

Subject: Job Evaluation Scheme for Rossendale Borough Council

Status: For publication

Report to: Cabinet

Date: 7th June 2006

Report of: Head of Human Resources

Portfolio

Holder: Cabinet Member for Human Resources and Member Development

Key Decision: YES

Forward Plan General Exception Special Urgency "X" In Relevant Box

1. PURPOSE OF REPORT

1.1 To seek agreement of the appropriate Scheme to carry out the Job Evaluation process within Rossendale

2. CORPORATE PRIORITIES

2.1 The matters discussed in this report are linked to and support the following corporate priorities:

- Implementing the Human Resources Strategy - Provide a method of developing a pay and grading structure which recruits and retains employees with the appropriate skills and competencies to deliver the improvement agenda.
- Equalities – The Job Evaluation process will enable the Council to evaluate individual posts with a view to identifying if pay differentials exist.

3. RISK ASSESSMENT IMPLICATIONS

3.1 All the issues raised and the recommendation(s) in this report involve risk considerations as set out below:

- The 2004 National Pay Agreement places an obligation on Local Authorities to undertake local pay reviews by April 2007. It is difficult to

undertake such reviews without Job Evaluation in place. Without pay reviews it is difficult to defend Equal Pay claims.

- Employees of the Local Authority are required to undertake the Job Evaluation Process which transfers resources from service delivery.
- The out come of the review can create recruitment and retention issues.
- The out come of the review can affect Staff Morale and ultimately performance.
- The identification of a suitable partner to support the Authority in delivering the process. This initially was identified as Liberata, who have previously carried out the process robustly and successfully in other Districts.
- The results of the process can lead to an overall increase in the salary bill. There are also implications in relation to Pay Protection for those in posts down graded and back pay where an Equal pay differential is found to exist.

4. BACKGROUND AND OPTIONS

- 4.1 The 1997 National Agreement for Local Authorities Services introduced the principles of single status. The 2004 National Pay Agreement places an obligation on Local Authorities to undertake local pay reviews. The deadline for completion of such reviews is April 2007.
- 4.2 Every job in the Authority needs to be evaluated. A job description and questionnaire and possibly an interview will be utilised to collect accurate information.
- 4.3 The Local Government Pay Commission, advises that there should be an onus on the employer proposing to use a Scheme other than the jointly designed NJC Scheme to demonstrate as far as reasonably possible that it is fit for purpose in terms of its ability to cover all the jobs concerned and in terms of conformity to equality principles in design and implementation.
- 4.4 Local Authorities are using a variety of Schemes to carry out the job evaluation Process. The most Schemes regularly used are:
- The National Joint Council Scheme which applies up to scp 49. An additional process of evaluation is required above scp 49
 - The GLEA Scheme
 - The Hay Scheme
- 4.5 The Rossendale Branch of UNISON has adopted the Regional UNISON position and favours the National Scheme of Job Evaluation. However, Sue Hastings the Trade Union adviser on the National Job Evaluation Scheme has stated that the National or the GLEA Scheme are perfectly appropriate schemes to use. Consultation has been ongoing with the Trade Unions but no agreement on the Scheme to be adopted has been agreed.
- 4.6 The main differences between the NJC Scheme and the GLEA Scheme are attached at Appendix A.

- 4.7 The process of Job Evaluation involves a number of key stages:
- Evaluation of Posts
 - Moderation of Posts
 - Informing staff of results
 - Appeals Process
 - Develop a Pay and Grading Structure
 - Costing the option
 - Implementation
 - Carrying out Equality Impact Assessments on the results
- 4.8 A number of Local Authorities have now completed the Evaluation Process and there are key lessons to be learned from their experiences. The primary issue is that staff at all levels through out the organisation need to understand and be engaged in the process in order that the results can be accepted and staff morale and performance maintained. The secondary factor is cost both in terms of carrying out the job evaluation process and the implementation of the results.
- 4.9 The Council has approached a number of organisations to partner the Authority in carrying out the process.
CAPITA has provided a cost based on supporting the delivery of the project
TRIBAL has provided a cost based on delivery of the project
LIBERATA has provided a cost based on delivery of the project.
- 4.10 In deciding which Scheme to adopt, the following factors have been considered:
- Potential for employees to be trained as evaluation panel members
 - Potential for employees to be trained to carry out the evaluations
 - The simplicity of the Scheme to enable effective communication and understanding of the Scheme and the results
 - Cost in terms of carrying out the process
 - Timeliness in relation to completion of the exercise
- On the basis on the aforementioned factors the GLEA Scheme of Job Evaluation is the favoured option.

5. COMMENTS OF THE HEAD OF FINANCIAL SERVICES

- 5.1 The Council has previously allocated £40,000 to meet the costs in relation to the process of Job Evaluation.
- 5.2 The Councils Medium Term Financial Plan makes the assumption that some of the resources made available as a result of the Housing Stock Transfer will be used to deal with the transitional costs of the Single Status agreement

6. COMMENTS OF THE HEAD OF LEGAL AND DEMOCRATIC SERVICES

- 6.1 The Job Evaluation process provides for an effective method of defending litigation claims associated with Equal Pay

7. COMMENTS OF THE HEAD OF HUMAN RESOURCES

- 7.1 Consultation has already taken place with the Trade Unions and will continue. Senior and Middle Managers have attended briefing sessions. Articles have been circulated to Members and employees. The position of the Trade Union in wanting to adopt the National Scheme has been acknowledged. However, the type of Scheme is not the primary factor. The main issue is that the Authority can demonstrate it has fair and equitable pay practices, and is able to defend Equal Pay Claims. This is illustrated by the National Trade Union Advisor not opposing the GLEA Scheme and the number of local District Councils adopting the GLEA across Lancashire. The Authority will continue to try to reach agreement with the Trade Unions but further delay could result in the Authority failing to meet the implementation date.

8. CONCLUSION

The GLEA Scheme for Job Evaluation provides the most cost effective method of implementing job evaluation. The method is also the least bureaucratic and simplest, there by ensuring employee engagement and ownership of the process and results.

9. RECOMMENDATION(S)

Consultation will continue with the Trade Unions to try and reach agreement and engage them in the job evaluation process. However, the recommendation is that the Authority adopts the GLEA Scheme of Job Evaluation and commences the process providing a partner can be identified.

10. CONSULTATION CARRIED OUT

- 10.1 Council Leader, Portfolio Holder for Human Resources and Member Development, Trade Unions, Senior Management Team, Other Managers and Staff within the organization.

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Differences between the NJC and the GLPC Scheme - Appendix A

	NJC	GLPC Scheme
Introduced	1997	1990 – amended 2001 to cover full range of NJC jobs
No of measurable factors	13	11
Computerised version	Pilat	Link
Paper Questionnaire	27 Pages	7 Pages
Agreed with the Trade Unions	Yes	Yes in London
Involvement of EOC	Yes	Yes
Interview with Post holder	Yes	Optional
Authorities Using Scheme	Blackburn with Darwin Lancashire	Pendle Ribble Valley Hyndburn Fylde Lancaster
No of Authorities as at Autumn 2004	48	33