

General Purposes Committee

AGENDA STATUS: PUBLIC

Report Title	PROPERTY MAINTENANCE PAY & PRODUCTIVITY LOCAL AGREEMENT – IMPLEMENTATION PROGRESS REPORT
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Date of Meeting:	16 March 2009
Directorate:	Housing
Ward(s)	ALL

1. Summary

- 1.1 This report provides an update on progress made in implementing the new Property Maintenance Pay & Productivity Local Agreement, as resolved at General Purposes Committee on 28 October 2008.

2. Recommendations

- 2.1 The Committee are asked to note and comment on progress made as detailed in this report.

3. Report Background

- 3.1 The development of a new Pay & Productivity Local Agreement for the Trades staff within Property Maintenance was a key recommendation from the 2007 APSE Review of Direct Services Street Scene and Property Maintenance. Negotiations began in Spring and concluded in October 2008 on a new Local Agreement designed to improve performance and restore value for money. This Agreement was brought to and approved by General Purposes Committee on 28 October 2008. The final Agreement is attached at Appendix A.
- 3.2 Following Committee approval, consultation was undertaken with all Trades staff, at the end of which a ballot was held on 11 November 2008, with the result that staff voted 43 to 11 to accept the Agreement.
- 3.3 Between November and March, members of the Scheme Management Group have been negotiating ancillary elements of the Agreement to enable successful implementation on 1 April 2009.

4. Structure

- 4.1 Through implementing the new Property Maintenance structure, all 4 Team Leader and 8 Supervisor posts have been filled by internal recruitment. A number of Trades staff have been successfully appointed to these positions, thus demonstrating the Unit's commitment to providing development opportunities for existing staff and retaining skills in-house.
- 4.2 Of a total of 96 Trades posts on the establishment, currently 60 are filled on a permanent basis. It is the intention to recruit only to 72 of these posts to ensure the Council does not commit to more permanent resources than may prove necessary as performance and productivity increases.
- 4.3 One of the Agreement's objectives was to reduce reliance on Agency workers. Already, since the previous report to Committee in October, the number of Agency workers in the Unit has reduced by ten, generating savings equating to approximately £250,000 per annum.

5. Ancillary Elements Agreed to Date

- 5.1 The Scheme Management Group has agreed the approach to placement of Trades staff within the new pay bands with effect from 1 April 2009. All staff will transfer over on their current pay and pay band, with the exception of a small minority who are at present paid below the bottom pay point of the bottom band. These staff will transfer over on the lowest pay point of this band, which will resolve the pay inequity within this group. Following transfer, a skills audit will be undertaken to assess whether staff are appropriately trained and qualified to meet the requirements of the band they are in. Staff with identified skills gaps will be prioritised for training to enable them to reach the appropriate level.
- 5.2 The first performance review under the new scheme will be undertaken on 1 October 2009, following which staff may move up or down their respective pay bands, dependent on their performance both in terms of productive hours and quality of work over the preceding six months. It should be noted though that any staff whose pay reduces will be protected for a limited period in accordance with NBC's Pay Protection Policy.
- 5.3 The Scheme Management Group has agreed the definition of the ratings, ranging from 5 (excellent) to 1 (poor) for the seven elements within the scheme's Quality Scoring Criteria, which forms 35% of the available 100% performance review score.
- 5.4 An Appeals Procedure has been designed, with all parties agreeing this needed to be clear to understand and simple to operate, to enable any appeals by individuals to be heard and resolved without delay and without recourse to formal grievance.

6. Ancillary Elements Under Negotiation

6.1 Multiskill Levels

- 6.1.1 At the time of writing this report, the key issue under negotiation is the definition of Multiskill Levels 1 and 2 and the associated training requirements. Management have presented to the Trade Unions their proposals for levels based on achievement of Trades related NVQs, with NVQs 1 and 2 relating to Multiskill Level 1 and NVQ 3 to Multiskill Level 2.
- 6.1.2 Aligned to these definitions is the need for a Training Plan to enable staff to progress through the levels by the achievement of relevant NVQs, (whether through formal training or accreditation of competence). Discussions are underway with a range of training providers and it is anticipated that external funding will be available to part-fund the Plan, through for example the Government's Train to Gain scheme.
- 6.1.3 This approach will not only enable clear and objective assessment of individuals within the bands, but will also provide Trades staff with industry-recognised qualifications, which in turn should help the Council in its recruitment and retention of key staff.

6.2 Call-out/Standby Rates

- 6.2.1 Criticism of the current arrangements and associated pay for call-out/standby had been made through the APSE review, as a result of which an internal audit has been undertaken of NBC's current arrangements and a range of recommendations made, some relating to processes and some to staff. A report on the findings of this audit is in preparation for presentation to Management Board but, in the meantime, initial analysis of the practices used by neighbouring Councils Corby and Kettering (who have similar housing stock retained in-house), indicates that NBC's scheme is cost effective in terms of service delivery.
 - 6.2.2 This does not however offer any equality assurance in terms of call-out and standby payments made to this group of staff and others across the Council who receive similar payments. After discussion with the Head of Human Resources, it is suggested that the rates of pay for Trades staff undertaking call-out and standby should be reviewed by the Scheme Management Group alongside the review of additional payments for all groups of staff that will form part of the Council's current Pay & Grading Review.
 - 6.2.3 Two of the internal audit recommendations in respect of staff have been actioned: (1) The additional contracts previously in place for supervisory call-out duties have been withdrawn and these duties incorporated into the role of Property Maintenance Supervisors, generating a saving of approximately £25,000 p.a. (2) The Trades rota for call-out/standby, which until now has been restricted to a few individuals, will be widened to all Trades staff who wish to participate and so will provide all with the opportunity to enhance their earnings by undertaking these duties.
- 6.3. The remaining ancillary elements to the Agreement; namely Tools & Equipment Protocol, Apprenticeship Scheme and Incorporation of Drivers and Labourers into the Agreement, will be negotiated by the Scheme Management Group over the coming months in accordance with the planned schedule.

7. Implications (including financial implications)

7.1 Resources

- 7.1.1 The Training Plan mentioned in 6.1.2 above will require ongoing funding to ensure the Agreement's success. One of the main reasons previous local agreements for Trades staff failed was as a result of necessary training not being provided.
- 7.1.2 An analysis is currently underway to assess the optimum number of staff within each of the Agreement's pay bands, based on the needs of the business and how the service will be delivered going forward. This, coupled with the skills audit to determine the training requirements of existing staff, will enable a fully costed Training Plan to be developed.
- 7.1.3 At present a sum of £20,000 p.a. has been allocated for Trades training within the Property Maintenance Business Plan. All avenues for external funding will be explored to supplement this but any shortfall will need to be bid for through the Council's annual training bid process.

7.2 Legal

- 7.2.1 There are no legal implications other than those reported to Committee on 28 October 2008.

7.3 Other Risks

- 7.3.1 Slower than expected progress with the Housing IBS system had proved a threat to the successful planned implementation of the Agreement on 1 April 2009. In response to this, dedicated resources have been directed to setting up a paper based system aligned to existing IT systems to ensure that implementation can proceed as planned. These interim systems will mirror the processes that will in the future be undertaken electronically.

8. Background Papers

- 8.1 APSE Review of Direct Services Street Scene and Property Maintenance – November 2007
- 8.2 GP Committee Report: Property Maintenance Pay & Productivity Local Agreement – 28 October 2008

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