

Workforce Panel Meeting

22 November 2022

Salford Suite, Civic Centre, Salford City Council, Chorley Road, Swinton, M27 5DA

Meeting commenced at: 12:03pm

Meeting ended at 12:35pm

Present

Cllrs Bentham, Cammell, Garrido, Hinds, Lancaster and Youd (in the chair).

Officers

Sam Betts (Assistant Director HR & OD), Debbie Brown (Strategic Director Service Reform), Laura Coluccio (Strategic HR Manager), Sue Hill (Head of Communications), Steve Hulme (Strategic HR Manager), Tom Stannard (Chief Executive) and Chris Howl (Democratic Services).

1. Apologies for Absence

Apologies for absence were submitted on behalf of the City Mayor Paul Dennett, Cllr August, Cllr Kelly, Cllr McCusker, Joanne Hardman and Jacquie Russell.

2. Declarations of Interest

There were no declarations of interest.

3. Minutes of the Meeting Held on Wednesday 22 February 2022

The minutes of the previous meeting held on Wednesday 22 February 2022 were approved as a correct record.

4. Equitable Pay and Reward Strategy – Pay Review Update

Sam Betts presented the 'Equitable Pay and Reward Strategy – Pay Review Update' report, explaining that:

- significant challenges have recently been felt across all sectors regarding recruitment and retention of high-quality staff.
- there are several reasons for this, including the impact of the COVID-19 pandemic and an unstable economic climate.
- the Council has not been immune to these challenges and has experienced a marked increase year-on-year in staff turnover (our rate increasing from 8.3% in 2019 to 13.8% in 2022), as well as problems filling vacancies, with increased reliance on temporary workers through agency, particularly for specialist positions and senior officer posts, which in turn can have a detrimental impact on service delivery (in terms of stability and consistency), as it affects the capacity and capability to deliver quality services for residents and businesses.
- these problems have been exacerbated by the offering of more competitive pay rates by similar and neighbouring local authorities (within a number of technical and professional fields, i.e. Social Workers, Public Health Consultants and Surveyors), leading to many staff seeking similar positions elsewhere.

- additionally, the Council's exemplary commitment to being a Foundation Living Wage employer, whilst pertinent, has presented an issue for fair pay with the erosion in differentials between pay levels as living wage rates have increased on an annual basis.
- our challenges with attracting and retaining high-quality staff will be further exacerbated in future given the markedly high rate of staff over the age of fifty-five who will be looking towards retirement in the near future.
- the recent LGA Peer Review identified that the Council needed to focus specifically on retention of staff and workforce succession planning, particularly in relation to senior officers.

To rectify these issues, it was agreed that an organisational-wide pay review should be conducted with the clear objectives of ensuring fair and equitable pay across all levels of the council. The aim being to allow for the installation of competitive salaries with other similar public bodies in order to attract a high calibre of talent required to deliver high quality services which is indicative of Salford's strong ethos of equality within its workplace culture.

This review has been undertaken over the past number of months, considering our local pay structures and pay-line in its entirety, with a range of evidence-led processes incorporated into the work to ensure robust analysis in reaching a conclusion (within the context of the deepening cost of living crisis) and has been conducted jointly with the recognised trade unions at a local level.

It should be noted that it is separate from the national pay negotiations on the cost-of-living increase.

To ensure potential modelling did not have a disproportionate impact on particular groups, equality impact analysis was carried out on an on-going basis throughout the course of the review, against protected characteristics as laid out in the Equality Act, 2010. The outcome of the review and proposed model provide a positive outcome for all, a summary of findings highlighting that:

- there was no significant disproportionate impact as a result of applying the revised model when analysed across the range of protected characteristics.
- the most notable impact was found within the 'gender' protected characteristic, with females receiving a lower increase in basic pay on average compared to males under the revised model. The differences are likely to be accounted for by the fact that there is a significantly higher proportion of females on part-time contracts than males, thus receiving less pro-rata. It should also be noted that this evidence is in line with the city council's most recent reporting of the gender pay gap. As further assurance and to mitigate the impact of part-time worker analysis was undertaken on the basis of revised hourly rate which again showed no disproportionate impact from the revised pay model.

Joint discussions on the model, between the Council and in conjunction with the recognised trade unions, in line with the council's commitment to co-design and engagement on issues affecting the workforce building on the well-established relationships and strong employee relations, progressed the review via a joint working group, who met at least weekly. This jointly agreed the key guiding

principles to underpin the review and has remained the core reference point throughout.

A conclusion has now been reached with all parties comfortable with the position and the proposed model which is ready to go through a formal consultation process with staff members, via the recognised trade unions, to reach a collective agreement.

The proposed model addresses issues appertaining to pay differentials, reduces overlap between grades, incorporates the recently announced foundation living wage increase with £10.90 as the minimum pay rate, includes the 2022 national pay award offer, and addresses the issue of comparability and ability to offer competitive salaries at all levels.

The review and proposed model incorporates the pay line in its entirety across all grades and guarantees no reduction in pay rates whilst maintaining the integrity of the job evaluation schemes. This approach has ensured that the model is fair, equitable and equal pay compliant as evidenced by the equal pay audit and equality impact assessment.

The model addresses the key issues as outlined above and negates the need for the ongoing payment of market rate enhancements and recruitment and retention allowances. The ability to offer competitive salaries at all levels will aid with the retention of high calibre staff and the ability to attract quality candidates for roles which will improve vacancy rates and in turn reduce the need for and reliance on temporary agency workers thus reducing costs and ensuring stability and continuity in service delivery and capacity and capability to deliver quality services for residents and businesses.

If agreed, the next stage will therefore be to commence formal consultation through the recognised trade unions in line with our collective bargaining arrangements to reach collective agreement followed by formal approval through Workforce Panel in January 2023 and full council in February 2023 (subject to achieving a balanced budget position) to implement.

Members of the panel commended the report and thanked the HR & OD team for all their hard work on its production and development.

RESOLVED, THAT: the Workforce Panel:

- 1) note the processes undertaken in relation to an organisational-wide review and development of a revised pay model.
- 2) agree to enter into the formal consultation with staff through the joint trade unions in relation to the revised structure and to achieve a Collective Agreement.

5. Date and Time of Next Meeting

12 noon on Tuesday 24 January 2023 in the Salford Suite at Salford Civic Centre, Chorley Road, Swinton, M27 5DA