

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Executive

Council Meeting - 19 December 2007

Subject: Proposals for Implementation of the Single Status Agreement

1. Purpose

1.1 The purpose of this report is to:

- Provide an update on the progress of the implementation of the Single Status Agreement within West Dunbartonshire Council.
- Provide an update on consultations with Trades Unions and the barriers that exist to securing a collective agreement.
- Detail work undertaken since June 2007 and the outstanding work required to implement Single Status and fulfil the Council's statutory responsibilities to meet equal pay.

2. Background

Issue of Formal Offer and Progress of Negotiations

- 2.1 Following agreement by Council on 20 December 2006 and 27 June 2007 (Minutes attached as appendix 1) a formal offer in relation to the implementation of the Single Status agreement within WDC was issued to Trades Unions in September 2007 commencing a formal period of consultation. This offer related to pay and grading and terms and conditions of employment and met the Council's statutory responsibility in relation to equal pay. The offer reflected a pay and grading model that would address the Council's continuing vulnerability to equal pay while providing a terms and conditions package that would demonstrate equality of access and maintain affordable service delivery to the residents of West Dunbartonshire.
- 2.2 The offer contained sufficient information for trades unions to undertake an Equality Impact Assessment and it was anticipated that this offer would be submitted to national officers to permit local Trade Unions to consult with their memberships. No formal response has been received from any trade union although it is understood that GMB has undertaken a consultative ballot on proposals.
- 2.3 Regular meetings have taken place to discuss the Council's proposals and agreement has been reached with Trades Unions in relation to certain aspects of the Council's terms and condition package following discussions within the Single Status Consultation Group. Management have however indicated to Trades Unions that any further changes to

the terms and conditions package would have considerable financial implications for the Council and its ability to continue to deliver services to the residents of West Dunbartonshire.

Matching process and issue of provisional outcomes

- 2.4** Following the notification of provisional grading outcomes to staff and the issues surrounding the communication of information to employees it was agreed that no further notifications would be made until the matching process has been completed.
- 2.5** Meetings with staff in a significant detriment situation have commenced and continue to take place within departments to explain the measures that will be taken to address issues of detriment within the 3 year protection period as outlined in national preservation arrangements. In addition meetings between the Pay Modernisation Project Manager and Heads of Service to examine situations of significant detriment have reduced or eliminated detriment in a number of posts. This work will continue, however, It should be noted that in any review of pay and grading on the scale being undertaken within WDC that an element of 'red circling' is an expected outcome of the process and the national salary preservation arrangements are designed to accommodate this.

Employee Information Booklet

- 2.6** All employees covered by the Single Status Agreement have been issued with an Employee Information Booklet detailing the development of the Council's proposals in relation to Single Status. This document is an important part of the consultation process and contains information on all aspects of the Single Status proposals.

Independent Assessment of JE Outcomes

- 2.7** Following a request from local Trades Unions that an independent assessment be undertaken on the application of the Scottish Councils' Job Evaluation Scheme within WDC a joint referral has been made to the Joint Secretaries of the SJC. The Joint Secretaries have indicated that they intend to undertake an examination of the application of the paper based and computerised versions of the agreed JE Scheme within West Dunbartonshire Council and in this connection have requested that a member of the National Job Analyst Team be asked to progress this work. It is anticipated that a provisional report can be made before the end of the year. This report will not examine either matching proposals within WDC or the proposed Pay Model as these matters are for local determination.

3. Implementation Issues

Process on negotiations

- 3.1** The formal offer submitted to Trades Unions detailed a proposed pay and grading structure that combined with revisions to terms and conditions of employment would meet the Council's statutory responsibilities in relation to equal pay and provide the delivery of modern best value services. The offer if accepted by Trades Unions would provide a significant increase in earnings for the majority of low paid manual workers, particularly female, and address previous pay inequalities and inequalities that existed in relation access to terms and conditions of employment such as bonus and premium payments. While access to previously paid enhancements would be removed in certain areas and to certain employee groups, substantial increases to base pay rates would see net increases to earnings in the majority of individual circumstances. To extend existing terms and conditions, which in some cases promote discrimination, to all employee groups would significantly endanger the Councils ability to deliver frontline services.
- 3.2** The offer made to Trades Unions has undergone an Independent Equality Impact Assessment and is broadly in line with proposals in neighbouring authorities. No formal response has been received on the proposed pay and grading model that forms part of the offer however the Trades Unions have indicated that they would not be in a position to recommend the proposed revisions to terms and conditions of employment to their memberships. As the management side are firmly of the view that any further movement in relation to terms and conditions would be detrimental to future service delivery it is therefore proposed that local negotiations are brought to a close and consultation with staff is undertaken in February 2008 in order that responses to staff consultations and final recommendations on the implementation of Single Status can be made to the Council in the coming months.
- 3.3** During the consultation exercise discussions will continue with Trades Unions in relation to all aspects of the Single Status Agreement with a view to reaching a collective agreement.

Conclusion of negotiations

- 3.4** The minimum 90 day statutory consultation period ended on 6 December 2007 and progress in relation to this matter will be notified to the DTI. While it is recommended that this consultation period is extended to secure a collective agreement with Trades Unions the Council has a statutory responsibility to address the issue of Equal Pay and consultations should be concluded at the earliest opportunity. GMB have already balloted membership on the pay and conditions package

and it is expected that other trade unions will consult with their memberships in the coming weeks.

Consultation with staff

- 3.5** While it is anticipated that local trades unions will undertake consultative ballots with their members the Council has a duty to engage with its employees and to seek their views on the proposals relating to pay and conditions. It is proposed that as the trades unions conduct consultative ballots the Council will issue every employee with a consultation questionnaire to seek their individual views on the proposals. The issue and collation of responses to questionnaires will have a significant resource implication for the project team.
- 3.6** In addition to the consultation questionnaire detailed in 3.5 above consultation meetings will be held with employees to outline the Council's offer and its implications for employees. Trade Unions will be invited to support this activity as part of joint working arrangements.

Completion of matching and issue of provisional outcomes

- 3.7** In order to facilitate the consultation exercises detailed in 3.4 and 3.5 above a review of all administrative systems and processes in connection with matching and notification of outcomes has been completed and proposals have been developed in conjunction with IS & BD to conclude the matching and notification process early in the New Year. On completion of this work all employees will be provided with written confirmation of their proposed pay grade.

Communications

- 3.8** As the implementation of the Single Status agreement moves towards a conclusion it is essential that employees, Senior Managers and Trade Unions are fully aware of the implications for WDC and in particular the issues relating to their individual service areas and employee groups. The following proposals will ensure that managers are fully informed of their roles and are provided with the necessary information to communicate effectively with staff;
- Regular meeting between Heads of Service and the Project Team in relation to all aspects of the process
 - Briefing sessions by the Chief Executive to all Senior Managers on a monthly basis commencing in January 2008
 - Communication with employees including briefing sessions, staff circulars and joint Trades Union / Management information bulletins.

- 3.9** These proposals will continue to ensure that accurate information is provided to employees as it becomes available and will reduce the circulation of inaccurate and conflicting information amongst employee groups.

Strategies to Mitigate Detriment

- 3.10** Work is continuing within the Project Team to examine potential areas of significant detriment and it is expected that once the matching process is completed a proposal can be fully developed in this area.
- 3.11** While efforts will continue to work towards the elimination of detriment within the 3 year preservation period it should be noted that individual employees will be entitled to utilise the Appeals procedures that have been designed based on the National Model Appeals Procedure.

Comparisons with Other Authorities

- 3.12** In implementing the Single Status agreement each authority as an individual employer has the flexibility to determine its own pay and grading structures based on the results of the job evaluation exercise and using the nationally agreed set of spinal column points. This has allowed a range of pay grades and pay scales to be developed across Scotland. While for any particular job variations will exist between salary min/max and range of spinal points within each authority it is important that issues of recruitment and retention of staff are given full consideration. Comparisons between authorities must be made bearing in mind that jobs may not be identical and that grades in authorities that have implemented Single Status may be subject to appeal. In addition departmental structures within each authority must be fully explored to make valid comparisons between similar posts.
- 3.13** In order to ensure that the pay and grading model and terms and conditions package proposed by WDC will meet recruitment and retention issues across a range of services the Pay Modernisation Project Manager will examine comparator grades across a number of neighbouring authorities.

4. Resource Implications

Financial

- 4.1** Additional estimated costs for implementation of Single Status are £5.7M for 2006/2007, £7.1M for 2007/2008 and £8.3 M for 2008/2009 and these sums have been fully provided for within departmental budgets.
- 4.2** It is anticipated that any reduction in 'red circling' following the re assessment of posts in a detriment situation will increase the associated costs of the project. Any additional costs can only be funded by additional efficiencies or by an increase to Council Tax.

- 4.3** In addition any further movement in proposals relating to terms and conditions will have significant financial implications in relation to budget estimates and the provision of front line services within West Dunbartonshire. Increased costs associated with changes to terms and conditions have not been included in 4.1 above and additional costs can only be funded by efficiencies.
- 4.4** On conclusion of the Matching/notification processes and negotiations in relation to terms and conditions updated costs in relation to Single Status will be reported to Council.

Personnel

- 4.5** The progression of activities in relation to the implementation of the Single Status Agreement will have a significant impact for managers and personnel teams both at a corporate and departmental level

Legal

- 4.6** Following a significant increase in the number of FOI requests received in relation to the job evaluation process it has been agreed that Factor Level scores and points information will be published in relation to all posts evaluated prior to 14 February 2008.

5. Recommendations

- 5.1** Council is asked to note the detail contained within this report and to:
- (i) Agree proposals to conclude the JE Process
 - (ii) Commence a staff consultation exercise as detailed in 3.5 above in February 2008
 - (iii) Conclude negotiations and report progress to Council

David McMillan
Chief Executive
Date: 13 December 2007

Appendices: 1. Extract of Council Minutes of 20/12/2006 and 27/6/2007

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Background Papers: WDC Council Report 28 June 2006, WDC Council Report 20 December 2006, WDC Council Report 27 June 2007

Wards Affected: N/a

Extract of Council Minute 20/12/2006

PAY MODERNISATION – PROPOSALS FOR IMPLEMENTATION OF THE SINGLE STATUS AGREEMENT

11022 A report was submitted by the Chief Executive providing an update on the status of on-going local negotiations and of the national context affecting progress in relation to implementation of the Single Status Agreement and to recommend an “Employer Offer” as a proposal for implementation of the Single Status Agreement in West Dunbartonshire Council.

11023 Councillor Devine, seconded by Councillor Rooney, moved:-

11024 That this Council approves the recommendations of the report as follows:-

(1) to approve the Draft of the Employer’s Proposals (The Offer) for the Implementation of the Single Status Agreement as set out in Appendix 1 (grading structure) and Appendix 2 (terms & conditions);

(2) to authorise the Chief Executive to issue West Dunbartonshire’s Proposals to the Trades Unions during January 2007 as the commencement of the formal consultation in accordance with statutory obligations; and

to note that a report on progress would be made to the new Council.

11025 The Chief Executive, the Head of Personnel Services and the Head of Legal and Administrative Services were heard in answer to Members’ questions.

11026 As an amendment, Councillor McLaughlin, seconded by Councillor Bollan, moved:-

11027 That this Council agrees to establish a short term working group comprising: Trades Unions, Councillors, and Officers to meet in January to try to reach agreement on the terms of the offer prior to submitting the formal offer to the Trades Unions. Furthermore, this Council is aware that the Trades Unions have expressed grave concerns about aspects of the current offer and therefore there is a need to prevent the Council being put at further financial risk, and this proposal could achieve this.

11028 On a vote being taken, 5 Members voted for the amendment and 13 for the motion which was accordingly declared carried.

Extract of Council Minute 27/06/2007

PAY MODERNISATION – PROPOSALS FOR IMPLEMENTATION OF THE SINGLE STATUS AGREEMENT

A report was submitted by the Chief Executive:-

- (a) providing an update on the status of on-going local negotiations and of the national context affecting progress in relation to implementation of the Single Status Agreement;
- (b) recommending an 'Employers' Offer' as a proposal for implementation of the Single Status agreement in West Dunbartonshire Council; and
- (c) detailing the necessary steps that require to be taken to meet the Council's obligations in relation to employee consultation and statutory obligations.

Councillor Robertson, seconded by Councillor Rooney, moved:-

That the Council agrees:-

- (1) to approve the Draft of the Employer's Proposals (The Offer) for the Implementation of the Single Status Agreement as set out in Appendix 1; - Pay and Grading structure and Appendix 2; Terms & Conditions;
- (2) to authorise the Chief Executive to issue West Dunbartonshire's Proposals to the Trades Unions during July 2007 as the commencement of the formal consultation in accordance with statutory obligations;
- (3) as a precautionary measure, to authorise the Chief Executive to notify the Department of Trade & Industry at the appropriate juncture of the possibility of terminations of employment contracts and re-engagement should a collective agreement not be reached;
- (4) to note that a report on the consultation process would be made to Council at the earliest opportunity;
- (5) to authorise the Chief Executive to make appropriate arrangements to terminate existing bonus schemes to coincide with implementation of the Single Status agreement; and
- (6) that officers should work towards achieving zero detriment to staff before the end of the 3 year protection period.

At this point, Provost Agnew invited representatives from the trades unions to address the Council, namely Denise McLafferty (UNISON), Charlie McDonald (T&G) and Duncan Borland (GMB). All three trades unions representatives addressed the Council and urged Members to instruct the Corporate Management Team to work with Trades Unions in order to achieve an agreement whereby no members of staff should suffer detriment after the 3

year protection period and that where possible existing conditions of service should be protected.

The Chief Executive and Head of Service were heard in answer to Members' questions.

As an amendment, Councillor Bolla, seconded by Councillor Black, moved:-

This Council agrees that the pay modernisation package being put forward for implementation should contain a no detriment clause to cover all existing employees.

The current management proposals are unacceptable.

Officers are instructed to continue to work with the Trades Unions to eradicate the detriment within the pay protection period. There should also be a harmonisation of terms and conditions with meaningful negotiations and agreement with all Trades Unions. These discussions should start immediately and continue until agreement is reached.

On a vote being taken, 2 Members voted for the amendment and 18 for the motion which was accordingly declared carried.

Councillor J. McColl returned to the meeting at this point.