

**Scottish Local Government Living Wage Consolidation Proposals**

---

**1 EXECUTIVE SUMMARY**

- 1.1 There is an agreement by the Scottish Joint Council (SJC) to consolidate the Scottish Local Government Living Wage (SLG Living Wage) into all Local Government Employee (LGE) pay models by 1 April 2021.
- 1.2 This necessitated a review of the current LGE pay and grading structure and also provided the Council with the opportunity to review the conditions of service agreed at Single Status in 2007 and to develop a new employment deal that meets the needs of a transforming Council and modern workforce for the longer term.
- 1.3 Recognising the one off opportunity to use the consolidation of the SLG Living Wage as a catalyst to greatly advance the strategic priorities of the Council and to support the changes to the way we work in a progressively transformational way, significant resources (project budget £94,000 plus HROD Manager, service managers and JTU representatives time) were allocated to develop the proposals detailed in this report. This is the culmination of a major project that began in October 2018.
- 1.4 This report recommends a preferred option for implementation that fulfils the objectives of consolidating the Living Wage, modernising the Conditions of Service to meet future service needs and improving conditions for our lowest paid workers: Proposal C: Modernise the LGE pay and grading model, and employment deal.
- 1.5 Consolidating the Living Wage and modernising the LGE Conditions of Service via the preferred option will have a revenue cost to the Council of £633,108 in 2021/22 reducing to approximately £551,594 in 2026/27 (not taking into consideration pay awards).
- 1.6 Consolidating the Living Wage and modernising the LGE Conditions of Service via the preferred option will have a positive impact on 39% of the LGE workforce (1407 employees)
- 1.7 The preferred option also support the changes in the way the Council works, changes which have been accelerated by Covid 19, which meets needs of a modern workforce within a transforming organization and will help to position the Council as an employer of choice.
- 1.8 Resource has been allocated in the 20/21 budget to undertake the work required to enable the implementation of the preferred proposal by 1 April 2021 as per the national agreement.
- 1.9 Recommendation

It is recommended that the Business Continuity Committee:

- 1.9.1 Notes the completion of a major project to consolidate the Living Wage and review the Conditions of Service for the first time since Single Status
- 1.9.2 Approves the preferred Proposal C: Modernise the LGE pay and grading model and employment deal for implementation on 1 April 2021 in line with the details outlined within section 4.9 of the report and [appendix 1](#)
- 1.9.3 Agrees to make provisions in the Council revenue budget from April 2021.

**Scottish Local Government Living Wage Consolidation Proposals**

---

**2 INTRODUCTION**

- 2.1 The Scottish Local Government Living Wage is set by the Scottish Joint Council (SJC) for local government employees (LGE). The SJC have agreed that Councils will consolidate the SLG Living Wage through local agreement, into LGE pay scales by 1 April 2021.
- 2.2 The SLG Living Wage for 2020/21 is £9.34 per hour. This is the equivalent of spinal column point (SCP) 18 on the current LGE pay scale and is higher than the rate of pay for LGE2, LGE3 and the bottom rate of LGE4 on the council pay scale. This means that differentials in pay between supervisors and employees is eroded. Argyll and Bute Council pays a supplement to approximately 585 employees whose hourly rate is less than the SLG Living Wage.
- 2.3 Recognising that the Council needs to increase the pace of transformation and change, and requires a modern workforce to do so, the service took the opportunity to review the current employment deal (conditions of service) which were adopted in 2008. Since then, there have been a number of changes including Process for Change, Service Choices, Service Reviews and the Digital First agenda. A holistic review was timely.
- 2.4 In the wider context, it was also recognised that the Argyll and Bute has a low wage economy with a declining population and that, as a major employer, the council could use the consolidation of the SLG Living Wage as a catalyst to drive forward progressive and transformational change within the area. The project looked closely, with support from an external independent equalities adviser, on the most equitable pay and grading structure that benefitted the lowest paid employees.
- 2.5 The HROD team, with project support, has been working since October 2018 to develop options giving alternative, cost effective ways to consolidate the SLG Living Wage into the Council's LGE pay and grading model and modernise the employment deal. The approach has included input from service managers, Financial Services, the Joint Trades Unions. Independent advice has also been secured to assess and validate the options. This has been funded through successive Council decisions and has taken a significant amount of manager and Head of Service resource to complete.

- 2.6 This report will present three proposals for consideration with a view to implementing the preferred proposal on 1 April 2021.

### **3 RECOMMENDATIONS**

3.1 It is recommended that the Business Continuity Committee:

- 3.1.1 Notes the completion of a major project to consolidate the Living Wage and review the Conditions of Service for the first time since Single Status
- 3.1.2 Approves the preferred Proposal C: Modernise the LGE pay and grading model and employment deal for implementation on 1 April 2021 in line with the details outlined within section 4.9 of the report and appendix 1
- 3.1.3 Agrees to make provisions in the Council revenue budget from April 2021.

### **4 DETAIL**

#### **4.1 Rationale**

- 4.1.1 Argyll and Bute Council has been a living wage employer since 2013 and pays a supplement to approximately 585 employees whose hourly rate falls below the SLG Living Wage, but after 31 March 2021 this will no longer comply with the SJC national agreement for consolidation of the SLG Living Wage therefore the status quo is not an option.
- 4.1.2 In addition, the SLG Living Wage has been increasing at a faster rate than negotiated LGE pay awards, with the result that council pay grades are being overtaken by the SLG Living Wage. This erosion of pay grades is undermining the council's grading and pay structure and has resulted in recruitment difficulties due to the reduction of pay differential between operative and supervisory roles within teams.
- 4.1.3 The council has undertaken an ambitious programme of change in recent years transforming the way that it delivers services, it is important that the employment deal and conditions of service are modernised to reflect the way that we work now as opposed to how we used to work in 2008 as well as supporting the needs of the workforce which have also changed during the last decade.

#### **4.2 Development process**

- 4.2.1 The Living Wage Consolidation project adopted an evidential approach and worked closely with a project steering group to develop and refine proposals. Membership consisted of service managers, HROD managers, Financial Services and Joint Trades Union (JTU) representatives.

- 4.2.2 Workforce consultation took place in the form of an employment deal survey. The survey received 715 responses, representative of 18.8% of LGE employees. In addition, a workshop session at a Chief and Senior Officer seminar, a webinar session with TU officials, a presentation to Chief Officers Group (COG), a presentation to Health and Social Care Partnership (HSCP) and discussions at the HR/TU Liaison provided input. Benchmarking activities with other local authorities also provided input.
- 4.2.3 Draft proposals were considered by JTU representatives on 15 and 22 October 2019, 17 March and 11 May 2020. SMT provided strategic direction at each stage of the process.
- 4.2.4 An independent equality assessment of the proposals contained in the report has been undertaken by an expert in the field and an Equality and Socio-Economic Impact Assessment (EqSEIA) form has been completed and is attached as supporting information.
- 4.2.5 Three proposals were developed and are detailed below.

Proposal A: Consolidate SLG Living Wage and no other changes

Proposal B: Modernise LGE pay and grading model only

Proposal C: Modernise LGE pay and grading model and employment deal.

### 4.3 Proposal A: Consolidate the SLG Living Wage and no other changes

Proposal	Undertake simple consolidation of the SLG Living Wage
Cost in 2020/21	£440,000
Rationale	To consolidate the SLG Living Wage with minimum change to the current pay and grading model.
Impact	<p>Anticipated positive impact on 1328 employees (36%). No employee will move to a lower rate of basic pay.</p> <p>The incremental scale for Grades LGE 2, 3 and 4 will be reduced, however the grades will be placed on higher SCP's than at present, resulting in a salary uplift with opportunity for progression to the top of the grade, acknowledging skills and experience gained.</p> <p>Employees on the two lowest SCP's within LGE5 will move upwards to the next available SCP.</p> <p>The rest of the grade will remain unchanged, there is no change to the top two points of the LGE5 incremental scale.</p>
Resilience	It is estimated that implementation of a resilience plan would be required by 2023/24 for this model. Implementation of a resilience plan at this point would preserve the pay and grading model until 2029/30. After which it would be necessary to combine LGE2 and

	LGE3 as a single grade.
Advantages	<p>Minimal change to existing arrangements whilst meeting both the Council's commitment as a living wage employer and contractual obligations as a signatory to the SJC Agreement.</p> <p>Maintaining the existing grade structure protects the integrity of the Job Evaluation process.</p> <p>Tracking the entry point of LGE2 with the SLG Living Wage allows flexibility should the SLG Living Wage hourly rate diverge from SCP 18 after the current negotiated pay settlement ends in 2021/22.</p> <p>It retains scope for grade progression until 2023/24.</p> <p>It is a cost effective way of achieving consolidation with resilience estimated until 2029/30.</p>
Dis-advantages	<p>It does not provide a large buffer between the SLG Living Wage rate and the entry point for LGE2. An increased SLG Living Wage could overtake LGE 2.</p> <p>The incremental scale for LGE2, 3, 4 and 5 is reduced to two steps, limiting scope of pay progression for employees within these grades.</p> <p>It does not address pressures at other points on the pay and grading model previously identified by senior managers.</p> <p>It does not take into account the recommendations of an independent equalities consultant with specialist knowledge of local authority pay and grading models.</p> <p>It does not include changes in how services are delivered and impact on the employment deal, designed to support the way of working 10 years ago.</p> <p>As this option does not consider the employee terms and conditions, it does not take into consideration the changing needs and wellbeing of a modern workforce. As a result, it does not modernise the employment deal to make it more attractive to potential applicants and existing employees; nor to bring it into line with accepted best practice adopted in the wider public sector.</p> <p>It only partly addresses recruitment and retention issues previously identified by senior management and service managers via service workforce plans.</p>

**4.4 Proposal B – Implement a more resilient approach to consolidating the SLG Living wage by modernising the current LGE pay and grading model as recommended by a job evaluation review undertaken by an independent expert.**

<p>Proposal</p>	<p>Consolidate the SLG Living Wage and modernise the LGE pay and grading model by:</p> <p>Adjusting the placement of LGE grades 2-5.</p> <p>Relieving pressure at the top of the scale by creating two additional grades (LGE15 and LGE16).</p> <p>Adjusting Job Evaluation grade boundaries in LGE grades 3,4,5,9,10,13 and 14</p> <p>Unless already at the top of their grade, all employees in affected grades would move across or up to the next SCP in their grade. No employee will move down.</p>
<p>Cost in 2020/21</p>	<p>£560,000</p>
<p>Impact</p>	<p>Anticipated positive impact on 1407 employees (39%).</p> <p>26 employees expected to move to a higher grade due to proposed changes in grade boundaries. This number may increase should individual employees request to have their posts re-evaluated. As re-evaluation can result in an increase, decrease or no change, the full impact cannot be fully understood until the formal process has been completed.</p> <p>1328 employees in LGE2, 3, 4 and 5 are expected to receive a higher rate of basic pay. A further 66 LGE5 employees will also receive a higher rate of basic pay with Proposal B or C.</p> <p>There will be no change to the rate for the job or incremental scale for LGE grades 6 – 14.</p> <p>Approximately 13 employees would move from LGE14 to either LGE15 or LGE16.</p> <p>Although outwith the scope of the project, it should be noted that the changes will impact the casual worker budgets operated by individual services.</p>
<p>Resilience</p>	<p>The resilience of the proposal after 2021/22 has been tested using the mid-range assumptions provided by financial services for pay settlements (3%) and increases in the SLG Living Wage (3.5%).</p> <p>A forecasting exercise indicates that implementation of a resilience plan would begin in 23/24. Implementation of a resilience plan would then continue to provide an effective way of maintaining the pay and grading model until 31/32 when the next review would be due,</p>

Advantages	<p>The proposal meets the Council's commitment to consolidate the SLG Living Wage into its pay and grading model.</p> <p>It also address pressures at other points on the pay and grading model previously identified by senior managers and highlighted during a job evaluation regression analysis.</p> <p>It provides an uplift to a significant number of the Council's lower paid workers, which aligns with the Council's commitment to valuing its workforce.</p>
Dis-advantages	<p>It does not include changes in how services are delivered and impact on the employment deal, designed to support the way of working 10 years ago.</p> <p>It does not take into consideration the changing needs and wellbeing of a modern workforce.</p> <p>It does not modernise the employment deal to make it more attractive to potential applicants and existing employees; nor to bring it into line with accepted best practice adopted in the wider public sector.</p> <p>It only partly addresses recruitment and retention issues previously identified by senior management and service managers via service workforce plans.</p>

#### 4.5 Proposal C: Modernise the LGE pay and grading model, and employment deal.

<b>Proposal</b>	<p>Proposal C, as detailed in section 4.9 offers the pay and grading model provided in proposal B with the addition of modernisation of the employment deal by introducing new allowances and special leave entitlement, discontinuing outdated allowances, updating the flexible working system and refreshing the employee benefits package. A list of the individual elements within Proposal C are summarised in <a href="#">appendix 1</a>.</p>
<b>Cost in 2020/21</b>	<p>The cost of implementation in 20/21 is £633,108. However, due to a phased approach in application of savings which modernise the employment deal, the recurring cost in year 6 and onwards is expected to be £551,594 which is lower than the recurring cost of Proposal B (£560,000).</p>
<b>Impact</b>	<p>As Proposal B above for pay and grading</p> <p>All employees will benefit from the improvements to the conditions of service that have been negotiated with the Joint Trades Unions and create a more attractive employment deal for everyone.</p>
<b>Resilience</b>	<p>As Proposal B for pay and grading</p>



	<p>The changes to the conditions of service or employment deal provide the Council with greater flexibility and therefore resilience for future management and change of our workforce. The revised arrangements are more reflective of a modern employer, one that is attractive to future employees. This provides greater resilience for recruitment and retention of staff and supporting long term workforce planning objectives.</p>
<b>Advantages</b>	<p>Taking the opportunity to modernise the employment deal at the same time as consolidating the SLG Living Wage will support the transformational work being undertaken by the Council.</p> <p>It modernises the current employment deal which was designed to support the way of working 10 years ago.</p> <p>It provides additional ways to support the wellbeing of the workforce in line with the Council's approved wellbeing strategy</p> <p>It takes into consideration the changing needs of a modern workforce and the impact this change may have on recruitment and retention issues identified by senior management and service managers.</p> <p>It identifies areas in need of modernisation which if taken forward would also deliver savings.</p> <p>It addresses potential equality issues within outdated allowances such as Essential Car User allowance and telephone allowance thereby mitigating risk to the Council.</p>
<b>Dis-Advantages</b>	<p>The proposed approach to Essential Car User allowance will have a negative impact on 125 employees but this will be mitigated by an agreement reached with the Trades Unions.</p> <p>The proposed approach to telephone allowance will have a negative impact on 38 employees. This is mitigated by the provision of council mobile phones for official business.</p>

#### 4.6 Summary of Proposals

The table below provides a summarised comparison between proposals A, B and C for ease of reference.

Comparator	Proposal A	Proposal B	Proposal C
Meets the Council's commitment to integrate the SLG Living Wage into its	Yes	Yes	Yes

pay and grading model						
Resilience	Anticipate further action will need to be taken 29/30 with associated project costs.	Includes a resilience plan which, if assumptions made hold, will protect the integrity of the pay and grading model until the next review is due in 2031/32	Includes a resilience plan which, if assumptions made hold, will protect the integrity of the pay and grading model until the next review is due in 2031/32			
Uplift in basic rate of pay for LGE 2, 3 and 4	LGE 2	£2,555	LGE 2	£2,792	LGE 2	£2,792
	LGE 3	£1,478	LGE 3	£1,770	LGE 3	£1,770
	LGE 4	£1,095	LGE 4	£1,095	LGE 4	£1,095
Number of employees receiving a positive impact	1328	1407	1407			
Help to reduce the gender pay gap anticipated	Yes – refer to <a href="#">appendix 2</a> for detail	Yes – refer to <a href="#">appendix 2</a> for detail	Yes – refer to <a href="#">appendix 2</a> for detail			
Takes into account the recommendations of an independent review of the current pay and grading model	No - weaknesses are not addressed and will require attention in the future	Yes - will future proof the integrity of the job evaluation system by addressing weaknesses within the existing pay and grading model	Yes - will future proof the integrity of the job evaluation system by addressing weaknesses within the existing pay and grading model			
Introduces measures relating to modernising employment deal	No - makes no changes to the current employment deal.	No - makes no changes to the employment deal.	Yes - modernises the employment deal to meet the changing needs of the workforce by introducing new allowances and leave entitlements.			
Addresses potential equality issues	No – potential issues are not resolved and will need to be addressed in the near future to mitigate potential risk to the Council	No - potential issues are not resolved and will need to be addressed in the near future to mitigate potential risk to the Council	Yes – discontinues outdated allowances that are discriminatory and introduces new allowances to support the needs of a modern workforce			
Supports the wellbeing of the	No – these topics are not	No – these topics are not addressed	Yes - addressed by modernising leave			

workforce and the Health of the Organisation agenda	addressed		entitlements and employee benefits package
Introduces measures which are anticipated to have a positive impact on recruitment and retention issues	No impact on current situation anticipated	Partly – as a result of modernising the pay and grading model	Yes – provides a modernised pay and grading model and employment deal which is anticipated to be attractive to employees
Savings accrued as a result of proposal implementation	No potential savings associated with this proposal have been identified	No potential savings associated with this proposal have been identified	Yes - areas where modernisation could result in savings being made have been identified and following a phased application is expected to reflect a lower recurring cost than Proposal B in year 6

#### 4.7 Costs

The costs relating to each proposal are shown in the table below.

Description	Proposal C Year 1 (2021/22) – Year 6 (2026/27)							
	£ Proposal A	£ Proposal B	£ Year 1	£ Year 2	£ Year 3	£ Year 4	£ Year 5	£ Year 6
Costs related to modernising pay and grading model	444,000	560,000	560,000	560,000	560,000	560,000	560,000	560,000
Costs related to modernising employment deal	0	0	98,300*	44,600	44,600	44,600	48,100**	44,600
Savings related to modernising employment deal	0	0	25,192	23,555	22,065	20,079	53,187	53,006
Cost of implementation (costs less savings)	444,000	560,000	633,108	581,045	582,535	584,521	554,913	551,594
<b>Difference in cost of implementation from Proposal A</b>		<b>£116,000</b>	<b>£189,108</b>	<b>£137,045</b>	<b>£138,535</b>	<b>£140,521</b>	<b>£110,913</b>	<b>£107,594</b>

\*Figure includes year 1 buy-out from Essential Car User Allowance

\*\*Figure includes year 4 review and buy-out from Essential Car User Allowance

Note: The impact of the buy-out is recorded in savings related to modernising employment deal figures

4.7.1 It should be noted that the recurring implementation cost for proposals A and B remains the same year on year and that neither proposal generate savings.

4.7.2 The year 1 (2021/22) cost of implementing proposal C is approximately £633,108 however due to a phased approach for modernisation over 5 years this is expected to reduce to a recurring cost of approximately £551,594 in year 6 (2026/27)

**4.8 Equality** - The EqSEIA has been completed and accompanies the report as supporting documentation.

#### **4.9 Preferred Proposal Justification**

4.9.1 Proposal C: Modernise the LGE pay and grading model and employment deal is the preferred option for the following reasons:

4.9.2 It meets the Council's commitment to integrate the SLG Living Wage into its pay and grading scale in a cost effective way which will also address weaknesses in the current model, help to reduce the gender pay gap and have a positive impact on 1,407 employees (39 % of the workforce) as well as improving wages for our lowest paid employees and providing the best possible pay and grading model to help provide long term economic stability for the Council and its employees.

4.9.3 It mitigates potential inequalities by addressing outdated allowances and preserved benefits such as Essential Car User Allowance and Telephone Allowance while enhanced special leave proposals recognise the geography of Argyll and Bute.

4.9.4 It is a progressive proposal which supports the wellbeing of the workforce and the Health of the Organisation agenda by modernising the employment deal to meet the changing needs of the workforce as well as introducing measures which are anticipated to have a positive impact on recruitment and retention issues identified by senior management and service managers. In doing so, this proposal also supports the Council's strategic objective of growing the population by becoming an employer of choice

4.9.5 As well as helping to address deprivation that the Outcome Improvement Plan 2013 – 2023 has identified by bringing more employees closer to the regional average weekly wage (£402.50 in 2019), it also supports workforce planning initiatives such as the work carried out under Growing Our Own by providing a fairer employment deal and benefits to help secure long term commitment from younger employees joining the council and addresses the following priorities in the strategic workforce plan:

- Recognition and Reward
- Recruitment and Retention
- Health and Wellbeing

4.9.6 While initially more expensive to implement, once the anticipated savings have been realised Proposal C's recurring cost of £551,594 is less than the predicted Proposal B recurring cost of £560,000 thereby providing a greater opportunity for savings over the longer term and a more sustainable method implementation than Proposal A.

4.9.7 The Joint Trades Unions have been actively involved in the development of the proposals and have agreed to proceed with recommending the preferred Proposal C to their members in the required ballot of their members. This will then allow us to formally put in place a collective agreement.

4.9.8 Once the preferred proposal has been implemented, there should be no need to revisit the adopted pay and grading model and modernised employment deal (other than routine updating as may be required by changes in legislation and so on) until the next planned review in 2031/32 and providing greater resilience in the longer term.

#### **4.10 Implementation**

4.10.1 Resource has been allocated in the 20/21 budget to undertake the work required to enable the implementation of the preferred proposal by 1 April 2021.

4.10.2 Implementation of the preferred proposal as detailed in Proposal C and [appendix 1](#) in this paper will be led by HROD with support from a project team.

4.10.3 Updates on progress will be provided to SMT which will take on the role of Project Board for the Scottish Local Government Living Wage Consolidation Project – Implementation of Agreed Proposal

#### **5.0 CONCLUSION**

5.1 Proposal C: Modernise the LGE pay and grading model and employment deal provides a robust, cost effective and sustainable way to consolidate the SLG Living Wage, provide an attractive employment package and progresses the Council's strategic priorities.

5.2 Implementation of the preferred proposal is an important step in the transformational journey being undertaken by the Council as it modernises to employment deal and conditions of service reflect the way that we work now as opposed to how we used to work in 2008 and will provide a solid foundation from which to face the challenges that lie ahead.

5.3 Implementation of the preferred proposal will realise the benefit of the significant resource allocated to the development of proposals (project budget £94,000 plus HROD Manager, service managers and JTU representatives time).

## 6.0 IMPLICATIONS

6.1	Policy	<p>Supports Council position as a Living Wage employer by implementing the national agreement to consolidate SLG Living Wage into the pay and grading model by 2021.</p> <p>In addition to supporting the anti-poverty agenda and potentially reducing the gender pay gap, implementation also supports:</p> <p>Corporate Outcomes:</p> <ul style="list-style-type: none"> <li>• Our Economy is diverse and thriving</li> </ul> <p>Agreed Priorities (2018-2022 Corporate Plan):</p> <ul style="list-style-type: none"> <li>• We are an employer of choice</li> <li>• We ensure there are homes for all, we tackle poverty and build opportunity</li> </ul> <p>This will be achieved by increasing basic pay for employees currently receiving the SLG Living Wage supplement.</p> <p>In addition, Proposal C would introduce changes to modernise the current employment deal, have a positive impact on the wellbeing of the workforce and the delivery of the Wellbeing Strategy, the Strategic Workforce Plan and People Strategy.</p> <p>It would also support the Corporate Outcome: People live active, healthier and independent lives and the Business Outcome: BO117: We encourage creativity and innovation to ensure our workforce is fit for the future</p>
6.2	Financial	<p>The preferred option C has a revenue cost of £633,108 in year 1 reducing to £551,594 over 6 years (not taking into consideration pay awards). Implementation costs for 2020/2021 were agreed in the 20/21 budget.</p> <p>Agreement for provisions in revenue budget from April 2021 will be required for any option taken forward.</p>
6.3	Legal	<p>If steps are not taken to consolidate the SLG Living Wage with effect from 1 April 2021, in accordance with the SJC Agreement, the Council will be in breach of contract in respect of all its employees within scope of the National Agreement of the SJC for LGEs.</p>
6.4	HR	<p>HR&amp;OD will implement the approved proposal and implement all changes to conditions of service</p>
6.5	Fairer Scotland Duty:	<p>Equalities: Proposal C has a positive impact on the protected characteristics of: Maternity and Pregnancy; Age; Sex.</p> <p>Socio-economic Duty: consolidation of SLG Living Wage has a</p>

		positive impact on low income, low wealth and material deprivation Islands: special leave proposals take into account distance from specialist services.
6.6.	Risk	Failure to implement any proposal would mean that the Council was in breach of the national agreement to consolidate the SLG Living Wage by 1 April 2021. Proposal C addresses potential equality issues by addressing outdated allowances. These issues are not resolved by Proposal A or Proposal B.
6.7	Customer Service	None identified at this time.

**Interim Executive Director with responsibility for Customer Support Services, Kirsty Flanagan**

**Policy Lead, Cllr Rory Colville**

**For further information contact:** Jane Fowler, Head of Customer Support Services

**Supporting Documents:** Equality and Socio-Economic Impact Assessment

#### **APPENDICES**

<a href="#">Appendix 1</a>	Summary of proposals contained in Proposal C
<a href="#">Appendix 2</a>	Implementation costs and savings year 1-6

## Appendix 1: Summary of proposals contained in Proposal C

Ref	Proposal C	Recurring Budget Cost £	Year 1 One-Off cost £	Year 1 budget saving £	Productivity Cost £
1	Modernise the LGE pay and grading model as per the detail laid out in Proposal B	560,000		0	0
2	Harmonise the threshold for payment of overtime at premium rates with LGE 11 grade boundaries	11,200		0	0
3	Harmonise the threshold for disturbance when not on standby payments with LGE 10 grade boundaries	0		0	0
4	Modernise subsistence allowances by discontinuing out of pocket expenses and moving to receipts only capped at standard rates for breakfast, lunch and dinner.	0		2,200	0
5	Introduce Stranded/Emergency situation reimbursement criteria– actual costs, receipt only	0	0	0	0
6	Harmonise Travelling Expenses paid to employees using their own vehicles for business use by phasing out Essential Car Users allowance over a 4 year period	0	42,500*	18,192**	0
7	Introduce a Cycle Business Use mileage rate in line with HRMC guidelines	0		0	0
8	Update the travelling and disturbance allowance compensation period (1 year) and qualifying level (£4.50)	0		0	0
9	Discontinue payment of Telephone Allowance	0		4,800	0
10	Extend payment of Protection of Vulnerable Groups (PVG) scheme record registration fee	1,200		0	0
11	Modernise the approach to Home Working by undertaking a review of existing policies and guidelines and implementing recommendations.	0		0	0
12	Introduce Career Break Leave (up to 2 years unpaid leave)	0		0	0
13	Introduce Premature Birth Leave - mother (up to 20 days paid leave)	0		0	13,400
14	Introduce Premature Birth Leave - partner (up to 5 days paid leave)	0		0	3,400
15	Introduce Foster Carer and Kinship Care Order (up to 2 days paid leave per annum)	0		0	2,100
16	Introduce Guardianship Leave (up to 2 days paid leave per annum)	0		0	6,700
17	Introduce Safe Leave for victims of domestic abuse (up to 10 days paid leave)	0		0	14,100
18	Increase Bereavement Leave Provision (up to 5 days paid leave)	0		0	0
19	Introduce leave for Critical Illness of a Close Relative (up to 5 days paid leave)	0		0	0
20	Update Community Emergency Services Leave criteria to include community rescue services operating within the area.	0		0	0
21	Remove Nursery Schools & Classes - Religious Festivals leave	0		0	0
22	Remove Visiting Relatives Overseas	0		0	0
23	Remove Voluntary Service Overseas	0		0	0
24	Remove Youth Organisations and Holiday Camps	0		0	0
25	Modernise the Flexible Working Hours (Flexi-time) scheme by undertaking a review of existing scheme and implementing recommendations.	0		0	0
26	Introduce Attendance During Technical Outages guidelines	0		0	0
27	Modernise Recognition of Long Service to note 25 years' service and 40 years' service - cost per annum (on going)	2,200		0	0
28	Modernise the employee benefit package using an employee benefit scheme run by a specialist staff benefit company	30,000		0	0
29	Modernise Recognition of Long Service - retrospective awards (one off payment) to those already qualifying for award		11,200		
	<b>Total</b>	<b>604,600</b>	<b>53,700</b>	<b>25,192</b>	<b>39,700</b>
	Note: Indicative costs for paid leave based on LGE5 SCP 29 (rate for the job) @ £10.63 per hour x 7 hours = £74.41 per day. *Year 1 cost only. Total additional cost over 6 years = £46,000 (Estimated cost of Essential Car User buy-out in Year 1 and 5)				



\*\*Year 1 savings only. Total savings over 6 years = £155,715 Variance as a result of phased reduction in Essential Car User allowance eligibility.

## Appendix 2: Positive impact of pay and grading model on employees – comparison of Proposal A, B and C

Grade	Proposal A						Proposal B/C					
	Positive Impact			No Impact			Positive Impact			No Impact		
	Female	Male	Total	Female	Male	Total	Female	Male	Total	Female	Male	Total
<b>LGE2</b>	189	44	233				189	44	233			
<b>LGE3</b>	271	39	310				271	39	310			
<b>LGE4</b>	437	179	616				437	179	616			
<b>LGE5 (SCP 23)</b>	86	8	94				86	8	94			
<b>LGE5 (SCP 25)</b>	60	15	75				60	15	75			
<b>LGE5 (SCP 27)*</b>				55	11	66	55	11	66			
<b>LGE5 (SCP 29)</b>				417	124	541				417	124	541
<b>LGE6</b>				272	65	337				272	65	337
<b>LGE7</b>				259	52	311				259	52	311
<b>LGE8</b>				176	60	236				176	60	236
<b>LGE9</b>				128	89	217				128	89	217
<b>LGE10</b>				98	43	141				98	43	142
<b>LGE11</b>				146	95	241				146	95	240
<b>LGE12</b>				64	52	116				64	52	116
<b>LGE13</b>				23	22	45				23	21	44
<b>LGE14</b>				18	21	39		1	1	13	14	27
<b>LGE15</b>							4	7	11			
<b>LGE16</b>							1		1			

<b>Total</b>	<b>1043</b>	<b>285</b>	<b>1328</b>	<b>1656</b>	<b>634</b>	<b>2290</b>	<b>1103</b>	<b>304</b>	<b>1407</b>	<b>1596</b>	<b>615</b>	<b>2211</b>
--------------	-------------	------------	-------------	-------------	------------	-------------	-------------	------------	-------------	-------------	------------	-------------