

Meeting	General Purposes Committee	Agenda Item:
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Meeting Date	13 th September 2010
Report Title	Officer Pay and Rewards
Portfolio Holder	Executive Member for Performance and Total Place
SMT Lead	Director of Corporate Services
Head of Service	Interim Head of Organisation Development
Lead Officer	Interim Head of Organisation Development
Key Decision	No
Classification	Open
Forward Plan	Reference number:

Recommendations	1. That the General Purposes Committee ratify the final proposals set out in section 3, as agreed with UNISON for implementation.
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Purpose of Report and Executive Summary

- 1.1 The General Purposes Committee considered the proposals for employee pay and conditions in November 2009 and agreed to delegate the negotiation to the Chief Executive in consultation with the Leader. The GPC required that the final position was reported back to the GPC for ratification. The minute from that meeting was:

That Members agree that the Briefing and Consultation Document be used as the basis for the Chief Executive to reach an agreement with the Trade Unions including the proposed variances, and that any variances required to the proposals are agreed in consultation with the Leader and are subject to ratification by the General Purposes Committee.

- 1.2 This report provides an up-date on the process that was followed for consultation and the final position agreed with UNISON.

2 Background

- 2.1 Section 2 of the original consultation document (Appendix I) sets out the reasons that the Council needed to change the pay and reward structures. The proposals have been paid for by using the allocated percentage pay award from 09/10 and 10/11 so that it is affordable within the Medium term Financial Strategy. Section 4.3 of the document agreed by the General Purposes Committee set out the cost of the change, this was agreed with Finance and the 2010-2011 budgets have been based on these proposals. The General Purposes Committee agreed the proposals and

delegated the Chief Executive, in consultation with the Leader to take the proposals to UNISON for agreement. There have been minor changes to the proposals as a result of consultation and these are set out below.

- 2.2 The Council completed a Community Impact Assessment (CIA) as part of the consultation with UNISON and this is at Appendix II.
- 2.3 As a result of consultation with trade unions it is proposed to introduce an accelerated increment where in exceptional cases one accelerated increment may be granted if the performance is justified. This will be monitored to ensure that the impact is consistent with the equality principles.

With regard to pay protection, the original proposals were for 1 year full pay however after consultation with trade unions the Leader and Chief Executive agreed to improve the offer to 1 year full and 1 year half pay.

Following the CIA there has been consultation with the Chief Executive regarding his grade (14) so that this can be brought in line with the design principles of the other 14 grades and designed in such a manner that the assimilation process enables the Council to match current salary.

3 Proposal

- 3.1 The final proposals for ratification are as follows:

- A new pay scale for all employees in the organisation.

Grade	1	2	3	4	5
1	11,510	11,970			
2	14,070	14,630	15,220	15,830	
3	17,090	17,770	18,480	19,220	
4	20,170	20,980	21,820	22,690	
5	22,760	23,670	24,620	25,600	
6	25,780	26,810	27,880	29,000	
7	29,040	30,200	31,410	32,670	
8	32,760	34,070	35,430	36,850	
9	38,790	40,340	41,950	43,630	
10	46,230	48,080	50,000	52,000	
11	54,770	56,960	59,240	61,610	64,070
12	65,330	67,940	70,660	73,490	76,430
13	80,400	83,620	86,960	90,440	94,060
14	124,820	129,810	135,000	140,400	146,020

- A process for pay progression which requires an assessment by the line manager to ensure that the member of staff is performing at the required level. This assessment and the incremental being moved to October each year.
- An opportunity to give one additional increment (within the increments of the grade for exceptional performance)
- A new Market Supplement Policy (Appendix 6 of the initial report)
- Pay Protection Policy (Appendix 7 of the initial report) with the additional time period giving 24 months protection – the first 12 months at full pay the second 12 months at half the difference between the old pay level and the new pay level.
- Cessation of Lease Cars – those who have existing vehicles being allowed to keep these until the lease arrangements come to an end.
- A Development of the Total Reward Package including the implementation of an Employee Assistance Programme (EAP) and Health & Well Being Week (Appendix 9) which will be launched on the week commencing 27th September 2010. The details of the EAP are at Appendix III and a draft Health and Well-Being week programme is at Appendix IV.

4 Alternative Options

- 4.1 The General Purposes Committee could choose not to ratify the proposals but this would leave the organisation in a difficult position. The current parallel pay scales can no longer be retained and pose a continuing risk of equal pay claims, the proposals have been accepted by UNISON as a fair offer and any change would need to go back through the consultation process.

5 Consultation Undertaken or Proposed

- 5.1 Following the General Purpose Committee on 23rd November 2009 the Chief Executive commenced consultation with regional and local UNISON officers. The initial consultations went well and the Council was requested to issue individual details to employees so that they would be in a position to know what the recommendations would mean to their own salary position. From this point UNISON believed they might be in a position to go to ballot.
- 5.2 The regional officer briefed the UNISON head office and the proposals were then directed to their equal pay expert and legal team. Trade unions are currently very cautious about the acceptance of pay re-structures because of their own liabilities regarding subsequent equal pay claims. This period of consultation has taken six months during which time the UNISON experts have satisfied themselves that the proposals meet all the necessary equal pay criteria and do not pose significant historical risks.

The proposals have been accepted by the UNISON experts as 'equality proofed'.

- 5.3 The local pay ballot should be concluded on the 10th September 2010 and UNISON officials are recommending that staff vote to accept the proposals. If the result of the ballot is in favour of implementation the intention is to gain General Purpose Committee ratification and pay into September salaries.

6 Implications

Issue	Implications
Corporate Plan	The recommendations in this report link directly to the priority of becoming a High Performing Organisation
Financial, Resource and Property	The changes will be funded within the provision for pay and related matters as approved in February 2009 as part of the 2009/10 and 10/11 Budget and the Medium Term Financial Strategy. The changes significantly reduce the risk of future claims against the Council from equal pay claims.
Legal and Statutory	The recommended changes constitute a change to contractual terms and conditions for all staff. These can be varied through consultation and agreement with recognised trade unions. In the event that agreement cannot be reached the only other route for change is by individual agreement.
Crime and Disorder	None as a direct result of this report.
Risk Management and Health and Safety	There are no Health and Safety implications as part of this report but there are associated risks which are set out in section 4.
Equality and Diversity	One of the key drivers for this work was the equal pay report conducted in 2008 which highlighted several necessary changes. Failure to implement the recommendations will result in a further exposure to equal pay claims. The Council has one area of equal pay settlement that must be dealt with as part of the negotiated agreement. An Equalities Impact Assessment has been completed as part of the negotiations and this is attached at Appendix II.
Sustainability	None as a direct result of this report

7 Appendices

7.1 The following documents are to be published with this report and form part of the report

- Appendix I: Pay and Reward Consultation Document (original document submitted to the General Purposes Committee 23rd November 2009 and agreed)
- Appendix II: Community Impact Assessment
- Appendix III: Employee Assistance Programme – contract details
- Appendix IV: Draft Health & Well-Being week programme

8 Background Papers

8.1 None

Appendix I

SWALE BOROUGH COUNCIL

PAY AND REWARD STRATEGY – REGENERATING OUR BENEFITS

BRIEFING AND CONSULTATION DOCUMENT

1. Executive Summary

The way that an organisation uses pay and reward for its employees is of critical importance. The approach used sends vital messages to employees about how they are valued by the organisation and what the organisation expects of them.

This consultation document describes

- the drivers behind the need to change the current Council pay and reward systems
- the process we have followed to examine where we currently are, where we want our pay and reward structures to be and how we are going to achieve this
- a brand new pay scale linked to market rates that enables employees to progress through the incremental steps at a pace linked to their job performance
- additional policies which will provide the Council with the flexibility to recruit to 'hard to fill' positions
- new policies that will simplify existing practices, address historical anomalies and help us to manage costs in the future
- a Total Reward package that offers a modern benefits package for staff
- the way that we will link pay to performance to strengthen develop the Council as a High Performing Organisation

2. The case for a review of Pay and Reward

2.1 Pay Scales (Appendix 1)

Like many Local Authorities Swale Borough Council moved away from the National Joint Councils (NJC) pay scale some years ago. The pay scale that replaced the NJC the 'Old' Swale scale was then replaced by the current scales in 1997/8 because the Councils approach to job evaluation had not been kept up to date. It was felt that the process did not sufficiently value the community facing services we delivered which meant we were unable to attract the necessary key skills needed as salary rates were uncompetitive.

When the scales changed there were many members of staff that benefited and were happy to transfer to the new rates. However there were others that would have been worse off and after consultation with legal advisers the Council agreed that those staff would be allowed to remain on the old rates. There are currently 36 people still on the old scales.

The current pay scale is linked to the Inbucon job evaluation scheme and has been slightly amended over time. Jobs are evaluated by a joint officer/trade union committee and once evaluated they are slotted into the relevant point on the pay scale. The pay scales are up-lifted with an annual inflation award which has been locally agreed in the past but in 2003 agreement was reached to mirror the NJC inflation award in the future. Over the last 2 or 3 years both the Council and members of staff have become disillusioned with the national process, particularly in relation to the timescales required to reach an agreement. Agreement has now been reached with trade unions to return to local pay bargaining.

The current SBC pay scale is poorly designed. Standard incremental steps within a band are the common approach, but SBC scales have an inconsistency in the width of incremental points:

- E, F, G have similar step values ranging from 4.8% at lower points in each band to 4.1% at the top of the band;
- H has a structure of its own with incremental points between 6.6% to 5.2%;
- I,J,K all have a similar approach ranging from 5.0% to 4.2%; and
- the first three points on L are identical.

There are specific aspects of this poor design that could have implications for equal pay, these are set out below.

2.2 Equal Pay Audit

In 2008 the organisation undertook an Equal Pay Audit. The audit was shared with the trade unions and there are several issues that were flagged which clearly need to be addressed through the work on the Reward Strategy. There are some recommendations relating to specific roles and there are several that relate to both the design of the existing pay scales and existing procedures in relation to pay:

- i) The existence of two scales that pay different amounts of money for jobs of equal value potentially exposes the organisation to equal pay claims. Although there was a legal justification for this approach ten years ago, current case law suggests that indefinite pay protection is not in accordance with the principles of equal pay. The two pay scales are statistically balanced indicating that there is no current gender discrimination but it is a risk to continue in this way.
- ii) The design of the current main pay scale is not sustainable as the bands have considerable overlaps. This is considered to be against best practice. The most senior roles are on fixed points which go against the justification that increments are to enable the person to improve in the post, and there are too many increments. The range of each band is inconsistent so that some bands have a 23% increase from top to bottom others as much as 32%.
- iii) The Scarcity Supplements are not regularly reviewed and the policy does not sufficiently well document the eligibility criteria for this supplement.

- iv) The current policy of pay protection with no time limits for those on the old Swale grades means that any inequalities can remain for years and this can also leave the organisation open to equal pay claims. This policy is also inconsistent with the protection policy adopted in the Organisational Change policy which is for three years.
- v) The Inbucon job evaluation scheme has been modernised to comply with the recent equalities legislation but the Council had not converted to the new scheme. There are certain areas of inconsistency where jobs have not gone through the grading process.
- vi) One role in the Council has never been given access to incremental progression and as the role occupants are predominantly female this different approach may give rise to an equal pay issue.

With these findings in mind the Council has to address the issues through the redesign of the pay scale which will cover all employees. Actions to address the main equal pay issues are set out at Appendix 2.

2.3 Market Position

Historically there has been a view that the Council pays well compared to the general market rates in Sittingbourne and does not generally have difficulty in recruiting. However there have been some positions that have caused issues and these have tended to attract a scarcity payment.

To establish the position of SBC pay rates two salary surveys have been undertaken

- i) September 2009 - Inbucon salary survey comparing our rates of pay to those of other employers in the UK – comparisons based on Job Evaluation scores, job descriptions and relevant comparator employers.
- iii) December 2008 - Kent Personnel Officer Group (KPOG) salary survey conducted by South East Employers – comparing salaries for defined positions in the Districts in Kent – focus particularly on professional roles

In broad terms the survey's identified that the Council pays at the national market median level. To ensure that this national survey was representative of the local market it was compared with the KPOG salary survey which confirmed that SBC is generally at the median rate.

2.4 Total Reward

The Council currently offers a range of competitive employment policies but does not clearly publicise these as part of the overall package offered to employees. As part of the overall approach to pay and reward the existing package will be specified and publicised to existing and future employees and the package will be extended.

The Council will not receive any value from the benefits if employees are unaware of what they are actually getting.

3. The Process for Change

3.1 The Strategic Context

With the current opportunity to completely review the Council's approach to Pay and Reward it is vital that the changes are in line with the organisations priorities and values. To ensure that the review was consistent with these our pay principles have been designed in consultation with staff and members.

The principles for our reward strategy are to:

1. Support a **performance** orientated organisation;
2. Provide an **attractive** employment package at all levels;
3. Be relevant to a **modern** local government authority;
4. Have a pay structure that is **transparent** and straightforward;
5. Reward people **fairly** and consistently;
6. Move toward a **Total Reward** approach; and
7. To be **affordable** within the Medium Term Financial Strategy.

These principles will then be used as guidelines against which proposals for the design of the new Pay and Reward framework are judged.

3.2 Process of Agreement and Consultation

The proposals need to have the agreement of both Strategic Management Team and Members before formal consultation can begin. The delegated decision making for employee terms and conditions is from full Council to the General Purposes Committee. If there are financial implications over the agreed budget to the decisions made by this Committee these need to be referred to the Executive for agreement. The relevant committees need to agree the parameters and principles to take forward to consult formally with trade unions.

Trade union consultation will take place between Management and the recognised trade union – UNISON. If agreement can be reached in these meetings and the agreement is within the parameters set out by Members then implementation can follow. If there is disagreement then consultation will take place with the trade unions, management and Members as set out in the pay bargaining process within the recognition agreement.

3.3 Process of Implementation

The fourth pay principle requires that employees understand the new approach to Pay and Reward. To ensure this is the case employees will be given briefings both face to face and in writing. Employees will need to understand both the way that the system will work in general and what it will mean for them personally. This means that every employee will need to have an individual letter setting out their own pay position.

Once briefings have been conducted then implementation through payroll will follow.

The movement of all employees onto the new pay structures is not the completion of the project as there will be further work required to put in place the agreed Total Reward package. The final phase will be the development of the link between performance and

pay. It should be emphasised that the completion of this phase of the project is critical and will require considerable input from managers, employees and HR.

4. Pay and Reward Strategy – Regenerating Our Benefits

The offer needs to be viewed as a whole.

Whilst this is a generous package it is designed to drive the organisation towards higher standards of performance.

Some elements of the total package require further development for full implementation and this will require the co-operation of all employees – in this regard certain aspects of the package should be viewed as an enabling agreement.

The component parts of the Pay and Reward Package are:-

- A new pay scale (Appendix 3)
- The process for pay progression (Appendix 4)
- Assimilation & Appeals Process to move to the new grades (Appendix 5)
- Market Supplement Policy (Appendix 6) and review of current scarcity payments
- Pay Protection Policy (Appendix 7)
- Cessation of the Lease Cars – consolidation of allowance (Appendix 8)
- Cessation of other supplements/ allowances including some Flexibility allowances, Supervisory allowances and Tea Towel allowance
- A Development of the Total Reward Package including the implementation of an Employee Assistance Programme (EAP) and Well Being Week (Appendix 9)

4.1 SBC Officer Pay Scale

The pay principles identify the position that the Council believes is justifiable and fair in relation to its own pay structure and the market.

1. “Provide an **attractive** employment package at all levels ”
7. To be **affordable** within the Medium Term Financial Strategy

Over many years the Council has aimed to match the market median and for the purposes of establishing this we will use the Inbucon Salary Survey. All our posts are graded through the INBUCON Job Evaluation Panel and this process identifies the value or size of the role when all the duties are being performed and the employee is fully effective in the role.

Incremental progression will be by assessment against the agreed Competency Profile for the role and evidence of the necessary Performance Standards and agreed objectives. Assessment will be on an annual basis but will be linked to the clear and continuous performance at the level required at each incremental step. Where employee performance is not assessed as being at the level of assimilated pay they will be given a period of time to improve and clear targets but failure to reach the necessary standards will ultimately be treated as a capability issue.(Appendix 4 and Questions and Answers document for staff at Appendix 10). Incremental dates will move to 1st October each year the first assessment will be 1st October 2010.

Once the pay scale is set the future annual pay inflation award will be negotiated locally between management and trade unions and will be paid with effect from 1st April each year. Market surveys will be utilised to ensure that there is no significant drift either above or below the Median but ultimately pay negotiations will need to be kept within affordable levels.

Where there are skill shortages in particular areas there may need to be a Market Supplement (Appendix 6) to ensure that the Council can attract and retain key staff. This should not be considered to be the only tool available to SBC in recruitment and retention. The Council's aim is to be a preferred employer within Kent, ensuring that with competitive salaries, a reputation for exceptional staff development and supportive working culture, pay will not be the only determining factor in our attractiveness as an employer.

In the design and implementation of the new pay scales equality issues have been of primary importance and an Equality Impact Assessment will be completed as part of the consultation process. This should ensure that the new pay scale alone serves to reduce the differences between the gender groups and has had no negative impact on the equality between the different ethnic groups or those with disabilities. With the pay model SBC will be able to regularly monitor the annual impact on these factors. The additional Market Supplement and Pay Protection policies also serve to reduce any likely Equal Pay issues.

The annual leave entitlements are linked to the grades in the pay scale and these have therefore been re-calculated to match the new grades (Appendix 11).

4.2 Assimilation to the new pay scale, back pay and pay inflation

The Council has agreed to honour the 0.3% pay award that was achieved through arbitration at the national level for the 08/09 pay award. This has not been paid to staff to date largely due to the technical issues in the payroll system. These technical issues will continue until the Council can move to a new system, which is planned for the first quarter 2010. This has the impact that working out the back pay element accurately per person is almost impossible. It is therefore proposed to make a one off payment to individuals for the back pay in 08/09 and 09/10 which is the average of the total back pay on base salary divided between the number of employees on the payroll at the time of the payment. This will be a positive approach for those on lower salaries as proportionately it will be at a higher level than base pay. The figure of £70 for each year for each employee as a lump sum is proposed giving a total one off payment of £140 settlement which would be pro rata for part time staff.

The current pay rates have therefore been adjusted by 0.3% before any the assimilation calculations have been made.

Assimilation to the new pay scales will therefore be based on:

Pay as at 31/3/09 + incremental point if one would be awarded on existing scales + 0.3% = total assimilation base figure. There will be no inflation award added to the pay scales.

Where an employee is currently in receipt of a supervisory award this will cease but the additional supplement will be added to the base pay to determine what level they should

assimilate to the new pay scale. The supervisory responsibilities will be reflected in the grading for the post.

For employees at grade G and above who have opted for the car cash allowance this is added to base salary for the assimilation figure. Those who currently have lease cars will have the equivalent of the car allowance added to their salary for calculation of assimilation.

Employees will then be moved to the point on the new scales for their grade that is closest to their assimilation base figure.

The details of this and some examples can be found at Appendix 5.

4.3 Cost of the Change

One of the seven pay principles is:

To be **affordable** within the Medium Term Financial Strategy

The cost of the proposed changes have been undertaken at a very detailed level on the basis of both current actuals and projected budgets. The current actuals included an examination of the additional supplements and allowances paid to determine what the impact would be on the change to base pay. The projected increase in the pay bill provided in the medium term financial strategy year on year is £270,000 which is to incorporate pay progression, incremental movement, etc and is the overall pay 'envelope' within which we must work. This provision gives limited freedom for the proposed changes and to maximise the opportunity for change the proposals therefore span a two year period 09/10 and 10/11.

The impact on the salary budget of the changes is set out below.

Pay Items	Current 09/10 £'000	Proposed Base £'000	Proposed 10/11 £'000
Basic Pay (including increments 01/04/09) Excluding on-costs	9673	10054	10104
Increments 01/10/10	0	0	75
Commuted pay award 0.3% from 01/04/08	30	30	30
Commuted pay award 0.3% from 01/04/09	30	30	30
Lease Car Cash Alternatives	192	0	0
Lease Car Allowance	166	0	0
Supervisory Allowance	13	0	0
Re-grading	0	20	21
Flexibility Allowance (based on actuals)	94	97	98
On-call/Standby	3	5	5
Scarcity payment	77	38	39
Tea towel allowance	1	0	0
s.151 allowance	5	5	5
Equal Pay Settlement	0	30	30
Total	10284	10309	10437

The proposed new salary structure for 10/11 includes incremental progression and a provision of 0.5% salary progression covering the two years 09/10 and 10/11 but this will only be applied to the new scale; this means that those who will be on salary protection from the existing scales will not have a pay increase for either of these years. The proposed salary structure at 10/11 is therefore an estimated £128,000 above the base (excluding on-costs) enabling the Council to meet its legal commitments and to provide a more sustainable basis for the future years having regard particularly to potential equal pay challenges..

The approved central provision for pay and related matters within the Medium Term Financial Strategy for the years is £248,000 for each of 09/10 and 10/11 plus an additional £250,000 in 10/11 giving a total of £746,000 excluding on-costs. With existing budget pressures in 09/10 amounting to approximately £146,000 this leaves £600,000 to fund the additional movements within the pay bill as follows:

	£'000
Increments at 01/04/09	147
Cost of move to base pay scales	25
Cost of one year protection	133
Increments as at 01/10/10	75
Move to proposed base 10/11 level	53
Total	433

The provision in the Medium Term Financial Strategy must also incorporate the superannuation cost of the transfer of the lease car arrangements to base pay, this equates to £115,000 which in addition to the costs of pay movement leaves a balance of £52,000. The new pay structure does however create an additional burden on the superannuation scheme as the base pay rates increase – the calculation of the superannuation rate of the £128,000 increase is £40,960 which will be funded from this balance. This is considered to be a reasonable within the Medium Term Financial Strategy.

Other actions that have been taken to reduce costs are:

- Reviewing the levels of car allowances – this was actioned in June 2009
- Ceasing the offer of a lease car will eventually result in reduced administration costs
- Ceasing some Flexibility, Supervisory and Tea Towel allowances
- Pay Protection Policy - the existing Pay Protection Policy for old Swale grades gives mark time protection for life. This is very expensive for the Council and is not consistent with the guidance best practice on Equal Pay as this approach perpetuates any inequalities. The proposed revised policy will only give 12 months protection and will be applied in all future cases.

In the longer term the Competency Profiles and Performance Standards will ensure that all employees understand what is required of them and only receive pay increments when performance justifies it. This clarity of expectation will benefit employees with both current and future development and will facilitate the Council's continued approach to efficiency and the key priority to become a High Performing Organisation.

An additional cost to the Council will be the introduction of certain aspects of the new package including the Employee Assistance Programme and some Total Rewards benefits but these costs should be no more than £5000.

5. Future development 2009/2010

The timetable for implementation of the outstanding actions is set out at Appendix 13.

In March/April 2010 employees will be appraised again using the Competency Framework but will also incorporate a discussion about Performance Standards and whether they are meeting expectations for their role. Where an employee is not meeting expectations a clear development plan will need to be agreed and regularly monitored to ensure that incremental progression can be supported at the first mid year review in Sept/October 2010.

The possible options for the development of the Total Reward package will need to be developed with staff to ensure that the benefits offered are valued. Once the package is agreed this will need implementation.

Appendix 1

Old Swale Grades

	80/09 SBC4	80/09 SBC5	80/09 SBC6	80/09 SBC7	80/09 SBC8	80/09 SBC9	80/09 SBC10	80/09 SBC11	80/09 SBC12
80.00%	36879	32034	27237	23034	19413	17238	15294	13530	12774
82.50%	38031	33036	28089	23754	20019	17775	15774	13953	13173
85.00%	39183	34038	28941	24474	20628	18315	16251	14373	13572
87.50%	40335	35040	29790	25194	21234	18852	16728	14796	13971
90.00%	41487	36039	30642	25914	21840	19392	17208	15219	14370
92.50%	42642	37041	31494	26634	22446	19929	17685	15642	14769
95.00%	43794	38043	32346	27354	23055	20469	18162	16065	15168
97.50%	44946	39042	33195	28074	23661	21006	18639	16488	15567
100.00%	46098	40044	34047	28794	24267	21546	19119	16911	15966
102.50%	47250	41046	34899	29514	24873	22086	19596	17334	16365
105.00%	48402	42045	35748	30234	25479	22623	20076	17757	16764
107.50%	49554	43047	36600	30954	26088	23163	20553	18180	17163
110.00%	50709	44049	37452	31674	26694	23700	21030	18603	17562

Current Pay Scale

	1	2	3	4	5	6
CE	108084					
DIR	87525					
SUM	57204	59487	65205			
E	38868	40728	42579	44436	46296	48153
F	32619	34164	35715	37263	38808	40359
G	27612	28908	30207	31503	32796	34092
H	21594	23016	24444	25866	27294	28719
I	17988	18891	19791	20694	21594	22494
J	14982	15732	16482	17232	17982	18732
K	12480	13107	13734	14358	14985	15612
L	11862	11862	11887	12426	12966	13506

Appendix 2

Equal Pay Analysis

Area of Equal Pay Risk	Summary of Advice	Action Required
Old vs New Conditions	Genuine Material Factor (GMF) relating to the need to maintain good employee relations and not breach contracts by forcing people off old Swale grades. Took and followed legal advice at the time. No statistical difference in the numbers of men and women in the old vs new grades so no taint of gender bias.	Need to move all onto one scale – as the existing 'new' scale is not well design prefer to have one new one for all.
Scarcity Payments (Market Supplements)	May be relied upon as a GMF but will need to be able to demonstrate there is a real recruitment difficulty and that it is regularly reviewed to determine recruitment difficulties are still in existence.	Option 1 Take all away given current economic climate Option 2 Review against new criteria
Cleaners Banding	Cleaner's salary fixed on bottom point of grade & not given access to incremental points – cleaners predominantly female – others on this grade with similar roles given increments.	This group will need to be compensated for the loss of earnings
Incorrect Job Evaluation scores and Grading Outcomes	Must investigate reasons for the inaccuracies and we must correct.	Most errors corrected where still inaccuracies these must be dealt with – to ensure correct grading before assimilation to new scale.

Appendix 3

SWALE BOROUGH COUNCIL

PAY SCALE 09/10

Grade	1	2	3	4	5
1	11,450	11,908			
2	14,000	14,560	15,140	15,750	
3	17,000	17,680	18,390	19,130	
4	20,070	20,870	21,700	22,570	
5	22,650	23,560	24,500	25,480	
6	25,650	26,680	27,750	28,860	
7	28,900	30,060	31,260	32,510	
8	32,600	33,900	35,260	36,670	
9	38,600	40,140	41,750	43,420	
10	46,000	47,840	49,750	51,740	
11	54,500	56,680	58,950	61,310	63,760
12	65,000	67,600	70,300	73,110	76,030
13	80,000	83,200	86,530	89,990	93,590
14	130,000	135,000	140,000	145,000	

PAY SCALE 10/11

Grade	1	2	3	4	5
1	11,510	11,970			
2	14,070	14,630	15,220	15,830	
3	17,090	17,770	18,480	19,230	
4	20,170	20,970	21,810	22,680	
5	22,760	23,680	24,620	25,610	
6	25,780	26,810	27,890	29,000	
7	29,040	30,210	31,420	32,670	
8	32,760	34,070	35,440	36,850	
9	38,790	40,340	41,960	43,640	
10	46,230	48,080	50,000	52,000	
11	54,770	56,960	59,240	61,620	64,080
12	65,330	67,940	70,650	73,480	76,410
13	80,400	83,620	86,960	90,440	94,060
14	130,650	135,000	140,000	145,000	

Appendix 4

Pay Progression

1. Annual Inflation Award

The new process for the agreement of the annual inflation award was agreed in 2009 as part of the recognition agreement.

Annual pay consultation will consider the cost of living, the position of SBC pay in comparison to the market but affordability will be the foremost consideration. Consultation will commence annually in September with the aim to reach agreement within the budget cycle so that payment can be made in April salaries.

2. Pay progression within grade

There are four pay points in every grade. Appointment to a grade will generally be at the bottom of the grade – this may only be varied in agreement with the Head of HR and must be for clearly documented reasons that do not breach the Equal Pay requirements i.e. where there is a Genuine Material Factor that justifies the payment at a higher level.

Progress through the grade will be assessed annually. This will not be an automatic progression but will require an assessment against the agreed Competency Profile and Performance Standards for the position. Where the employee has progressed towards the full competency profile they will be awarded an increment. Assessment for incremental progression will take place by **October** each year. This will therefore not be linked to the annual appraisal but will take place mid year. Increased increments will be paid with effect from 1st October and the first of these assessments will be 1st October 2010.

Employees must have six months service in their role by the 1st October to be eligible for assessment, if they are more recently appointed they will receive a review after six months in the position, thereafter they will be reviewed annually for the October increment.

Individuals will need to consistently demonstrate the behaviours required by the Competency Profile and Performance Standards for their role in order to maintain their incremental position. One off performance will not be sufficient to merit or maintain an increment.

Where individuals do not sustain the level of performance or where they have been assimilated to the top of the grade but are assessed as not having the full range of competencies they will be given time to improve but their pay will be frozen until they drop to the pay level that matches their performance, this includes any rise in annual pay as a result of pay inflation. This is outside the normal Pay Protection policy as it does not represent an organisational change. Where the individual is assessed as not meeting the requirements of the grade their performance will be treated as a capability issue.

3. Career Grades and Incremental Progression

A Career Grade offers the opportunity of a long path of progression to a particular professional position. As such the nature of the role and the requisite competencies are likely to vary considerably between the entry point and final destination. This means that through Job Evaluation the Career Grade is likely to span several grades and have many steps. To enable this clear stepped progression there may be some need to have interim points between the

normal incremental points e.g. in recognition of the achievement of some particular milestone. These half incremental steps will be allowed providing that there is prior agreement with the Head of HR and that they are applied equally to all those who meet the criteria and are set out as part of the agreed career grade structure.

Progress through the career grade will need to be evidence based and the Head of HR will need to agree to the progression if it is between grades.

Appendix 5

Assimilation to the SBC Pay Scale and Appeal Process

1. Starting Position

The salary considered for assimilation will be the base salary as at 31st March 2009 plus 0.3% plus an additional one incremental point if this would be the normal entitlement. Any individual already at the top of their existing grade would not be entitled to the incremental progression.

2. Movement onto the new scale

2.1 For people in posts with existing Job Evaluation lines

The existing INBUCON score is the factor which determines which pay grade an individual should be in. The individual will be assimilated to the closest point above their current salary on the new pay scale.

eg Current Swale Scale

JE line = 130 points current grade = K

employee on 2 nd point of scale salary at 31/3/09	=	13107
--	---	-------

next incremental point at 01/04/09	=	13734
------------------------------------	---	-------

+ 0.3%	=	13775
--------	---	-------

total pay for assimilation	=	13775
----------------------------	---	-------

JE line = 130 INBUCON points new grade 2 1st point	=	14000
--	---	-------

eg

Old Scale

JE line = 132 INBUCON points current old grade 12	=	15,966
---	---	--------

employee on top point of scale salary as at 31/3/09

next incremental point n/a – old grades frozen	=	15,966
--	---	--------

+0.3%	=	16,014
-------	---	--------

total pay for assimilation	=	16,014
----------------------------	---	--------

JE line 132 points new grade 2 4 th point	=	15,750
--	---	--------

Pay protection for 12 months	=	264
------------------------------	---	-----

2.2 For employees where no Job Evaluation line exists

Where no evaluation line exists the post will need to be evaluated, until that event the mid point of the job evaluation range for the current pay band will be used.

2.3 For career graded posts

Each career grade will need to be mapped across to the new grades. For the purpose of assimilation the job evaluation point of an individual will be matched to the JE score of their current pay band.

3. **Appeal Process**

3.1 There will be no appeals for employees who have existing job evaluation lines and where assimilation has placed them directly onto the new pay scale with no detriment to current earnings. Where employees feel that they should be on a higher grade this must be approached through the normal process for Job Evaluation Re-grading.

3.2 Where employees believe that they have been allocated an inaccurate Job Evaluation grade they should Appeal in writing to the Head of Organisation Development with the written evidence that supports the allocation of the incorrect Job Evaluation line.

3.3 Appeals will be considered by the Director and Head of Organisation Development where an employee has not been identified as justifying a Market Supplement and they are placed onto Pay Protection or where the Market Supplement offered is judged to be insufficient.

Appeals should be addressed in writing to the Head of Organisation Development within one month of receiving the details of the pay assimilation.

The Directors decision will be final.

Appendix 6

SWALE BOROUGH COUNCIL MARKET SUPPLEMENTS FOR PAY

1. Introduction

The Council will utilise a Market Supplement to ensure that competitive salaries will attract and retain key workers in skill shortage areas without distorting the pay structures for all other employees. A Market Supplement for recruitment or retention purposes will only be used where there are clear business reasons that cannot be better addressed through the total benefits package, the work environment or department skill mix. It is recognised that pay is only one factor contributing to our attractiveness as an employer and other aspects of employment, particularly those relating to development, should be applied rather than using just a Market Supplement.

All jobs are graded using the Inbucon Job Evaluation system and the defined pay policy of the Council is to pay at Market Median where the market used is the Inbucon salary data. This is also checked against local Kent salary surveys to ensure that it is robust for the geographical region. This approach ensures that the employees of Swale Borough Council are paid at a fair level in comparison to other workers in similar employment groups.

However there is recognition that in certain professions there are either national or regional skill shortages and Swale needs to be responsive to the competition for these skills. In the longer term our aim will be to train employees to move into these specialist areas and to ensure that the specialists' skills are utilised properly within the organisation. In the short term Market Supplements may be used.

2. Identification of the Skill Shortage

2.1 Recruitment Campaigns

Where there is no anticipated shortage there will need to be a minimum of two appropriate external recruitment campaigns within a 12 month period to establish that it is not possible to fill a position before it is agreed there is a requirement for a market supplement.

2.2 KPOG Salary Survey

The Kent Personnel Officer Group (KPOG) salary survey is conducted on an annual basis and gives details of the comparative salaries for defined positions in the Kent Districts. This clearly identifies the median salaries and is particularly relevant for local government roles. This will enable the identification of positions which may be vulnerable and where there is more than a 10% salary difference from the median there should be consideration of the need for a market supplement. The existence of this difference alone is unlikely to be sufficient justification and further analysis will be required to identify whether this has had an adverse impact on the Council's ability to recruit and retain.

2.3 National Information

Within local government there are certain identified skill shortage areas. These are identified through data collection from the Employers Organisation and the I&DeA. In 2008 these skills were listed as:

1. Children's social workers
2. Planning officers *
3. Building control officers *
4. Environmental health officers *
5. Educational psychologists
6. School crossing patrol
7. Adult social workers
8. Trading standards officers
9. Solicitors and lawyers *
10. Teaching

* category of worker employed by SBC

This national picture is the first indicator of a shortage. Where there is an identified shortage nationally the manager will still be required to demonstrate that this applies to the local area. This proof can be gained through the outcome of a relevant recruitment campaign during the previous 12 month period or through information from agencies about the availability of particular skill sets.

3. Market Supplement for Recruitment Purposes

The level of supplement will be agreed between the Director and the Head of Organisation Development in consultation with the Head of Finance. It will be paid as part of monthly salary and will be pensionable. The supplement will not be subject to the cost of living award and will not be taken into account for any salary related enhancements eg overtime which will be paid at the normal salary rate. The Market Supplement will be given for a minimum two year period initially. This will be annually reviewed to confirm that the supplement is still necessary and at the appropriate level. Where a reduction in level is the outcome of the review this will not take effect until the minimum two years has expired. Reductions will follow the process set out in section 5.

The payment of a Market Supplement must be within the Directors agreed budget. Approval must be given by the relevant Director and the Head of Organisation Development who will ensure that all alternative options have been explored.

4. Market Supplement for Retention Purposes

Whilst the Market Supplement is principally to enable the Council to be able to compete in a highly competitive market to attract new employees, there may be exceptional cases where a supplement should be considered for existing employees. This may occur in situations where a new recruit is offered a supplement which would then cause equally mobile colleagues to leave and seek a similar salary elsewhere. There may also be occasions where an employee with a specialist skill needs to be retained to ensure business continuity.

The level of supplement will be agreed between the Director and the Head of Organisation Development in consultation with the Head of Finance. It will be paid as part of monthly salary and will be pensionable. The supplement will not be subject to the cost of living award and will not be taken into account for any salary related enhancements eg overtime which will be paid at the normal salary rate. The Market Supplement will be given for a minimum two year period initially. This will be annually reviewed to confirm that the supplement is still necessary and at the appropriate level. Where a reduction in level is the outcome of the review this will not take

effect until the minimum two years has expired. Reductions will follow the process set out in section 5.

Payment of a Retention Supplement must only be considered in exceptional circumstances and particular attention must be paid to the Equal Pay issues.

5. Removal of the Supplement

The availability of skills varies over time. As professions are identified as skill shortage areas and salaries rise they can attract an increased number of trainees. Where this is the case the Council would not wish to incur unnecessary costs i.e. paying more for a skill than the median rate if this would be sufficient to attract high quality applicants. The economic situation may also change so that scarce skills become available from other sectors or organisations.

Management Team will review the posts attracting a supplement annually, this will usually coincide with the annual KPOG salary survey at the beginning of each year but the date may vary according to information availability. When it is clear that a particular profession or skill area no longer necessitates a market supplement this will be withdrawn over a phased period of 2 years – with the withdrawal of 25% of the supplement every six months until the employee returns to the normal rate for the job. The assessment of the on-going need will relate to the national skills assessment combined with local salary reviews and the response to recruitment campaigns. When a market supplement is to be withdrawn the employee will be notified and given a minimum of 3 months notice that a phased reduction will commence.

September 2009

Appendix 7

Swale Borough Council Protection of Earnings Policy

1. Introduction

The Council believes that an integral feature of any successful organisation is its ability to identify the need for change and to manage that change, taking into account management's aspirations as well as the aspirations and well being of its employees.

Whilst the Council is committed to providing security of employment and to minimising the personal impact of organisational change there will be occasions when it will be necessary to reorganise services and the way in which they are delivered. In these circumstances the provisions of this Policy will apply. This policy needs to be read in conjunction with the Organisational Change Policy.

2. Scope

This policy applies to any employee who, as a consequence of organisational change, is required by management to change their grade or method of working or suffers a reduction in basic hours worked within the standard working week or suffers a reduction in basic pay and allowances.

The provisions of this policy **do not** apply as a result of:-

- a) action taken in accordance with the Council's Disciplinary or Capability procedures
- b) the need for re-deployment on health grounds
- c) unacceptable standards of work performance
- d) a request from the individual or by mutual agreement between the individual and Council
- e) a voluntary application to another position within the Council
- f) the removal of a Market Supplement following an annual review, any loss here would be dealt with in accordance with the Market Supplement Policy.

3. Protection Period

Protection of earnings will be given for a period of 12 months. The first twelve months will be protected at the full earnings of the role held by the employee prior to the change. After a period of 12 months the employee will move to the salary and earnings of the new post. The employee will be moved to the salary point of the pay scale for the grade of the new post that is closest to the salary of the previous post. In most cases this is likely to be the highest incremental point of the relevant grade.

In exceptional circumstances, and where there may be a cost advantage to the organisation there may be agreement with the Chief Executive, the Head of Finance and Head of Organisation Development to extend this period.

4. Calculation of Protection

Earnings protection in respect of payments/allowances other than basic salary will be calculated as an average of those earnings paid within the three month period prior to the organisational change taking place as compared with the new earnings package. Such earnings will include market supplements, essential car user allowance, shift payment,

irregular working hours payment, and an average of overtime, if considered appropriate. The protection figure so calculated will be applied on a “stand still” basis ie with no inflation award or incremental movement.

Earnings in the new post will be off-set against protected earnings and if for any particular pay period the earnings in the new post exceed the protected earnings then the higher earnings will be paid for that pay period.

If an employee with a lease car agreement is redeployed to a post that does not carry eligibility for a lease car, that employee will be permitted to retain the lease car until the end of the lease period.

5. Conditions of Protection

Protection of earnings is conditional upon the employee undertaking any shift work or other duties which may be required in the new post up to the level at which the earnings in the new post equal the protected earnings.

Protection of earnings is also conditional upon the employee accepting any subsequent offer of a suitable alternative post which attracts a salary in excess of that of the new post.

Overtime will be paid at the new rate (ie the real rate attached to the post) not at the protected rate.

6. Pension Implication

With effect from 1st April 2008, no further certificates of protection of pension benefits will be issued. However, those issued prior to that date will still be valid.

As from 1st April 2008 the pension scheme rules changed such that those whose pay is restricted or downgraded in the ten years prior to them leaving the scheme, will have the option to have their benefits based on the average of any three consecutive years in the last ten years.

7. Terms and Conditions other than Pay

Annual Leave entitlements and length of notice period required from the employee will not be protected and those applicable to the new post will be effective from the date of transfer.

8. Review

This Policy is subject to review.

November 2009

Appendix 8

Lease Car cessation details

Currently grade G and above have the option of either a lease car or cash equivalent.

Cash equivalent

From the date of the new pay scale all those who have opted for the cash equivalent benefit will no longer receive the supplement in addition to salary. The current supplement will be added to base pay for the assimilation level. Where the salary and supplement are above the new pay, protection will be given on the higher sum in accordance with the pay protection policy.

Eg. JE line = 252 points current grade = G

employee on 6 th point of scale salary at 31/3/09	=	34092
next incremental point n/a	=	34092
+ 0.3%	=	34194
+ lease car cash allowance	=	2980
total pay for assimilation	=	37174
JE line = 252 INBUCON points new grade 8 4th point	=	36670
Pay protection	=	504

Lease Car

Where an individual has an existing lease car they will be assimilated to the pay scale by adding together the car allowance and base pay.

The individual will be assimilated to the salary grade minus the car allowance. At the next incremental date they will move to the next point of the new scale (if not at the top of the scale) minus the value of the lease car and this will continue until the car is returned at which point they will assimilate to the closest point of the new scale when adding together the salary and the car allowance. If the assimilation salary is higher than the new scale they will receive the difference as pay protection in the same way as those on the lease car cash equivalent.

Eg 3rd point of E grade £42579 plus car allowance £2520 = £45099

Pay move to 1st point grade 10 = £46,000 minus car allowance £2520 = £ 43480 and the car is retained for the remainder of the lease.

When the car is returned the assimilation point will be calculated as the next highest point within the appropriate grade (determined by the job evaluation points) when adding together the car allowance and the base pay.

Appendix 9

The Development of Total Reward

1. Introduction

Total Reward is the approach towards the specification of every aspect of the reward package received by the member of staff through their employment with the Council.

This package must then be thoroughly understood by members of staff so that they can truly evaluate the advantages gained through their employment.

There are two main parts to the development of Total Reward for SBC. The first is to detail what is currently on offer and promote this. The second is to further extend the Total Reward package to include things that would be valued by the majority of staff and can be afforded by the Council. Both of these are outlined below.

2 Existing Total Reward Package

PAY & INCENTIVES	BENEFITS	LEARNING & DEVELOPMENT	WORK ENVIRONMENT
Basic salary with incremental steps, includes inflation increase	LG Pension scheme-final salary scheme	Personal development plan	Regular staff communications – team brief, all staff briefings, Chief Exec blog
Lease car or cash option for recruitment and retention purposes or designated essential user (TO BE DELETED)	Childcare – salary sacrifice scheme	Succession/career planning	Flexible working: part time working, flexi time, annualised hours, 9 day fortnight, term time working, job sharing, home working, mobile working, compressed hours
Long Service Awards	Kaarp website-voluntary benefits (discounts)	Competency frameworks	Time off for public duties
Flexibility Allowance	Relocation Package	Career grades	Special leave (paid/unpaid)
Market supplements for posts that are difficult to recruit	Benenden Health Care – cost effective alternative to private medical insurance	Vocational and technical training	Health and safety embedded into the culture
Supervisory Allowance (TO BE DELETED)	Payment towards professional fees	Continual professional development and education	New offices in the future
	Free membership to Leisure Centre	Management and leadership programmes	
	Eye test voucher plus payment towards glasses	Post entry training (NVQ's)	
	Car loan at low rates		
	1 extra days leave at Christmas		
	Annual leave grade related		
	Salary sacrifice – cycles		

3. Enhancing Rewards

The Council wants to be able to be more flexible and creative in its approach to saying 'thank you' to staff who have done a great job for them. A similar approach has successfully been adopted by several other Local Government employers' e.g. Kent County Council have a very flexible approach to the allocation of both cash and non-cash awards to reward employees for fantastic work.

Many of our employees go the 'extra mile' for the Council and its customers. The changes to the pay structure aim to give a fair and competitive salary for the job those employees are paid to undertake and to link that to performance so that only those who are performing to the expected levels will receive the full salary. However this does not give the Council any real scope to reward people for taking on extra work, doing an exceptional job, being part of a project team and really celebrating success.

We will work with employees and Trade Unions to identify what rewards should be available and the processes for authorising these. Some of the suggestions to date include

- small thank you's – box of chocolates, bouquet of flowers, team lunch or dinner
- cash awards up to £500 for either teams or individuals
- support to study for skills and qualifications that are not work related
- opportunities for development work with other organisations

The Council will immediately commit to the introduction of an Employee Assistance Programme for use by staff or Members. This includes a telephone help line for support on both work and non-work matters. This is beneficial to the business and individuals and is generally held to be an essential for a modern employer.

Whichever additional suggestions go forward they need to be easy to understand, administered in an open and transparent way yet not bureaucratic to manage. Most of all they need to be valued by the staff so that those in receipt of the benefit feel rewarded and appreciated by the Council. It is for this last reason that staff and Trade Unions need to be closely involved with the development of what is on offer.

Appendix 10

Linking Competency Profiles and Performance Standards

Questions and Answers

1. What are Competency Profiles and Performance Standards?

Competency profiles set out the behavioural expectations of an individual within an organisation and particular role. These are 'what we can see someone doing consistently' when they perform their duties and in their interactions. Underpinning these are the knowledge, skills and attitudes that must be possessed by the individual to enable them to perform and therefore perform these behaviours.

Competency Profiles set out the 'how' someone does their job and Performance Standards set out the level to which they must operate to be fully acceptable within the role.

Organisational research strongly indicates that both individuals and organisations perform better when employees are very clear about what is required of them in their role.

2. Which Competencies and Standards will we used?

The Competencies will be the ones developed within Swale through workshops with staff which means they fit what people have described as the desired behaviours.

Performance Standards will be agreed with your manager in the 2010 appraisal period.

3. What happens once the Competency Profiles and Performance Standards are agreed?

These documents will be key to the way we recruit, develop and assess performance. They will help both managers and their team to be very clear about what is required and how this is linked to the organisations priorities.

Once the Competency Profile and Performance Standard is developed line managers will use them to discuss each persons current performance and to identify whether the person the level at which the person is performing in all the areas of the Profile. If development is needed targets can be agreed for progress.

4. Will the Competency Profile and Performance Standards be linked to Pay?

Yes.

We will retain an incremental pay scale but employees will not progress through their grade (or indeed between grades for Career Graded posts) just through length of service but through performance measured by the Competency Profiles and Performance Standards.

SBC want to clearly link reward and performance in an objective, systematic way. When an employee is able to demonstrate that they have the full range of knowledge, skills and attitudes for the role and that they apply these to demonstrate the Competencies required by the role to the agreed standards they will progress through the incremental scale.

5. What if I am assessed as fully performing to the Competency Profile but I have been assimilated to the lowest point of the grade?

Assessment against the Competency Profile will enable you to progress through the incremental scale at the time of incremental review.

6. What if I have been assimilated to the top of the grade but I am assessed as not performing to the full Competency Profile or Performance Standards for my role?

You and your line manager will agree a plan for you to achieve all areas required in your role. You will be given up to one year to demonstrate the necessary Competencies and Performance Standards, if you do not achieve them then the assessment will determine the level at which you are performing. Your pay will be frozen until your pay reaches the correct incremental point. If you are assessed as not working to the grade then you may be subject to the Capability Procedure.

7. What if I disagree with my line managers assessment of me?

The assessment criteria will be designed to be as objective as possible so that this should minimise the areas of disagreement. However there is always some subjectivity when one human being judges another and if you feel that the assessment is unfair in some way you will have the right of appeal to your line managers' manager.

8. Will the Competency Profiles and Performance Standards ever change?

With the development of new technology and the evolution of organisations the required Competencies and Standards will always be subject to review – it would be unreasonable and backward looking to freeze them at the point they were developed. The introduction of new technology or the restructuring of services are two examples of where this might happen. However as the Competency Profiles themselves are about demonstrable behaviours and not about 'task lists' these should endure the test of time – 'task' lists and duties however are more likely to be subject to change.

9. Is there really time to undertake this project when there are so many others underway?

Yes.

As the Competency Profiles and Standards will go right to the heart of the way we do business it will provide us with a tool to assist with most areas of our work. Staff have experienced the appraisal process with the inclusion of the competencies in 2009 and it should not be too difficult to agree the performance standards between the employee and their manager.

Appendix 11

Annual Leave

The current leave entitlements are grade related ie

GRADE	ENTITLEMENT	ENTITLEMENT AFTER 5 YEARS SERVICE
Grades J – L	22 days	27 days
Grades H - I	26 days	30 days
Grades SUM - G	30 days	-
Director	32 days	-
Chief Executive	32 days	-

GRADE	ENTITLEMENT	ENTITLEMENT AFTER 5 YEARS SERVICE
Grades 1 - 3	22 days	27 days
Grades 4 - 7	26 days	30 days
Grades 8 - 11	30 days	-
Grades 12 - 13	32 days	-

Appendix 12

Equality Impact Assessment of the Changes to Pay and Reward

This will need to be developed as consultation is underway – it is not possible to go to the Equality Impact Assessment group in advance of the consultation with trade unions due to the confidential nature of the material

Appendix 13

Timetable

Stage	Description	Timescale
Equal Pay Review	Full analysis of pay, allowances and policies	Complete June 2008
Design Reward Strategy and Principles	Development of the guiding principles, areas to be addressed etc	First phase complete Nov 08 Complete May 2009
Market Pricing	Salary survey work to determine current pay in relation to the market	Complete Sept 2009
Agreement of Approach by Executive	Presentation of Principles, Equal Pay issues and recommended approach	Complete Sept 2009
Up-date the INBUCON job evaluation method	Conversion of existing job evaluation scores to up-dated scheme, training evaluators, Purchase of software and license for new scheme	Complete October 2009
Pay Modelling	Utilise the INBUCON pay modelling tool to design new pay scales applying the principles of Equal Pay	Complete end November 2009
Pay Costing	Finance to work out the affordability of the proposed model	Complete end November 2009
Agreement of approach by General Purposes Committee	Consideration of proposals, agreement of delegated parameter for consultation	23 rd November 2009
Consultation	Consultation with trade unions	
Implementation	Implementation through pay briefings, individual letters, changes to pay	w.e.f 01/04/10

Appendix II

Full Assessment Form v4 2010

Service		
Title of Policy, Function Or Service	Pay & Reward Strategy	
Lead Officer	Dena Smart	
People Involved With the CIA	Rosalind Lacey Julie May Dena Smart	
Type of Policy, Function Or Service	Existing	
	New/proposed	Yes
	Changed	

STEP 1 – Make Sure You Have Clear Aims and Objectives**What Is The Aim of Your Policy Or New Service?**

1. To support a **performance** orientated organisation
2. To provide an **attractive** employment package at all levels
3. To be relevant to a **modern** local government authority
4. To have a pay structure that is **transparent** and straightforward
5. To reward people **fairly** and consistently
6. To move forward to a **Total Reward** approach and
7. To be **affordable** within the medium term financial strategy

Who Is The Policy Or Service Going To Benefit and How?

The Pay and Reward Strategy will benefit both employees and Swale Borough Council for the reasons stated above in the aims and objectives.

What Outcomes Do You Want To Achieve?

- To drive the organisation towards higher standards of performance by linking pay to performance to strengthen and develop the Council as a High Performing Organisation
- To establish a brand new pay scale linked to market rates which enables employees to progress through the incremental steps at a pace linked to their job performance
- To be an employer of choice with an attractive employment package
- Good retention of employees with a fair, transparent and consistent pay and reward strategy
- To have a Total Reward approach which offers a modern benefits package for staff
- To remain within the budget of the medium term financial strategy
- To achieve single pay status
- To eliminate any equal pay challenges
- To introduce new policies to simplify existing practices, address historical anomalies and help us manage costs in the future

What Barriers Are There To Achieving These Outcomes?

Reaching collective agreement with the trade unions.

Address issues raised by the Equal Pay department at Unison

STEP 2 – Collecting your information

What Existing Information/Data Do You Have?

Up to date excel spreadsheet that breaks down gender/age/ethnicity/disability makeup of the organisation (available to view in HR)

Gender analysis on current basic salary and proposed new salary (attached)

Ethnicity/Disability breakdown of the organisation (attached)

Age Analysis per grade per decade (attached)

SBC pay & grading proposal issued to Unison December 2009

Unison's response with issues to address dated 24/5/10

SBC response to those issues 05/07/10

Using Your Existing Data What Does It Tell You?
It tells us the percentage difference for gender, ethnicity, age and disability between the current average pay and the proposed average pay according to numbers in each grade.

STEP 3 – What is the Impact?
Is there an Impact on some groups in the community? (Think about race, disability, age, gender, religion or belief, sexual orientation and other social excluded communities or groups)
Please see below
Ethnicity Or Race
With regard to ethnicity you can see from the analysis that there is an even spread across the proposed new grades.
Gender or Transgender
Overall the analysis shows that we do have more females in the lower grades than males however we do have more females in the organisation than males (females = 250, males = 118)
The gender analysis shows that in all cases the new pay scales close the gender pay gap to less than 5% except in the cases of grades 7 and 10. In these cases the pay gap is closed but it still remains greater than 5%. In both cases this is as a result of the assimilation to the lower incremental point in the scale. On this basis over the next 1-2 years this pay gap will close as people progress through the incremental points.
Age
It is evident from the analysis that on the proposed lower grades there is an even spread of staff throughout the age breakdowns.
However from grade 10 to 14, there are no members of staff in these grades below the age of 30 and only 3 up to age 40. This not too surprising as these roles generally require professional qualifications plus several years of post qualification

experience. This would make it difficult to have gained the necessary depth of expertise to warrant the higher graded posts.

In general the move to the new pay scales has moved the % closer to the 100% position. The items highlighted in yellow are outside of the recommended max 5% difference range and the analysis highlighted in blue are those that appear to move the salary in the wrong direction ie away from the 100%. In all cases this is a result of the assimilation onto different incremental points and will be rectified in 1-2 years.

Disability

We have 2. staff that have declared they are disabled both in the lower half of the grades. In both cases these individuals are earning more than the average of non-disabled comparators. The pay changes bring the percentage differences closer to equal and within the 5% range. The number of non-disabled employees is very small so the statistical calculation is unreliable. The analysis highlights this as an under represented group that needs further investigation.

Religion Or Belief

No impact

Sexual Orientation

No impact

Other Socially Excluded Groups Or Communities e.g. People Living in Rural Communities Or in Areas of Deprivation, People With Low Literacy Skills, Carers

No Impact

Contributing to Cohesive Communities of building relationships between community groups

No impact

STEP 4 – What Are The Differences?

Are Any Groups Affected In A Different Way To Others As A Result of The Policy, Project Or Service?

Yes – grade 14 was not designed with the same principle as all other grades ie 4% pay bands and 5 increments reflecting the longer period of maturing into the demanding role that is reflected in the Head of Service and Director grades.

Does Your Policy, Project or Service Directly Or Indirectly Discriminate?

Yes		No	No
Additional Information – If Yes How Are You Going To Change This?			

STEP 5 – You’re Almost There – Now You Need To Consult!
Who Have You Consulted With?
Trade Unions Staff Members/Executive SMT Swale house cleaners
If You Have Not Consulted Yet Please List Who and How You Are Going To Consult With Specific Groups Or Communities?
Still to be consulted are the off site cleaning staff

STEP 6 – Make A Decision Based On Steps 2 - 5
If You Are In A Position To Change Or Introduce The Policy, Project Or Service Clearly Show How It Was Decided On
<p>The need for a single pay structure as SBC currently has 2 which do not support the principles of equal pay.</p> <p>Equal pay audit review highlighted several issues that needed to be addressed.</p> <p>Current pay scales are not sustainable as the bands have considerable overlaps and are against good practice.</p> <p>Scarcity/Market supplements were not regularly reviewed.</p> <p>Current policy for pay protection had no time limits therefore means that any inequalities can remain for years and can leave SBC open to equal pay claims.</p> <p>The Inbucon job evaluation scheme needed to be modernised to comply with the recent equalities legislation.</p>

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What Changes Or Benefits Have Been Made As A Result Of Your Consultation?

As a result of consultation with trade unions it is proposed to introduce an accelerated increment where in exceptional cases one accelerated increment may be granted if the performance is justified. This will be monitored to ensure that the impact is consistent with the equality principles.

With regard to pay protection, the original proposals were for 1 year full pay however after consultation with trade unions it was changed to 1 year full and 1 year half pay.

Following the EIA there will be consultation with the Chief Executive regarding his grade (14) so that this can be brought in line with the design principles of the other 14 grades.

If You Are In A Position To Introduce The Policy, Project Or Service But Still Have Information To Collect Or Actions To Complete To Ensure All Community Groups Have Been Covered (Please List Actions With Timescales)

Information To Collect/Actions To Complete	Timescale for Completion
The equalities data held on employees is not complete. Members of staff have been asked to update their information on the system to ensure the equalities action plan can be properly targeted. The data analysis should be up-dated as this information is refreshed.	By Sept 10
The pay review did not consider the Flexibility allowance and as part of the overall benefits package this should also be reviewed. The equalities analysis highlights that this is limited to certain roles and that all the individuals in those roles, regardless of equality group, are being paid the allowance. However the EIA also indicates that there are a greater proportion of males 33 out of 47 in receipt of the allowance which is a complete reversal of the proportion of males to females in the organisation. This needs further review	By March 2011

If You Are Not In A Position To Go Ahead What Actions Are You Going To Take? (Please List Actions With Timescales)

Information To Collect/Actions To Complete	Timescale for Completion

N/A	N/A
<p>How Are You going To Monitor the Policy, Project Or Service, How Often and Who Will Be Responsible?</p> <p>The market pay position will be monitored annually against the South East Employers (SEE) and the Kent Personnel Officer Group (KPOG) salary surveys by the Head of OD.</p> <p>An Equal Pay Audit will be carried out annually using the reports generated in Business Objects from the payroll system by the HR team and shared with trade unions.</p> <p>The ability to monitor equalities data of the work force will be embedded into the annual performance review process and will consider the equalities breakdown of Recruitment and Retention, discipline and grievance outcomes, training attendance, etc This will be undertaken by the HR team and the information made public.</p>	

STEP 7 – Congratulations You’ve Made It! Now Publish Your Results	
An electronic copy of your completed CIA has been send to the Policy & Performance Team. We will contact you any comments or queries about your full CIA. Once Approved A Copy Will Be Published On Our Website	

This CIA Has Been Approved By		C.Bryant	
Date	26/06/10	Contact number	01795 417318

Gender Analysis

Grade	Male	Male	Male	Female	Female	Female
	Number in grade	Average current basic	Average Proposed	Number in grade	Average current basic	Average Proposed
1	4	13348	11970	13	12024	11970
2	3	14145	14640	28	15026	15141
3	21	17424	18338	58	18066	18377
4	23	21710	21941	72	21646	21911
5	3	23576	23683	9	22971	23274
6	18	27182	27982	28	27710	28527
7	2	32246	32670	7	29356	30596
8	13	33635	36322	20	32529	35632
9	16	39375	42509	9	37996	41450
10	8	48064	51750	3	44570	48153
11	1	57376	64080	1	59665	64080
12	4	64631	69320	2	62533	67990
13	2					
14						

%
difference

Current Proposed

90.08 100

106.22 103.42

103.68 100.22

99.71 99.86

97.43 98.27

101.94 101.95

91.04 93.65

96.71 98.10

96.50 97.51

92.73 93.05

103.99 100.00

96.75 98.08

both male
one person in grade

Average
Total

98 99

Age Analysis

Grade	18-20			21-30			31-40			41-50			51-60			61+	
	No. in Grade	Average current basic	Av. Propose	No. in Grade	Average current basic	Average Propose	No. in Grade	Average current basic	Average Propose	No. in Grade	Average current basic	Average Propose	No. in Grade	Average current basic	Average Propose	No. in Grade	
1	0			0			0			4	12722	11970	4	12308	11970	8	
2	2	14087	14645	6	14507	14802	8	14912	15170	4	15048	15090	6	15678	15426	2	
3	1	16531	17090	20	16510	17415	14	18616	19576	28	18575	19017	14	18394	18456	8	
4	0			16	20569	21150	21	21913	22153	29	22033	22146	20	21959	22170	4	
5	0			2	21659	22760	4	23671	22740	2	22110	24185	4	23811	23918	0	
6	0			11	24160	25392	16	27553	28050	11	27498	27923	9	28895	28861	0	
7	0			1	25944	29040	4	31224	31763	3	29366	30250	1	31046	34194	0	
8	0			3	31162	34560	9	32463	35762	12	32863	35819	7	34577	36850	1	
9	0			1	35822	38790	8	38656	41984	9	37857	41432	5	41357	43604	1	
10	0			0			2	48297	52000	5	47925	51600	3	44570	48153	0	
11	0			0			0			2	58521	64080	0			0	
12	0			0			1	65401	70650	3	63489	68877	2	63862	67990	0	
13	0			0			0			0			2	87788	94059	0	
14	0			0			0			1	130390	130650	0			0	

Proportion against oldest current	Proportion against oldest proposed	Proportion against oldest current	Proportion against oldest proposed	Proportion against oldest current	Proportion against oldest proposed	Proportion against oldest current	Proportion against oldest proposed	Proportion against oldest current	Proportion against oldest proposed	Proportion against oldest current & proposed
18-20	18-20	21-30	21-30	31-40	31-40	41-50	41-50	51-60	51-60	61+
0.0	0.0	0.0	0.0	0.0	0.0	104.2	100.0	100.8	100.0	
93.7	96.2	96.5	97.2	99.2	99.6	100.1	99.1	104.3	101.3	
85.9	89.7	85.8	91.4	96.7	102.8	96.5	99.8	95.5	96.9	
0.0	0.0	97.0	97.8	103.3	102.4	103.9	102.4	103.5	102.5	
0.0	0.0	91.0	95.2	99.4	95.1	92.9	101.1	100.0	100.0	
0.0	0.0	83.7	88.0	95.4	97.2	95.2	96.7	100.0	100.0	
0.0	0.0	75.9	84.9	100.6	92.9	94.6	88.5	100.0	100.0	
0.0	0.0	84.6	93.8	94.9	97.0	96.1	97.2	101.1	100.0	
0.0	0.0	92.0	92.4	99.3	100.1	97.3	98.7	106.3	103.9	
0.0	0.0	0.0	0.0	108.4	108.0	107.5	107.2	100.0	100.0	
0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	
0.0	0.0	0.0	0.0	102.4	103.9	99.4	101.3	100.0	100.0	
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	
0.0	0.0	0.0	0.0	0.0	0.0	100.0	100.0	0.0	0.0	

Ethnicity Analysis

Grade	White-British			Other			% difference	% difference
	Number in grade	Average current basic	Average Proposed	Number in grade	Average current basic	Average Proposed	Current	Proposed
1	16	6493	9412	0	0	0	0.00	0
2	28	11516	11632	0	0	0	0.00	0.00
3	83	15295	15785	2	15106	15462	98.76	97.95
4	89	19422	19635	1	22561	22680	116.16	115.51
5	12	20521	19990	0	0	0	0.00	0.00
6	46	25068	25773	1	21658	25780	86.40	100.03
7	9	29392	30446	0	0	0	0.00	0.00
8	32	28211	30707	0	0	0	0.00	0.00
9	23	37408	40440	1	34266	38790	91.60	95.92
10	10	46992	50646	0	0	0	0.00	0.00
11	2	65401	64080	0	0	0	0.00	0.00
12	6	63931	68876	0	0	0	0.00	0.00
13	2	87788	94060	0	0	0	0.00	0.00
14	0	0	0	1	130390	130650		

Disability Analysis

Grade	Disabled			Not Disabled			% difference	% difference
	Number in grade	Average current basic	Average Proposed	Number in grade	Average current basic	Average Proposed	Current	Proposed
1	0	0	0	16	12362	11970	0.00	0
2	0	0	0	28	14958	15101	0.00	0.00
3	1	18788	19230	84	17781	18227	105.66	105.50
4	0	0	0	90	21942	22204	0.00	0.00
5	0	0	0	12	23122	23376	0.00	0.00
6	1	28805	29000	46	27527	28104	104.64	103.19
7	0	0	0	9	29998	31226	0.00	0.00
8	0	0	0	32	33007	35942	0.00	0.00
9	0	0	0	24	38812	41980	0.00	0.00
10	0	0	0	10	46992	50646	0.00	0.00
11	0	0	0	2	58520	64080	0.00	0.00
12	0	0	0	6	63931	68876	0.00	0.00
13	0	0	0	2	87788	94060	0.00	0.00
14	0	0	0	1	130390	130650	0.00	0.00
2				362				

Appendix III

Services provided by RightCore Care for Swale staff and Members

	Essential
Per person per year (minimum total fee £50)	£5.25
Helpline Services - unlimited telephone access, in line with service availability, to:	included
Advice & Information General information Emotional Support Debt Management Financial Management Support Legal Support (available Monday-Friday 0900-1700)	
Clinical Services (for Individual Support) Counselling triage Case management Red Flag management Clinical management support	
Dependent access to telephone helpline Advice & Information	not included
User access telephone number	national rate
Service availability	Mon-Fri 0830-2030 Sat-Sun 0830-1430
Individual Support either face-to-face or telephone	
Face-to-Face Counselling	included up to 6* sessions (then £80 per session for any additional agreed)
Telephone Counselling (booked sessions)	included up to 6* sessions (then £40 per session for any additional agreed)
Manager Support Booked telephone response within 5 working days	premium rate phone access (50p per minute)
Absence reporting & notification	£4 *
Work Life Career Coaching - one pre-booked telephone session with career consultant (available Monday-Friday 0900-1700)	not included
Adverse Incident telephone support for Manager	£25 per incident
Adverse Incident on-site support	£450 per ½ day + expenses
Generic launch materials & marketing Posters, Wallet Cards, EAP Leaflet	included
Website and online Health & Wellbeing portal	not included
Meetings/Onsite Delivery	
Initial Onsite launch day	£250 per day
Presentations to HR & Leadership Teams - Face to Face	£250 per day
Presentations to HR & Leadership Teams - Webinar	£50
Specialist services & workshops	
Pressure Management Diversity Dignity in the work place Trauma Management Conflict Management Attendance Management	£1,400 up to 16 people per session
Mediation - telephone discussion per engagement	£50
Mediation - per session	£750
Reporting	1 annual report (+ 4 quarterly reports if over 1,000 employees)

Appendix IV
Draft – Well- being Programme

Date	Time	Room/Venue	Event	Overview
Monday 27	All day		Water for work	
			EAP	
	10-11am	Assembly	Healthy eating/nutrition	Lisa from NHS
			Lunch time walks	Julie May
Tuesday 28	All day		Water for work	
	All day	Council Chamber	Benenden Talks	
	All day	2nd floor community safety room	Posture Analysis	Oast Osteopathy
	2.30-3pm	2nd floor conference room	Relaxation	With Jane Coombes
Wednesday 29	All day		Water for work	
	1-Feb	Assembly room	Pilates	Oast Osteopathy
	2.15-3.15	Assembly room??	Pilates	Oast Osteopathy
	10.30-11.30am	Council Chamber	Quit Smoking Talks	NHS
Thursday 30	All day		Water for work	
	Morning	2 nd floor conference	Yoga	Marie Cox
Friday 1	All day		Water for work	
	All day	Regeneration room	Benenden nurse health checks	