2, 3 and 4 apply to me?

Yes. Any changes to the occupational sick pay scheme are effective from the implementation date of 1 September 2016 and will be applicable to Apprentices.

Will these proposals be a permanent change to the occupational sick pay scheme?

Yes, although they can always be reviewed. The purpose of the proposals is to manage the significant cuts we face in budget which are known for the next 5 years.

Are there any proposed changes to the payment of statutory sick pay (SSP)?

The Council will continue to meet its obligations to pay SSP as set out in law by the Government. Only the occupational sick pay scheme would change through these proposals. Information about statutory sick pay can be found via the following website <https://www.gov.uk/statutory-sick-pay/overview>

Proposal 5, 6, 7 & 8: Enhanced Payments

Proposal 5 – Paying plain time rate paid for all overtime hours worked (no enhancements) at an increased rate of 1/36th

Based on last year's figures this proposal would affect 40% of employees and save £200K.

Employees who work over 36 hours per week and are paid at SCP32 or less currently receive overtime payments in line with the table below.

Day	37 th Hour	Over 37 Hours
Monday – Friday	Plain time	Time and a half
Saturday	Time and a half	Time and a half
Sunday and Bank Holidays (minimum of 2 hours paid)	Double time	Double time

Additional hours are those worked in excess of normal contractual hours but fewer than 36 hours. A part time employee is entitled to additional hours at the rate of pay that a full time employee would qualify for their contractual hours.

Currently overtime is calculated based on an hourly rate of a 37th (weekly basic salary divided by 37).

The proposal is to pay plain time for all contractual or non-contractual overtime/additional hours worked. Under this proposal an increased hourly rate of a 36th would be used to calculate payments (weekly basic salary divided by 36).

Example:

A full time employee on Grade E (SCP 23 £20,849) works 3 hours overtime between Monday and Friday. The hourly rate for the grade is £11.09.

Under the **current scheme** the employee would be paid at 1/37th i.e. £10.81 for the first hour of overtime. The second and third hours would be paid at T+1/2 or £16.22.

The total for these three hours would therefore be **£43.25**.

Under the **proposed scheme** all three hours would be paid at plain time i.e. £11.09 per hour giving a total of **£33.27**.

Therefore, the reduction in pay for the 3 hours worked would be £9.98.

Proposal 6 – Removal of weekend working 15% enhancement

Based on last year's figures this proposal would affect 20% of employees and save £300K.

Currently, all employees who work weekends contractually as part of their normal working week are paid plain time plus a 15% enhancement, irrespective of their grade.

The proposal is to remove the 15% enhancement, paying plain time for all contractual hours worked at a weekend, irrespective of grade.

Example:

A Homecare Worker on Grade D (SCP 18 £17,714) works 4½ contractual hours on a Saturday. The hourly rate for the grade is £9.43, which with the 15% enhancement increases the rate to £10.85.

On the **current scheme** the employee would be entitled to receive **£48.83**.

On the **proposed scheme** the employee would receive payment at plain time **£42.44** in total.

A reduction in payment for the hours worked of £6.39.

Proposal 7 – Removal of night time 1/3rd enhancement

Based on last year's figures this proposal would affect 7% of employees and save £240K.

The term 'night working' covers any hours worked between 10pm and 6am.

Currently, an employee who works at night contractually, as part of their normal working week, receives 1/3rd time enhancement on their hourly rate of pay, irrespective of their grade.

It is proposed to remove the 1/3rd time enhancement, paying plain time to employees who work at night contractually, as part of their normal working week, irrespective of grade.

Example:

An Engineering Craftsman is on Grade F (SCP 28 £24,472) and is contracted to work 4 hours at night. The hourly rate for the grade is £13.02, which with the 1/3rd time enhancement increases to £17.36

On the **current scheme** the employee would receive payment of 4 hours x £17.36 totalling **£69.44**.

On the **proposed scheme** the employee would receive payment at plain time i.e. 4 hours x £13.02 totalling **£52.08**.

A reduction in payment for the hours worked of £17.36.

Proposal 8 –Bank holidays to be paid at double time with no additional time off in lieu

Based on last year's figures this proposal would affect 7% of employees and save £50K.

The **current arrangement** for an employee contracted to work on a statutory bank holiday is double time and time off in lieu for hours worked on that day, equating to triple pay in total. This applies irrespective of grade.

Where an employee paid SCP32 or below is not contracted to work on a statutory bank holiday, they receive double time only for all hours worked on the bank holiday with no time off in lieu.

It is **proposed** that:

All employees (irrespective of grade), who work bank holidays contractually as part of their normal working week would be paid double time for all hours worked on a bank holiday (as currently). The entitlement to time off in lieu in addition to double pay will be removed.

Questions and Answers

Will I be entitled to 6 months' pay protection on the proposed changes to enhancements / overtime / additional hours?

No. Pay protection arrangements exist to assist employees who are affected by a reduction in earnings as a consequence of moving to an alternative post of a lower grade. Protection is not applicable in relation to changing the rate of pay for additional hours worked, night working, weekend enhancements etc.

Is it not an employee's statutory right to be paid extra pay for working a bank holiday?

No. When an employee works on a bank holiday, there is no statutory right to receive extra pay.

What will I be paid for working on a Saturday or Sunday?

All employees who work at the weekend either, on a contractual or non-contractual basis (irrespective of grade), will receive plain time for hours worked.

Will I receive time off in lieu when I work a bank holiday?

No. The entitlement to time off in lieu currently provided will be removed under this proposal.

Proposal 9: Christmas Closure

Proposal 9 – No Christmas enhancement for time worked over Christmas Closure Period and removal of the extra paid holiday provided by the Council

Based on last year's figures this proposal would affect 7% of employees and save £50K.

The Council is committed to continuing the Christmas closure period for those services that are not required to be open during that period of time.

The **current scheme arrangements**, including payment for employees who are required to work over the Christmas closure period on days that are categorised as annual leave / extra holiday days are detailed in the table below:

Date	Off for Christmas	Working during Christmas Closure
Sun 25 Dec 2016	OFF	Standard working day if rostered to work
Mon 26 Dec 2016	Bank holiday	
Tues 27 Dec 2016	Bank holiday	
Wed 28 Dec 2016	Annual leave	If required to work - employees do not book annual leave and also accrue an additional 1/10 th of contracted weekly working hours to be taken at a later date
Thurs 29 Dec 2016	Annual leave	
Fri 30 Dec 2016	Extra Paid Holiday – provided by the Council	If required to work - Employee will accrue 1/5 th of contracted weekly working hours in time to be taken at a later date.
Sat 31 Dec 2016	OFF	Standard working day if rostered to work

The proposal is to remove the extra paid holiday provided by the Council each year. The Council continues to be committed to maintaining the closure of some services during the Christmas period as this helps to reduce the cost of services. Should this proposal be agreed, you will be required to take an additional day each year as fixed annual leave, along with the current 2 fixed annual leave days from 2016/17 onwards.

The proposal to remove the Christmas closure scheme would also cease the accrual of time off equating to 1/10th and 1/5th of weekly working hours for those who are contracted to work during the closure period that are not statutory holidays as outlined in the table above.

The **proposed scheme** is outlined in the table below:

Date	Off for Christmas	Working during Christmas Closure
Sun 25 Dec 2016	OFF	Standard working day if rostered to work
Mon 26 Dec 2016	Bank holiday	
Tues 27 Dec 2016	Bank holiday	
Wed 28 Dec 2016	Annual leave	Standard working day if rostered to work – no fixed annual leave need be taken.
Thurs 29 Dec 2016	Annual leave	
Fri 30 Dec 2016	Annual leave	
Sat 31 Dec 2016	OFF	Standard working day if rostered to work

Questions & Answers

If I work the days between Christmas and New Year, what will I be paid?

Your rate of pay per hour will be unchanged. The proposal is to remove the accrual of time in lieu of 1/10th and 1/5th of weekly working hours where you are required to work on the days that are categorised as annual leave/extra holiday during the Christmas closure period.

How will this affect my leave?

Your annual leave entitlement will not be affected by this proposal. However under this proposal the Council will no longer be granting the extra paid holiday provided at Christmas, and you will therefore be required to take this day as annual leave, along with the current 2 fixed days annual leave required to be taken to enable the Christmas closure week to be maintained.

Proposal 10: Mandatory Unpaid Leave

Proposed to be in place for 2 Years 2016/17 and 2017/18

Based on last year's figures this proposal would affect 95% of employees and save £500K.

Under this proposal, all employees would be required, on top of their current annual leave entitlement to purchase 3 days additional unpaid leave for a two year period.

This would be applied to all employees (excluding apprentices who are on a national training contract) for the 2 financial years 2016/2017 and 2017/2018.

It is proposed that this option be linked with Proposal 9 and that one of the three unpaid leave days be fixed and taken during the Christmas closure period for those staff who work in a service that is not required to be open as normal during that time. The remaining two days can be taken flexibly throughout the financial year, in consultation and agreement with the line manager in the normal way. You will continue to use the 2 days annual leave that are currently fixed to be taken at Christmas if you are not contractually obliged to work during this period.

For example the arrangement under this proposal for 2016/17 Christmas closure period is outlined in the table below:

Sun 25 Dec 2016	Mon 26 Dec 2016	Tues 27 Dec 2016	Wed 28 Dec 2016	Thurs 29 Dec 2016	Fri 30 Dec 2016	Sat 31 Dec 2016
OFF (or standard working day if rostered to work)	Bank holiday	Bank holiday	Annual leave	Annual leave	Unpaid leave	OFF (or standard working day if rostered to work)

For those staff where Christmas closure does not apply, you will be able to take the three unpaid leave days flexibly throughout the year, in consultation and agreement with the line manager.

Should Proposal 9 not be implemented, the additional 3 days unpaid leave purchased can be taken flexibly throughout the financial year 2016/17 and 2017/18 regardless of whether you are required to work over the Christmas closure period or not.

Questions and Answers

How would the 3 days' pay be deducted from my salary?

For 2016/17, the deduction of 3 days' pay would be calculated and deducted in 7 equal instalments from your monthly salary, spread over a 7 month period, the first deduction being in September 2016 and the last in March 2017.

For 2017/18, the deduction of 3 days' pay would be calculated and deducted in 12 equal instalments from your monthly salary, spread over a 12 month period, the first deduction being in April 2017 and the last in March 2018.

How is a day's pay calculated?

A full time employee's day rate is calculated by dividing the gross salary by the number of contractual working days, which is 261. This is prorated for part-time workers.

How can I work out how much my salary would be affected by this proposal?

The average financial impact of 3 mandatory unpaid days for employees per grade is outlined in the table below. The figures provided below are based on a full time employee's gross salary:

Grade	Salary *	3 Days' pay	Monthly deduction over 7 months (2016/17)	Monthly deduction over 12 months (2017/18)
A	£14,075	£161.78	£23.11	£13.48
B	£15,523	£178.43	£25.49	£14.87
C	£16,572	£190.48	£27.21	£15.87
D	£17,714	£203.61	£29.09	£16.97
E	£20,849	£239.64	£34.23	£19.97
F	£24,472	£281.29	£40.18	£23.44
G	£27,924	£320.97	£45.85	£26.75
H	£31,846	£366.05	£52.29	£30.50
I	£35,662	£409.91	£58.56	£34.16
J	£40,217	£462.26	£66.04	£38.52
SUM1	£46,091	£529.78	£75.68	£44.15
SUM2	£53,973	£620.38	£88.63	£51.70
SUM3	£61,912	£711.63	£101.66	£59.30
SUM4	£72,328	£831.36	£118.77	£69.28
Asst Exec Director average pay	£81,886	£941.22	£134.46	£78.44
Executive Director average pay	£118,593	£1,363.14	£194.73	£113.60
Chief Executive	£166,929	£1,918.72	£274.10	£159.89

* Top SCP of grade where applicable

Examples of the effect on term-time only workers:

Example TTO	Full time salary	Weeks worked	Hours per week	Part time Salary	3 days' pay
Grade B	£15,523	44.23	12.5	£4,566.99	£52.49
Grade D	£17,714	44.23	36	£15,009.39	£172.52

Will my pension be affected by this proposal?

No. The Council has taken advice from the Pension Fund to establish how we may best implement mandatory unpaid leave without this affecting the pension entitlement of employees. Similar to other authorities, the Council intends to implement mandatory unpaid leave by way of a deduction of the net sum amount equivalent to that which you would have received for the days leave after deduction of tax, national insurance and pension contributions. This approach overcomes the need to treat the leave as unpaid leave of absence and means there would be no effect on employee pensions. This means there would be no need for employees to elect to purchase the period of 3 days through an Additional Pension Contribution (APC).

I am required to work over Christmas. How will I take the unpaid leave if this proposal is adopted?

Where employees are required to work during the Christmas closure period, unpaid leave days will be flexible and can be taken at a later date during the financial year, in consultation and agreement with your line manager. Each service will identify those employees within services where flexible arrangements for unpaid leave will need to apply.

What if I change my hours during the period that this proposal is implemented?

If you change your contracted hours, your leave entitlement will be reviewed in the normal way to reflect your change in circumstances, and the amount deducted would be adjusted accordingly. This will not be backdated.

If I leave the Council's employment and have not taken my unpaid leave would this be refunded?

No, the Council's usual policy is that any leave entitlement should be taken in advance of leaving, and/or where severance is granted it is deemed paid for as part of the enhanced exit.

Will this proposal affect employees on maternity, adoption or shared parental leave?

The 3 days mandatory unpaid leave if implemented will apply to all employees whether on maternity, adoption and shared parental leave from the date of implementation.

What about people who commence their employment with the Council after 1 September 2016?

All employees who commence employment with the Council on or after 1 September 2016 on a temporary or permanent basis, with a full or part-time contract, would be required to take a proportion of unpaid leave, which will be pro-rata based upon their start date in the given financial year. Deductions from pay would be on a pro-rata basis on a monthly basis beginning, from the first salary paid upon commencement of employment with the Council. This will form part of their contract.

Could employees opt to take more unpaid leave in line with annual leave purchase scheme?

Yes, the Council already has an annual leave purchase scheme. More information can be found via the Council's Flexible Working Policy.

If I have already purchased additional annual leave would I have to take 3 days unpaid leave?

Yes, the three days unpaid leave would be in addition to any existing leave arrangements in place at that time.

If I have purchased the maximum additional annual leave would this still apply to me?

Yes, the three days unpaid leave are in addition to the annual leave purchase scheme.

Would this proposal reduce my annual leave entitlement?

No, the Council would continue to operate an enhanced annual leave scheme. The 3 days unpaid leave would be in addition to an employee's annual leave.

I work variable hours and changeable days. How would this affect me?

You would continue to be contracted to take the equivalent of 3 days unpaid leave per year pro rated to your contractual arrangements with effect from 1 September 2016.

I am part time. How would this option affect me?

All part-time employees would be required to take unpaid leave on a proportionate basis according to the number of hours per week they are contracted to work. One day would equate to 1/5th of your contracted hours per week. For example if an employee is contracted to work 20 hours per week over 5 days, this would equate to 4 hours each day deducted as unpaid leave.

I work in a school, when can I take my unpaid leave days?

There is an expectation that school based employees would need to take this unpaid leave during the academic year. This should be agreed with the Headteacher in advance in line with the needs of the school. It is expected that the Headteacher will identify how mandatory unpaid leave will be facilitated in the school.

What happens in 2018/19 and beyond?

The Council is consulting on changes to terms and conditions of service that will be a permanent change in the majority of areas. Consultation on the use of mandatory unpaid leave is for the next two financial years 2016/17 and 2017/18. If the Council wishes to extend this period, this will be subject to further consultation and agreement with the workforce.

Proposal 11 & 12: Mileage Scheme

Proposed Changes to Car Mileage Scheme

There are two proposed changes to the Car Mileage Scheme. Each proposal would see the Council's scheme change to a locally agreed scheme designed to further reduce the travel costs of employees, which are currently in excess of £1m /year..

Current Car Mileage Scheme

The Council's **current car mileage scheme** is in line with part of the national car mileage scheme as outlined in the table below:

Car Allowance Rates	BAND 1 up to 1000cc size engine	BAND 2 1000cc size engine & above
Authorised Essential User		
Lump sum per annum	£846 paid @ £70.50/month	£963 paid @ £80.25/month
Per mile first 8,500	36.9 pence	40.9 pence
Per mile after 8,500	13.7 pence	14.4 pence
Authorised Casual		
Per mile first 8,500	46.9 pence	52.2 pence
Per mile after 8,500	13.7 pence	14.4 pence

Motorcycle users receive 24p per mile and bicycle users 20p per mile in line with HMRC rates.

Proposal 11 – Reduction of car mileage rates for casual users to HMRC rates (max 45p/mile) and removal of the car loan facility

Based on last year's figures this proposal would affect 50% of employees and save £50K.

The **proposed scheme** would see authorised casual car users adopting Her Majesty's Revenue and Customs (HMRC) mileage rates.

It should be noted that Inland Revenue deem any payment above the maximum rate of 45 pence / mile, as income and not reasonable tax-free expenses, and therefore this is taken into account in establishing an individual's tax code and deductions.

It is proposed that the existing local car mileage scheme is amended with effect from 1 September 2016.

The proposed new scheme is outlined below:

Car Allowance Rates	BAND 1 up to 1000cc size engine	BAND 2 1000cc size engine & above
Authorised Essential User		
Lump sum per annum	£846 paid @ £70.50/month	£963 paid @ £80.25/month
Per mile for first 10,000 business miles in the tax year	36.9 pence	40.9 pence
Per mile for business miles over 10,000 in the tax year	13.7 pence	14.4 pence
Authorised Casual		
Per mile for first 10,000 business miles in the tax year	45 pence	45 pence
Per mile for business miles over 10,000 in the tax year	25 pence	25 pence

Motorcycle users would continue to receive 24p per mile and bicycle users 20p per mile in line with HMRC rates.

The current car loan facility would also be removed for any new applications.

Proposal 12 – Removal of essential car user lump sum allowance and removal of the car loan facility

Based on last year's figures this proposal would affect 2% of employees and save £60K.

The application of the car allowance scheme was reviewed by the Council in 2012 at which time the number of employees qualifying for payment of the essential car user lump sum was reduced significantly. This proposal reduces spend on essential lump sum further by removing the essential user category of car user altogether, therefore removing the essential car user lump sum payment with effect from 1 September 2016.

This would mean for those employees currently in receipt of this allowance there will no longer be a contractual requirement to have a car available for business use. They would revert to authorised casual car user status and receive mileage rates in line with the scheme in place at that time. The current car loan facility would also be removed for any new applications.

The car user scheme would therefore be as follows:

Car Allowance Rates	BAND 1 up to 1000cc size engine	BAND 2 1000cc size engine & above
Authorised Casual User		
Per mile first 8,500	46.9 pence	52.2 pence
Per mile after 8,500	13.7 pence	14.4 pence

Questions and Answers

How will I claim my mileage if either of these proposals are adopted?

The method and protocol for claiming mileage will remain unchanged.

The current car mileage scheme is reviewed annually to determine who is an essential car user – will this review continue?

Currently to ensure car user status continues to be applied fairly and consistently, every employee's car user status is reviewed in January every year and any changes take effect from the 1 April of that year, to coincide with the start of the financial/pay year. The next review is scheduled for January 2016. This review will take place in January 2016 irrespective of whether proposals 11 or 12 are adopted.

If proposal 11 is adopted, the annual review will continue in January each year in order to determine who meets the essential car user criteria and receives the annual lump sum.

If proposal 12 is implemented, the annual review will cease after the January 2016 review, as the essential car user category will no longer be part of the scheme.

I have a car loan currently. Will this cease in September 2016?

No. Any existing car loans would continue to be honoured.

Questions relating to proposal 11 only

If I use my car for business use, what will I receive under proposal 11?

If an employee chooses to use their car for work, they will remain eligible to claim mileage expenses for the mileage incurred whilst carrying out work related journeys at the proposed maximum revised rate set of 45 pence per mile for the first 10,000 miles per annum, or 25 pence per mile for all miles travelled after the first 10,000 per annum.

When would the changes to the mileage scheme occur under proposal 11?

The new scheme would be implemented on 1 September 2016. Any claims submitted for mileage incurred on or after 1 September 2016 would be paid at the HMRC rate payable at that time.

If HMRC rates change would the new local scheme mileage rates automatically change?

Yes. Any changes to HMRC rates in the future will be adopted automatically.

Questions relating to proposal 12 only

I currently receive the essential car user lump sum. Will I need to have a car available for business use if proposal 12 is adopted?

If proposal 12 is adopted, the removal of the essential car user lump sum will take effect from 1 September 2016. Therefore, from this date there would no longer be a contractual requirement for an employee to have a car available for work.

When would the changes to the mileage scheme occur under proposal 12?

The new scheme would be implemented on 1 September 2016. This means that your car user status would revert from essential to authorised casual with effect from 1 September 2016. Your essential user lump sum would cease on 31 August 2016 and the last essential lump sum payment would be in your August 2016 pay. Any claims submitted for mileage on or after 1 September 2016 would be paid at the relevant authorised casual mileage rate according to your car engine size.

Can I refuse to use my car for business use if the essential car user category is removed?

Under proposal 12, if an employee refuses to use their car for work, management cannot insist that they do so and employees would be under no obligation to provide or use their vehicle from 1 September 2016.

Will I be entitled to 6 months' pay protection on the essential car user lump sum?

No. Pay protection arrangements exist to assist employees who are affected by a reduction in earnings as a consequence of moving to an alternative post of a lower grade and are therefore not applicable in relation to removing the essential car user lump sum payment.

Proposal 13 & 14: Percentage Pay Reduction

Proposed to be in place for 2 Years 2016/17 and 2017/18

There are 2 proposals relating to a percentage pay reduction. Both suggest a percentage reduction to gross salary across all grades.

Proposal 13 – Reducing current pay by 1% per annum

Based on last year's figures this proposal would affect 100% of employees and save £700K.

This proposal would mean that all gross salaries would be reduced by the equivalent of 1% in 2016/17 and 2017/18. This reduction would be made on the basis of a salary deduction, which will be made in monthly instalments commencing in September 2016.

Example:

A full time employee is on Grade G (SCP 32 £27,924). The 1% reduction in gross salary would equate to £279.24 per annum taken in monthly instalments.

Example:

A part time employee working 18 hours per week and 52.2 weeks is on Grade B (SCP 10 £14,338). Their FTE salary is £7169. The 1% reduction in gross salary would equate to £71.69 per annum taken in monthly instalments.

Proposal 14 – Reducing current pay by 2% per annum

Based on last year's figures this proposal would affect 100% of employees and save £1.4 million.

This proposal would mean that all gross salaries would be reduced by the equivalent of 2% in 2016/17 and 2017/18. This reduction would be made on the basis of a salary deduction which will be made in monthly instalments commencing in September 2016.

Example:

A full time employee is on Grade E (SCP 19 £18,376). The 2% reduction in gross salary would equate to £368 per annum taken in monthly instalments.

Questions and Answers

How would the percentage reduction be deducted from my salary?

For both proposals the method of deduction would be the same.

For 2016/17, the annual percentage deduction for the year would be calculated and deducted in 7 equal instalments from your monthly salary, spread over a 7 month period, the first deduction being in September 2016 and the last in March 2017.

In 2017/18, the annual percentage deduction for the year would be calculated and deducted in 12 equal instalments from your monthly salary, spread over a 12 month period, the first deduction being in April 2017 and the last in March 2018.

Will my pension be affected by this proposal?

Yes. Pension contribution rates and payments are determined by the gross monthly salary level. Where your gross salary, following a percentage pay reduction takes you into a lower pension band, your pension contribution rate will be reduced to that rate.

Proposal 15: Freeze Pay

Proposed to be in place for 2 Years 2016/17 and 2017/18

Currently, the Council adopts national pay awards, increasing its pay in line with the changes agreed by the national negotiating bodies.

Proposal 15 – Freeze pay by not applying any Nationally agreed pay increase

Based on last year's figures this proposal would affect 100% of employees and save £720K.

This proposal is not to adopt any nationally agreed annual pay increase applying to the period 1 April 2017 to 31 March 2019.

Employees would not be eligible for an annual pay award increase to their salary until 1 April 2019.

Questions and Answers

As this is a nationally agreed pay award am I not entitled to receive the amount negotiated?

No. The Council is proposing not to adopt the nationally agreed pay award and revert to a locally agreed pay scale for 2 years between the period 1 April 2017 to 31 March 2019.

After 2 years, would the National pay award be adopted again and my pay brought in line with the national pay spine?

This will need to be determined at that time taking into account the Council's finances.

The Consultation Process & Next Steps

The Council intends to consult widely with employees, and our recognised Trade Unions, to ensure that we fully understand your views and the impact of the proposed changes. We want to understand fully what a combination of the proposals mean financially to individuals and to service delivery. This section of the booklet explains how we intend to do this.

Consultation with Trade Unions

Once the consultation is finished, we will be meeting with the Trade Unions to discuss all the feedback, the equality impact assessment, and the proposals for implementation.

We understand that the Trade Unions are not able to agree and support any reduction in terms and conditions for employees, and recognize that they will work with us to ensure that anything the Council proposes is as fair as possible with the least adverse impact. Doing nothing is not an option.

Consultation with Staff

Over the coming weeks, we will be working with all employees to help you understand our proposals, how they will affect you and also establish any ideas or suggestions you may have to reduce the cost of the workforce by at least £1 million/year.

Managers have been briefed on the proposals and will ensure that all staff have received the consultation booklet and feedback form, and get the opportunity at a team briefing to discuss the consultation proposals.

To ensure that we receive your feedback, a short online feedback survey has been developed and you are strongly encouraged to complete this. You are not required to provide your name but we do need you to complete the equalities section in completing the survey, so we can ensure fairness. Please be honest and help us to develop the most appropriate proposals that we can in the circumstances.

What's Next?

Up to the 31 January 2016, is your opportunity to have your say. You are strongly encouraged to consider the proposals outlined in this booklet, the impact on you and the workforce as well as the implications for the Council. You can provide your views and feedback on the options that you would prefer to see progressed as well as any other ideas or alternatives you may have by completing the electronic survey.

The consultation process will end on 31 January 2016 and all feedback and comments received will be considered and presented to Elected Members, where a final decision will be taken on the new terms and conditions to be implemented from 1 September 2016. On concluding this process, you will be contacted by letter to seek your acceptance and agreement to the revised terms and conditions.

Help and Support

There are a number of ways you can also get more information and support:

- If you have any concerns or queries and want to speak to someone about the proposed changes, you should talk to your line manager, Headteacher or Service Unit Manager, who have been briefed and will be able to support you and answer your questions in the first place.
- During the consultation period, your manager will arrange briefing sessions to help you understand further how the proposals affect you.
- On the intranet at <http://intranet2.tameside.gov.uk/termsandconditionsconsultation/> where our Employee Information Booklet can be found. If you do not have access to the intranet – you should speak to your line manager who will arrange to access this information for you.
- From your Trade Union representative. During the consultation process you may be invited to attend a meeting with your Trade Union representative to provide your feedback and comments.
- You can also email any queries that are not addressed within the Employee Information Booklet directly to our dedicated inbox: listening@tameside.gov.uk

Trade Union Contact Details

Trade Union	Contact Name	Email Address	Telephone
Unison	Paul Taylor	tamesidebrsec@btconnect.com	0161 308 2452
GMB	Linda Mercer	linda.mercer@tameside.gov.uk	0161 342 3430
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ASCL	Paul Jacques	paul.jacques@virgin.net	07881 277017

What you need to do now

- ✓ Read the enclosed Employee Information Booklet and consider the proposed changes to terms and conditions and provide your feedback and comments by completing the online feedback survey <https://www.surveymonkey.co.uk/r/tamesidetandc> by 31 January 2016
- ✓ Speak to your service unit manager/line manager/headteacher/trade union representative if you have any queries and want to understand how the proposed changes may affect you
- ✓ Email our dedicated inbox listening@tameside.gov.uk if you have any queries that are not covered within the Employee Information Booklet

Notes
