

4 March 2013

Dear

**Newcastle Borough Council changes to terms and conditions of employment**

You will be aware that following the consultation which was launched on 22 November 2012, Members have been meeting regularly with the Trade Union representatives to seek to agree a package which would be put forward for a ballot with a view to entering into a collective agreement. The consultation period ended on 20 February.

Members were clear at the outset of the consultation period that they require a package of savings from terms and conditions which would enable the council to make a saving of £100,000 on its 2013/14 budget. Members have also done this in the context of agreeing not to make any redundancies and to introduce the Living Wage to assist the lowest paid staff. This still remains the position and the Council has approved a budget with savings totalling £1.9m of which £100,000 are to be achieved through a reduction in terms and conditions.

The discussions between the Members and the Trade Unions have reached the point where four of the original proposals have been identified to make the savings. These are as follows:

Removal of telephone allowances	£2,600
Removal of payment of professional fees	£12,600
Conversion of Bank Holiday Tuesdays to annual leave	£18,700
Phasing out of subsidy paid towards lease cars	£67,000

Members consider that this is a fair package of measures and the best that can be achieved.

At a meeting on 28 February the trade unions agreed to ballot their members and recommend approval of the changes proposed in relation to telephone allowances, professional fees and Bank Holiday Tuesdays, with a view to the changes being implemented from 1 April 2013.

Discussions are continuing to establish whether agreement can be reached on implementation of the proposal regarding car leases.

Details of the specific proposals to deliver the savings are attached.

Cont'd

All of the comments made by staff either through the [employment@newcastle-staffs.gov.uk](mailto:employment@newcastle-staffs.gov.uk) email address or in the comment boxes have been reviewed by Members and they have asked me to thank you for this feedback which they have found helpful in enabling them to finalise a package of measures.

I would also like to thank you for your part in engaging with the consultation and I would hope to be able to inform you of the final outcome shortly.

Yours sincerely

A handwritten signature in black ink, appearing to read 'John Sellgren', is written over a horizontal line. The signature is stylized and includes a large 'S' and 'A'.

John Sellgren  
Chief Executive

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