

# Personnel Committee

## Job Evaluation

30 September 2010

### Report of Head of People & Improvement

#### PURPOSE OF REPORT

This report provides a detailed update in relation to the completion and implementation of the GLPC job evaluation scheme, and the implementation of a new pay structure and terms and conditions of employment with effect from the 1 April 2010.

This report is public
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#### **Recommendations**

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The Committee is recommended:

To resolve to note the contents of this report

#### **Executive Summary**

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##### **Introduction**

The Council commenced job evaluation in September 2008, following a requirement under the 1997 Single Status Agreement and 2004 National Agreement to do so. An implementation date of 1 April 2010 was agreed taking into consideration the need to gain National Unison sign off prior to implementation.

## **The Greater London Provincial Council JE Scheme**

The Council selected to use the GLPC job evaluation scheme (Greater London Provincial Councils) following a selection process using the local Unison Branch Executive and the staff consultation group during September 2008. The decision was based on best fit to the posts Cherwell needs to evaluate along with an ease of understanding of the scheme.

The GLPC scheme is based on evaluation of 11 factors consisting of the following:

<b>Supervision &amp; Management of People</b>
<b>Creativity &amp; Innovation</b>
<b>Contacts &amp; Relationships</b>
<b>Decisions – Discretion</b>
<b>Decisions - Consequences</b>
<b>Resources</b>
<b>Work Demands</b>
<b>Physical Demands</b>
<b>Working Conditions</b>
<b>Work Context</b>
<b>Skills &amp; Knowledge</b>

Staff and managers were required to provide updated job descriptions and person specifications as well as Job Description Questionnaires for each post to allow evaluations to take place. The Job Evaluation team evaluated 271 jobs between January 2009 and July 2009. The posts were all given a total points score based on assessment of the 11 scheme factors, and once all posts had been evaluated a rank order of jobs was produced.

### **Pay Structures And Terms And Conditions**

The points score gained from using the job evaluation scheme were required to be able to model pay structures to determine the impact both on employees individually but also to determine the financial impact of any proposed option. £516,000 had been previously set aside to deal with any increase in the pay bill as a result of changes to the pay structure. This process of pay modelling took between August 2009 and December 2009. At the end of this time management held negotiations with trade unions to agree a single proposed pay structure. The new pay structure is an 11 grade incremental structure with five incremental points within each grade. There are also four single salary grades for Heads of Service and Apprentices. (The Chief Executive and Strategic Directors were excluded from the job evaluation project). The lease car scheme was also removed during 2009 as well as a car cash equivalent payment as both were linked to the old grade structure and proved to be inequitable as was not available to all staff.

### **Ballot and Unison Sign Off**

The draft pay structure required a yes vote as a result of a local ballot and National Unison sign off. Both were undertaken in March 2010 and agreed.

## Job Evaluation Outcomes

Staff were informed of individual outcomes and proposals by letter on the 2 February 2010. Of the 536 staff in post at the time, 62 were to lose salary (red circles), 214 would stay around the same (white circles) and 260 would see an increase in salary (green circles).

## Reviews And Appeals

All staff were entitled to place a request for the post to be reviewed and finally appealed against the job evaluation outcomes. A two stage process was agreed, with a review taking place first which involved a trade union representative and the Job Evaluation Project Manager reviewing the evaluation of the post. If the member of staff still believed the outcome was incorrect a formal appeal could be lodged. The appeal being heard by a panel of four, including a Chairperson who had been previously uninvolved as well as a trade union representative and two HR representatives. All of the reviews and appeals were completed in early July 2010, and this process is now complete.

The following shows details of the review/appeal numbers:

	Reviews	Appeals	Position After Reviews & Appeals
Numbers of reviews/appeals	81	24	
Reds	46	15	19
Whites	24	6	36
Greens	11	9	26

The final position after both reviews and appeals means that of the 81 staff 48 went up, 1 went down and 32 remain unchanged. Reasons for the changes included:

- Further and new information was made available about the post
- Posts had changed since the original evaluation (some had been done almost one year earlier).
- Evaluations were incorrect due to misunderstandings about the post duties.

## Grade Profile

Following the completion of reviews and appeals the grade profile for the organisation at the 31 August 2010 is as follows:

GRADE	SALARY BAND - £	Staff Numbers	Number of FTE's
Apprentice Grade	7,800	6	6
Grade 1	13,000-14,500	11	3.49
Grade 2	14,500-16,500	8	6.61
Grade 3	16,500-18,500	13	11.01
Grade 4	18,500-20,500	121	105.63
Grade 5	20,500-22,500	69	67.45
Grade 6	22,500-26,500	83	80.11
Grade 7	26,500-30,500	77	74.70
Grade 8	30,500-34,500	48	45.22
Grade 9	34,500-38,500	36	36

Grade 10	38,500-42,500	26	26
Grade 11	42,500-46,500	9	9
HOS 1	55,000	4	4
HOS 2	60,000	5	5
HOS 3	65,000	3	3

### **Pay Protection**

The collective agreement signed off by National Unison included the provision of pay protection for all staff who would lose salary (red circles) for a period of 2.5 years. This would be in place from 1 April 2010 until 30 September 2012. During this time no member of staff would be able to progress through the new incremental structure, unless there post had been identified as an established career graded post.

Some staff also kept any pay protection still in place beyond the 31 March 2010, all of these ceasing by 31 March 2011.

There are currently 67 employees receiving an element of pay protection at a cost of £111,668 (without on costs) between the period of the 1 April 2010 and 30 September 2012.

### **Financial Position**

At the commencement of the Job Evaluation project budgetary provision of £516,000 was made for any increase in the total wage bill, including initial outcomes as well as those following reviews and appeals. The total cost of implementing the outcomes of job evaluation is within this budgetary figure and includes the period of protection.

### **Standby Allowances**

It was agreed as part of the collective agreement that standby allowances would be reviewed as soon as possible to ensure equity of the rates being used. New rates were agreed with effect from the 1 July 2010. The policy is attached at Appendix 1.

### **Essential User Car Allowances**

It was agreed that staff who received an essential user car allowance as at the 31 March 2010 would keep the allowance until the 31 March 2011 during which time the allowance would be reviewed. A new scheme was agreed recently and is attached at Appendix 2.

### **Equal Pay Challenges**

Equal pay law states that men and women are entitled to equal pay for equal work in the same employment where they are employed on:

- Like work (that is the same or broadly comparable work);
- Work rated as equivalent (different work but rated as equivalent under a job evaluation scheme);
- Work of equal value (different work, but which could be rated as equivalent if there had been a job evaluation scheme. Equal value is determined by comparing work under such headings as effort, skill and decision – usually done by an ACAS independent report if goes through tribunal).

Employees can therefore make an equal pay claim using any of these three options if they can provide evidence that they apply. The Council has received an equal pay grievance from 5 female employees who are in 3 generic administrative posts. The grievance states comparability to the posts of Waste Collection Loader, Refuse Driver and Sweeper Driver. Should the grievance be successful the employees could proceed to tribunal with a maximum potential award of up to six years backdated pay. The response to the claim by the Council deems two of the comparator posts to be unsuitable as they are in different new grades to the administrative posts. Therefore would not be seen as comparable in terms of value of work as dictated by the job evaluation scheme. The one post that is in the same grade as the comparator post has been paid either generally lower or around the same as the administrative post and there is not deemed to be an inequity in pay during the previous six year period. The grievance has therefore not been upheld. The claimants are appealing this decision but as yet no grounds have been cited. The appeal will be heard by the Appeals Committee.

### **Pay Progression Criteria**

The final element of the job evaluation project to be completed is the need to establish pay progression criteria for the new incremental pay structure. i.e. the criteria staff in post will need to be able to meet to progress from one increment to the next within a grade. Each grade having five grade points so five stages of criteria will need to be developed for each of the evaluated 271 posts within the council, excluding those on fixed point salary grades. No employee will be eligible to apply for incremental progression using this new scheme until the 1 October 2012.

In developing this criteria consultancy will be required as there is no in house expertise. It was hoped the project would commence in September 2010 with the appointment of a consultant however this process has been delayed for three months in order to wait for the outcome of the spending review and the decision concerning the shared management arrangements with South Northants District Council, as following these decisions a different approach may need to be considered.

### **Implications**

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**Financial:** All financial effects of changes can be contained within existing approved budgets.

Comments checked by Karen Muir, 01295 221559

**Risk Management:** There are no risk management issues associated with this report as no recommendations for approval are being sought. The report is to provide an update only.

Comments checked by Rosemary Watts, Risk Management & Insurance Officer, 01295 221566

**Legal**

There are no legal issues associated with this report as no recommendations for approval are being sought. The report is to provide an update only.

Comments checked by Nigel Bell, Solicitor, 01295 221687

**Wards Affected**

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Not applicable

**Document Information**

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<b>Appendix No</b>	<b>Title</b>
Appendix 1	Standby Allowance Policy
Appendix 2	Essential User Allowance Policy
<b>Background Papers</b>	
None	
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## Appendix 1

 <p><b>Cherwell</b> DISTRICT COUNCIL NORTH OXFORDSHIRE</p>	<p><b>Standby and On Call Policy</b> (effective 1 July 2010)</p>
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### 1. Introduction

It is the Council's intention to ensure that all staff who are on a standby rota or on call rota receive fair and equitable compensation for inconvenience caused. It also seeks to ensure that staff receive payments in line with the level of inconvenience.

### 2. Eligibility for Standby Payments

The only staff eligible to receive a standby or on call payment are those dealing with emergencies relating to out-of-hours services that are either statutory council requirements or are essential to the delivery of council services. Only one member of staff per service will receive a standby payment or on call payment at any given time. For the purpose of this policy out of hours does not include office opening hours i.e. 8.45am to 5.15pm Monday to Friday. The Head of Service will determine the rota to be used in providing an out of hours service and which posts/staff should be included in the rota, and as hours may vary per service area, an hourly rather than weekly rate will be used.

### 3. Standby Allowance

Standby arrangements will require the employee to remain contactable, outside of normal working hours, for a stated period (in accordance with an agreed rota). Eligibility for standby as opposed to on call requires an employee to be available to attend a site or incident if required and within a reasonable time period if called and therefore the employee is required to remain fit to attend work within a reasonable time period.

The standby rate is £2.05 per hour. Double time will be paid for hours an employee is required to be on standby for during bank holidays. There is no enhanced rate for weekends. Should an employee be called to attend an incident rather than being able to deal with this over the telephone, overtime will be paid in accordance with the Council's current overtime rates.

#### **4. On Call Allowance**

On call arrangements will require the employee to remain contactable, outside of normal working hours, for a stated period (in accordance with an agreed rota). On call means that the Council does not require an employee to be available to attend a site or incident as a result of any phone calls or contact. Queries can be dealt with via a telephone or other remote communication.

The on call rate is £1.25 per hour and recognises the difference in both the volume of queries but also the fact that the employee's home life balance is less disrupted as call outs are never required. . The allowance covers all work undertaken in dealing with queries and overtime does not apply to anyone undertaking on call duties.

Double time will be paid for hours an employee is required to be on call during bank holidays. There is no enhanced rate for weekends.

#### **5. Status and review of rates**


Should service needs change then the Head of Service has the right to review out of hours arrangements which may result in a change in the rota, and possibly the withdrawal of the out of hours service and the related entitlement to any related allowance.

Standby and call out allowances attract normal deductions, including pensions where employees are in scheme membership.

Rates for on call and standby will be reviewed on an annual basis in accordance with the pay award.



## Appendix 2

 <p><b>Cherwell</b> DISTRICT COUNCIL NORTH OXFORDSHIRE</p>	<h1>Car User Policy</h1>
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### **Background and status**

This policy is subject to a collective agreement dated July 2010 and replaces all previous policies on essential and casual user allowances, the company car and car cash schemes.

Essential user allowances are paid to reflect a contractual requirement to provide a vehicle for work but may be allocated and withdrawn in line with criteria below. Allowances are reviewed in October each year as part of the budget setting process and changes applied from April the following year.

Where a post no longer meets the following criteria it will be removed. Employees will be informed of this change at least 2 months before 1 April each year.

### **Criteria for essential user allowance**

1. Have an obligation to respond to public safety, control or other enforcement activity  
or
2. Be required to travel in excess of 2000 miles per annum. This figure is calculated over two years

As a general principle, wherever practicable in terms of resource and time, journeys should be undertaken by public transport.

Eligibility to an essential users allowance users allowance will be determined by Service Heads and ratified by CMT

### **Essential user allowance and mileage rate**

The essential user allowance is £1000 per annum, paid monthly. Mileage is paid at the HMRC (Her Majesty's Revenue and Customs) rate which is currently 40p per mile for every mile travelled. The allowance is subject to tax and NI but not pension contributions and declarable via the P11D tax forms.

The allowance and mileage rate are standard, irrespective of the cc of the car driven.

Part-time staff will receive a pro-rata allowance according to the number of hours worked and be subject to pro-rata criteria for allowance allocation (e.g. an employee working half of the standard hours and who meets number (1) above will entitled to

an allowance of £500. To meet number (2) above the amount of miles travelled will be in excess of 1000 miles per annum).

### **Non-essential (casual) users**

Employees who do not meet the above criteria but use their car on Council business will be entitled to claim the standard HMRC rate, currently 40p per mile, for every mile travelled on Council business. There is no contractual requirement for a member of staff to provide a vehicle

### **Insurance**

All staff travelling on Council business **must** have the appropriate insurance.

### **Documentation**

The documentation relating to a vehicle that is used by a post holder who receives an Essential or Casual Car Allowance will be examined at the annual review of that member of staff. The post holder must complete the Medical Questionnaire and the Work Related Road Safety Personal Risk Assessment and present them and their driving licence to their line manager. Where the Work Related Road Safety Personal Risk Assessment form identifies a risk that is medium or high the matter must be brought to the attention of HR who will decide on the appropriate action.

All the documentation mentioned above as well as a copy of the driving licence will be submitted to HR where it will be filed in the post holder's personal file.

The requirement to complete the Medical Questionnaire will only be at the first annual review.

Where an individual's circumstances change to the extent that it may affect their eligibility to drive they must complete Work Related Road Safety Personal Risk Assessment and or the Medical questionnaire and submit them to their line manager who will then consult HR.

### **New Posts**

The eligibility to a Car Users Allowance will be determined at the time a new post is created and by CMT..