



Job evaluation and pay structure from April 2010

A guide for staff on Cherwell District Council's
new pay, terms and conditions of employment

Contents

Foreword from the Chief Executive	3
Joint statement from the Head of Human Resources and the Chair of UNISON	4
Timetable for implementation	5
Job evaluation: an overview	5
Proposed new pay and grading structure	6
How your new salary has been determined	7
Pay protection	9
Proposed changes to allowances	10
Proposed changes to annual leave	11
Implications for pensions	11
Appeals process	11
More help and advice	12



Foreword from the Chief Executive



I am very pleased that we have arrived at the point when we can detail in this booklet the proposed new pay and grading structure for Cherwell District Council. All our recent work on job evaluation, pay and grading has been with the aim of designing a new pay and grading structure which is fair and consistent, which complies with equal pay legislation, which is affordable and which will help us retain and recruit people in the future.

We have worked closely with UNISON from the very start to develop this proposed structure and other proposals around pay protection, changes to allowances and annual leave entitlements. All the proposed changes in this booklet are supported by the UNISON Executive at Cherwell but remain subject,

to sign-off by the national UNISON organisation and, then, to a ballot of local UNISON members.

We have always known that the introduction of a new, fair and consistent pay and grading structure will lead to changes in pay for many colleagues. Councillors, UNISON representatives and I have agreed from the beginning that we must do all we can to minimise the number of colleagues who lose pay and maximise the time for which colleagues in this position are 'protected' and therefore continue to receive their current, higher salary. Councillors have added an extra £516,000 to the pay bill for this purpose.

Overall, 82% of people will either continue on the same salary or earn a higher salary and 18% of people will lose money. These people will be paid their current, higher salary for a further two-and-a-half years (that is, until the end of September 2012). The council's job evaluation team and UNISON's negotiating team have worked really hard in the last few weeks to arrive at this position. I know that no colleague who

now faces a reduction in their salary will think this is a good result, but when we started, there was the realistic possibility that around a third of staff members might face a reduction in pay.

The job evaluation project has been a huge undertaking in which most colleagues across the council have participated directly. The end has felt like a long time coming, but actually we are bang on track to put these proposed changes into effect from the 1 April 2010 as we have always planned to do. This is down to the excellent work of the job evaluation team who I would like to thank for their hard work and commitment over the last few months.

A handwritten signature in black ink, which appears to read 'Mary Harpley'. The signature is fluid and cursive, with a long, sweeping underline.

Mary Harpley,
Chief Executive
Cherwell District Council
February 2010

Note: All the information provided in this booklet is correct at the time of printing. The proposals in it are subject to a ballot of local UNISON members.

Joint statement from the Head of Human Resources and the Chair of UNISON

Dear Colleague

After a great deal of hard and constructive work, management and UNISON, working in partnership, have now agreed principles for a new pay and grading structure across the council. We are now sharing the proposed new pay and grading structure and associated proposals with all staff.

UNISON will hold a ballot of members in February or March. If UNISON members accept the proposals the council will enter into a collective agreement which means the changes will automatically become part of all existing contracts.

The proposals embody the principles which have driven this work from the start:

- **Equality.** We have a responsibility to all our staff to ensure equality in pay, terms and conditions.
- **Affordability.** We have a responsibility to all our staff and to the council tax payers of Cherwell to ensure that the pay agreement that we reach is affordable now and in the future.

The draft agreement that we have reached is both fair and affordable. It is an important milestone in our council's improvement journey and shows what can be achieved when trade unions, management and staff work together to achieve shared goals.

UNISON and management jointly recommend the proposals to all Cherwell District Council employees.

This booklet lays out the detail of the proposed agreement which it is proposed come into force on 1 April 2010. In summary:

New pay and grading structure

The new grading structure is simple and transparent. There are 11 grades and each grade has 5 points. This will allow for incremental progression over time.

Pay protection

Some employees will see a reduction in their pay. As we are putting right past inequalities within a defined budget, there will inevitably be some who lose out. Employees in this position will continue to receive their current, higher salary, for 2.5 years (until the end of September 2012).

Allowances

We have standardised most of our current allowances across the council to make them fair and consistent. We have abolished some others.

Annual leave

The starting point for annual leave has been increased from 23 to 25 days. Employees will still accrue an additional 3 days leave when they have 5 continuous years local government service. The switch to 28 days will now take effect on the anniversary of an employee's continuous service date (pro rata for that year) rather than at the start of the next leave year as now.



Anne-Marie Scott,
Head of HR



Phil Aris,
Chair of UNISON

Timetable

- All employees will be informed of their indicative grades and salaries on 2 February
- Local UNISON members will vote on the proposed new pay and grading structure and other proposed changes in February or March
- The local vote will happen only after sign off by national UNISON which is anticipated in February or early March
- Appeals against indicative grades should be made by 31 March
- The new pay and grading structure will come into effect on 1 April 2010

Job evaluation: an overview

What is job evaluation?

Job evaluation determines the relative value of jobs in an organisation in a fair, transparent and consistent way.

Job evaluation itself does not determine rates of pay. It produces a list of the jobs in an organisation in order of their relative value. This list is used to create a new pay and grading structure. Job evaluation is one of the tools used to ensure that people are paid fairly for the work they do.

Why do we need job evaluation?

The 1997 National Joint Council Single Status agreement sought to harmonise the terms and conditions of council employees formerly employed under 'white collar' and 'manual' conditions of service.

This meant that we had to carry out a pay and grading review of which job evaluation is a fundamental part. All councils across the country have been working on similar projects.

How does job evaluation work?

Job evaluation looks at a set of 'factors' that can be applied to all posts.

Factors are aspects of jobs that can be defined and measured. Factors provide the basis for assessing and comparing the relative value of different jobs. Each factor has a number of different levels with supporting statements against which each job is measured. Each of these factor levels results in a score, which are added together to get a total score for a job.

Which job evaluation scheme have we used?

We have used the 'GLPC' job evaluation scheme. This scheme was chosen by a joint panel of management, UNISON and staff representatives. It was chosen because it provides the best 'fit' with the jobs in our organisation and therefore is likely to cause the least turbulence when it is introduced.

As a general rule when job evaluation schemes are introduced, one third of jobs are upgraded, one third are downgraded and one third stay the same. Our proposals mean that significantly fewer than one third of our jobs are being downgraded.

The scheme is based on 11 factors each containing a number of levels:

1. Supervision/management of people
2. Creativity and innovation
3. Contacts and relationships
4. Decisions – discretion
5. Decisions – consequences
6. Resources
7. Work demands
8. Physical demands
9. Working conditions
10. Work context
11. Knowledge and skills

Which jobs have been evaluated?

All jobs in the council, including Head of Service jobs, have been evaluated. The only exceptions are the Corporate Management Team jobs (and there will be three of these from 1 April).

The proposed new pay and grading structure

- The proposed new pay and grading structure has 11 grades, plus an apprentice grade, under Heads of Service. Grade 1 has 4 levels and grade 2 -11 have 5. There are 3 Heads of Service grades but these will be 'spot' grades with no associated levels.
- Each of the proposed new grades takes in jobs which fall within a defined range of job evaluation points. The span of each grade is determined by establishing breaks in the rank order of job evaluation scores to establish grades which bring together very similarly scored jobs.
- All jobs in a particular grade are considered to be **equal** in size. Each grade spans a defined salary range. Although a job's evaluation points score determines the job's grade it has **no** further role in determining an employee's actual salary within the grade's salary range. Any employee joining the council will start at the **lowest** level for the grade, whatever the job's actual point score in the grade's range.
- In making the transition on 1 April from the council's current pay and grading structure to the new one we have taken people's current salaries into account to minimise the number of employees who see their salaries decrease. The principles we have applied for the transition are explained in the next section of this booklet.
- The levels within the new grades will allow employees to move up levels within grades. The policy for how people progress will be decided jointly with UNISON during 2010-11. However, as the scheme needs to be affordable we have agreed with UNISON that there will be no movement through the structure during the pay protection period (that is, until the end of September 2012).
- The pay structure from 1 April 2010 is shown in this table.

Pay structure from 1 April 2010

Grade	Job evaluation points range		Value of levels
Apprentice	0 – 200		£7,800
Grade 1	201 – 250	a	£13,000
		b	£13,500
		c	£14,000
		d	£14,500
Grade 2	251 – 283	a	£14,500
		b	£15,000
		c	£15,500
		d	£16,000
		e	£16,500
Grade 3	284 – 313	a	£16,500
		b	£17,000
		c	£17,500
		d	£18,000
		e	£18,500
Grade 4	314 – 350	a	£18,500
		b	£19,000
		c	£19,500
		d	£20,000
		e	£20,500
Grade 5	351 – 389	a	£20,500
		b	£21,000
		c	£21,500
		d	£22,000
		e	£22,500
Grade 6	390 – 436	a	£22,500
		b	£23,500
		c	£24,500
		d	£25,000
		e	£26,500
Grade 7	437 – 480	a	£26,500
		b	£27,500
		c	£28,500
		d	£29,500
		e	£30,500
Grade 8	481 – 522	a	£30,500
		b	£31,500
		c	£32,500
		d	£33,500
		e	£34,500
Grade 9	523 – 559	a	£34,500
		b	£35,500
		c	£36,500
		d	£37,500
		e	£38,500
Grade 10	560 – 614	a	£38,500
		b	£39,500
		c	£40,500
		d	£41,500
		e	£42,500
Grade 11	615 – 667	a	£42,500
		b	£43,500
		c	£44,500
		d	£45,500
		e	£46,500
Head of Service	668 and above	a	£55,000
		b	£60,000
		c	£65,000

How will my job be allocated to a new grade?

Your job is allocated to the grade in which the points score of your job falls. For example Grade 6 covers 390-436 points.

When will my new grade come into effect?

On 1 April 2010. All new salaries will apply from this date too, unless your salary has decreased as a result of job evaluation. If this is the case you will be paid at your current salary for 2.5 years (that is, until the end of September 2012).

Will I be able to see which jobs are in which grades across the council?

Yes. As soon as everyone has received their individual letters we will be listing all the jobs in the council by grade.

How is the new pay structure different?

The council currently has a 'spot' salary structure at all levels with various allowances applied to some grades and some jobs. The vast majority of jobs will now sit in the incremental structure. Head of Service jobs will still sit on a spot structure.

What will happen to career grades?

We will continue to use career grades across the council and employees on career grades will be able to progress in the normal way during the pay protection period.

However we will need to translate our current career grades to our new pay and grading structure and this will bring changes to existing career grade structures; for example, a career grade that previously spanned a number of grades may in the future span only one or two.

During 2010-11 the individual departments affected will review their career grades and criteria for progression to ensure they fit appropriately into the new structure.

Have you taken into account that some jobs are difficult to recruit to?

We know we must compete in the market for the best people. If we find it difficult to recruit and retain people to certain jobs we will assess the need to make market supplement payments for them.

What happens if my post changes significantly in the future?

There will be a process put in place to assess significant changes to posts over time.

How your new salary has been determined

With this booklet every employee is receiving a personal letter which summarises the job evaluation 'result' for their job and their position on the new pay and grading structure, that is: the number of points their job has scored in job evaluation; the new grade for their job; and their new salary.

Your new grade determines the range in which your new salary falls (e.g. Grade 6 pays a salary of £22,500-£26,500). Your actual salary is determined by which of the 5 levels within the grade you are placed on. Principles have been agreed with UNISON for each of three categories of employees, with the objective of minimising the number of employees who lose pay and the extent of their loss.

Every employee falls into one of these following three categories:

Employees whose current salaries are already within the salary range of their new grade

- If you come into this category this in effect means that job evaluation has confirmed that your job sat in pretty much the right place in our old pay structure.

In all such cases employees will be matched across to the level in their new grade that is closest to their current salary, always 'rounding' upwards.

This has resulted in small increases in pay for everyone in this position, but in effect the salary position of these people stays the same. You may have heard people in this position referred to as 'white-circled'.

38% of employees in the council are in this position.

Example

Your job has been placed in new Grade 5, for which the salary range is £20,500-£22,500. At the moment you earn £21,387 which is within the new salary range. You will therefore be matched to the middle level of Grade 5 with an associated salary of £21,500 – the nearest salary level to now, rounded up. Your salary will increase by £113, effectively staying the same.

Employees whose current salaries are less than the salary range of their new grade

- If you come into this category this in effect means that job evaluation has confirmed that your job sat lower than it should have done in our old pay structure and that your job therefore moves to a higher grade in the new structure.

In all such cases employees will be **matched across to the bottom level of their new grade.**

Everyone in this category will see an increase in their pay and many of the increases are substantial. You may have heard people in this position referred to as ‘green-circled’.

44% of employees in the council are in this position.

Example

Your job has been placed in new Grade 5, for which the salary range is £20,500-£22,500. At the moment you earn £17,730 which is less than the new salary range. You will therefore be matched to the bottom level of Grade 5 with an associated salary of £20,500. Your salary will increase by £2,770.

Employees whose current salaries are greater than the salary range of their new grade

- If you come into this category this in effect means that job evaluation has confirmed that your job sat higher than it should have done in our old pay structure and that your job therefore moves to a lower grade in the new structure.

In all such cases employees will be **matched across to the top level of their new grade.**

Everyone in this category will see a decrease in their pay and in some cases these decreases are substantial. You may have heard people in this

position referred to as ‘red-circled’.

18% of employees in the council are in this position and they will continue to receive their current salary for the proposed protection period of 2.5 years (that is, until the end of September 2012).

Example

Your job has been placed in new Grade 5, for which the salary range is £20,500-22,500. At the moment you earn £23,901 which is greater than the new salary range. You will therefore be matched to the top level of Grade 5 with an associated salary of £22,500.

I am temporarily seconded from my substantive job, so which job will I get my results for?

You will get the results for both your substantive job and the job to which you are seconded.

Will I still get my current honorarium/acting up allowance payment?

All existing honorarium and acting up payments will end on 31 March 2010. Where it has been agreed that these duties now represent a permanent part of a job they have been written into job descriptions and therefore included in the evaluation.

What if I am asked to take on extra duties temporarily in the future?

The council still has arrangements for paying honoraria and acting up payments, subject to an approved business case.

Will my contractual notice period change?

Notice periods are currently linked to grades so have been reviewed to bring them in line with the new pay structure. In grades 1-7 the notice period will be one month and in grades 8-11 two months. Notice period at service head level remain unchanged at 3 months.

Will some posts still be politically restricted?

From January 2010 the approach to identifying politically restricted roles changed. Local authorities are now required to assess whether roles should genuinely be politically restricted by virtue of the duties they actually perform rather than using the salary level. To implement

this change at CDC we will remove the political restriction attachment to current grade 18 and undertake a review of our establishment to identify both our specified and sensitive posts.

I have a temporary contract – how does this affect me?

Temporary employees will be treated in the same way as permanent members of staff while their current contract is in place or if it is extended. But if the nature of your temporary employment changes, you will be paid according to the grade of your new job immediately.

I work on a casual basis – how does this affect me?

Casual hourly rates have been evaluated under the new system and will change on 1 April 2010.

I am not a member of a trade union – how do I join?

To join UNISON call Geoff Bell on 1749 or Linda Winters on 1734.

Pay protection

We don't want anyone to suffer an immediate decrease in pay as a result of the new pay and grading structure. There is an established process, called 'pay protection', which allows staff to stay at their current pay levels for a defined period of time before they drop down to the lower salary. This gives staff time to plan for and make informed decisions about their future.

What does pay protection cover?

Pay protection covers basic salary in all cases. It does not cover allowances, although we are putting in special arrangements for employees who currently receive the essential car user allowance and the car cash allowance. There is further information in the next section.

How is pay protection calculated?

The amount of pay which is protected is the difference between your current salary and your new salary from 1 April 2010.

Will I get annual pay awards while I am on pay protection?

Your salary will be frozen at 31 March 2010 until 30 September 2012, assuming you stay in your current job.

I was already on pay protection, so what happens now?

If you are on pay protection on 1 April 2010 and subject to a loss of pay under the new structure you will have your current protected salary protected for one further year (that is, until 31 March 2011). On 1 April 2011 you will move down to your substantive salary prior to job evaluation for the rest of the protection period. On 1 October 2012 you will move to the salary attached to your grade in the new structure.

What happens if my salary is still higher than the salary range for my job after the protection period?

At the end of the protection period your salary will revert back to the maximum for the grade. During the protection period the substantive salary for your post will have been inflated by the agreed annual cost of living awards.

If my salary is pay protected will it affect my pension?

Please see the pensions section of this booklet for more information.

Will I still get pay protection if I move to another job in the council?

If you choose to move from your pay protected post to a new post in the council, any pay protection entitlement will end from the start date of your new post. The council will however consider any exceptional circumstances that may be relevant in considering a different approach.

Proposed changes to allowances

What's happening to allowances?

The council has reviewed everything it pays to staff. As a result, we found many allowances were no longer used, and there were some differences in calculations. The new arrangements ensure everyone will benefit in the same way.

What are the proposed changes?

Overtime

These proposed rates will apply to all overtime (contractual and non-contractual) and to all grades. As now, overtime will only be paid where it has been agreed in advance by the Service Head.

- Up to 37 hours per week count as normal time. Overtime rates apply above 37 hours
- Leave counts towards the 37 hours, flex does not
- Weekdays and Saturdays – time and a half above 37 hours
- Sundays and Bank Holidays – double time above 37 hours
- No enhanced rates for weekend working if the hours are within standard 37 hours

Standby

We are standardising standby allowances across the council and this will result in some minor changes. Full details will be released during February.

Committee

The allowance for attending committee meetings will be abolished. Attendance at committee meetings will be covered by flex or by the overtime allowance.

Telephone

The allowance for using home telephones for council business will be abolished. All employees who are required to have a telephone for business purposes are now allocated mobile telephones or other devices.

Cars

Employees who currently receive a **car cash allowance** will have their entitlement to this 'bought out' of their contracts in March 2010. This means that all employees who currently receive a car cash allowance will receive 2.5 times their annual allowance as a one-off payment in March. This buyout applies too to

employees who currently have a lease car. These employees will receive a lump sum payment in March equal to 2.5 times the **car cash allowance** they would have moved onto in April.

As with the PRP buyout, you may opt to receive the payment in 2 instalments, in March and April. We will be writing to everyone who is due the payment to confirm which option is best for their personal circumstances.

Employees who currently receive the car cash allowance will be able to claim casual mileage rates for all business miles in 2010-11.

The **essential car user allowance** will not change on 1 April 2010. However, both the essential car and casual car user policies are being reviewed during 2010-11 and we will work with UNISON to agree new policies from 1 April 2011.

First Aid

The First Aid allowance is payable to designated First Aiders and the rate is unchanged at £150 per year.

The allowance will now be paid monthly instead of annually as now.

Health and safety

The Health and Safety allowance is paid to designated officers and the rate is unchanged at £500 per year.

Tool allowance

This allowance is unchanged.

I used to get regular allowances as part of my contract – are allowances being protected?

There is no ongoing pay protection for allowances like there is for basic pay. Employees who currently receive the car cash allowance will receive the equivalent of 2.5 years protection for this allowance, but in one lump sum. No other allowances are being bought out in the same way.

Proposed changes to annual leave

The minimum annual leave entitlement will now be 25 days, instead of 23 days as now. All employees who are currently entitled to 23 days leave will move up to 25 days on 1 April 2010.

Employees who reach 5 years service currently move up to 28 days annual leave. This will remain the same but will now come into effect on the anniversary of your continuous service rather than the start of the next leave year.

Implications for pensions

How will job evaluation affect my pension?

If you receive an increase in pay this will increase your final pensionable pay used in calculating your pension. You won't receive the full benefit of this until you have been on the higher salary for a year.

If your salary decreases, this will not affect your pension until the end of the protected period (that is the end of September 2012).

Will my pension be protected?

All pension scheme members, at the time of retirement, generally have their pension calculated using the 'best' year from the last consecutive three years for the calculation of their pensionable pay.

However a scheme member can elect to use the best consecutive three financial years (April to March) in the last 10 when calculating pensionable pay. If you leave or retire within 10 years from the date of the reduction in pensionable pay you may elect to use this option.

The latest date when a scheme member can choose to use these dates is 31st March 2017. After this date the effect of the protection provided by this regulation will start to reduce.

You must inform the Pension Scheme administrators that you wish to use this regulation when you retire from Cherwell District Council. Do not assume that it will happen automatically.

What happened to 'Certificates of Protection'?

These were stopped and replaced when the new Pension Scheme Regulations came into force on 1 April 2008.

The new and old provisions are broadly similar.

What happens if I leave and decide to transfer my pension during this period?

The use of the new regulations only apply if your pension remains with the same employer. If you decide to transfer your pension to any other scheme, including another local government employer, you will not be able to elect to use this regulation.

I need more information about pensions – what should I do?

You should refer to the "More Advice and Help" section at the end of this booklet.

Appeals process

We have taken great care to ensure that job evaluation has been fair, transparent and objective. But we also understand the importance of having an appeals process.

All employees are entitled to appeal against the grade in which their job has been placed.

On what basis can I appeal?

Grounds for appeal

1. If you feel that the job evaluation scheme has been applied incorrectly and as a result the wrong grade has been applied to your post.
2. If your post has changed significantly since the original evaluation or if you think that significant evidence is missing from the Job Description Questionnaire.
3. If you feel you have been unfairly treated in some way in relation to the processes that apply to job evaluation and grading.

(This third type of appeal will be handled through the council's Staff Complaints Procedure).

How should I submit an appeal?

All appeals should be made in writing to Anne-Marie Scott in HR by 31 March 2010.

What does the appeals process look like?

The job evaluation review and appeals procedure has 2 stages:

Stage 1 – Review stage

The purpose of this stage is to review a post's score at the request of the employee(s) in the job, bringing to bear the evidence provided by the employee. This review will be carried out jointly by a member of Human Resources and a UNISON representative both of whom are trained in the job evaluation process. This review will either confirm that the original evaluation is correct or assign the job a new points score (greater or smaller than currently). A new points score may or may not change the grade of the job.

Stage 2 – appeal stage

If the employee(s) is dissatisfied with the outcome from the review stage, they have the right to proceed to the appeals stage. At this stage the Job Evaluation Appeals Panel (JEAP) will consider the case. As part of their work a hearing will be arranged which the employee(s) can attend to address the panel. The appeal panel will either confirm that the original evaluation is correct or assign the job a new points score (greater or smaller than currently). A new points score may or may not change the grade of the job.

What might happen as a result of my appeal?

1. An increase in the grade of your job from 1 April 2010
2. A reduction in the grade of your job from 1 April 2010
3. No change to the grade of your job from 1 April 2010.

What happens if I am in a grouped post?

A grouped post has two or more members of staff with identical job descriptions and person specifications. These posts will have already been evaluated as a group.

Everyone in a grouped post has the right to appeal the grading result by themselves. However, the results of any appeal will apply to all the posts in the group. Prior to any appeal of a grouped post beginning all members of the group will be told of the requested review/appeal.

Where can I get more details about how to request a review or appeal?

The job evaluation review and appeals procedure is being sent directly to all staff with this booklet and is also available on the intranet or from Human Resources.

More help and advice

We hope that this booklet has given you all the information you need about job evaluation and how you might be affected.

If you have any queries about pensions please contact Pensions Service on **01865 797125** or email **pension.services@oxfordshire.gov.uk**.

If you have any questions please contact your line manager, head of service, HR, trade union representative or Geoff Bell. Any of these people will provide advice or assistance.