

CABINET

PAY AND GRADING STRUCTURE 7th October 2008

Report of Chief Executive

PURPOSE OF REPORT				
To update Cabinet on the Fair Pay process and on the development of a new pay and grading structure				
Key Decision	X	Non-Key Decision		Referral from Cabinet Member
Date Included in Forward Plan		July 2008		
This report is public				

RECOMMENDATIONS OF COUNCILLOR DAVID KERR

- (1) That Cabinet note the progress made with the development of a pay and grading structure and the revised timetable for approval of a new structure.

1.0 Introduction

- 1.1 Whilst the terms and conditions on which staff are employed is, as a matter of law, a non-executive function, and is the responsibility of the Personnel Committee, the financial and budgetary elements of staffing are a matter for Cabinet. Members will be aware that the National 2004 Pay Agreement for Local Authorities required councils to conduct a review of pay and grading arrangements. This is being undertaken within this Council as the Fair Pay project.
- 1.2 Cabinet last considered a report on the Fair Pay Project at its meeting on the 29th July 2008, when it was noted that pay modelling will be undertaken by officers in order ultimately to establish a points to pay line and a grading structure.
- 1.3 It was also noted that that a number of possible structures will be discussed with the Trade Unions, through the Single Status and JCC meetings, and any recommendations considered by Personnel Committee. The final pay and grading structure would need to be approved by Personnel Committee, as the elected member body responsible for determining the terms and conditions on which staff are employed.

2.0 Proposal Details

- 2.1 Significant work has been undertaken on the development of a new grading structure which reduces the likelihood of challenges under equal pay legislation. The grading structure must be financially viable and a range of options have been developed with the aim of minimising the adverse impact on staff. At this stage the work is progressing well and the models that the officers have developed are being rigorously checked.
- 2.2 The trade unions have played an important role in the Fair Pay process and therefore it is important to allow sufficient time for negotiation to take place. The trade unions are required to consult their national office before reaching an agreement locally and the experience of other authorities indicates that this will take longer than originally allowed.
- 2.3 On this basis the timetable for Fair Pay has been revised and it is now proposed to bring the proposed grading structure to Cabinet on 11th November 2008, following consultation with the Trade Unions.

3.0 Details of Consultation

- 3.1 The trade unions have been involved in and supportive of the Fair Pay project to date. Discussions have taken place on the changes to the timetable and the representatives recognise the need to fully assess the models and to allow time to negotiate.

4.0 Options and Options Analysis (including risk assessment)

- 4.1 Cabinet is asked to note progress of the development of a pay and grading structure and the change to the timetable for Cabinet approval of the structure. There are still risks attached to the timetable, however, should there be any difficulties in data checking, and also depending on the consultation exercise with Trade Unions.

6.0 Conclusion

- 6.1 This report provides Cabinet with an update on the progress of the Fair Pay project and in particular the development of a new pay and grading structure.

RELATIONSHIP TO POLICY FRAMEWORK

The Council is committed to good standards of employment practice and to the principles of equality. The Fair Pay project will ensure that pay and grading is fair, and that posts are remunerated based on an objective assessment of their relative value to the organisation. The Council is firmly committed to the principle of equality.

CONCLUSION OF IMPACT ASSESSMENT (including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

Implementing a pay and grading review will ensure that remuneration arrangements and grading structures are fair, and that the Council is able to defend future equal pay claims.

FINANCIAL IMPLICATIONS

A stated in the report, work is still on-going on finalising a new structure and therefore it is not possible to provide the full financial implications until the process is completed.

SECTION 151 OFFICER'S COMMENTS

Should the new timetable be achieved, this would allow the financial implications to be incorporated into the forthcoming budget early on in the process, thereby helping the Council's financial planning.

LEGAL IMPLICATIONS

There are no legal implications directly arising from this report

DEPUTY MONITORING OFFICER'S COMMENTS

The Deputy Monitoring Officer has been consulted and has no further comments

BACKGROUND PAPERS

Contact Officer: Mark Cullinan
Telephone: 01524 582011
E-mail: chiefexecutive@lancaster.gov.uk
Ref: CE/EF/ES/Cttees/Cabinet