

STAFF SIDE SECRETARY REPORT

*Staff Side office
Room A108
Ann Springman
Civic Centre
020 8313 4405*

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Proposed withdrawal From National Terms and Conditions

1. Introduction

This report is in response to the council's current consultation on the proposed setting up of local pay and conditions for all non teaching staff and removing staff from the National Joint council (NJC) terms and conditions and the Solbury terms and conditions.

The council have been (unsuccessfully) at pains to try and persuade staff that the proposals are not an attempt to attack the wages and conditions of staff.

Given that this exercise is being conducted in a climate of massive budget reductions, the biggest job cuts in Bromley's history with the promise of more to come, staff are rightly suspicious of the council's intentions.

This suspicion has further increased as detailed proposals have come forward and the failure of the council to offer any guaranteed assurances.

2. Overwhelming opposition from staff

The views of staff have been clearly demonstrated on a number of occasions to the council.

2.1 Council meeting 25th June 2012

The resolution moved by the Staff Side at the full council meeting on the 25th June required a minimum of 500 signatures from the staff this was easily exceeded.

2.2 Lobby of the Council 25th June

Over 120 staff attended the lobby called by just one trade union. This was the biggest lobby faced by the council since it started its cuts programme in the last two years.

2.3 Staff Side ballot

Despite a request from the Staff Side for the council to conduct a ballot the council refused. In light of this as the staff side secretary I have been conducting my own ballot of all affected staff. The question posed in the ballot is ***“Do you support the council’s proposals to come out of national terms and conditions”***.

To date 726 staff have voted with just 7 staff supporting the council’s proposals and 719 voting to oppose the proposals.

It should be noted that the ballot has been conducted **after** the council has issued the details of the proposals to all staff **and** at the same time as the senior HR officers have been travelling the borough conducting “road shows” to sell the proposals to the staff, road shows which the staff side and trade unions were not allowed to participate in.

Given that I have also had the obstacle of having to conduct the ballot at peak holiday time and with school staff not at work, It is clear from the massive response to the ballot so far that there is no support for the proposals even from the council own management.

It is my intention to run the ballot up to the 26th September council meeting to allow as many staff as possible to vote.

3. Why we are opposed to the specific proposals

3.1 The Annual Pay award

At the moment if a cost of living pay award is awarded nationally the council is contractually bound to pay it to every worker from the 1st April each year.

The council tries to state that we have nothing to fear from this yet during the consultation it has refused to give any assurances with regards to the pay award.

They have not stated for instance that any local pay award would either at least match the national pay award or that it would be based on a formula that was “RPI plus a %” like the ones that exist in the rail industry.

3.1.2 ***Bad Past experience***

Frankly Staff do not trust the council as they have already had the experience of what the council has done at a local level on pay in the recent past.

When the government announced a £250 pay rise for all public sector workers earning under £21k a year, what did Bromley do? They refused to pay it!

Some councillors appear to be under the misapprehension that they were not allowed to pay this, ***this is a myth*** a number of councils **did** pay it whilst still remaining in the national agreement if they can do it why didn't Bromley?

We have also seen what they did when the managers were supposed to get a contractual 1% pay rise last year. The council said it was not fair to pay to managers and not staff. I then asked that they pay 1% to all staff and they refused and instead effectively stole their own manager's money.

3.1.3 ***Timing of Pay award***

It is being suggested that one of the reason the council wants to have local pay awards is to help plan for in year budgets. I do not accept this argument . The council sets a budget for all services in March and regularly has to vary them in year according to service needs. This is no different to pay the council makes a provisional estimate as to the award and then pays the award once agreed backdated to the 1st April. Only on one occasion in the last 25years has the council had to make an in year additional payment. In recent years the trend is fort the council to have to pay out less than it budgeted for. If this were the only real reason for local pay it is not beyond the whit of the council, staff side and unions to find a way of remaining in the National pay bargaining arrangements and getting budgeting certainty in April each year. For instance it could negotiate the award to be paid by March and then top it up and back date it, if the NJC award was subsequently greater without coming out of the NJC.

However the staff side feels that the budget timing issue is merely a smokescreen.

3.1.4 ***Imposition not negotiation***

Originally the council's indicated that ***all*** it intended to do was to replace the national negotiations over pay and replace them with local negotiations.

However as the details emerged it is clear what we are being asked to accept is local “consultation” and then ***imposition not negotiations***.

3.1.5 **Double jeopardy “poor performers”**

The second and key problem over the pay award is **if** a pay award is agreed locally by councillors in February each year then it will be paid to all staff in April, **BUT** management will be able to withhold the pay award from **“underperforming staff”**.

This would mean a pay award that is supposed to deal with the increase in cost of living is now to be used as a stick to beat staff with to work harder or face having paid rises denied to them.

The Staff Side believes that this is a recipe for staff to be picked on or used as an excuse to save money for a department or section particularly when managers are under pressure to come up with another £25m to save.

If staff were “underperforming” the council already has policies and procedures it can use, ultimately it can discipline staff for poor performance. This proposal could lead to double punishment for staff.

The HR negotiators have alleged that there is often a call from staff that “under performance is not being dealt with by management”, (despite the fact that I don’t believe that there is any evidence to back this up), even if this was the case then that is the fault of management in not dealing with it, not an excuse to hold back a workers pay rise.

3.1.6 **Performance related Pay rises - “a life sentence”**

The council have failed to see the long term effect of with holding a pay rise in any one year. It would mean that if in one year of a workers working life with the council they were deemed to have “underperformed” their pay would be held whilst others increased. The effect of this would be they would end up earning less than their colleagues doing the same job forever, no matter how good their future work was. This is legally questionable let alone morally.

3.2 **The New Bonus scheme – A Divisive Dangerous Gimmick**

The council have now come forward with their bonus scheme proposals called **“A scheme of discretionary non consolidated non pensionable rewards scheme for exceptional performance”** They are proposing to make a payment for those deemed to **“delivered exceptional performance which goes well beyond the normal expectation of the role”**.

However it is **not** to be a pay rise or a re-grading, it is in fact **not** even going to be paid in cash but will be a **“Non cashable voucher”**! This voucher will not count towards a worker’s on going pay or pension.

There has been no budget set aside for this scheme and no figure placed on the bonus.

During the negotiations it has been suggested that this will be set each year by the council. It has **not** been decided whether it's a fixed figure or to be done as a percentage of a workers wage.

Having a limited pot one way or another will either mean smaller payments made from year to year or less people get it from year to year which would defeat the alleged purpose of paying for "exceptional performance".

To qualify staff have to deliver exceptional performance but this **won't** be measured by how much "effort" you put in or "hours worked" but on the "outcomes" of your performance.

Even if a staff member meets this superman status they could still be denied it if their sickness level is deemed unsatisfactory, so if a member of staff ends up making themselves sick working too hard, they lose out!

In the council meeting in June the leader of the council and the portfolio holder said they believed that the majority of staff were "hard workers and performing very well". The effect of this sort of is it divisive and would act to demoralise the majority of hard working staff. It goes without saying that for every one person given the "bonus" hundreds more won't get it.

Given that no assurance have been given re the annual pay award the staff side believes that having the bonus scheme could be used to spell the end of pay rises altogether to be replaced by a non consolidated bonus scheme seeing our pay shrink further and further.

If the council is so wedded to the introduction of a bonus scheme it could introduce one without the need to opt out of the NJC or Solbury agreements as such I do not accept that this is a justification for the proposal.

3.2 Other terms and conditions not protected

Along side the Pay award, the proposal would mean placing all our other conditions (such as annual leave, sick pay, maternity and grading scheme) into a new Bromley set of terms and conditions.

Whilst the council has said that at the point of transfer to the new Bromley contract they would remain the same as they are now. However the consultation document states that they would be looked at on an "**as is basis**". The Staff Side believes that given the council has failed to give any assurances that all these terms and conditions would remain at least in line with the NJC agreement if not within the NJC then this proposal puts staff at risk of the council beginning to attack those terms and conditions as well.

3.3 Impact on Management Grade (MG) staff

At the time of writing whilst I am aware of the proposal to remove some professional based staff from the Management grades due to the fact that they don't manage staff. To date I have not been told which staff are to be removed from the MG grades and I have not been told what the proposed new grade for these staff is to be.

The management grade staff would of course be affected by the negative implications of removing them from the protection of the national agreements on annual leave, sick pay etc and will now also be affected by the new pay proposals and lose their current performance related pay agreement. As such all the above comments are equally applicable to these staff.

Glenn Kelly
Staff Side Secretary

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