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<b>Report To:</b>	<b>Policy and Resources Committee</b>	<b>Date:</b>	<b>5 February 2018</b>
<b>Report By:</b>	<b>Head of Organisational Development, Policy &amp; Communications</b>	<b>Report No:</b>	<b>HR/04/19/SMcN</b>
<b>Contact Officer:</b>	<b>Steven McNab</b>	<b>Contact No:</b>	<b>Ext. 2015</b>
<b>Subject:</b>	<b>Implementation of Pay &amp; Grading Model and Consolidation of Living Wage</b>		

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## 1.0 PURPOSE

- 1.1 The purpose of this report is to advise the Policy and Resources Committee of the positive outcome of the trade union consultative ballots regarding the revised pay and grading model and confirm that arrangements are now being made to implement the revised model with effect from 1 April 2019.

## 2.0 SUMMARY

- 2.1 The Policy and Resources Committee at its meeting on 13 November 2018 agreed to implement the revised pay and grading structure with effect from 1 April 2019, subject to agreement being reached with the recognised trade unions.
- 2.2 All recognised SJC trade unions (GMB, Unite and Unison) balloted their members in December 2018 with a significant majority voting to accept the implementation of the revised pay and grading structure. A collective agreement has been drafted and sent to the trade unions to implement the revised pay structure with effect from 1 April 2019 and arrangements are now being made for the agreement to be signed by all parties.
- 2.3 There is a significant amount of work involved in introducing the revised pay and grading model and an implementation plan has been developed which will be progressed over the next few months. It is anticipated that the revised pay and grading model will be fully implemented by the summer with any appropriate backdated payments made to employees.

## 3.0 RECOMMENDATIONS

- 3.1 It is recommended that the Policy and Resources Committee notes the positive outcome of the trade unions consultative ballots and that arrangements are now being made to implement the revised pay and grading model with effect from 1 April 2019.

**Steven McNab**  
**Head of Organisational Development,**  
**Policy and Communications**

## **4.0 BACKGROUND**

- 4.1 The Policy and Resource Committee at its meeting on 13 November 2018 agreed to implement the revised pay and grading structure with effect from 1 April 2019, subject to agreement being reached with the recognised trade unions.
- 4.2 All recognised SJC trade unions (GMB, Unite and Unison) balloted their members in December 2018 with a significant majority voting to accept the implementation of the revised pay and grading structure.
- Unison – 85% Acceptance
  - Unite – 84% Acceptance
  - GMB - 96% Acceptance
- 4.3 A collective agreement has been drafted and sent to the trade unions to implement the revised pay structure with effect from 1 April 2019 and arrangements are now being made for the agreement to be signed by all parties.
- 4.4 There is a significant amount of work involved in introducing the revised pay and grading model and an implementation plan has been developed which will be progressed over the next few months. It is anticipated that the revised pay and grading model will be fully implemented by the summer with any appropriate backdated payments made to employees.

## **5.0 THE REVISED PAY AND GRADING MODEL**

- 5.1 As outlined in the Committee report in November there are a number of key objectives achieved through the implementation of the revised pay and grading model including:
- Incorporate the Scottish Local Government Living Wage as the minimum hourly rate
  - Address lost differentials within the groups of employees affected by the recent increases in the recommended level of the Living Wage
  - Reduce the number of grades in the Local Government Employees (LGE) structure
  - Rationalise and reduce the number of Senior Management Grades
  - Remove all abutments of the pay scales from adjacent grades
  - Reduce the number of increment pay steps per grade
- 5.2 An independent Equality Impact Assessment was undertaken by an equality specialist on the proposed pay and grading structure. The independent Equality Impact Assessment report concludes that the proposed revisions to the Inverclyde LGE grading and pay structure:
- will help reduce the gender pay gap across the job population as a whole
  - remains well founded in the job evaluation results
  - improves the technical integrity of the structure
  - benefits the majority of employees in the lowest part of the grading structure
  - virtually eradicates the gender pay gap in terms of basic pay for the 3 lowest grades – where gender based pay equality is the biggest issue for the Council's job population in terms of total remuneration
  - strikes an appropriate balance between the equalities obligations, operational requirement and affordability

## 6.0 PROPOSAL

- 6.1 It is proposed that the Policy and Resources Committee notes the positive outcome of the trade unions consultative ballots and that arrangements are now being made to implement the revised pay and grading model with effect from 1 April 2019 as agreed by the Committee on 13 November 2018.

## 7.0 IMPLICATIONS

### 7.1 Finance

One off Costs

Cost Centre	Budget Heading	Budget Years	Proposed Spend this Report £000	Virement From	Other Comments

Annually Recurring Costs/ (Savings)

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (if Applicable)	Other Comments
Various	Employee Costs	2019/20	Approx 830		

### Legal

- 7.2 Legal Services have been consulted on the proposed revised pay structure.

### Human Resources

- 7.3 As outlined in the report.

### Equalities

- 7.4 An Equality Impact Assessment has been undertaken which highlights a positive equality impact on for the workforce.

YES

NO - This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

## 8.0 CONSULTATIONS

- 8.1 Consultation has taken place with the Trade Unions who have undertaken consultative ballots amongst their membership. A significant majority of members have voted to accept the implementation of the revised pay and grading model.