

EMPLOYEE ENGAGEMENT PANEL - 1 JUNE 2017
GENERAL PURPOSES AND LICENSING COMMITTEE – 9 JUNE 2017

PROPOSED CHANGES TO PAY BANDS 1 TO 4

1. BACKGROUND

- 1.1 The Council employs around 1,225 employees of which approximately 620 (51%) are paid within Bands 1 to 4. The total budgeted expenditure in 2017/18 of these Bands is circa £8.4 million.
- 1.2 Many of these employees deliver front line services directly to the public in roles such as:
- Refuse loader
 - Cleaner
 - Leisure Attendant
 - Senior Leisure Attendant
 - Receptionist
 - Customer Services Advisor
 - Office based Clerical Assistants
 - Drivers HGV and non HGV
 - Tax and Benefit Advisors
 - Civil Enforcement Officers
- 1.3 As a responsible employer the Council recognises the valuable contribution that these employees make to the work of the Council and in particular the Council's Corporate Plan priority for delivering Service Outcomes for the Community.
- 1.4 It is important that employees feel positive about working for the Council and as a significant local employer we wish to pay a wage which is reflective of the cost of living.
- 1.5 A review of the lowest pay bands has been undertaken to achieve a minimum hourly rate of £8.00, to be implemented at the earliest opportunity. This is 0.50p higher than the National Minimum Wage of £7.50 for over 25s.

2. THE PROPOSAL

- 2.1 The proposed new bands, to be introduced on a phased basis, are set out in Appendix 1. The principles behind the proposals are:
- a. All employees will have a wage of at least £8.00 an hour from 1 July 2017;
 - b. Appropriate differentials will be maintained between different roles (i.e. each pay level reflects a similar percentage. This is not the case at present).
 - c. Each band has a sufficient level of flexibility that can be used to reflect different levels of skills and knowledge (this will require each band to be limited to 3 Spinal Column Points (scp) by 1 April 2018;
 - d. To ensure that the additional costs are manageable, it is proposed that the new bands be phased in, starting on 1 July 2017 with full implementation by 1 April 2018. The financial implications are dealt with in paragraph 4. Transitional arrangements are proposed to ensure no individual is any worse off e.g. there are currently two points in Band 4 (scp 20 and 21) and two

points in Band 2 (scp 13 and 14), where individuals might be marginally worse off albeit only until April 2018. This will be avoided by payment of a lump sum from 1 July 2017 to compensate for this situation.

3. CONSULTATION TIMETABLE

- 3.1 Initial discussion with the Pay Panel commenced on 24 April 2017. The views from the Unions were reported to the Executive Management Team on 2 May 2017.

The Employee Engagement Panel will meet on 1 June 2017.

The General Purposes and Licensing Committee will meet on 9 June 2017.

Full Council will meet on 10 July 2017.

If agreed by full Council it is anticipated that the agreed changes could be implemented and back dated to 1 July.

4. FINANCIAL IMPLICATIONS

- 4.1 The full year cost of the proposals set out in paragraph 2 will be £181,000. Costs in the current (2017/18) financial year, based on a phased introduction, will be £85,000. Provision of £60,000 was made in the 2017/18 budget so an additional £25,000 will be required.

- 4.2 Provision of £100,000 was made in the Medium Term Financial Plan 2018/19. An additional £81,000 is therefore required in that year's budget. The ongoing costs will become part of the Council's annual budget.

5. EMPLOYEE SIDE COMMENTS

- 5.1 Employee side comments received from Unite and Unison are as follows: -

- Unite - whilst whole heartedly supporting the aim of increasing the wage of the lowest paid, it is Unite's policy to campaign the implementation of the Living Wage at £8.45 per hour.
- Unison – There are many points of agreement on the proposal. However Unison would like the Spine points 11-15 to mirror the National Joint Council rate of + 0.19p.

6. EMPLOYER'S RESPONSE

- 6.1 The Employee Engagement Panel will meet on 1 June 2017. The comments of the Panel will be reported verbally to the Committee on 9 June 2017.

7. ENVIRONMENTAL, CRIME & DISORDER AND EQUALITY & DIVERSITY IMPLICATIONS

- 7.1 There are none.

8. RECOMMENDATIONS

- 8.1 That it be recommended to the Council that the proposed new pay bands 1 – 4 attached to this report as Appendix 1 be approved and implemented on a phased basis; that additional expenditure of £25,000 be authorised in the current financial year and that additional provision of £81,000 be made in the Medium Term Financial Plan 2018/19 for this purpose.

For further information please contact:

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Background Papers:

None