

# EAST AYRSHIRE COUNCIL

CABINET – 15 DECEMBER 2010

## CRAFT OPERATIVES – REVISED PAY AND GRADING

### Report by Executive Director of Finance and Corporate Support

#### 1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to advise Cabinet on the progress of consultations with the Trade Unions on revised pay and grading proposals for Craft Operatives and to set out future action.

#### 2. BACKGROUND

- 2.1 At the meeting on 23 June 2010 Cabinet considered a report on the Craft Operatives revised pay and grading proposals and agreed that:-
- i. the revised pay and grading proposals should be the subject of consultation with the Trade Unions;
  - ii. preservation arrangements should be discussed with the Trade Unions;
  - iii. a further report be submitted to Cabinet following consultations with the Trade Unions; and
  - iv. to accept the recommendation by the Governance and Scrutiny Committee to review the decision to give notice to terminate the Incentive Bonus Scheme and to note that the matter would be addressed in the further report referred to at iii. above.
- 2.2 This report addresses the issues referred to at 2.1 above.

#### 3. TRADE UNION CONSULTATIONS

- 3.1 Since 28 June 2010 a total of 6 formal meetings have been held with the Trade Unions within a framework which has afforded the Trade Unions a total of 18 half days including informal meetings to enable them to develop their response to the Council's proposals.
- 3.2 The Trade Unions have been provided with detailed information relating to:
- the methodology of the development of the pay and grading scheme
  - the job outlines for each craft post
  - the revised terms and conditions which would apply
  - relevant Internal Audit reports relating to reviews of the former Building and Works Incentive Bonus
  - copies of relevant Council Policies and Agreements
  - details of how productivity will be managed in the future within Housing Asset Services

- 3.3 In addition to the elements referred to at 3.2 above, the Trade Unions have recently been provided with proposals relating to cash conservation. The proposals contain two options. The first is a one off payment based on a percentage of the difference between the proposed earnings under the revised pay and grading scheme and the earnings received in 2009-2010 which included bonus payments. The second option is to spread the pay preservation over a three year basis on a sliding scale of the difference between the proposed earnings under the revised pay and grading scheme and the earnings received in 2009-2010 which included bonus payments.
- 3.4 There are a total of 15 Craft Operatives employed in other sections within the Department of Neighbourhood Services and it is proposed that the proposals in respect of revised pay and grading, cash conservation and conditions of service for Craft Operatives in Housing Asset Services should also apply equally to them.
- 3.5 A further meeting was scheduled to be held on Monday 6 December 2010 at which the Trade Unions were to submit their formal response to the Council in respect of the proposals which have been made. The outcome of that meeting and any others that are held will be reported to Cabinet in January 2011.

#### **4. NEXT STEPS**

- 4.1 In the event that it is not possible to reach a collective agreement with the Trade Unions it will be necessary for Cabinet at its meeting in January 2011 to consider what action to take in respect of the revised pay and grading scheme and conditions of service for Craft Operatives.

#### **5. FINANCIAL IMPLICATIONS**

- 5.1 There are no financial implications arising from this report.

#### **6. RISK MANAGEMENT**

- 6.1 There are no risk management issues arising from this report.

#### **7. POLICY AND LEGAL IMPLICATIONS**

- 7.1 There are policy or legal issues arising from this report.

#### **8. RECOMMENDATIONS**

- 8.1 Cabinet is asked to note:-

- (i) the consultations which have been held so far with the Trade Unions on the revised pay and grading for Craft Operatives and related cash conservation arrangements;
- (ii) that consultations will continue with the Trade Unions;
- (iii) that a further report will be submitted to cabinet in January 2011 following conclusion of the consultations with the Trade Unions; and
- (iv) otherwise, note the contents of the report.

**Alex McPhee**  
**Executive Director of Finance and Corporate Support**  
**1 December 2010**

**LIST OF BACKGROUND PAPERS**

1. Report by the Executive Director of Finance and Corporate Support on Craft Operatives Revised Pay and Grading Proposals to Cabinet meeting on 23 June 2010.

Any person wishing further information on this report should contact Martin Rose, Head of Human Resources on 01563-576092.

**Implementation Officer** – Martin Rose, Head of Human Resources