

35 hour - Negotiated Position Update



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Earlier this month we communicated regarding the <u>agreed position</u> reached with Trade Unions as a result of consideration of the consultation feedback and discussion on alternative models to the original proposal.

Trade Unions are now engaging with their members on the negotiated position, with consultations due to close during the course of this week (week commencing 2 June).

On conclusion of this engagement further discussions will be held with Trade Unions with a view to the timeline at the end of this comms, and I would hope to provide an update by the end of the week.

In summary the **Trade Union Negotiated Position** is as follows:

- Impacted staff would receive a 'buyout'* payment rather than pay preservation – split into two annual payments
- Incremental progression applied to eligible employees on 1st April 2025 would be included in the calculation of the buyout
- Overtime rates would be paid for hours worked over 36 hours per week from 1st July 2026 and from 35 hours per week from 1st July 2027
- Through this agreement, pension protection can be offered

You can read the detail of the full negotiated position here

*Buyout (Tax & NIC applies) – All in-scope employees are included, and they would receive a buyout payment equivalent to 2 hours @ current (end of 2024/25) hourly rate plus the increment due to eligible employees on 1 April 2025; for 104 weeks (equivalent to 2 years); with a multiplier of "1". The payment would be made in two equal instalments (1st payment upon contractual change applying, and 2nd payment 12 months later). The second payment would additionally be subject to a multiplier of 1.05.

Frequently Asked Questions

Questions received on the negotiated position have been collated and reviewed by Senior Management Teams across Clusters, and within People Services which has enabled new FAQs to be developed, to help give clarity on the negotiated position as compares to the current ACC proposal. These can be viewed at <u>FAQs on the negotiated position</u>. FAQs continue to be updated so please keep checking them if you have any questions. FAQs recently published include:

- Worked examples showing the difference between the original proposal and the negotiated buy-out proposal and the financial impact for individuals
- Further guidance on pension protection
- Overtime

FAQs relating to the original proposal can also still be found at - <u>Proposal to move from 37 to 35-hour working week FAQs</u>.

Next Steps if an agreement is formalised with Trade Unions:

- Formal Communication (individual letters) to be issued to impacted staff (June)
- Implementation of contractual changes effective from 1st July 2025 – hours of work reduced from this date

Buy-out payment included in July salary payment