
Meeting: General Purposes Committee

Date: 3 June 2010

Subject: Harmonisation

Report of: Acting Assistant Director, People

Summary: The report is for Members to note for information, as well as to provide the opportunity for comments and views to be forwarded from General Purposes Committee to Executive regarding the proposal that the Council does not continue with plans to harmonise pay, terms and conditions of service for the financial reasons set out in the attached report.

Advising Officer: Gordon McFarlane, Acting Assistant Director People

Contact Officer: Catherine Jones, Head of HR Strategy

Public/Exempt: Public

Wards Affected: n/a

Function of: Council

Key Decision No

**Reason for urgency/
exemption from
call-in (if appropriate)** n/a

CORPORATE IMPLICATIONS

Council Priorities:

By not proceeding with harmonisation, recognising that the legally safe position could only be to harmonise upwards, the decision will contribute towards safeguarding the Council's financial wellbeing..

Financial:

The earmarked budget for harmonisation was approximately £500k. However the year on year costs of harmonising upwards would cost the Council up to £1.5m.

Legal:

The Council has taken legal advice to underpin the decision reached ie not to harmonise but to continue to protect staff who transferred on 1 April 2009 under the Transfer of Undertaking (Protection of Employment) Regulations 2006 (TUPE)

Risk Management:

While we recognise that decisions of this kind are unlikely to be risk free, our legal advice supports the approach recommended to the Executive. Additionally, in taking this action, the Council is avoiding putting additional unnecessary pressures on budgets.

Staffing (including Trades Unions):

Trade unions have been advised of this recommendation, and we will continue to work closely with them to address individual and group issues, recognising the likely impact of this recommendation on significant numbers of colleagues.

Equalities/Human Rights:

Staff will continue to have legacy pay, terms and conditions of service protected by virtue of TUPE, and there will be no detriment as a result of the recommendation not to proceed with harmonisation.

Community Safety:

n/a

Sustainability:

n/a

Summary of Overview and Scrutiny Comments:

- n/a

RECOMMENDATION(S):

1. that the Committee

- (a) **Supports the report to Executive and the recommendation made that the Council does not continue harmonise the pay and terms and conditions of employment.**

Reason for Recommendation(s): To avoid putting additional ongoing pressures on the Authority's budget, recognising the current and likely future financial position.

Background

1. At previous meetings of General Purposes Committee, Members have received both written and verbal updates on the progress of the harmonisation project.

2. As set out in the attached report the project was divided into 3 main strands:-
 - a) Analysis and evaluation of ex district roles,
 - b) Analysis of differences between legacy terms and conditions of service
 - c) Development and implementation of core HR policies for Central Bedfordshire.
3. During the first year of the Council the committee has received and approved a number of the HR core employment policies and these are now well embedded within the organisation.
4. Members have also been made aware of the progress being made on the evaluation of posts and the analysis of terms and conditions, however until the work had been completed no projected financial costs could be provided.
5. However as set out on the attached report (Appendix A), given the legal advice and the financial costs of implementing harmonisation and the Council's financial pressures there is a recommendation from the Corporate Management Team to the Executive that the harmonisation project should not continue.
6. As there is a saving of budget earmarked to cover the cost of harmonisation, the final decision to not continue with the harmonisation of pay and terms and conditions of service is required to be taken by Executive.
7. However in recognition of the terms of reference for the General Purposes Committee, it is appropriate that the Committee is able to discuss the recommendation and provide any comments to the Executive.

Background Papers: (open to public inspection)
None

Location of papers: N/A