



EMPLOYMENT COMMITTEE: 14 JUNE 2012

REPORT ON ESPO BONUS SCHEME

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

Purpose

1. The purpose of this report is to update Employment Committee on the progress of the ESPO Bonus Scheme buy out.

Background

2. The buy out of the ESPO bonus scheme was part of the Council's review of terms and conditions, however as Committee are aware, this matter had to be dealt with separately as it could not be concluded within the same time frame as the other changes to terms and conditions. As such separate negotiations begin to buy out the bonus scheme.

Current Position

3. An initial offer of 4% (pro rata) of salary was offered to staff to buy out the following:
 - Any payments that may be payable in respect of the 2009/10 bonus.
 - Any perceived entitlement to bonus for 2010/11
 - Any future bonus payment
4. This offer was rejected by trade unions and staff, however following further negotiations a Collective Agreement was reached. The Council agreed to increase its offer to pay staff a one off payment of 6% of salary or £900 (pro rata) whichever was the greater.
5. The above agreement has now enabled the Council to cease completely the bonus scheme at ESPO which also ends any risk of the Council being cited for equal pay claims.
6. Staff who left ESPO before the Collective Agreement was signed may have an entitlement to the 09/10 element of the buy out. There may be up to 12 cases and these will be dealt with on an individual basis.

Recommendation

7. The Employment Committee is requested to note that the Bonus Scheme has been 'bought out' and will cease with effect from May 2012.

Background Papers

Terms and Conditions Report – 23 May 2011
Terms and Conditions Progress Report – 14 October 2011
Terms and Condition Report - 11 January 2012

Circulation under the Local Issues Alert Procedure

8. None

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