

HAMPSHIRE COUNTY COUNCIL

Committee	Employment in Hampshire County Council
Date:	22 October 2019
Title:	Pay, Policy and Legislation Update
Report From:	Director of Corporate Resources

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Purpose of this Report

1. The purpose of this report is to provide an update to EHCC on the national pay award and proposed employment related legislative changes.

Recommendations

2. That EHCC note the current position of national pay negotiations on the pay award and developments in relation to legislation.
3. That EHCC delegates authority to make future decisions on the pay award for teachers employed outside Hampshire schools to the Director of Children's Services.

Executive Summary

4. National negotiations on the pay award, affecting staff on EHCC terms and conditions are not yet concluded. EHCC will be updated when details are known.
5. New legislation coming into effect in April 2020 changes how holiday pay is calculated. A SAP solution will be implemented on 1 April 2020.
6. The government have yet to respond following the closure of consultation on the £95k cap. The government have launched four new consultation documents, a summary of which is provided in this paper.

7. Decisions on the application of a national pay award for teaching staff employed outside of Hampshire Schools have, to date, been taken by the Director of Children's Services through Children's Services Departmental Management Team. This paper recommends EHCC formally delegates future decisions to the Director of Children's Services to ensure appropriate decisions can continue to be made.

Contextual information

2020 Pay Award Negotiations

8. The last pay deal agreed between the Local Government Association (LGA) and Trade Unions was a two-year deal, agreeing pay awards that took effect in April 2018 and April 2019. At the time of writing, the negotiations on the pay deal for April 2020 and beyond have not been concluded. EHCC will be updated when further details of the national pay settlement for 2020 are known.

Changes to Employment Legislation - Calculation of Holiday Pay

9. On 6 April 2020, the statutory method for calculating a week's pay will change from an average of 12 weeks, to an average of 52 weeks. This will affect the calculation for holiday pay. A SAP solution will be implemented on 1 April 2020 to ensure that the council is meeting its obligations.

Consultation – Exit Payment £95k cap – Update

10. The government are considering responses to the consultation, the details of which were outlined to EHCC in June 2019. EHCC will be updated when the government response and therefore impact, is known.

New Consultations

11. The government have recently launched several consultation documents covering a range of topics;
 - a) How to reduce ill-health related job losses, including proposals of a "right to request workplace adjustments" following a period of ill health absence
 - b) How to support families in work – three consultations on parental leave and pay, neonatal leave and pay and transparency in flexible working and family-related leave pay policies
 - c) Measures to address "one-sided flexibility" which include proposals to regularise or guarantee an amount of working hours, reasonable notice of work schedules and compensation where shifts are cancelled or curtailed without reasonable notice

- d) Measures to improve legal protections against sexual harassment in the workplace.

An update on the outcome of the consultations will be provided if there is a significant impact of any proposed changes

Pay award for teachers outside of schools

12. Teachers are employed on national terms and conditions, on one of four pay ranges, each with a statutory minimum and maximum. The School Teachers' Review Body (STRB) consult nationally before determining the pay award, which is applied to the minima and maxima of the four pay ranges. Since 2014, there have been no national pay points within the minima and maxima of the ranges, these are for local Authorities and schools to determine.
13. Each school must therefore individually determine whether to increase the pay of teachers for purposes other than to keep salaries within the statutory minimum/maximum.
14. For teachers in maintained schools (i.e. not academies), Hampshire provides a model pay policy, which each school governing body can adopt. The model pay policy is determined following consultation with nominated Headteacher representatives and recognised Trade Unions. Headteachers are nominated via Headteacher Executive Committees to make representations on HR and Workforce matters.
15. As a result of this consultation, Hampshire has always applied the pay award to all salaries in payment, not just those at the minimum of the range. To do otherwise would have a detrimental impact on recruitment and retention of teaching staff in Hampshire schools, as bordering authorities also apply the pay award to all salaries in payment.
16. There are approximately 300 teaching staff outside of schools, all of which are employed by the County Council in seven service areas (e.g. Hampshire Music Service) which are either funded by Service Level Agreements (SLAs) with schools, or via de-delegated funds. There is no Teachers' Pay Grant for teachers employed in these services. An increase in salary therefore has a direct impact on the cost to provide the service, which will either be sought through seeking increases in income or reducing expenditure. Any decision about application of the pay award must be taken in full knowledge of the budgetary and service implications.
17. Since 2014, Children's Services Department Management Team (CSDMT), has formally considered the points raised during consultation and the service implications, before determining whether or not the pay policy determined for

maintained schools, should apply to teachers outside of schools. Since 2014 CSDMT have adopted the school's model policy for teachers not employed in schools. To take a different approach would create a two-tier payment structure for teachers in the employment of Hampshire County Council which could create recruitment and retention difficulties.

18. To ensure that CSDMT can continue to make this decision with the appropriate governance, the EHCC Committee is requested to formally delegate responsibility for determining the pay policy for teachers outside of schools to the Director of Children's Services.

Consultation and Equalities

19. It is not envisaged that there will be any equalities impact from the known changes.

Conclusions

20. Outcomes from the national consultations will be monitored and updates provided to EHCC as identified in this paper.
21. Formal delegation of the decision for the pay award for teachers outside of schools will regularise the position.

REQUIRED CORPORATE AND LEGAL INFORMATION:

Links to the Strategic Plan

This proposal does not link to the Strategic Plan but potentially impacts the County Council's workforce strategy

Other Significant Links

Direct links to specific legislation or Government Directives

<u>Title</u>	<u>Date</u>
Pay and Legislation Update	28 March 2018
Legislation Update	28 June 2019

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None	

EQUALITIES IMPACT ASSESSMENT:

1. Equality Duty

The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited by or under the Act with regard to the protected characteristics as set out in section 4 of the Act (age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation);
- Advance equality of opportunity between persons who share a relevant protected characteristic within section 149(7) of the Act (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic within section 149(7) of the Act (see above) and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- The need to remove or minimise disadvantages suffered by persons sharing a relevant protected characteristic that are connected to that characteristic;
- Take steps to meet the needs of persons sharing a relevant protected characteristic that are different from the needs of persons who do not share it;
- Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

2. Equalities Impact Assessment:

Equality objectives are not considered to be adversely affected by proposals in this report.