

Agenda Item: 6**REPORT OF THE SERVICE DIRECTOR HR AND CUSTOMER SERVICE****UPDATE ON JOB EVALUATION FOR CENTRALLY EMPLOYED AND
SCHOOL BASED EMPLOYEES****Purpose of the Report**

1. To provide information to Personnel Committee on Job Evaluation and Equal Pay Claims for both centrally employed and school based employees and to note the significant achievement in delivering this key objective within timescales and with minimal disruption.

Information and Advice**Background**

2. The introduction of Job Evaluation for all staff including school support staff follows the Single Status Agreement reached in 1997 between trades unions and employers in local government at national level. The purpose of job evaluation is to ensure there is a defence to equal pay claims through a properly evaluated, equality proofed pay system. The first stage of applying the NJE scheme and implementing the outcomes was completed for centrally employed staff in 2008/9.
3. In 2008 work began on applying the schemes to school support staff. The County Council currently uses two job evaluation schemes: the National Job Evaluation Scheme (NJE) and the Hay evaluation scheme.
4. The two schemes are administered by the HR Job Evaluation and Organisational Design Team. The whole process has been facilitated by close joint working with trades union colleagues from UNISON, GMB and UNITE. Members may be aware that in other local authorities there has been widespread industrial action arising from job evaluation or hugely expensive awards made in respect of equal pay claims.
5. The last update provided to Personnel Committee was on 23 January 2013. Since then there has been further significant work to complete the initial process for school support staff and to address any outstanding equal pay claims from centrally employed staff.
6. The Joint Pay and Grading Group (JPAG) chaired by the Service Director Human Resources and Customer Service continues to meet and provides a forum to raise and address issues to avoid disagreement or disputes arising with the recognised trades unions.

Current Position

Centrally Employed Staff

7. The first stage of job evaluation for centrally employed staff was completed in 2006 with the implementation of the outcomes undertaken throughout 2008/09. Since then, and in particular during the last 2 years, the team have supported the work on re-designing the workforce (organisational design). The team continue to work closely with managers offering expert advice on structure and job design. This work is currently increasing as services are re-designed and structures altered to meet changing business needs.
8. In total there have been 3265 evaluations undertaken using the NJE scheme and 928 using Hay. This has led to 406 NJE appeals and 57 under the Hay scheme.

School Support Staff

9. The job evaluation process started for school support staff in the latter part of 2009. There have been over 4,500 NJE evaluations undertaken, with the scores released in March 2011. The outcomes have now been implemented and payment of outstanding back-pay completed. This required in the region of 5050 offers of back pay to be sent out resulting in 30 signing events where affected employees have attended to collect their cheques. These events were supported by both trades union colleagues and ACAS to ensure the process was fair and transparent and employees understood the basis on which they were accepting back-pay through conciliation.
10. The appeals process against the evaluation outcome is a two stage process; a review of the previous evaluation with additional information provided and the opportunity to meet the panel if the employee, supported by their line manager, continues to be dissatisfied with the outcome. The team received 642 appeals against the evaluation scores from stage 1 implementation and these have all now been considered.
11. As part of the stage 2 programme in schools, 288 new jobs and 194 changed jobs have been evaluated. There have been 39 appeals and 18 of these have now been considered. The job analysts continue to work with school leaders in developing new structures and creating job descriptions to enable them to plan their future needs. The work undertaken in this area forms part of our Services to Schools offer as part of the wider HR support and advice package.

Equal Pay Claims

12. Following the release of the job evaluation scores to centrally employed staff more than 2,500 staff lodged equal pay claims, the majority being female claimants who cited other roles within the Authority mainly occupied by male colleagues that were 'rated as equivalent' (received the same basic salary) but which were also paid a bonus. The payment of back pay did go a significant way to reduce the number of potential claims which could be brought. However in some cases the payment of back pay alone did not constitute a realistic offer of settlement and therefore the groups that were considered as 'high risk' i.e. those most likely to have a legitimate claim were given an uplift to their back pay to resolve the potential claim. Employees accepting a settlement were required to sign

a legal agreement which allowed both parties to settle potential claims without the need to go to the Employment Tribunal where the employer pays settlement monies and in return, the employee gives up certain rights to bring claims in the future.

13. By the end of 2010 the majority of equal pay claims for centrally employed staff were withdrawn either through the signing of a legal agreement or through negotiations with the union solicitors representing the claimants in an attempt to resolve these residual cases. The remaining cases were due to be considered by an employment tribunal during a scheduled 3 week hearing in November 2012. Following lengthy but successful negotiations involving the senior HR Business Partner responsible for the JE team and Legal Services these have all now been resolved. This has resulted in achieving significant savings for the Authority based on the actual cost of the claims and in the cost of defending the claims at the tribunal.
14. With regard to school support staff, 166 equal pay claims were initially lodged. Thus far, by adopting the same principle of applying uplift to the back pay calculations and reaching agreements with signed legal agreements the number of claims has now been reduced to 55. The Authority currently has been given a 'stay' by the Tribunal on these claims because of the progress made to date and we have commenced negotiations with the solicitors for this group in an attempt to resolve these cases in the same way as for the centrally employed cases to avoid any lengthy tribunal proceedings.

Other Options Considered

15. The requirement for a job evaluation process to take place arose from the nationally reached agreement to implement Single Status. The details of which scheme to apply, how this would be applied and how any equal pay claims would be settled were the subject of extensive consultation and negotiation with trades union and legal representatives until an agreed position was reached.

Reason for Recommendations

16. The implementation of job evaluation provides an excellent example of joint working with the recognised trades unions to deliver an equality proofed pay system and delivers Fair Pay for All.

Statutory and Policy Implications

17. This report has been compiled after consideration of implications in respect of finance, equal opportunities, human resources, crime and disorder, human rights, the safeguarding of children, sustainability and the environment and those using the service and where such implications are material they are described below. Appropriate consultation has been undertaken and advice sought on these issues as required.

Financial Implications

18. The budget for centrally employed staff was established some time ago and funding for back pay and any potential equal pay settlements for schools has been agreed by the Schools Forum.

Equalities Implications

19. The Council's Job Evaluation scheme is applied equally to all centrally employed staff and support staff employed in Community Schools.

Human Resources Implications

20. The human resources implications are implicit in the body of the report. The trade unions have been engaged through joint working in the application of the job evaluation schemes.

RECOMMENDATIONS

It is recommended that Personnel Committee:

1. Recognises the achievement of implementing job evaluation for both centrally and school based employees with little disruption to the County Council or schools through industrial action.
2. Note the contribution of the recognised trades unions in working jointly to deliver this successful implementation and recognises the significant contribution of key individuals within this process.

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Constitutional Comments [SLB 18/02/14]

21. Personnel Committee is the appropriate body to consider the content of this report.

Financial Comments [NR 18/02/14]

22. The financial implications are considered in paragraph 18 of the report.

Background Papers

Personnel Committee Report Update on the Implementation of Job Evaluation 23 January 2013

Electoral Division(s) and Member(s) Affected

All