

Project Initiation Document (PID)*Project number*

P106a

*Project*People Strategy
Pay and Benefits*Manager*

Paula Maginnis, Assistant Director – Human Resources

Sponsor

Glen Chipp – Chief Executive

Corporate Plan 2015-20

Aim 3b Modernising Council Operations

Project purpose*Definition*

Carry out a fundamental review of the Council's pay, Job Evaluation (JE) Scheme, terms & conditions and benefit arrangements to achieve the ambitions of the People Strategy and ensure the Council is able to attract and retain skilled individuals to deliver its services and strategic aims.

Mandate

Transformation Programme Board agreed the programme of projects in the People Strategy of which this is one.

Background information and impact assessment

To enable the Council take forward a challenging agenda it needs to ensure our pay, JE Scheme, terms & conditions and benefit arrangements will attract, engage and retain a suitable workforce.

The review will look at the current pay, pay structures, collective agreements, terms and conditions, benefits and job evaluation arrangements

Approach

A small team of EFDC staff will form a Negotiation Board to discuss proposals with the Trade Unions.

An external consultant has been engaged through VineHR to provide advice and support.

Transformation Programme Board will provide direction and proposals will be agreed by Cabinet and Council as necessary.

The aim is to reach a Joint/Collective Agreement with the Trade Unions. If this is not possible a dismissal and re-engagement process will be required. Legal advice may be required at this stage to ensure the process is fair, lawful and minimises any potential constructive dismissal claims.

Capacity of the Project Team and HR will be kept under review.

Business case

This is one of the Projects set out in the People Strategy which aims to assist the Council meet future challenging financial targets. In order for the Council to retain and attract a workforce that can achieve this pay, grading and terms and conditions need to be competitive in the relevant job markets.

Streamlining and reviewing payments could potentially reduce operating costs.

JE arrangements are bureaucratic, time consuming and employee driven.

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	It is proposed that the review will bring balance to the arrangements by becoming organisation driven and where expertise is valued as much as management responsibilities. In addition officer and trade union time spent re-evaluating roles or evaluating new roles is reduced.
<i>In scope</i>	See Appendix 1
<i>Links to other plans, dependencies and constraints</i>	<ul style="list-style-type: none"> ▪ Recruitment and Retention Strategy ▪ Common Operating model – restructure of management tiers and the organisation
<i>Out of scope</i>	<p>A limited number of items are out of scope which will give the Negotiation Board and Trade Unions complete flexibility to decide at appropriate stages which items can be determined at a later stage.</p> <ul style="list-style-type: none"> ▪ Pensions ▪ Member Allowances ▪ Car Parking ▪ Off Payroll Payments (IR35) ▪ Professional Education Scheme ▪ Returning Officer Fees
<i>Assumptions</i>	<p>Our pay, grading and terms and conditions will be significantly different to current arrangements</p> <p>The Council could move away from national bargaining mechanisms meaning that pay and conditions can become locally relevant, focussed and affordable.</p> <p>Confidential negotiations will be a feature of the project which may at times mean little or no information can be communicated to staff.</p>

	<i>Benefit</i>	<i>Measure</i>
<i>Business benefits</i>	Reduced operating costs	Reduction of overall operation costs
	Reduction in the number of job evaluations	Reduction of 50%

Equality Impact Assessment

Is this a new policy (or decision) or a change to an existing policy, practice or project?	The scope of the project is likely to result in changes to pay, terms & conditions and the way we evaluate roles, but until proposals are made the equality impact is not known.
Describe the main aims, objectives and purpose of the policy (or decision)	Ensuring our pay, grading, terms & conditions and benefits attract and retain the right workforce. In addition, the aim is for our Job evaluation scheme to be less bureaucratic and driven by the requirements of the organisation.
What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?	As above
Does or will the policy or decision affect: <ul style="list-style-type: none"> • service users • employees • the wider community or groups of people, particularly where there are areas of known inequalities? 	Employees. The aim of the review is to better reward staff resulting in a well-motivated workforce. This will have a beneficial impact on service users and our communities.

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Will the policy or decision influence how organisations operate?	Yes																																
Will the policy or decision involve substantial changes in resources?	It is likely to have an impact on financial resources																																
Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?	It is a project within the programme of work in the People Strategy. It will support the work identified to implement the Common Operating Model, also the Recruitment & Retention Strategy and the Medium Term Financial aims.																																
What does the information tell you about those groups identified?	<p>Early indications are that the organisation has mean and median hourly pay gap figures showing female staff earn 16% less per hour than males. Looking at the table below, 53% of employees in the upper or upper middle quartiles are male whereas 65% of employees in the lower middle or lower quartiles are female.</p> <p>GENDER PAY GAP QUARTILE FIGURES</p> <table><tr><th>Quartile</th><th>Gender</th><th>No of Employees</th><th>% in Quartile</th></tr><tr><td rowspan="2">Upper</td><td>Male</td><td>92</td><td>58.6</td></tr><tr><td>Female</td><td>65</td><td>41.4</td></tr><tr><td rowspan="2">Upper Middle</td><td>Male</td><td>73</td><td>47</td></tr><tr><td>Female</td><td>83</td><td>53</td></tr><tr><td rowspan="2">Lower Middle</td><td>Male</td><td>53</td><td>34</td></tr><tr><td>Female</td><td>103</td><td>66</td></tr><tr><td rowspan="2">Lower</td><td>Male</td><td>55</td><td>35</td></tr><tr><td>Female</td><td>101</td><td>65</td></tr></table> <p>Males make up 43.7% of the workforce, females 56.3%.</p> <p>Currently there is an issue with Business Object reports which means information for the other characteristics is not available at this time. However this will be fixed in due course and the information will be provided to the Project Team.</p> <p>The review will impact pay, grading, terms & conditions and JE across the organisation affecting current NJC employees. Once the proposals are known an assessment can be carried out.</p>	Quartile	Gender	No of Employees	% in Quartile	Upper	Male	92	58.6	Female	65	41.4	Upper Middle	Male	73	47	Female	83	53	Lower Middle	Male	53	34	Female	103	66	Lower	Male	55	35	Female	101	65
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	Female	83	53																														
Lower Middle	Male	53	34																														
	Female	103	66																														
Lower	Male	55	35																														
	Female	101	65																														
Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?	Not at this stage. Formal negotiation/ consultation will be carried out with the Trade Unions once proposals are developed.																																
If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:	As above																																

Use this section to assess any potential impact on equality groups based on what you now know.

Description of impact	Nature of impact Positive, neutral, adverse (explain why)	Extent of impact Low, medium, high (use L, M or H)
Age	The review will involve our current pay, grading, terms & conditions and benefits across the authority regardless of characteristic. The impact will not be known until the results of the review are known and the associated decisions are taken to implement any recommendations.	
Disability		
Gender		
Gender reassignment		
Marriage/civil partnership		
Pregnancy/maternity		
Race		
Religion/belief		
Sexual orientation		

Does the EqIA indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No x	See comment above
	Yes <input type="checkbox"/>	If 'YES', use the action plan to describe the adverse impacts and what mitigating actions you could put in place.

Action plan to address and monitor adverse impacts

What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.
N/A at this stage		

Project team

Role	Name	Responsibilities
Chief Executive	Glen Chipp	Project Sponsor
Assistant Director - HR	Paula Maginnis	Programme Lead
Assistant Director - HR	Paula Maginnis	Project Manager
Head of Transformation	David Bailey	Transformation Lead
Executive Assistant	Mary Syme	Project Support
Service Accountant	Graham Keoghoe	Financial information & support

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<i>Role</i>	<i>Name</i>	<i>Responsibilities</i>
PR	Tom Carne or Sarah Kits	Provide timely communications and advice
External Specialist Consultancy	VineHR Associate – Stephen Houghton	Specialist advice and support

Project plan

Key deliverables, milestones and acceptance criteria

<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
TPB to agree PID	February 2018		Paula Maginnis	PID agreed
Initial meeting with consultant	February 2018		Paula Maginnis	Meeting arranged and takes place
Scope current arrangements against proposals with costings.	March 2018	April 2018	Paula Maginnis	Document completed
Produce Communication Plan	March 2018	April 2018	Tom Carne	Plan agreed
Joint MB/Cabinet presentation	19 April 2018		Paula Maginnis	Initial proposals presented to Cabinet, achieving general agreement.
TPB to agree Phase 1 and initiate Phase 2	May 2018	May 2018	Paula Maginnis	TPB agrees the proposals to take forward to the Negotiation Board
Consultation/negotiation with TUs	May 2018	October 2018	Paula Maginnis	Proposals discussed with the Trade Unions
Start to agree a Joint/Collective Agreement or consider if a dismissal and re-engagement process is required	September 2018		Paula Maginnis	Draft the Joint/Collective Agreement. If required propose timeline/action plan to achieve process
Joint MB/Cabinet presentation	18 October 2018		Paula Maginnis	Final draft proposals presented to Cabinet achieving general agreement.
TPB to agree Phase 2 and initiate Phase 3	November 2018		Paula Maginnis	TPB agrees final proposals
Reflect potential cost/saving information into budget reports		Nov 2018	John Bell	Information provided to members
Consultation with staff – 30 days	7 January 2019	6 February 2019	Paula Maginnis	Consultation completed

Epping Forest District Council

<i>Key deliverable</i>	<i>Start date</i>	<i>End date</i>	<i>Lead officer</i>	<i>Acceptance criteria</i>
Final member agreement	Mid-Feb 2019	Mid-March 2019	Paula Maginnis	Members agree new pay, grading, terms & conditions and benefit arrangements
Implementation	1 April 2019		Paula Maginnis	All relevant staff placed on new arrangements
Benefit Review	1 Oct 2019	31 Oct 2019	Paula Maginnis	Review completed and reported to TPB

Headline plan

	2018/2019																					
	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct
Scope current arrangements against proposals with costings	▷	▷	▷	▶																		
Produce Communication Plan			▷	▶																		
TPB to agree Phase 1 and initiate Phase 2					▶																	
Consultation/ negotiation with TUs					▷	▷	▷	▷	▷	▶												
TPB to agree Phase 2 and initiate Phase 3											▶											
Reflect potential cost/saving information into budget reports											▶											
Consultation with staff – 30 days													▶									
Final member agreement															▶							
Implementation																▶						
Benefit Review																						▶

Key: ▷ = activity period, ▶ = completion / key deadline

Budget plan

<i>Period</i>	<i>2018-19</i>	<i>2019/20</i>	<i>Comments</i>
Revenue	5000		Consultancy
Capital			
Savings	xxxx	xxxx	Efficiency savings to be confirmed
Totals			

Communication management strategy

<i>Stakeholder</i>	<i>Needs</i>	<i>Communications</i>
Staff	Information Consultation	District Lines/Staff Briefings Email/letters/documents
Leadership Team	Information Consultation	Meetings/Presentations Email/letters/documents
Management Board	Decisions	Meetings/Presentations
Members	Decisions	Meetings/Presentations
Trade Unions	Information Consultation	Meetings/documents Email/letters/documents Joint Agreement

Risk log

<i>Description</i>	<i>Likelihood</i>	<i>Impact</i>	<i>Score</i>	<i>Control measures</i>
Trade Unions do not agree to Joint Agreement and dismissal & re-engagement process required	3	5	8	Plan for process to ensure there is enough time to implement.
Capacity of the Project Team	4	5	9	Keep capacity under constant review ask for additional resources if required
Capacity of the HR Team	4	5	9	Keep capacity under constant review ask for additional resources if required
Loss of key staff from Project Team	2	5	7	Have all notes, papers, and decisions etc accessible for others. Consider substitute members/understudies for the Project.
Recruitment and retention issues	3	3	6	Be transparent with existing staff and applicants

Project approval

<i>Role</i>	<i>Name / signature</i>	<i>Date</i>	<i>Version</i>
Project Manager			1.0
Project Sponsor			1.0

Version control

<i>Version</i>	<i>Date</i>	<i>Author</i>	<i>Nature of / reason for changes</i>

Distribution

<i>Role</i>	<i>Name</i>	<i>Date</i>	<i>Version</i>