

ITEM FOR STAFFING COMMITTEE – 11 November 2014

EXTRA STATUTORY TUESDAYS – REVISED PROPOSAL

Submitted by: Executive Management Team

Portfolio: Finance and Resources

Purpose of the Report

To inform the Committee of the Joint Trade Unions issue over the re-imburement of the two days extra statutory holidays and the Officers response.

Recommendation

That the Collective Agreement cannot be changed and that the two extra statutory Tuesday continue to be added to the employees annual leave entitlement.

1. Background

Trade Unions

- 1.1 The Joint Trade Unions have identified an issue over the re-imburement of the two days extra statutory holidays onto employee holiday cards. This issue solely revolves around employees that finish employment whether due to leaving, dismissal, bereavement, early retirement or retirement within one financial year.
- 1.2 This issue has been recognised clearly by chance due to one employee retiring at the end of August it appeared that the two extra statutory days are added to the annual leave at the start of the year, which in normal circumstances is fine, but for an employee leaving the Authority in that financial year it becomes a problem when Human Resources come to look at the pro rata holidays that the employee is due, they could be in a detrimental position if they have already worked one or two of those bank holidays.
- 1.3 The employee had worked both extra statutory holidays this financial year, but had lost a number of hours of those holidays due to Human Resources calculations on a pro rata basis. The Trade Unions believe the Council should come up with a different way of calculating, the two days that should be put on an employee's holiday card as a separate entity after the days are worked and should not be used in any calculations if a person leaves within that year.

2. Officers Response

- 2.1 In the Collective Agreement in 2013 (Appendix A) it was agreed to add the two extra statutory days to an employee's annual leave entitlement and as such should not be put separately on to an employee's annual leave entitlement.
- 2.2 The new annual leave started in April 2014, whereby the extra 2 days were automatically added to the employees overall annual leave. This has also been incorporated into the Salary Scales i.e. Grade 5 now has 23 days per year instead of the previous 21 days (see intranet) + 4 days for the extra 5 years' service.
- 2.3 The 2 extra days are "recognised" but are not set dates (like bank holidays) and the employee is able to take the 2 extra days at any time in the year, therefore it should be pro-rata in their last year of employment.

3. The National Joint Council (NJC) for Local Government Services National Agreement on Pay and Conditions of Service ('the Green Book')

7.4 Extra Statutory Holidays

'Employees shall have an entitlement to two extra statutory days holiday, the timing of which shall be determined by the authority in consultation with the recognised Trade Unions with a view to reaching agreement, or added to annual leave by local agreement'.

The agreement has therefore superseded the extra 2 statutory holidays by adding them to the annual leave entitlement. This has been calculated correctly; any employee leaving during the year, the annual leave would be pro rata with the new overall entitlement.

Pro rata entitlement is calculated in accordance with the Local Government's Employers recommendation, as follows:

- Number of days employment in year x employee's entitlement
365

For example for someone who leaves on 31 August:

$$153 \times 27 = 11.3 \text{ days}$$

365

4. Local Conditions of Service

- 4.1 A local collective agreement was signed on 13 May 2013 that agreed for the extra two statutory days (taken immediately after the Spring and August bank holidays) to be treated as normal working days (i.e. no enhancements to basic pay payable to employees who work on these days as part of the normal working week). Any overtime worked on these days to be paid at rates applicable to a normal working day. Two days to be added to the employees' existing annual leave entitlements (pro rata for part-time employees). See appendix A.

5. Issues

- 5.1 The Employees Consultative Committee meeting held on 6 October 2014, resolved:

- (i) That the trade unions continued to object; and
- (ii) That the members believed that the interpretation from the Green Book should continue to be followed.

6. Legal and Statutory Implications

- 6.1 The collective agreement is a legally binding contract and it cannot be changed unilaterally, unless there is a term in the agreement that says otherwise.

7. Equality Impact Assessment

- 7.1 To ensure all employees are treated equally the Council ensures that it has a consistent approach when calculating pro rata holiday entitlement in accordance with the Local Government's Employers recommendation.

8. Financial and Resource Implications

- 8.1 The increased cost of the additional annual leave entitlement if not pro rata, would need to be financed from within existing approved salary budgets.

9. Major Risks

- 9.1 See 6 and 7

10. List of Appendices

Appendix A Collective Agreement dated 13 May 2014

11. Earlier Committee Resolutions

Employees Consultative Committee – 6 October 2014