

Council Staff Consultation Overview

Pay review and new terms and conditions

Dear Colleague,

I am pleased to introduce Unified Reward, the project to ensure fair pay and grading for all employees in the council and community schools. This document explains the proposed changes to the pay and grading structure, terms and conditions and other changes.

I believe the proposals being shared with you today will support us to achieve our vision of being a leading employer, offering a competitive package, with modern and attractive terms and conditions.

During the review we have worked closely with the recognised trade unions (UNISON and the GMB) to carry out job evaluation of all roles below senior manager level in the council and schools to ensure that each job has been correctly graded and moderated alongside similar types of jobs. This has involved around 600 evaluations covering approximately 5,000 employees.

You may have been involved in the process of defining roles or attending job evaluation panels and I'd like to take this opportunity to thank you for your contribution. The council and trade unions have now in principle reached an agreement on proposals and we are asking you to feedback and comment on the proposals through the consultation period.

Changing for the Better

Unified Reward will help support our ongoing work to achieve the goals and objectives of our Corporate Plan and our People and Organisational Development Strategy, both of which depend upon the dedication and motivation of our staff. The Unified Reward strategy aims to inspire and support staff to continue to make Barnet Council and our schools great places to work.

When introduced, Unified Reward will ensure our pay and grading structure is competitive, and will enable us to attract and retain high performing staff.

Unified Reward will not reduce expenditure on pay, as we recognise the value and contribution that employees have in delivering our aims and objectives. However, as with any review that redefines the pay and grading structure there are a small number of employees whose basic salary will reduce.

As part of building the Unified Reward proposals, we have taken on board your feedback from the Staff Survey, to ensure that pay reflects the job done, people who go the extra mile are rewarded, and repeated sickness and absence is tackled.

In summary, the package includes:

- 30 days annual leave – an increase for most employees
- uplifting the basic rates of pay to the market average – meaning more than 90% of staff will receive the same or higher rates of basic pay
- pay progression based on performance – encouraging a high performance culture
- consolidation of both the London Weighting and Barnet Living Wage – making the pay system simpler for you to understand
- introduction of voluntary health checks – making the most of our accreditation under the Healthy Workplace Charter to offer you opportunities to improve your health and wellbeing
- introduction of an employee benefits package – more information on this will be shared with you later in the year but will include a range of benefits for staff who work at the council.

This is your opportunity to have your say. Make sure you look in detail at the proposals and let us know your thoughts, comments and questions.



Andrew Travers, Chief Executive

Changes to the pay and grading structure

Current pay structure

Our current pay structure has over 300 unique grades, many of which overlap with one another. Many employees are on 'fixed' scale points whilst others are in a grade that contains a number of increments (usually four).

New pay structure

Twelve new grades will replace the current grade structure. Each grade will have a range of pay allowing all employees an opportunity for performance-related pay progression (subject to reaching the top of their grade). We think this is important as many employees do not have access to pay progression at the moment.

During the planning for Unified Reward, the council realised that its base pay was a little lower than other councils and other comparable organisations. We have therefore taken this opportunity to align the pay structure at a higher level – effectively increasing the value of base pay for most grades.

Grade	Grade Minimum	Grade Maximum
Grade A	16,833	17,748
Grade B	17,748	18,783
Grade C	18,381	20,193
Grade D	19,524	21,552
Grade E	20,856	23,334
Grade F	23,334	26,277
Grade G	26,277	29,727
Grade H	28,935	31,986
Grade I	31,986	35,655
Grade J	36,558	41,073
Grade K	43,869	48,475
Grade L	49,451	55,384

NB: 2015/16 figures – these will be increased w.e.f. 1 April 2016 subject to national pay negotiations

Who is included?

All employees at the Council and in Community schools are included, except:

- Education & Skills
- Teachers
- Support staff in Non-Community schools (e.g. Academies or Voluntary Aided) unless a school wishes to adopt the new arrangements.

Job evaluation

All jobs have been evaluated using a job evaluation scheme that determines the relative worth of jobs across the council and schools. All role profiles have been updated and evaluated by a trained and experienced job evaluation panel. This has been a joint process with both management and union evaluators. The new grade of your job has been determined through this joint process.

Grading appeal

You will have the right to appeal against the grading outcome of your job if you feel it meets one of the appeal procedure criteria. Details of the appeals procedure and criteria will be published in due course.

Pay progression

As a council we believe an employee's performance should be reflected in their pay. The new grades will not contain increments. Instead, employees will receive a percentage increase to their base pay based on their performance. This will be managed through the council's Performance Review Scheme. New employees will normally be appointed to the minimum of the grade. Employees who are not at the top of their grade will progress as follows. The employee;

Has 'development needs'	0%
Performance is 'satisfactory'	0.5%
Performance is 'good'	2.25%
Performance is 'outstanding'	3.0%

There will be no further pay progression once an employee has reached the maximum of their grade as is the case currently.

Rewarding outstanding performance

In addition to the pay progression described above, the council intends to develop a Performance Related Pay system. Employees who achieve 'outstanding' in two consecutive years could receive a one-off payment. It is planned to trial a scheme from 2017 onwards. The results of the trial will be presented to councillors in 2019 with recommendations for the future.

Cost of living awards

The annual cost of living awards negotiated by our national employers will continue to be applied to grade Grades A to L.

Barnet Living Wage (BLW)

The council is continuing its commitment to the Barnet Living Wage Supplement, by ensuring that the current BLW is within Grade A.

London Weighting

The council currently pays a London Weighting payment in addition to base salary. From the implementation date these amounts will be consolidated into base pay.

The salary rates in the table include London Weighting.

Pay protection

Our current pay protection policy is between contractual notice period up to 12 months depending on an employee's length of service. Protection arising from the implementation of Unified Reward will last for 12 months from the date of implementation. Following Unified Reward, pay protection for any other reason will be limited to six months.

Terms and conditions changes

Annual leave

Currently, the council has various annual leave entitlements. These have been harmonised and all employees will now have an entitlement of 30 days

annual leave per annum (plus the usual bank holiday entitlement). We want to incentivise people to join us, so they will receive this leave entitlement from the first day of their employment.

This entitlement will be implemented for existing staff with effect from 1 April 2017.

Employees who currently have more than 30 days annual leave will have their annual leave entitlement reduced to 31 days for the leave year 2017/18 and then 30 days from 1 April 2018.

Working week

The standard working week of the council is 36 hours. Employees working fewer hours per week will have their pay pro-rated by dividing the actual number of hours worked by 36.

All employees in the council and community schools will be paid according to the number of weeks per annum they are required to work. Employees who work term time only will have their pay pro-rated based on the weeks they work and taking into account annual leave and bank holiday entitlement.

Overtime and Bank Holidays

The following sets out the arrangements for pay enhancements and premiums. These will apply to jobs graded at Grade A to Grade F inclusive:

- the normal working week will continue to be Monday to Friday
- the normal working day will be 6am to 10pm, for which plain time will be paid
- employees must not exceed 48 hours a week calculated over a rolling four week average
- overtime (in excess of 36 hours per week) will be at a rate of 1.25 (25% enhancement)
- overtime worked 'out of hours' (i.e. between 10pm and 6am) will be at a rate of 1.5. Employees on annualised hours will be able to choose between

the enhanced rate or time off in lieu. Annualised hours contracts will calculate and pay the enhanced rates quarterly to avoid overpayment

- bank holiday work will attract the enhanced rate of 2.0 (100% enhancement) or a day off in lieu
- weekend working will be paid at a rate of 1.25 (25% enhancement)
- only one enhanced rate will be applicable at any one time
- employees on Grade G to Grade L are expected to take time off in lieu or occasionally may be paid the planned overtime rate applicable.

Contracted pay

All contractual overtime will cease.

Retainer pay

In order to ensure a consistent and fair approach, 'retainer pay' will be removed.

Additional payments

From the Unified Reward implementation date all other payments, either contractual or discretionary, will be removed in order to harmonise with the new terms and conditions of employment. These will include ad-hoc/discretionary payments, honoraria payments, responsibility payments and market supplements.

Occupational sick pay

The council's occupational sick pay scheme is to be retained. We have relatively high levels of sickness so a new Absence Management Policy is being developed to manage and amend the generous levels of sickness absence allowed under the current scheme. sickness absence.

This will include three triggers which will be introduced from 1 October 2016 - No financial penalties for 12 months.

Management training and guidance will be provided on disability related absence, it is not our intention to penalise those staff that have a disability or serious life threatening conditions.

Trigger	Salary reduction
First trigger – a period of eight days sickness in a rolling 12-month period or on the third occasion of sickness in a rolling 12-month period	one day's pay
Second trigger – another period of sickness (however long) in the rolling 12-month period	two days' pay
Third trigger – another period of sickness (however long) in the rolling 12-month period	Three days' pay

Car allowances

The council's current system of casual and essential car user mileage rates and allowances will be retained. A new criterion of 2,500 miles per annum will be applied before essential car status will be applied. If you do not meet the new criterion then the essential car user allowance will cease on 1 April 2017.

Recruitment and retention supplements

The council currently uses market factor supplements (MFS) to help attract and retain key staff in some areas of the business. From 1 October 2016 these will be replaced by two new schemes that cover recruitment and retention difficulties. Each scheme would have a maximum of up to 10% additional pay for each element and this would replace the existing market factor supplement payment.

Any market factor supplements agreed at the start of 2016/17 will continue to be applied until the new recruitment and retention scheme starts – subject to the new salary plus MFS not exceeding the old salary plus MFS.

In relation to the social care workforce, we are aware of the recruitment and retention issues relating to these staff. We do not wish to inadvertently create an issue with this group of workers. Therefore we propose to ensure that their overall net pay will not reduce wherever possible.

Other changes

Health and Wellbeing

The council is considering introducing a targeted voluntary annual health check scheme for employees. We are currently working on these plans and will have more information available in the coming months.

Employee benefits

The council intends to develop and introduce an employee benefits scheme. This is likely to include a range of non-salary benefits, such as childcare vouchers, high street shop discounts, discount leisure opportunities, lease cars, a cycle to work scheme and the purchase of additional annual leave.

Employee engagement and career and personal development

The council will review its current performance and development appraisal scheme to ensure it remains fit for purpose. We will also introduce development programmes that support aspiring managers and management development that will benefit the whole workforce.

Policy review

The council's set of employment policies and procedures will be reviewed and updated in order to support the new terms and conditions of employment.

Date	Unified Reward (UR) change
October 2016	<ul style="list-style-type: none"> ✓ Pay and Grading structure ✓ Overtime and Bank Holidays ✓ Occupational sick pay triggers ✓ London Weighting and London Living Wage consolidated in pay ✓ Pay protection for staff detrimentally impacted by UR grading changes ✓ Recruitment and Retention Scheme ✗ Additional payments removed ✗ Retainer pay removed
April 2017	<ul style="list-style-type: none"> ✓ Pay progression ✓ Annual leave entitlement increased to 30 days ✓ Performance Related Pay Scheme trialled ✗ Essential Car Allowance criteria of 2,500 miles per annum applied before essential car status applied ✗ Market Factor Supplements
October 2017	<ul style="list-style-type: none"> ✗ Pay protection ceases for staff detrimentally impacted by UR grading changes
April 2018	<ul style="list-style-type: none"> ✓ Annual leave entitlement employees with 31 days reduced to 30
April 2019	<ul style="list-style-type: none"> ✓ Performance Related Payments
To be confirmed	<ul style="list-style-type: none"> ✓ Employee Benefits Scheme ✓ Employee engagement and Career and Personal Development ✓ Health and Wellbeing check scheme

Next steps

The consultation will be running until Tuesday 8 March 2016. Until then we encourage staff to look at the proposals in detail, attend one of the scheduled consultation sessions and submit any comments or feedback.

As we are going through consultation we are not able at this time to share specific impacts on individuals. Subject to changes and approvals we anticipate providing detailed information to individuals in April 2016

After taking into account the outcomes of consultation, the Unified Reward proposals will be taken to the relevant political committee for a decision.

More information

More information and updates can be found on the council intranet, website or the schools information section on the Working with Children in Barnet site.

Queries should be referred to
your Line Manager in the first instance.

For all other enquiries or to provide feedback on the Unified Reward proposals, contact the UR Helpline: 0330 606 4444 (option 1)
or Email: barnethrpayroll@capita-services.co.uk