

**CITY AND COUNTY OF CARDIFF
DINAS A SIR CAERDYDD**

Employment Conditions Committee: 17 October 2005

Report of Assistant Chief Executive

Single Status & Job Evaluation – Pay Protection Proposals Update

Background

1. Members will recall that at the last meeting of this Committee (27 July 2005) a report on Pay Protection and Prior Consideration was considered.
2. Whilst the prior consideration arrangements were fully supported, there was discussion amongst Members on the issue of pay protection. The Trade Unions were offered the opportunity to address the Committee on this important issue and UNISON duly attended and made comments in support of their request for the Council to agree a period of 5 years pay protection.
3. However in the absence of data on which to make an informed decision on the length of the pay protection period, the Committee resolved that:-
 - (1) “the Committee agree the principle of pay protection and that a further report, which would include proposals for the duration of the pay protection period, be submitted to this Committee once the potential costs have been estimated;
 - (2) the prior consideration arrangements as outlined in the report be approved.”

Issues

4. Following the Employment Conditions Committee, the Trade Unions (UNISON, GMB and TGWU) formally registered their disappointment at the decision not to agree a specific period of protection for those staff whose jobs may subsequently be downgraded as a result of job evaluation.
5. Whilst acknowledging that all local authorities would experience difficulties in financing job evaluation, the Trade Unions considered that as the Single Status Agreement had been signed up to nationally in 1997, the Council should have set aside monies annually to fund job evaluation. Further, they maintained that the Council should have already costed both the implementation of job evaluation and the back pay issue.
6. In view of the Committee’s decision to agree the principle of pay protection only and to use the pilot study as a basis for estimating the costs of the full job evaluation exercise, all three Trade Unions declared a dispute and refused to co-operate on any aspect of job evaluation until the issue was resolved.

7. In an effort to reach a solution, the Trade Unions met with the Leader of the Council and Councillor Stephens (in his capacity as Chair of the Works Council) to discuss the issues.
8. Following those meetings, careful consideration was given to the comments made by the Trade Unions. Whilst there was an understanding of the Trade Unions' need to present something concrete to their members on pay protection, the Elected Members were mindful of their duty to ensure that decisions taken which could have significant financial implications, are within the constraints of the Council's financial regulations.

Proposals

9. After giving the matter further thought and having consulted with Elected Member colleagues, the Leader indicated to the Trade Unions that he was prepared to recommend to the October meeting of the Employment Conditions Committee that a minimum period of 3 years pay protection should be agreed although the precise details of those protection arrangements would still need to be informed by the results of the pilot job evaluation exercise.
10. Whilst the original request for 5 years pay protection was initially refused, the Leader has since clarified to the Trade Unions that the possibility for a longer period of pay protection, such as the 5 years requested by the Trade Unions will not necessarily be ruled out and will depend largely on the outcome of the pilot study. However, the Council should also be mindful that any pay protection arrangements must be time limited with the aim of achieving pay equality as soon as possible. Such arrangements must not however perpetuate long term unequal pay for jobs that have been assessed as being of equal value under job evaluation.
11. On the basis of this proposed commitment by the Leader, all three Trade Unions agreed to return to the negotiating table so that job evaluation and single status issues could continue to be progressed.

Investment for Reform/Benefit to service user

12. In undertaking the local pay review, the Council will be able to address the issue of equal pay and develop a non-discriminatory, modernised pay and reward system that will support a high performance and highly skilled workforce to better serve the people of Cardiff.
13. Securing an agreed period of pay protection will provide some reassurance and support to staff whose jobs may subsequently be downgraded which will in turn aid organisational performance.

Council Policies Supported

14. The report supports all Council policies that require a skilled and motivated workforce to deliver their aims and objectives.

Advice

15. This report has been prepared in consultation with relevant Corporate Directors and reflects their advice. It contains all the information necessary to allow Members to arrive at a reasonable view, taking into account the following advice.

Legal Implications

16. All decisions taken by or on behalf of the Council must (a) be within the legal powers of the Council; (b) comply with any procedural requirement imposed by law; (c) be within the powers of the body or person exercising powers on behalf of the Council; (d) be undertaken in accordance with the procedural requirements imposed by the Council eg. Standing orders and financial regulations; (e) be fully and properly informed; (f) be properly motivated; (g) be taken having regard to the Council's fiduciary duty to its taxpayers; and (h) be reasonable and proper in all the circumstances.

Financial Implications

17. In overall terms it is anticipated that single status and job evaluation will have significant financial implications for the Council in future years although at this stage it is not possible to assess the full impact of the costs. This report sets out proposals for pay protection recommending a minimum of 3 years pay protection for those staff whose jobs may be downgraded as a result of job evaluation. The precise details of these arrangements will be informed by the results of the pilot job evaluation exercise which should give an indication of the likely level of costs both in respect of the pay protection arrangements and with regard to the financial implications arising from single status job evaluation as a whole.

Human Resource Implications

19. As part of the National Agreement, the Council is required to review and develop proposals in relation to a number of issues. The employee relations implications of implementing job evaluation outcomes are significant and agreeing a specific minimum period of pay protection will provide some measure of reassurance and support, particularly when linked to the prior consideration arrangements already agreed by this committee, to those staff whose jobs may subsequently be downgraded.
20. However, the period of protection ultimately agreed should not perpetuate unequal pay arrangements on a long term basis. The review of the pay structure should result in a fair and non-discriminatory grading structure for all employees who come under the terms of the Single Status Agreement. The ultimate aim and philosophy of the whole job evaluation and single status initiative is to secure clear pay equality as soon as possible.

Trade Union Comments

21. The Trade Unions welcomed the recommendations within the report and thanked the members for being prepared to reconsider their position

RECOMMENDATIONS

It is recommended that:-

1. A minimum of 3 years pay protection be agreed for those staff whose jobs may subsequently be downgraded as a result of job evaluation although the possibility for a longer period of pay protection such as the 5 years requested by the Trade Unions would not be ruled out and will depend on the outcome of the pilot exercise
2. The precise details of the pay protection arrangements to be informed by the results of the pilot job evaluation exercise.
3. This Committee receives a report on the outcomes and results of the pilot job evaluation exercise at the earliest opportunity.

JO FARRAR
ASSISTANTCHIEF EXECUTIVE
7 September 2005