

Report To: Employment Committee - 25 August 2009

Report From: David Williams – Chief Executive
Kay White - Head of Human Resources

Subject: Local Pay Review

Written By: Stephen Todd – Head of Central HR Services

Date: 25th August 2009

1. Purpose of the Report

1.1. To update the Employment Committee on the progress of the Local Pay Review and to consider the recommendations on the next stages.

2. Recommendations

It is recommended that

- 2.1. progress made in the Local Pay Review is noted.
- 2.2. Consultations on the LPR proposals continues for a further 4 weeks with those staff who have not accepted as detailed in para 3.5 2.
- 2.3. Local Pay Review Protection and Redeployment Pay Protection both run their normal course –as detailed in para 4.3 Option 2.
- 2.4. The principle in the Local Pay Review Protection and Redeployment Pay Protection policy continues for staff facing redeployment twice within the 2 years.

3. Background

3.1. On 3 July 2009 Full Council resolved to progress the Local Pay Review by:

- Agreeing the revisions to the original Local Pay Review proposals.
- Giving three months contractual notice to all schools and non-schools staff who had accepted the proposals.
- Undertaking further consultation with those staff yet to accept the proposals and report back to the Employment Committee on the results of this.

3.2. Following the revisions to the offer the acceptance rates are now as follows:

	Accept	Reject	No Response
Non-Schools	95.8% (3629)	2.6% (100)	1.6% (62)
Schools	91.4% (2440)	1.3% (27)	7.3% (195)

It is anticipated that the school acceptance figures will increase when staff return from leave in September.

3.3. The breakdown figures of those who are still unwilling to accept are shown below.

SERVICE	Total Staff in Service	Acceptance	Decline	No Response
Adult Social Care	786	768	12	6
AMS	103	101	2	
Audit & Performance Improvement	39	39		
Building Schools for the Future	4	4		
Chief Executive	14	14		
Children & Young People	60	59		1
Children's Social Care	319	303	1	15
Community Housing	55	54	1	
Community Learning	130	118	3	9
Community Safety	97	95	2	
Culture	254	250	3	1
Customer Services	59	59		
Democratic Community Engagement	40	40		
Environment & Public Protection	70	69		1
Finance	194	191	3	
HIDS	61	53		8
Housing Management	476	437	31	8
Human Resources	109	109		
ICT	129	127	1	1
Learning & Achievement	59	55	1	3
Licensing & Registrars	46	42	1	3
Planning	50	50		
Planning Performance & Comms	9	7		2
Port	88	49	36	3
Regeneration & Business	61	58	3	
Revenues & Benefits	184	184		
Transport & Street	295	294		1
Total	3791	3629	100	62

School	Total Staff in Schools	Acceptance	Decline	No Response
Admiral Lord Nelson School	89	85	4	-
Arundel Court Infant School	32	30	1	1
Arundel Court Junior School	27	27	-	-
Brambles Nursery School and Children's Centre	38	38	-	-
Charles Dickens Infant and Nursery School	44	35	4	5
Charles Dickens Junior School	29	28	-	1
City of Portsmouth Boy's School	0	0	-	-
City of Portsmouth Girl's School	91	84	5	2
Cliffdale Primary School	46	34	3	9
College Park Infant School	36	36	-	-
Copnor Infant School	29	27	-	2
Copnor Junior School	30	29	-	1
Corpus Christie Catholic Primary School	40	23	-	17
Cottage Grove Primary School	46	42	-	4
Court Lane Infant School	38	34	1	3
Court Lane Junior School	34	31	1	2
Craneswater Junior School	35	30	-	5
Cumberland Infant School	18	13	1	4
Devonshire Infant School	25	25	-	-
Fernhurst Junior School	28	28	-	-
Flying Bull Primary School	60	58	-	2
Gatcombe Park Primary School	32	30	-	2
Goldsmith Infant School	15	12	2	1
Harbour School at Cosham, The	110	105	-	5
Harbour School at Fratton, The				
Harbour School at Milton, The				
Harbour School at Stamshaw, The				
Harbour School at Tipner, The				
Highbury Primary School, Nursery and Day Care	46	40	-	6
Isambard Brunel Junior School	34	34	-	-
King Richard School	65	64	1	-
Langstone Infant School	26	25	-	1
Langstone Junior School	36	33	2	1
Lyndhurst Junior School	54	31	-	23
Manor Infant School	34	23	-	11
Mary Rose School	65	64	1	-
Mayfield School	64	49	2	13
Medina Primary School	28	28	-	-
Meon Infant School	21	21	-	-
Meon Junior School	27	24	-	3
Meredith Infant School	30	29	-	1
Milton Park Federated Primary School	48	35	-	13
Miltoncross School	56	53	1	2
Moorings Way Infant School	13	11	-	2
Newbridge Junior School	46	46	-	-
Northern Parade Infant School	45	43	-	2
Northern Parade Junior School	44	42	-	2
Paulsgrove Primary School	70	65	-	5
Penhale Infant School	23	19	-	4
Portsdown Primary and Children's Centre	55	53	-	2
Priory School	105	98	2	5
Redwood Park School	21	11	3	7
Saxon Shore Infant and Nursery School	36	34	1	1
SCITT	1	1	-	-

Solent Infant School	36	35	1	-
Solent Junior School	29	25	-	4
Somers Park Primary School	68	66	-	2
Southsea Infant School	30	30	-	-
Springfield Secondary School	48	44	1	4
St Edmund's Catholic School	0	0	-	-
St George's Beneficial Church of England Primary School	27	24	-	3
St John's Cathedral Catholic Primary School	22	21	-	1
St Jude's Church of England Primary School	51	49	2	-
St Luke's Church of England Secondary School	0	0	-	-
St Paul's Catholic Primary School	53	50	1	2
St Swithun's Catholic Primary School	23	18	-	5
Stamshaw Infant School	21	21	-	-
Stamshaw Junior School	27	26	-	1
Westfield Junior School	32	30	-	2
Westover Primary School	35	34	1	-
Willows Nursery School, The	54	53	1	-
Wimborne Infant School	20	20	-	-
Wimborne Junior School	36	35	-	1
Total	2677	2440	42	195

3.4. The main reasons given by staff for non-acceptance are:

- Imposition of terms and conditions (Trade Union advice)
- Accepted 'under duress' (Trade Union advice). No member of staff has been placed under duress to sign and where stated on acceptance letter reconsideration and appeal offered.
- Overtime payments
- Changes to allowances resulting in overall loss of pay
- Waiting for outcome of re-evaluation or appeal
- Confusion in Housing Management between review of service and Local Pay Review

3.5. The options open to the city council on how we now proceed with these staff are detailed below.

3.5.1 Improve the pay package further and continue to consult with the non-acceptors in the hope that they will now accept.

The table at 3.3 of the main report shows that the total numbers not accepting are small and many of those not accepting are gaining in basic pay, although some may be losing out on the changes to allowances.

Any improvement to the pay package would have to apply to all staff and would increase costs.

3.5.2 Continue to Consult on the LPR Proposals for a further four weeks advising staff that if they do not accept by 30 September 2009 then the

City Council will not backdate the changes to 1 April 2009. This would result in no backdating of increases in pay and no pay protection for those staff losing pay. **Officer recommendation.**

3.5.3 Continue to Consult on LPR Proposals

We have been consulting with all staff since January 2009 with additional 121 consultation with non-acceptors during April and May and then again in July following the improvements to the pay package.

There is no evidence that further consultation on the current offer is likely to change the stance of these employees. Members would have to give guidance on the parameters of any such consultation.

3.5.4 Proceed directly to 3 months consultation with individuals and the Trade Unions on dismissal and re-engagement.

Immediate re-engagement would be based on the new LPR terms and conditions from the date of re-engagement.

4. Pay Protection

4.1 At the Employment Committee on 3 July 2009 the issue of on-going pay protection was discussed and members requested that options be brought to the next committee. The issue is around what happens to staff that are receiving LPR pay protection for two years and then during that period are part of a service restructuring and find themselves in a redeployment situation to a post with a lower grade than their LPR grade.

The two-year period of LPR protection was based on our normal pay protection policy, which applies to staff who are redeployed from their own post to one of a lower grade with some additional rules around what is deemed suitable alternative employment.

However, under our current policy/practice if a service re-organisation occurs during the two-years of LPR pay protection staff would lose that pay protection despite having had the commitment from PCC of a two-year period to adjust to their lower pay. An example of this would be the upcoming ICT re-organisation, which is due to be implemented on 1 November 2009. Almost 100% of ICT staff are in a LPR pay protection situation but would lose that after only 6 months on 1 November 2009.

The policy options are :-

All examples assume a 1 April 2010 service restructure.

4.2 Option 1 – LPR and Redeployment Pay Protection end on the same date.

LPR pay protection runs from 1 April 2009 to 31 March 2011.

Redeployment pay protection runs underneath LPR pay protection from 1 April 2010 until 31 March 2011 after which no pay protection applies and the substantive salary of the redeployed post applies from 1 April 2011.

Result – staff have only 1 year to adjust to the second reduction in salary.

4.3 Option 2 – LPR and Redeployment Pay Protection both run their normal course.

LPR pay protection runs from 1 April 2009 to 31 March 2011.

Redeployment pay protection runs underneath LPR pay protection for normal 2-year period from 1 April 2010 until 31 March 2012 and salary of the redeployed post applies from 1 April 2012.

Result – Staff have 2 years to adjust to their LPR reduction of salary and then a further year to adjust to the second reduction in salary. **Officer recommendation**

4.4 Option 3 – Two years LPR protection followed by two years redeployment protection.

LPR pay protection runs from 1 April 2009 to 31 March 2011.

Redeployment pay protection then applies for 2 years from 1 April 2011 to 31 March 2013.

Result – Staff have 2 years to adjust to their LPR reduction of salary and then a further 2 years to adjust to the second reduction in salary.

This option gives staff 12 months notice of the second change in their salary and in theory 3 years protection.

The following rules apply to all options:

1. Other than LPR, pay protection will only apply where an employee is redeployed, i.e. to suitable alternative employment.
2. Allowances are not included in the normal PCC pay protection policy
3. Suitable alternative employment (SAE) is defined in the current policy as follows:
4. Alternative employment should not differ greatly in terms of status, and any change of location should be reasonable and not cause significant detriment to the individual. It must also be viable from a management perspective.
5. Suitability will be determined by the comparability of:

- Grading
- Location
- Status
- Working environment
- Contractual hours of work
- Competence

6. If staff are redeployed to a post of a higher grade than their substantive LPR grade but still below the level of LPR Protection then the LPR pay protection will continue until 31 March 2011 and from 1 April 2011 the substantive salary the redeployment post will apply.
 7. If staff are redeployed to a post of equivalent grade to their substantive LPR grade then the LPR pay protection will continue until 31 March 2011 and from 1 April 2011 the substantive salary of the redeployment post will apply.
 8. If as part of a re-organisation staff choose to apply for a post, which is not deemed as SAE then any LPR pay protection ends on the date they take up this post or 31 March 2011, whichever is sooner.
 9. If staff are not subject to a re-organisation or redeployment and choose to apply for another post of a lower grade then any LPR pay protection ends on the date they take up that post or 31 March 2011, whichever is sooner.
 10. If staff are not subject to LPR pay protection then normal redeployment and pay protection rules apply.
- 4.5 It is also recommended that option 2 defines the ongoing pay protection policy for staff who are unfortunate enough to be redeployed twice in any two year period, at least whilst our normal pay protection period remains two years

5. Casual Staff

5.1 We have to treat any casual staff that have worked for us since 1 April 2009 in the same way as permanent staff in that if their rate of pay has increased they should receive the difference. This will involve the payroll team searching through all past casual staff claim forms since 1st April 2009 and then undertaking manual pay calculations.

To undertake this work for 1 November implementation would seriously impact our ability to implement the LPR changes for our permanent staff. It is our intention to undertake this work on claim forms as soon as possible after the November pay run.

6. Legal Issues

6.1. The City Solicitor has formally considered the report and it is within the city councils powers to approve the recommendations set out above.

7. Equality Impact Assessment

This report has not undergone an Equality Impact Assessment

Signed..... Date.....

David Williams Chief Executive/Kay White, Head of Human Resources

Background List

The following list of documents disclose facts or matters which have been relied upon to a material extent by the author in preparing this report:

Title of Document	Location
None	