

Meeting:	Employees' Consultative Forum
Date:	3 July 2007
Subject:	Essential User Car Allowance
Key Decision: (Executive-side only)	No
Responsible Officer:	Lesley Clarke, Corporate HR manager
Portfolio Holder:	Deputy Leader with Portfolio responsibilities for Finance and Business Matters Cabinet Assistant for People, Performance and Policy
Exempt:	No
Enclosures:	None

SECTION 1 – SUMMARY

To inform the Employee Consultative Forum on the current position regarding introducing criteria for eligibility to the Essential User Car Allowance (EUCA).

REASON: At its meeting on 14 December 2006, Cabinet requested that a review of the EUCA be carried out and, once concluded, would reconsider the position regarding car park charging. At the same meeting, Cabinet agreed that £200,000 savings should be made from Car Park charging and the EUCA. Effective from 1 April 2007

SECTION 2 - REPORT

The Council has about 600 staff in receipt of the Essential User Car Allowance. To-date there has been no locally agreed criteria for deciding eligibility. There appeared to be anomalies in who was identified as an Essential User.

Agreement was reached with UNISON and GMB on 18 April 2007 for the introduction of local criteria and that this should be implemented effective from 1 July 2007 (the earliest date possible given the requirement to give staff notice of this change in their terms and conditions).

Subsequently, UNISON has requested that the criteria be varied. GMB (at the date of writing this report) have yet to do so. Nevertheless, management agreed to consider varying the criteria and revised proposals were submitted to both unions on 3 June 2007.

Both unions have been requested to provide a formal response at the Corporate Joint Committee on 21 June 2007 as to whether they agree the revised proposals.

ECF will be verbally updated of the outcome of the CJC meeting and any other issues arising.

Resources, costs and risks

Costs

The revised proposals on the EUCA will not achieve the £200,000 savings requirement set by Cabinet. However, it is estimated that the savings from EUCA alone will be sufficiently close to be acceptable to the council

Risks

There have been concerns expressed by staff to the contractual right of the council to vary terms and conditions. Management has reached a collective agreement on this which is incorporated into individual terms and conditions through individual notification of the change.

Staffing / Workforce Consideration

The introduction of local criteria has not been viewed favourably by some current Essential Car Users. Nevertheless, local criteria will ensure that there is a sound rationale for how the allowance is applied in future.

Equalities Impact consideration

The introduction of locally agreed criteria will ensure that there is equity in how the EUCA is applied to staff

Legal and Financial Comments

Legal Comments

Management have ensured that it is on sound footing in varying terms and conditions for staff based on employment law, case law and the council's contractual relationship with its staff and unions.

Financial Comments

The requirement for £200,000 savings from Car Park Charging and the EUCA will not be met from EUCA alone. It is estimated that £183,000 will be saved from EUCA alone. There will be a requirement for the council to consider where the remaining savings should be found.

SECTION 3 - STATUTORY OFFICER CLEARANCE

Chief Finance Officer	<input checked="" type="checkbox"/>	Name: Myfanwy Barrett
		Date: 26 June 2007
Monitoring Officer	<input checked="" type="checkbox"/>	Name: Jill Travers
		Date: 21 June 2007

SECTION 4 - CONTACT DETAILS AND BACKGROUND PAPERS

Contact: Lesley Clarke, Corporate HR Manager, 020 8420 9309

Background Papers:

- Essential User Car Allowance agreement 18 April 2007
- Revised proposal to UNISON and GMB 3 June 2007

IF APPROPRIATE, does the report include the following considerations?

1.	Consultation	YES
2.	Corporate Priorities	YES
3.	Manifesto Pledge Reference Number	-