

CAPITA SYMONDS

Jennifer Burt
Programme Director
The London Borough of Barnet
North London Business Park
Oakleigh Road South
London
N11 1NP

25th September 2013

Dear Jennifer

Regulation 13 – Proposed Measures in respect of employees transferring from The London Borough of Barnet (LBB) to RE (Regional Enterprise) Limited on 1st October 2013

As required under TUPE Regulation 13, I am writing to advise you of the updated proposed measures that will occur in connection with the transfer to RE (Regional Enterprise) Ltd. At this stage, whilst we are near to the end of consultation, there remains a small number of measures which are still to be agreed and therefore subject to further consultation with recognised trade union representatives and therefore it is an interim measures statement. A final measures statement will be forwarded at the end of the consultation period.

RE (Regional Enterprise) Limited

Both Capita Symonds Limited and LBB are establishing a Joint Venture Company which will be the vehicle for delivery of the DRS Services. It is intended that all existing in-scope LBB employees will transfer under TUPE to the JV Company.

Following engagement with the transferring employees, the JV Company will be called RE (Regional Enterprise) Ltd.

Capita Symonds will have the majority share of this company and act as the lead organisation for the day to day management of RE (Regional Enterprise) Ltd, save for the specific arrangements for the “Joint Employees” referred to later in this document.

Please note, for the avoidance of doubt Capita Symonds Limited is in the process of changing its own legal entity name, therefore with effect from 1st October 2013 any reference to Capita Symonds Limited will be replaced by Capita Property & Infrastructure Ltd.

Terms and Conditions & Policies and Procedures

RE (Regional Enterprise) Ltd are fully committed to the requirements of the commercial contract with regard to the protection of terms & conditions. There is a contractual commitment that for the first 12 months there will not be any changes to contractual employment policies, save for pragmatic changes to reflect the organisation. Should RE (Regional Enterprise) Ltd decide to make proposals to contractual policies at any point in the future, we will of course enter formal consultation with the recognised trade union representatives.

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In the interest of supporting employee integration into RE (Regional Enterprise) Ltd, which is part of Capita Symonds Ltd and Capita Plc, we have discussed during consultation with union representatives, our proposals surrounding pragmatic changes that would be required to policies and procedures. All of these proposed changes are outlined on the most recent version of the Terms & Conditions Matrix (available on the Extranet and LBB Intranet).

Whilst the majority of these have been agreed, at the time of writing this letter, there are some which are outstanding and we hope to finalise during our next consultation meeting on 30th September. These are outlined on the T&C Matrix and the actual row is highlighted in yellow for ease of reading. Whilst I have highlighted below, some of the key proposed changes, this is not the full list and therefore this letter should be read in conjunction with the final agreed Terms and Conditions Matrix which outlines any other measures in relation to terms & conditions and policies and procedures which we have outlined in our consultation meetings to date.

The matrix is split into four key areas:

- 1) Blue – This details those terms and conditions of employment and policies and procedures which will transfer in respect of the contractual pay and leave entitlements, however pragmatic changes have been agreed with regard to the operational or administrative process to reflect the organisation and systems
- 2) Amber – This details those terms and conditions of employment and policies and procedures which will transfer, however we intend to discuss further at a later date post-transfer through full consultation with Trade Union Representatives, with a view to moving to RE (Regional Enterprise) Ltd policies.
- 3) Red – This details those policies and procedures which will change on transfer to reflect the RE (Regional Enterprise) Ltd policies and procedures.
- 4) Green – This details those terms and conditions and policies and procedures which will transfer unchanged.

RE (Regional Enterprise) Ltd is aware that there is one employee who recently transferred to LBB from Middlesex University. RE (Regional Enterprise) Ltd proposes that the terms and conditions, policies and procedures set out in the terms and conditions matrix will apply to this person.

Payroll

RE (Regional Enterprise) Ltd propose that when the employee payroll moves to Capita on transfer staff will be paid on the 27th of each month or the preceding working day where this is a weekend or Bank Holiday and circa 20th in December. RE (Regional Enterprise) Ltd commits not to put any employee at a financial detriment through this measure and have practices in place to support employees.

Annual Leave Year

RE (Regional Enterprise) Ltd propose that post transfer the annual leave year will change from the current April-March system to calendar year of January-December in order to make use of the online annual leave year approvals process through Capita Desktop. It is proposed that this change will take effect from January 2014 and a series of illustrative examples with regard to the process have been discussed during consultation.

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Trade Union Employee Engagement Framework

It is proposed that this will be discussed with the Trade Union Representatives post transfer in order to commence discussions in relation to the drafting of an appropriate Union Employee Engagement Framework Agreement and Facilities Time which reflects the Partnership as a whole which will include RE (Regional Enterprise) Ltd and CSG (Customer Support Group).

Proposed Structure

Upon transfer RE (Regional Enterprise) Ltd propose to create a new Associate Director post of Highways Network Management, through which the Highways Traffic and Development and Highway Network Management teams will report. This is seen as a positive way to support the existing Associate Director Team as they assist with the transfer of their teams into a new business. With regards to the overall structure, we will undertake a review of the existing DRS services. Once this review has been completed it is anticipated that we may develop proposals in relation to a business restructure. We are unable to confirm the full details of any proposals at present, however it is proposed that following transfer and the completion of a full business review, the existing service clusters will be consolidated and two new service clusters developed in order to facilitate growth within the Joint Venture.

We anticipate a full review commencing soon after transfer with any subsequent proposals being developed within the first 12 months of the contract. Should any proposals be developed in this regard, RE (Regional Enterprise) Ltd is fully committed to following a full and meaningful consultation process with Trade Union Representatives and final decisions will only be made after the consultation process has been concluded.

Joint Employees

Parts of the DRS service involve the performance of delegable and non-delegable statutory powers on behalf of LBB. Due to the explicit legislation in this area relating to the employment status of these individuals whilst performing non-delegable statutory powers, they will be required to be employed by LBB during the execution of the non-delegable statutory powers and employed by RE (Regional Enterprise) Ltd for the performance of all other delegable duties. It is therefore proposed that employee performing these powers will have joint-employment status (known as "the Joint Employees").

It is proposed that the Joint Employees will have one contract of employment and two employers (LBB and RE (Regional Enterprise) Ltd), however they will be solely employed by LBB during the performance of the non-delegable statutory powers. As we have discussed through consultation, it is proposed that all those identified as being in-scope for a Joint Employment Contract have been communicated to directly by LBB and they have been given copies of the relevant documentation which will include:

- An Appendix which sets out the six additional clauses which will be added to the contract of employment
- Schedule A which sets out the specific functions relative to each Joint Employment role, which the joint employee will carry out solely as an employee of LBB.

All Joint Employees will transfer to RE (Regional Enterprise) Ltd under TUPE, then LBB will re-join the contract of employment with effect from 1st October 2013. Whilst it is preferable that the additional contract documents set out above are agreed in advance of the transfer, it is recognised that there may be some individuals who are not ready to sign their contracts. Therefore it has been agreed that the deadline for signing these documents is

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14th October 2013 and both LBB and RE (Regional Enterprise) Ltd will continue to consult with Trade Union Representatives over this measure post-transfer.

For the avoidance of doubt however, an individual will not be able to perform non-delegable statutory powers on behalf of LBB unless they have agreed and returned the signed Joint Employment Contract Documents referred to above.

Verification Letters

At the conclusion of the staff consultation, RE (Regional Enterprise) Ltd will write to each employee detailing their own individual terms and conditions of employment that will transfer to RE (Regional Enterprise) Ltd on the 1st October 2013. These statements will also detail any non-transferring terms and conditions and alternative arrangements.

Please note that this letter has been produced in order to support the TUPE consultation and is based on the current level of detail to date. At the end of the TUPE consultation period RE (Regional Enterprise) Ltd will issue a final letter of proposed measures detailing final changes.

I trust that this is sufficiently detailed for The London Borough of Barnet and request that you inform the affected employees in compliance with regulation TUPE Regulations 13(2) (d).

We have attached a copy of 'Your Guide to Capita' which includes the Employee Handbook, which contains details of the Capita policies and procedures. We are in the process of finalising the RE (Regional Enterprise) Ltd Handbook once the new brand has been launched, therefore this will be made available to all transferring employees and Trade Union Representatives shortly after transfer.

Yours sincerely



Claire Thompson
HR Manager
Capita Plc