



**REPORT OF THE SERVICE DIRECTOR, HUMAN RESOURCES AND
CUSTOMER SERVICE**

UPDATE ON THE IMPLEMENTATION OF JOB EVALUATION

Purpose of the Report

1. To provide Personnel Committee with an update on the progress made in implementing job evaluation for both centrally employed and school based support staff in line with the single status agreement.

Information and Advice

Background:

2. The introduction of job evaluation for all staff, including school support staff, resulted from the signing of the Single Status Agreement in 1997 between the Local Government Employers organisation and the recognised trades unions at a national level. The agreement required local authority employers to undertake job evaluation exercises, initially over a ten year period, to ensure that staff are paid fairly and in accordance with equal pay legislation. This agreement reflected the need for a fresh perspective on pay in local government and need to look at outmoded types of pay which in many cases favoured male dominated job groups and which created some of the historical inequalities resulting in employment tribunal applications for equal pay. This agreement was subsequently reinforced in the annual pay award.
3. The County Council decided to use two job evaluation schemes to undertake this exercise; the National Job Evaluation Scheme (NJE) and the Hay evaluation scheme with an agreed set of criteria to determine which scheme should be used to evaluate any post. Posts covered by Teacher Pay and Conditions and the Soulbury Committee are not covered by these schemes.
4. The first round of evaluations were undertaken for management posts under the Hay scheme and scores and new grades were implemented from April 2002. The first phase of job evaluation for centrally employed frontline staff was completed in 2006 and implemented over the course of 2008/9. Phase 2, which started in the latter part of 2009, required the same process to be applied to school support staff.
5. A dedicated Job Evaluation team was put in place to manage the evaluation and implementation process and the recognised trades unions have been fully engaged in joint working on this project. Their support and the positive working relationships which have been built has enabled this County Council to avoid the disruption, employee unrest and in

some cases, industrial action experienced in a number of other local authorities as a result of the implementation of the Single Status Agreement. Monthly meetings of the Joint Pay and Grading (JPAG) Group, chaired by the Service Director Human Resources and Customer Service, have provided a forum for airing and resolving issues as they arise without becoming more serious disputes.

Current Position

Centrally Employed Staff

6. The first phase of job evaluation for centrally employed staff and implementation of the outcomes was completed during 2008/09. Since that time and in particular during the last 2 years, the Job Evaluation team have supported the work on re-designing the workforce (organisational design) and have evaluated approximately 200 new or changed jobs using the NJE scheme and 167 using the Hay scheme. The team continues to work closely with managers offering specialist advice on structure and job design in accordance with the agreed organisational design principles and the County Council's Workforce Strategy.

School Support Staff

7. The job evaluation process for school support staff began in the latter part of 2009. The majority of schools in Nottinghamshire followed the NJE process but for the few who decided to apply a different scheme the Job Evaluation team have worked with them to ensure that any join between the two is appropriately managed. The team continue to support schools through the job evaluation process and have offered this as part of the on-going sold service to schools; including academies.
8. The team has undertaken over 4,500 evaluations and the scores were released to Head Teachers in March 2011 to coincide with their budget planning cycle. Implementation of the evaluation outcomes and payment of any back pay elements has now been completed, with approximately 5,050 offers of back pay dispatched. 30 signing events have been organised across the County to enable affected school based staff to attend, collect their back pay cheques and sign the required legal agreement to protect the Authority from any further claims. This process mirrors that applied to centrally employed staff.
9. The Job Evaluation team received 642 appeals against the original evaluation outcomes in schools and these have now been considered by the appeals panel. The appeal process is in two stages and as part of the second stage, employees have the opportunity to attend a further panel independent of the first to present further information to enable further consideration to be given to their outcome. There have been 205 school based employees who have chosen to meet the panel and there are 94 appeals awaiting panel dates to be arranged.
10. The original evaluations for school support roles were based on the job content as at September 2008. In moving from the final stages of implementation of the single status agreement to day to day maintenance the team are currently evaluating any new or changed jobs created since 2008. It is envisaged that these new evaluations will be completed early in 2013. The team continues to work with Head Teachers on revised schools structures and assisting them in developing new roles including creating a range of template job

descriptions to help school leaders plan their future support needs with evaluated grades to assist schools with their financial planning.

Equal Pay Claims

11. Following the release of the job evaluation scores to centrally employed staff over 2,500 staff lodged equal pay claims with the Employment Tribunal Office. The majority of these were female claimants who cited alternate roles within the Authority, occupied predominately by male colleagues, that subsequently became 'rated as equivalent' i.e. they received the same basic salary but attracted bonus payments. The calculation and payment of back pay went a significant way in reducing potential equal pay claims. Various occupational groups were considered to determine what level of risk in terms of equal pay they presented and reasonable offers were made to address this risk. Affected employees were required to sign a legally binding document which allows parties to settle potential claims without recourse to the Employment Tribunal where the employer pays a settlement sum and in return the employee gives up their right to bring any future claim.
12. By the end of 2010 the majority of the equal pay claims for centrally employed staff were withdrawn either by staff signing a legal agreement or by successfully challenging the employees' belief that they had been unfairly treated through their pay. In August 2010 there were 104 cases remaining and the Authority entered into negotiations with the trades unions' solicitors in an attempt to resolve the outstanding cases. Following complex but ultimately successful negotiations, agreement was reached through making offers based on the potential value of the claims which were accepted thus preventing the need for protracted legal proceedings and their attendant costs.
13. For school support staff, 166 equal pay claims were originally lodged and broadly the same principles are being applied as for centrally employed staff by applying uplift to the back pay calculations and requiring those affected to sign a legal agreement in accepting a payment. The number of claims has now been reduced to 87 and are subject to ongoing negotiations to seek to resolve these claims.

Other Options Considered

14. The requirement to undertake a full job evaluation exercise was part of a national agreement and has enabled the Authority to address the potential equal pay issue. A range of options were considered and discussed with the recognised trades unions and an agreement reached as to best way to undertake an exercise of this breadth, scale and complexity.

Reasons for Recommendations

15. The issue of equal pay is complex and has resulted in a number of landmark legal decisions affecting other local authorities notably Birmingham City Council, South Lanarkshire Council and Sheffield City Council. It has also resulted in industrial unrest and in some cases strike action, such as Teaching Assistants in Cumbria. The approach adopted by Nottinghamshire County Council and the effective joint working with the recognised trades unions has enabled us to meet our legal obligations, ensure our pay systems are equality proofed for the future and comply with the requirements of the Single Status Agreement for a fair system of pay for all employees covered by the agreement.

Statutory and Policy Implications

16. 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

The budget for centrally employed staff was established some time ago and costs of new evaluations are now met through individual service salary budgets. The costs associated with back-pay for school support staff are funded on a 50/50 basis from the Schools Budget and by the County Council.

Equalities Implications

The job evaluation exercise has enabled the County Council to comply with equal pay legislation which requires salary to be based on the requirements of the role and not on the gender of the employee.

Human Resources Implications

The human resources implications are implicit in the body of the report. The recognised trades unions have been engaged throughout the process and have worked jointly with the Job Evaluation team, school leaders and managers to implement and apply the job evaluation schemes fairly and consistently. The trade unions have welcomed this report.

RECOMMENDATIONS

It is recommended that:

- 1) Personnel Committee note the completion of implementation of job evaluation for centrally employed and school based support staff with a minimum of disruption to the services provided by the County Council and to schools.
- 2) Personnel Committee acknowledge the contribution of the recognised trades unions in this process and note their contribution to the successful implementation of the job evaluation scheme

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Constitutional Comments (KK 18/12/12)

17. The proposals in this report are within the remit of the Personnel Committee.

Financial Comments (MB 20/12/12)

18. There are no financial implications arising directly from this report as the report is for noting only.

Background Papers

Trade union side comments.

Electoral Division(s) and Member(s) Affected

All