

DENBIGHSHIRE COUNTY COUNCIL

Position Statement on Efficiency Negotiations

November 2012 (revised February 2013)

Background

The council has had to cut its budget by nearly £6.4m 2011/12 and this was achieved without making significant cuts to important services and without making significant job reductions. Further cuts were identified for 2012 -15 with £3.4m in 2012/13 and an additional £8m in 2013/14 and 2014/15. This means that over a four year period the Council's overall budget will have been reduced by around £18m.

Of the total of £18m that need to be cut, it was decided that £1.525m would have to come from workforce savings. This was as an alternative to cutting front line services or making redundancies.

However, it was recognised that a number of external factors also affect staff's pay such as the review of tax credits; Child Benefits; Fuel costs etc. and that many staff were struggling financially in the current climate.

The decision was therefore taken in July this year to reduce the amount of savings required from the workforce by half to £762,500.

Negotiations with the trade unions have been on-going for a number of months on how these savings can be achieved and these have been difficult at times. The trade unions are rightly looking at protecting employees' terms and conditions as far as practical. Both parties have been adamant that the priority must be to avoid compulsory redundancies and to keep people in jobs.

To date, the way in which "triangular travel" is paid has been changed and a review of essential users has been undertaken. These collectively have achieved approximately, £250k which leaves approximately £512k to be achieved during 2013-15.

Final Proposal

In order to achieve the remaining £512k it is proposed that the

- The essential user status and associated remuneration be removed
- Mileage rates changed in line with the HMRC rates of 45p per mile (25ppm after 10,000 miles)
- Disturbance mileage to be payable for 12 months at a rate of 16.4p per mile
- Pay protection be payable for a period of 12 months

Head of HR

15th November 2012 (revised February 2013)

The essential user status and associated remuneration be removed

This will be phased over a period of 9 months starting on the 1st April 2013 as follows:

- 1st April 2013 – 75% of lump sum payable. (£60.19)
- 1st July 2013 – 50% of lump sum payable (£40.12)
- 1st October 2013 – 25% of lump sum payable (£20.06)
- 1st January 2014 – full removal of lump sum. (Nil)

Mileage rates

The mileage rates payable to all car users (essential and casual users) will be changed to the HMRC rates of 45p per mile (25ppm after 10,000 miles). This will be with effect from the 1st September 2013. Implementing on this date is the equivalent to phasing in the reduction/increase in mileage rate on the same % as the essential user lump sum.

Disturbance mileage

This will be payable for a period of 12 months at a rate of 16.4p per mile and will be applied to any future changes to employees. Those currently in receipt of disturbance will continue to receive this in accordance with the current arrangements.

Pay protection

This will be payable for a period of 12 months and will be applied to any future changes to employees' pay. Those currently in receipt of pay protection will continue to receive this in accordance with the current arrangements.

Finally, other than the on-going negotiations on the ½ day Christmas Leave, the authority will not review any further terms and conditions for the purpose of achieving corporate workforce efficiencies until April 2015 unless the financial situation changes radically or there are unforeseen circumstances which necessitates the need for this. This does not mean that where it is necessary for services to review terms and conditions for the purpose of providing a more efficient service or meet service need that this will not take place e.g. reviewing hours of work and working practices; review employees entitlement to certain allowances; reducing overtime claims.

It must be understood that the above are **PROVIDING** the authority's financial position does not change and that the anticipated funding from Central Government remains the same.

In return the authority is requesting the following from the Trade Unions:

- i. Full support with a joint communication prior to ballot on the full package
- ii. Signed collective agreement
- iii. The trade unions to actively work with us on the reduction of sickness absence within the authority as has been previously highlighted when discussing the reduction of the efficiencies from £1.5m to £762,000.

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