

THE EXECUTIVE

14 SEPTEMBER 2004

REPORT OF THE DIRECTOR OF CORPORATE STRATEGY

SINGLE STATUS AND THE NATIONAL PAY AWARD	FOR INFORMATION
<i>This information report is presented at the request of the Single Status Steering Group</i>	
<u>Summary</u>	
<p>This information report updates the Executive regarding progress towards implementation of the single status agreement and the relationship between this process and the recent national pay settlement for staff covered by the NJC for Local Government Services (Green Book).</p>	
<p>The main features of the pay settlement are:</p>	
<ul style="list-style-type: none">• A three year pay settlement effective from 1 April 2004 worth a minimum of 8.9%, representing an average rate of increase of 2.88% per annum.• A number of changes to the national agreement as detailed in section 1 of this report.	
<p>The broader implications of the settlement will be addressed via work that is already underway to implement the single status agreement. A Single Status Steering Group now meets on a monthly basis to consult with the trade unions and manage the single status project.</p>	
<p>Project planning indicates that the pay and grading review and other work associated with single status will be completed by the end of calendar year 2005, which is within the deadline of 31 March 2007 as imposed by the national pay settlement.</p>	
<p>The national arrangements regarding workforce development will be the subject of a separate report.</p>	
<u>Recommendation</u>	
<p>That the report is noted.</p>	
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1. Background

1.1 The National Joint Council for Local Government Services has concluded its pay negotiations and has reached agreement for the period 1 April 2004 to 31 March 2007.

1.2 The pay award is as follows:

- 2.75% with effect from 1 April 2004
- 2.95% with effect from 1 April 2005
- 2.95% with effect from 1 April 2006 (or the rate of RPI at October 2005 whichever is greater)

This is a minimum of 8.9% over the three years at an average of 2.88% per annum. Whilst there is an element of uncertainty regarding the final year, a three year deal is helpful in relation to our medium term financial planning. The Payroll Section paid the new rates in August and is working on payment of arrears in September.

1.3 In addition to the pay award the settlement made a number of changes to the national agreement (Green Book) as follows:

- A new implementation agreement
- Revisions to Part 2, Paragraph 3 (training and development)
- Revisions to Part 3, Paragraph 2 (working arrangements, particularly premium payments)
- New Part 4.8 (guidance on workforce development plans)

1.4 The issues listed in paragraph 1.3 link with the work already underway to implement the single status agreement.

2. Implications

2.1 The Implementation Agreement commits local authorities to complete local pay reviews by 31 March 2007. LBBB has already commenced work towards the implementation of single status and a local pay review is integral to that process. Work is underway and a project plan indicates that this review will be completed by the end of 2005. A Single Status Steering Group including Councillors Bramley and Curtis meets on a monthly basis to consult with the trade unions and manage the single status project. A number of broad proposals have been made to the trade unions and their recent response is now the subject of more detailed negotiation.

2.2 Under the national agreement local pay and grading reviews should contain the following items:

- A new pay and grading structure
- Details of the approach to be taken to determine the relative sizes of the jobs included
- Proposals for protection
- Proposals for premium rates

- Proposals for progression
- Proposals for back pay
- Proposals for appeal against assimilation proposals
- An Equality Impact Assessment of proposed changes to grading and pay and other conditions.
- An Equal Pay Audit where local pay reviews have been completed without such an audit.
- Proposals for bonus and other performance payments
- Proposals for any cost savings or productivity improvements required to offset the cost of implementation
- A timetable for implementation by 31 March 2007

The Single Status Steering Group is managing the progress towards the implementation of these items. LBBD has already committed to using the Greater London Provincial Council job evaluation scheme. A separate report has been prepared for the Executive regarding the purchase of computer software to assist the job evaluation process.

- 2.3 Part 2 of the Green Book contains the key national conditions of service which are for application by all local authorities to all staff covered by the NJC. However, we have several local agreements particularly in service areas previously exposed to Compulsory Competitive Tendering which are at variance to the national provisions. These are being reviewed as part of our implementation of single status.
- 2.4 Part 3 of the Green Book contains national provisions that may be modified by local negotiation. Whilst not modifying the current Green Book provisions, the national agreement re-affirms the principle that local agreements can be concluded to vary these terms. These items will be reviewed as part of the single status project. It is anticipated that local trade unions will seek terms that are no less favourable than those contained in the Green Book. However, we are seeking to negotiate an affordable package which may involve some trade offs that support service delivery and the Council's ambition to be an employer of choice.
- 2.5 It is anticipated that work leading to completion of the single status project including a pay and grading review will be completed by the end of the calendar year 2005. In a project as complex as this, slippage may occur and this possibility has been recognised by our local trade unions. However, we are on course to complete this work within the deadline of 31 March 2007 prescribed by the national pay award.
- 2.6 Workforce development is a key element of the settlement and will be the subject of a future report.