

BRISTOL CITY COUNCIL

HR Committee

1st June 2012

Report of: Strategic Director - Corporate Services

Title: Pay Policy Priorities – Update

Ward: N/A

Officer Presenting Report: Mark Williams, Programme Manager –
People Programme

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RECOMMENDATION

To note the progress that has been made on the pay policy statement priorities that were agreed by Full Council in March 2012.

Summary

The report summarises the progress that has been made on the pay policy statement development priorities.

The significant issues in the report are:

- Proposals to make a non-consolidated pay award to the lowest paid employees will be brought to this committee for approval in July 2012.
- Recommendations arising from the review of apprenticeship recruitment and retention will be brought to this committee in September 2012 for consideration.
- Discussions with the Trade Unions on developing a new reward package for council employees have commenced.

1. Policy

The Council's Pay Policy Statement 2012/13 sets out development priorities for 2012/13 which are:-

- 1) That there should be a pay award in 2012/13 for low paid employees as an outcome of the National Pay negotiations. In the absence of a national agreement, the Council will make a pay award to low paid employees which will be non-consolidated for 2012/13.
- 2) Developing a reward strategy which:-
 - addresses low pay in a sustainable, equitable and affordable way;
 - strengthens the link between pay levels and consistent performance;
 - is underpinned by requirements to recruit and retain talent needed to drive organisational performance.

The principles that will underpin a Reward Strategy are that it will :-

- Be affordable;
 - Be sustainable;
 - Be transparent;
 - Enable the council to recruit and retain the right local people (where possible) in the right jobs;
 - Enable an agile workforce;
 - Provide incentives to employees to continually meet or exceed performance expectations; and
 - Be underpinned by pay equality.
- 3) Review approach to Apprentice recruitment and retention and make recommendations for improvement. The review will examine:-
 - pay arrangements
 - how successful the apprenticeships scheme has been in helping young people secure a job with the council
 - the scope for collaboration with partner organisations

2. Consultation

2.1 Internal

Initial discussions with trade union representatives have commenced.

2.2 External

None

3. Context

- 3.1** In respect of a non consolidated pay award for low paid staff, some options have been discussed with the trade unions. The preferred option put forward by officers was aligning a one-off payment to the “living wage”. Detailed proposals will be brought to this committee in July for consideration.
- 3.2** In relation to the proposals for a new reward strategy, it was agreed that each trade union will be represented on the project team that is being established. It was agreed that the initial work should be focussed at a developing some high level design principles that are aligned to a set of job families.
- 3.3** Detailed work on reviewing the Council’s approach to Apprentice recruitment and retention has commenced and the outcome of that work will be brought to this committee for consideration in September 2012.

4. Other Options Considered

Not applicable.

5. Risk Assessment

Not applicable.

6. Public Sector Equality Duties

- 6a. Before making a decision, section 149 Equality Act 2010 requires that each decision-maker considers the need to promote equality for persons with the following “protected characteristics”: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex, sexual orientation. Each decision-maker must, therefore, have due regard to the need to:
- i) eliminate discrimination, harassment, victimisation and any other conduct prohibited under the Equality Act 2010.
 - ii) Advance equality of opportunity between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to -
 - remove or minimise disadvantage suffered by persons who share a relevant protected characteristic;
 - take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of people who do not share it (in relation to disabled people, this includes, in particular, steps to take account of disabled persons' disabilities);
 - encourage persons who share a protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.
 - iii) Foster good relations between persons who share a relevant protected characteristic and those who do not share it. This involves having due regard, in particular, to the need to –
 - tackle prejudice; and
 - promote understanding.
- 6b) An Equalities Impact Assessment has not been undertaken as this report is for information purposes only.

Legal and Resource Implications

Legal

No advice sought

Financial

(a) Revenue
No advice sought

(b) Capital
N/A

Land
N/A

Personnel
N/A

Appendices:

App A: Trade Union Discussion Paper on Pay and Reward

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985 Background Papers:

None

APPENDIX (7) A

Bristol City Council - Pay Policy

5.5 Hard to Fill Posts – market supplements

Before implementing the following scheme HR advice must be sought.

Where it is difficult to fill a vacancy because the evaluated grade for a post may not attract any suitably qualified and experienced/skilled candidates, the Service Director will consider:

- Other ways of filling the vacancy (e.g. secondment, acting up etc)
- Restructuring the section or team
- Redesigning the duties & responsibilities of the post;
- Re-appraising the realism of the job specification;
- The introduction of a career grade or trainee position, which will allow the appointment of a candidate with lesser skills and enable them to develop in the post.

If these measures will not resolve the recruitment problem, in that the salary range is unlikely to attract a suitably qualified & experienced person(s), the Service Director can seek approval for the award of a market supplement up to the maximum of 15% above the top of the current grade.

The following criteria must be met before a market supplement can be awarded:

i) Where from available job advertisement information it is considered that the pay for a post is unlikely to attract candidates of sufficient calibre, experience and qualifications it would be appropriate to apply market forces supplements which in pay terms are validated by an independent, accredited pay research organisation.

ii) The Service Director and/or the recruitment adviser acting for the Council regarding appointments at senior management level will have explored and (where relevant) implemented other structure, career grade, and job design/evaluation alternatives, which may result in improvements in the pay/grade of the 'hard to fill' post concerned,

iii) A “risk assessment” will have been carried out to ensure that the above criteria have been objectively applied and are not based upon gender, race, disability, age etc.

iv) Have obtained legal views that any change in pay can be justified in terms of a genuine material defence

The market supplement:

- Will not change the grade of the post
- Must be reviewed periodically (at least every three years). The level of the market supplement may be revised up or down as a result of any such review. The market supplement may also be discontinued as a result of the review.
- Must cease if it is no longer difficult to recruit for the same type of job. Note that the criteria, which must be met before a market supplement

can be awarded, must also be met when the market supplement is reviewed for an existing employee if the market supplement is to continue after the date of the review.

- Will be pensionable
- Pay protection will not apply when the supplement is removed.

Authority to award, revise or discontinue market supplements:

- HR Committee for 1st & 2nd tier posts
- A Selection Committee and the “Head of Paid Service”, for 1st or 2nd tier posts, upon the advice of a recruitment adviser acting for the Council regarding appointments at senior management level (Such decisions will be reported to the HR Committee thereafter, for ongoing monitoring and review”).
- Head of Paid Service & Service Director: Strategic HR and Workforce Strategy or all posts at 3rd tier level and below