

Report subject	<b>Pay and Reward: Update on progress in introducing new terms and conditions of employment</b>
Meeting date	17 July 2024
Status	Public Report
Executive summary	<p>Since the merger of the four preceding councils we have been working with the trades unions, to negotiate a new Pay and Reward package which harmonises pay across all colleagues. The report describes the consultation process conducted with the recognised trade unions, GMB and UNISON, who agreed to ballot their members on the proposed pay and reward offer. The report sets out the various communication and engagement activities undertaken to raise awareness and inform colleagues of the offer.</p> <p>Two ballot processes have been undertaken and details of the ballot outcomes are provided. Further discussions are ongoing with the unions with a view to reaching an agreed way forward to implement the new arrangements.</p>
Recommendations	<b>Report is for information only.</b>
Reason for recommendations	N/A

Portfolio Holder(s):	Councillor Jeff Hanna, Portfolio Holder for Transformation and Resources
Corporate Director	Graham Farrant, Chief Executive
Report Authors	Sarah Deane, Director of People and Culture
Wards	Not applicable
Classification	For Information

## Background

1. We have been working towards a new Pay and Reward offer, restructuring our basic pay and reward arrangements since the four preceding councils were merged in 2019. The Pay and Reward project will introduce a single pay structure to address any inconsistencies and inequalities in pay across the organisation from the merger of the four preceding councils, ensuring that colleagues are fairly equally compensated for their work. Colleagues doing the same level of work will receive equal pay. A new job evaluation model 'Hay' will be introduced replacing the current Greater London Provincial Council (GLPC) scheme. In addition, a new set of Terms and Conditions and an enhanced Benefits package will also be introduced with the intention of enabling BCP Council to be an attractive employer with a positive offer to our colleagues.
2. Following a prolonged collective bargaining process with the recognised trade unions, GMB and UNISON, the unions reached agreement with management in November 2023, to proceed to ballot their members on the proposed offer.
3. BCP Council believes it has created the best, affordable, offer with positive outcomes for the majority of colleagues. There is a balance that needs to be struck between affordability and the attractiveness of the offer, given that we have colleagues on three different pay grades between those who joined BCP Council from the four preceding councils and those that have joined us since April 2019 who have joined on 'Borough of Poole' terms and conditions. It is calculated that after a period of pay protection, 82% of colleagues will receive either an increase in pay or have no change in pay, whereas approximately 18% will receive a decrease in pay if the originally offered terms were accepted.
4. The trade unions agreed that the proposed offer is the best offer they are likely to achieve, having negotiated, explored and exhausted numerous options. A period of 8 weeks was agreed by the unions in which to ballot their members, which took place from 15 January 2024 and closed on 8 March 2024.
5. The details of the proposed offer were shared with the workforce in November and December 2023. The Pay and Reward team held ten in-person roadshows in different locations in each of the three towns within the conurbation. Trade union representatives also attended these sessions to discuss the offer with colleagues.

6. An online roadshow was also held in order to inform as many colleagues as possible across the organisation, a recorded version was also made available.
7. Approximately 2,000 colleagues registered to attend one of these events out of a total of 5,000+.
8. Workplace visits including to schools have also been undertaken to inform school support colleagues and colleagues working without access to an IT device.
9. One of the Chief Executive's on-line colleague briefing sessions was focused on Pay and Reward to give further opportunity to raise questions and discuss any areas of concern.
10. Five online colleague 'Drop-in' sessions held offered a more informal environment in which to raise questions.
11. A 'Benefits week' for colleagues was hosted in January, where a series of webinars were held with benefits providers informing on current and enhanced offers. Each day was themed by a different topic, a total of 16 sessions were held throughout the week.
12. A library of information in different formats has been created for managers and colleagues: including the Pay and Grading booklet, the 'More than just a Job' brochure, twelve videos 'spotlighting' different topics and an information pack for Managers. In excess of 1000 questions have been received, responses to these are also available via the Pay and Reward hub on the intranet.
13. GMB and UNISON advised the outcome of the ballot process is as follows. They have confirmed that neither union are prepared to release actual numbers

	Turnout	Accept	Reject
GMB	70%	13%	87%
UNISON	71%	57%	43%

14. The two unions are of the view that both unions need to have a majority vote in order for the overall outcome to be accepted and the Council therefore entered a further period of negotiations which resulted in an enhanced offer being made to try and seek resolutions to the specific concerns arising and the feedback received from both unions.

The enhanced offer includes:

- The immediate establishment of a salary supplement panel to review any labour market supplements imminently expiring
- An extension to the pay protection period
- An enhancement to the rate of pay for working on a bank holiday
- An extension to the hours eligible for enhanced rates of pay when working at night

15. As this was an improved offer, the UNISON ballot outcome remained in place and GMB undertook a second ballot process of their membership which ran between 22 April and 31 May 2024.

16. The second ballot outcome is as follows:

	Turnout	Accept	Reject
GMB	67%	29%	71%

17. GMB advised the employer during the ballot process, that they had undertaken work place meetings with their members and they were specifically concerned around the visibility of their individual pay outcomes. They advised that to this end, they would be issuing formal notice of their intention to undertake a separate ballot for industrial action.

18. This took place in respect of only one of the BCP workplace locations and concluded on 29 May 2024. The outcome is as follows:

	Number of votes in favour	Number of votes against
Strike action	66	21
Action short of strike	74	12

19. The number of votes cast in the ballot was at least 50% of the number of individuals entitled to vote in the ballot and GMB therefore have a mandate from their members to pursue one or a combination of both of the options within six months from the date of the outcome.

20. The unions have expressed their continued commitment to engage with the Council on this subject with a view to reaching a collective agreement and industrial action will not be pursued if the Council agrees to release pay outcomes.

21. When the pay and grading structure was shared at the recent colleague roadshows it was explained that there was concern that individuals would vote according to their personal outcomes rather than looking at the overall package and benefits for all.

22. It is acknowledged however, that there could be a perception of a lack of transparency which could be misinterpreted and so we are now working towards releasing job-related pay outcomes in September this year.

23. This will allow time to put in place the practical elements needed to be able to release this volume of information securely and accurately and will also allow time to ensure the right support arrangements are in place and crucially to avoid the school holidays for colleagues employed in schools or on term time only contracts.

24. It is understood that both unions may wish to undertake a further ballot once the pay outcomes have been released.
25. We remain committed to working constructively with both GMB and UNISON and we are continuing our discussions through collective bargaining in accordance with our recognition agreement as part of the next steps in the pay and reward process.
26. The timeline for implementation will be subject to the outcome of the subsequent ballot process.
27. We hope any further ballot will lead to a positive result, but we cannot guarantee a particular outcome, so we are continuing to consider other options alongside the continued negotiations with the unions. We have always said dismissal and reengagement would be a last resort for the Council if negotiations should fail to achieve an agreed outcome, and we still hope to avoid this option through positive and exhaustive negotiation.
28. Our focus and preferred outcome is to reach agreement through further discussions with the unions to get the new terms and conditions and pay structure in place as delivering a fair and transparent pay and reward structure is a key priority for senior management and the Council as a whole.

#### **Summary of financial implications**

29. The financial costs of the current offer have been reflected in the Councils MTFP. Any further negotiation required to achieve an accept vote is likely to result in additional financial pressures. The details of this are not yet known.

#### **Summary of legal implications**

30. Legal advice is being sought on all possible options so that the associated risks are understood and accepted.

#### **Summary of human resources implications**

31. Priority is being given to ensure that our workforce are advised of the ballot outcomes and understand next steps.

#### **Summary of sustainability impact**

32. No impact arising from this report.

#### **Summary of public health implications**

33. No impact arising from this report.

#### **Summary of equality implications**

34. A full EIA has been completed to date but further assessment will be necessary should the position and Councils offer change as a result of the ballot outcome.

