

unified reward

Council Staff Information

Pay review and new terms and conditions

On 31 May the Council and Trade Unions met and reached a collective agreement on the Unified Reward proposals.

Unified Reward has looked at staff pay, terms and conditions aiming to create a more robust system which is simpler, fairer, more flexible and rewards performance.

This document outlines the changes that will be introduced for all council staff from 1 October 2016.

Changes to the pay and grading structure

Current pay structure

Our current pay structure has over 300 unique grades, many of which overlap with one another. Many employees are on 'fixed' scale points whilst others are in a grade that contains a number of increments (usually four).

New pay structure

Twelve new grades will replace the current grade structure. Each grade will have a range of pay allowing all employees an opportunity for performance-related pay progression (subject to reaching the top of their grade). We think this is important as many employees do not have access to pay progression at the moment.

During the planning for Unified Reward, the council realised that its base pay was a little lower than other councils and comparable organisations. We have therefore taken this opportunity to align the pay structure at a higher level – effectively increasing the value of base pay for most grades. Since the grade boundaries were defined the national pay negotiations agreed a 1% rise. This was not completed in time to include in the job evaluation letters but the revised figures are included in blue in the table.

Grade	Grade Minimum	Grade Maximum
Grade A	£17,344 £17,981	£18,045 £18,324
Grade B	£18,045 £18,324	£18,783 £19,005
Grade C	£18,381 £18,603	£20,193 £20,394
Grade D	£19,524 £19,719	£21,552 £21,768
Grade E	£20,856 £21,066	£23,334 £23,568
Grade F	£23,334 £23,568	£26,277 £26,541
Grade G	£26,277 £26,541	£29,727 £30,024
Grade H	£28,935 £29,223	£31,986 £32,307
Grade I	£31,986 £32,307	£35,655 £36,012
Grade J	£36,558 £36,924	£41,073 £41,484
Grade K	£43,869 £44,307	£48,475 £48,963
Grade L	£49,451 £49,947	£55,384 £55,938

Job evaluation

All roles within the council (except senior managers – which were completed previously using the same job evaluation processes) have been subject to evaluation under Unified Reward. At the start of the process managers were requested to submit a role profile and supplementary information form outlining the role. Job evaluations were then completed by independent experts using the Hay methodology. All evaluation panels included the Trade Unions and representatives from the relevant Delivery Unit to advocate on behalf of the role. We are confident that this has been a fair and transparent process. Senior managers have been made aware of the outcomes of the evaluations and the impacts on staff and have signed this information off to be included in the job evaluation letters.

Job Evaluation appeal

You will have the right to appeal against your job evaluation if you feel it meets one of the three appeal criteria. The appeals policy, form and further information are available on the intranet, website and can be requested from the UR Helpline. The deadline for submission of an appeal is 30 June 2016.

Pay progression

As a council we believe an employee's performance should be reflected in their pay. The new grades will not contain increments. Instead, employees will receive a percentage increase to their base pay based on their performance. This will be managed through the council's Performance Review Scheme. New employees will normally be appointed to the minimum of the grade. Employees who are not at the top of their grade will progress as follows. The employee;

Has 'development needs'	0%
Performance is 'satisfactory'	0.5%
Performance is 'good'	2.25%
Performance is 'outstanding'	3.0%

There will be no further pay progression once an employee has reached the maximum of their grade as is the case currently.

Rewarding outstanding performance

In addition to the pay progression described above, the council intends to develop a Performance Related Pay system. Employees who achieve 'outstanding' in two consecutive years could receive a one-off payment. It is planned to trial a scheme from 2017 onwards. The results of the trial will be presented to councillors in 2019 with recommendations for the future.

Cost of living awards

The annual cost of living awards negotiated by our national employers will continue to be applied to grade Grades A to L.

Barnet Living Wage (BLW)

The council is continuing its commitment to the Barnet Living Wage Supplement, by ensuring that the current BLW is within Grade A.

Who is included?

All employees at the council and in Community schools are included, except:

- Fixed Term/Temporary employees whose end date is before 1 October 2016
- National Management Trainees and Apprentices
- Staff on Soulbury Ts and Cs
- Teachers
- Support staff in Non-Community schools (e.g. Academies or Voluntary Aided) unless a school wishes to adopt the new arrangements.

London Weighting

The council currently pays a London Weighting payment in addition to base salary. From the implementation date these amounts will be consolidated into base pay.

The salary rates in the table include London Weighting.

Pay protection

Our current pay protection policy is between contractual notice period up to 12 months depending on an employee's length of service. Protection arising from the implementation of Unified Reward will last for 12 months from the date of implementation. The general principle for protection is that only base pay and London Weighting is protected.

We have the following exceptions to the rules set out above;

Pay Protection Exceptions

- Employees on maternity leave will receive a full 12 months' pay protection - this may not commence until they return from maternity leave.
- Any current Pay Protection arrangements will continue as per the agreement followed by UR pay protection (if entitled) up until September 2017.

Following Unified Reward, pay protection for any other reason will be limited to six months.

Terms and conditions changes

Annual leave

Currently, the council has various annual leave entitlements. These have been harmonised and all employees will now have an entitlement of 30 days annual leave per annum (plus the usual bank holiday entitlement). We want to incentivise people to join us, so they will receive this leave entitlement from the first day of their employment.

This entitlement will be implemented for existing staff with effect from 1 April 2017.

Employees who currently have more than 30 days annual leave will have their annual leave entitlement reduced to 31 days for the leave year 2017/18 and then 30 days from 1 April 2018.

Working week

The standard working week of the council is 36 hours. Employees working fewer hours per week will have their pay pro-rated by dividing the actual number of hours worked by 36.

All employees in the council and community schools will be paid according to the number of weeks per annum they are required to work. Employees who work term time only will have their pay pro-rated based on the weeks they work and taking into account annual leave and bank holiday entitlement.

Overtime and Bank Holidays

The following sets out the arrangements for pay enhancements and premiums. These will apply to jobs graded at Grade A to Grade F inclusive:

- the normal working week will continue to be Monday to Friday
- the normal working day will be 6am to 10pm, for which plain time will be paid
- employees must not exceed 48 hours a week calculated over a rolling four week average

- overtime Monday to Saturday will be at a rate of 1.25 (25% enhancement)
- overtime worked 'out of hours' (i.e. between 10pm and 6am) will be at a rate of 1.5. Employees on annualised hours will be able to choose between the enhanced rate or time off in lieu. Annualised hours contracts will calculate and pay the enhanced rates quarterly to avoid overpayment
- bank holiday work will attract the enhanced rate of 2.0 (100% enhancement) or a day off in lieu
- Sunday working will be paid at a rate of 1.5 (50% enhancement)
- only one enhanced rate will be applicable at any one time
- employees on Grade G to Grade L are expected to take time off in lieu or occasionally may be paid the planned overtime rate applicable.

Contracted pay

All contractual overtime will cease.

Retainer pay

In order to ensure a consistent and fair approach, 'retainer pay' will be removed.

Additional payments

From the Unified Reward implementation date all other payments, either contractual or discretionary, will be removed in order to harmonise with the new terms and conditions of employment. These will include ad-hoc/discretionary payments, honoraria payments, responsibility payments and market supplements.

Occupational sick pay

The council's occupational sick pay scheme is to be retained. We have relatively high levels of sickness so a new Absence Management Policy is being developed to manage and amend the generous levels of sickness absence allowed under the current scheme.

This will include three triggers which will be introduced from 1 October 2016 - no financial penalties for 12 months.

Management training and guidance will be provided on disability related absence, it is not our intention to penalise those staff that have a disability or serious life threatening conditions.

Trigger	Salary reduction
First trigger – a period of eight days sickness in a rolling 12-month period or on the third occasion of sickness in a rolling 12-month period	One day's pay
Second trigger – another period of sickness (however long) in the rolling 12-month period	Two days' pay
Third trigger – another period of sickness (however long) in the rolling 12-month period	Three days' pay

Car allowances

The council's current system of casual and essential car user mileage rates and allowances will be retained. A new criterion of 2,500 miles per annum will be applied before essential car status will be applied. If you do not meet the new criterion then the essential car user allowance will cease on 1 April 2017.

Recruitment and retention supplements

The council currently uses market factor supplements (MFS) to help attract and retain key staff in some areas of the business. From 1 October 2016 these will be replaced by two new schemes that cover recruitment and retention difficulties. Each scheme will have a maximum of up to 10% additional pay for each element and this will replace the existing market factor supplement payment.

Any market factor supplements agreed at the start of 2016/17 will continue to be applied until the new

recruitment and retention scheme starts – subject to the new salary plus MFS not exceeding the old salary plus MFS.

In relation to the social care workforce, we are aware of the recruitment and retention issues relating to these staff. We do not wish to inadvertently create an issue with this group of workers. Therefore we propose to ensure that their overall net pay will not reduce wherever possible.

Other changes

Employee benefits

We propose to introduce a market leading employee benefits scheme for all staff. This could potentially include; high street discounts, leisure discounts, purchasing annual leave, childcare vouchers, cycle to work scheme and lease cars. The council is currently in negotiation with a provider and a date for introduction will be announced shortly.

Policy review

The council's set of employment policies and procedures are currently under review and being updated in order to support the new terms and conditions of employment.

Date	Unified Reward (UR) change	Detail
October 2016	✓ Pay and grading structure	<ul style="list-style-type: none"> 12 new grades to replace the current structure of over 300 each grade to have a range of pay to allow for employee progression base value for most pay grades has increased to match the market average
	✓ Overtime and Bank Holidays	<ul style="list-style-type: none"> overtime Monday to Saturday at 1.25 overtime 'out of hours' (10pm - 6am) and Sundays at 1.5 Bank holiday work at 2.0 or a day off in lieu All overtime to be submitted by 31 October 2016 for payment at previous rates.
	✓ Occupational Sick pay triggers	<ul style="list-style-type: none"> new Absence Management Policy being developed to manage high levels of sickness absence three 'triggers' to be introduced from 1 October 2016 - No financial penalties for 12 months
	✓ London Weighting and Barnet Living Wage	<ul style="list-style-type: none"> London Weighting and Barnet Living Wage consolidated into base pay
	✓ Pay protection	<ul style="list-style-type: none"> staff detrimentally impacted by UR job evaluation and grading changes to receive 12 months pay protection. Thereafter, six month pay protection will be the normal practice
	✓ Recruitment and Retention Scheme	<ul style="list-style-type: none"> two new schemes providing a maximum of 10% additional pay per scheme replaces current Market Factor Supplement
	✗ Additional Payments	<ul style="list-style-type: none"> all additional payments (contractual or discretionary) removed (includes adhoc/discretionary payments, honoraria and responsibility payments)
	✗ Retainer Pay	<ul style="list-style-type: none"> retainer pay will be removed
April 2017	✓ Pay Progression	<ul style="list-style-type: none"> introduction of % increases based on employee performance review rating end of year review to be completed by March 2017 for progression payment in April 2017
	✓ Annual Leave entitlement	<ul style="list-style-type: none"> annual leave harmonised for all employees 30 day entitlement per annum for all employees over 30 days to be reduced to 31 for leave year 2017/18
	✓ Performance Related Pay Scheme	<ul style="list-style-type: none"> trial to commence from 2017
	✗ Essential Car Allowance	<ul style="list-style-type: none"> new criteria of 2,500 miles per annum applied for essential car user
October 2017	✗ Pay protection ceases	<ul style="list-style-type: none"> for employees detrimentally impacted by UR grading changes, pay protection ceases
April 2018	✓ Annual Leave entitlement	<ul style="list-style-type: none"> employees with 31 days to be reduced to 30 from 1 April 2018
April 2019	✓ Performance Related Payments	<ul style="list-style-type: none"> results to be presented to councillors in 2019 with future recommendations
TBC	✓ Employee Benefits scheme	<ul style="list-style-type: none"> council intends to introduce a range of non-salary benefits

Next steps

New contracts will be distributed to employees upon the completion and resolution of the job evaluation appeals - we expect this to be towards the end of August 2016. Unified Reward will be implemented from 1 October 2016.

More information

More information and updates can be found on the council intranet, website or the schools information section on the Working with Children in Barnet site.

Queries should be referred to
your Line Manager in the first instance. For all other enquiries,
contact the UR Helpline: 0330 606 4444 (option 1)
or email: barnethrpayroll@capita-services.co.uk