



DERBY CITY COUNCIL

**PERSONNEL COMMITTEE
19 NOVEMBER 2009**

ITEM 7

Report of the Corporate Director of Resources

Council's Travel Plan – Grey Fleet Review – Outcome of Consultations

RECOMMENDATIONS

- 1.1 To note the outcome of the consultation process with Trades Union Representatives.
- 1.2 To note that a hearing of the Disputes Resolution Sub Committee has been convened for 2 December 2009.
- 1.3 To delegate authority to the Chief Executive to implement the recommendations of the Sub Committee.

SUPPORTING INFORMATION

- 2.1 Consultations have been ongoing with Trade Unions Representatives since 3 April 2009 on the proposed new arrangements for business travel.
- 2.2 Following a failure to agree on the proposals at the end of May 2009, notice was issued to Trade Unions Representatives that in the event that no alternative could be agreed, management would have no option but to bring in the changes through a process of dismissal and re-engagement, but with the option for employees to voluntarily agree to the changes if they wished to.
- 2.3 Both parties have demonstrated some movement towards the end of the consultations with management making an offer of £500 compensation for non-school based essential users.
- 2.4 Trade Unions Representatives made a counter proposal to restructure the current NJC schemes, reducing the number of allowance and mileage rate bandings from 3 to 2 and suggested possible scope for removing the allowance from those with a long history of not claiming mileage.
- 2.5 Serious consideration was given to the counter offer but analysis showed that it could only deliver an annual saving of £85k against the £800k required. Detailed analysis of similar scenarios concluded that it would not be possible to achieve the equitable treatment of existing essential and casual users within the NJC framework at sustainable cost.

- 2.6 Whilst Management welcomed Trades Union Representatives' willingness to engage in negotiations and offer a counter proposal, a modified NJC scheme framework was not an acceptable alternative and this conclusion has been endorsed by the Chief Executive, Chief Officers and Leadership.
- 2.7 Management made a final revised offer of compensation of £1,000 for essential car users and £100 for casual car users on 25 September and Trade Union Representatives agreed to consult their members on this offer. They did not, however, recommend acceptance.
- 2.8 At a meeting on Friday 6 November, Trade Union Representatives informed us that, as a result of their consultation with members, they were rejecting the final offer of compensation. We do not know the detail of the response to the consultation and will be writing to the Trades Unions to request these details.
- 2.9 A hearing of the Disputes Resolution Sub Committee has now been arranged for 2 December to consider representations from both management and the Trade Unions.
- 2.10 Authority to hear disputes and make recommendations under the Procedure for Settling Disputes is delegated to the Disputes Resolution Sub Committee, under Part 3 D of the Constitution. The Sub Committee is also empowered to make recommendations to Council on such matters. The authority to implement such recommendations is, however, delegated to the Personnel Committee and this report recommends that the Committee in turn delegates this authority to the Chief Executive.

IMPLICATIONS

Financial

1. A corporate budget saving of £807k has been set in the 2010/11 budget, from the review of essential and casual user mileage allowances and rates. In addition, £318k was requested from the Modernisation Fund to resource the development of the priority measures in the Action Plan.

Legal

- 2.1 The Council, as an employer, has met its duty to consult with employees and their representatives on the proposed changes to terms and conditions.
- 2.2 The advice we have received to date suggests we carry significant risk arising from our current business travel policies and practices, in relation to the emergent issue of occupational road risk and the provisions of the Corporate Manslaughter and Corporate Homicide Act (2008). Measures are being introduced to manage this risk.
- 2.3 The distribution of our current allowances is of concern.

Human Resources

3. Temporary resources have been appointed to support this project and further requirements to support the implementation and management of the recommendations have been factored into the savings model.

Equalities impact

4. Potential impact – every effort is being made to ensure fair and equal access to initiatives within the constraints of the project and positive feedback has been received from an initial Equality Impact Assessment on the project and proposals. There are considerable inequalities in the distribution of current allowances and rates.

Corporate objectives and priorities

- 5.1 Producing an action plan for the Council's Travel Plan was key outcome 3.1f in the Corporate Plan 2007/8, under the Council's priority "reducing the level of carbon emissions".
- 5.2 It is an action in the Smarter Choices Strategy element of the Local Transport Plan, the Air Quality Improvement Action Plan, the Corporate Climate Change Programme and the Council's Environmental Policy.