



## Joint Trade Union Submission - Update on Tower 'Rewards'

General Purposes Committee  
25 June 2019

### 1. INTRODUCTION

1. This report sets out a summary of the concerns that Unite, UNISON and GMB have about the Tower 'Rewards' strategy and the quality and conduct of the consultation.
2. The joint Trade Unions have strong concerns about Tower 'Rewards' and the way Senior Human Resources (HR) managers have conducted the consultation. Far from being a 'modernising' strategy to attract, retain and fairly reward employees with the right skills, it contains regressive proposals that change core terms and conditions in a way that is detrimental to the vast majority of the workforce. If implemented it would fundamentally alter the character of Tower Hamlets as an employer.
3. Senior Management's promotion and packaging of Tower 'Rewards' to staff in a way that masks detriment and invites support and/or acquiescence to the strategy has failed. Staff across the council have overwhelmingly confirmed their willingness to take strike action to stop the introduction of these discredited proposals. Voter turnout on all the ballots far exceeded the minimum required for a legal strike ballot, with over 90% voting for action. These results build on the mandate from joint Trade Union meetings held in February where over 1000 staff unanimously called for the proposals to be withdrawn

### 2. REGRESSIVE & DETRIMENTAL PROPOSALS

1. Local Trade Unions have always been willing to discuss changes where these are objectively justified and developed with a view to providing excellent services and valuing staff and their terms and conditions of employment. Furthermore, we are always open to discussing policies - but not to conflating them with wider contractual changes. Whilst the Corporate Leadership Team claims that Tower 'Rewards' 'modernises' terms and conditions, promotes flexibility and rewards excellence, it is the position of UNISON, GMB and Unite that they are fundamentally flawed.

2. Tower 'Rewards' appears to principally be an exercise to introduce detrimental changes which have happened elsewhere in parts of the public sector over the austerity decade. The proposals lump together a number of disparate elements many of which would be better dealt with separately. At the centre of the strategy are some fundamentally detrimental changes to core conditions which staff have made clear are not acceptable. This includes an attack on pay progression and grading, working hours, various allowances, the Flexi time scheme, and arrangements surrounding redeployment and redundancy payments.
3. While detrimental to the majority, it is the median to lower grades (the bulk of the workforce) and women, many of whom live locally, who will fare the worse. Any purported benefits to higher grades are mediated by changes to progression (which is performance related pay by any other name), increase in the working week and changes to various allowances.
4. This report should be read in conjunction with the detailed joint Trade Union submission lodged with Senior Management in March 2019 (Appendix A). The submission sets out our detailed analysis of the core proposals and identifies detrimental impacts not made clear in communications and reports produced by the Council about Tower 'Rewards'.

### **3. CONDUCT OF THE CONSULTATION**

1. The Trade Unions have not been provided with the basic information required for a negotiation about a collective agreement. For example, a comprehensive financial analysis and detailed equality impact assessments on all the proposals. The material provided so far is, by any reasonable standard, inadequate and lacking in essential detail. HR managers have at times struggled to explain the details and implications of the proposals, suggesting they either don't understand them themselves or they want to keep them veiled. Head Teacher representatives have raised concerns at school Trade Union forums about the lack of consultation by the council with schools about the proposals – both at the formation stage and post launch.
2. The Trade Unions have had to resort to the Freedom of Information Act to access basic information to evaluate aspects of the proposals and to explore potential equality effects. For example, it took a FOI request for the unions to establish that the council does not hold central records on Special Leave requests and that there is no accurate data on the numbers and categories of Special Leave applications going back for at least five years and likely longer.
3. The 'Rewards' strategy involves changing or withdrawing a number of current policies and introducing new ones. The Trade Unions have not been provided with detailed draft alternative policies, only loose frameworks with the promise that HR are working through the detail. It is not acceptable that the Trade Unions are being

asked to agree to major policy changes with no detailed alternatives having been provided – yet HR managers insist that the ‘Rewards’ strategy must be dealt with as a whole package.

4. HR managers took weeks to respond to the detailed Trade Union submission lodged in March and then unceremoniously rejected *every single* concern raised by unions on behalf of staff. We have no insight into what form the promised revised proposals will take considering HR managers have already unequivocally rejected all our concerns.
5. The involved Regional Officials from Unite, UNISON and GMB, all of whom are experienced negotiators, have been astonished at the hostility encountered in response to fair questions posed by the Trade Union side, the consistently arrogant and highhanded behaviour of the Council’s HR Director and the failure to provide basic information required for a negotiation about a collective agreement.
6. The Trade Unions remain concerned about what we reasonably believe are wilful misrepresentations to unions and staff throughout this process by HR managers and the expanding number of consultants engaged to work on the ‘Rewards’ strategy. This includes the quality and accuracy of the information provided to Councillors. For example, we submit that there is material in the report to the General Purposes Committee which is at best not accurate, and at worst misleading (A2).
7. In short, this process has been characterised by a serious integrity and transparency deficit. While it is foreseeable that negotiations about changes to the terms and conditions of employment will feature differences of opinion, what the Trade Union side has experienced from management during the Tower Rewards consultation surpasses what might reasonably be expected.

#### **4. CONCLUSION**

1. At the General Purposes Committee on the 29 October 2018 the ‘Rewards’ strategy set out at 2.4 of the report of the Divisional Director of HR was agreed, as was the delegation to the Chief Executive to develop the strategy. The Trade Unions note that the brevity of that report would likely have meant that the Committee would not have the information necessary to assess the detail and significance of the strategy, and following on from that whether it may represent a major policy decision.
2. We submit that the impact of Tower ‘Rewards’ on the core terms and conditions of employment would represent such a fundamental and seismic change in the culture and values underpinning Tower Hamlets as an employer that it *does* represent a major policy decision. Tower ‘Rewards’ would herald a major policy shift away from the council as being a progressive employer to an employer who is willing to adopt regressive labour practices and strip back current worker entitlements.

3. Therefore, the Trade Unions believe that the determination more appropriately rests with Councillors at this stage via the General Purposes Committee and not the Chief Executive. We respectfully request that the Committee reviews the delegation.
4. We also call on the Mayor and the Committee to direct the Corporate Leadership Team to rethink the approach being taken and pursue a more conducive, transparent and honest dialogue through the Trade Unions going forward.

*Appendix A – Joint Trade Union Submission to Senior Management on Tower ‘Rewards’ – March 2019*