

**THE HIGHLAND COUNCIL**

**Resources Committee – 18 February 2009**

Agenda Item	
Report No	

**Job Evaluation/Equal Pay**

**Report by Assistant Chief Executive**

Summary

This report updates the Resources Committee of the key decisions which have been taken by the Modernising Employment Sub-Committee and of job evaluation and equal pay progress.

1. Background

- 1.1 The Resources Committee on 3 December 2008 considered a detailed report on job evaluation and equal pay which included the final pay and grading structure, the conditions of service package, measures to support employees, the appeals procedure and communications with the trade unions.
- 1.2 The Committee was advised that it was proposed to send out job evaluation letters to c10000 employees and equal pay letters to c2500 employees during the week beginning 8 December 2008 (subsequently planned for 12 December 2008).
- 1.3 The Modernising Employment Sub-Committee on 12 December 2008 were advised that the Council had received an update from the External Equality Impact Assessor on 11 December 2008 which suggested that further work was required in relation to the Equality Impact Assessment. Unison had also submitted an email on 11 December 2008 advising that they had concerns. The Sub-Committee agreed, therefore, that the job evaluation letters should not be sent out on 12 December 2008 to enable further discussions to take place with the External Assessor.

The equal pay letters were sent out as planned on 12 December 2008.

- 1.4 Further work and discussions took place with the External Equality Impact Assessor and on 16 January 2009 the Sub-Committee considered the Assessor's final report and agreed to implement the new pay and grading structure. The job evaluation letters were sent out to c10000 employees on 6 and 7 February 2009.

2. New Pay and Grading Structure

- 2.1 As indicated above, the Council has agreed to implement the new structure and the revised key dates are as follows:
  - job evaluation letters posted on 6 and 7 February 2009
  - actual implementation of the new pay and grades from March 2009

- planned to make payment of back pay during June 2009.

2.2 Implementing a new pay and grading structure requires a large number of changes to existing payroll and personnel procedures and these are being actioned in consultation with Services.

2.3 The Council is making a significant investment to meet the requirements for a modern workforce (more than £7.5 million this year) and the majority of staff will receive a higher level of pay than they would have prior to the changes.

### 3. Conditions of Service

3.1 The Council is also seeking to introduce a new set of harmonised terms and conditions of service which will assist with the Council's aims of achieving a flexible, modernised and motivated workforce.

3.2 The Modernising Employment Sub-Committee on 16 January 2009 also agreed that the trade unions be advised that they and the Council had until 31 March 2009 to reach a collective agreement on conditions of service. If this cannot be achieved a further report would be submitted to the Sub-Committee.

3.3 The Sub-Committee reached this decision on the basis of the length of time that the negotiations have taken with the trade unions (over 2 years) and comments by the External Equality Impact Assessor in her report about the requirement to introduce a harmonised conditions of service package as soon as possible.

### 4. Equal Pay Signing Sessions

4.1 The Equal Pay signing sessions have been running very smoothly which is largely due to the cross-service co-operation in setting up and managing the events which has involved staff from Personnel, Payroll (Creditors), Ward Managers and TEC Services.

4.2 At the time of writing this report, 10 signing sessions have taken place in Inverness (2), Dingwall, Portree, Kingussie, Thurso, Golspie (2), Fort William and Bettyhill and the sign up rate is detailed below.

Total No. of Employees				Employees with ET Claims			
Invited	Attended	%	Signed	%	No.	Signed	%
1672	1558	93%	1452	93%	267	189	71%

Further signing sessions are scheduled during February and March.

### 5. Equal Pay – Legal Implications

5.1 The Modernising Employment Sub-Committee on 16 January 2009 considered again the legal implications of a recent Court of Appeal decision in the cases of Bainbridge v Redcar & Cleveland Borough Council and Surtees v Middlesbrough Borough Council and in particular the trade unions' requests that pay protection be extended to other employees whose comparators, for the purposes of equal pay

claims, are red circled. The Sub-Committee agreed that extending pay protection to other employees was unaffordable and unacceptable but also agreed that the trade unions be invited to negotiate a local collective agreement on pay protection as an alternative to the 3 years protection provided in the National Agreement. Discussions will continue with the trade unions on this particular issue.

5.2 As indicated in Section 4.2 above, almost 200 employees with employment tribunal claims have signed compromise agreements which settles their claims. In terms of the remaining claims and future claims, a strategy is being developed in consultation with the Council's Legal Advisers to minimise the Council's potential liability and a report will be submitted to the Modernising Employment Sub-Committee.

6. Communication

6.1 Regular fortnightly meetings are continuing to take place with the trade unions on job evaluation, equal pay and conditions of service.

6.2 Officials will be working jointly with the trade unions on the post-implementation issues e.g. transition programmes for red circled employees, as it is generally acknowledged that implementation of the new pay and grading structure is only the start of the process. Red circled employees' current contractual earnings are protected up until 31 March 2011 under the terms of the national agreement. Measures to assist those employees over the next 2 years will include job redesign and training programmes where these will also help with service improvements.

7. Recommendation

7.1 That the Resources Committee notes the progress of job evaluation and equal pay.

Signature:

Designation: Assistant Chief Executive

Date:

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