

EMPLOYMENT MATTERS COMMITTEE

1 FEBRUARY 2011

PROPOSAL TO FREEZE INCREMENTS

Report from: Tricia Palmer, Assistant Director, Organisational Services

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Summary

This report sets out the details of the proposal to freeze increments and the consultation process with the trade unions and staff.

1. Budget and Policy Framework

1.1 The staffing implications of budget reductions are a matter for this committee, which can decide on the policies and processes supporting any changes in staffing. A decision on whether to freeze increments will be made by Council, as part of the budget setting process, on 24 February 2011.

2. Background

2.1 The Council has an established process for setting its budget for the next financial year; one of the first stages in this involves updating the council's medium term financial plan each year. This document looks forward at the key factors that affect the council's budget for the next three years. This was discussed at the Cabinet meeting on 28 September 2010 when it was agreed to begin consultation with employees and trade unions regarding the proposal to freeze increments from 1 April 2011.

2.2 On 20 October 2010 the results of the government's Comprehensive Spending Review (CSR) were announced. This review looked at all aspects of central government spending and identified reductions that need to be made over the four-year period starting April 2011. The announcements made by the Chancellor relate to the money that is spent nationally by government departments. Like all councils, Medway Council gets money from a complex range of sources to provide services to people in the local area. The most important of these sources are the council tax paid by residents and the large number of different grants that are made by central government. The announcement said that on average central government funding to councils would decrease by around 26 per cent over the next four years.

2.3 Following the provisional Local Government settlement announced by Government on 13 December 2010, Medway Council has identified a funding gap of £23.5 million for the financial year 2011/12. At Cabinet on 21

December 2010, Cabinet noted the provisional settlement as an essential part of the budget setting process for 2011/12.

- 2.4 The Joint Consultative Committee (JCC) of Elected Members and Trade Unions discussed the proposal on 18 October 2010. All staff except those on the top spine point in their grade currently progress one spine point within the scale for their job every year, usually in April or September. The annual cost to the council of this pay increase is forecast to be around £1.6m for the next financial year. This equates to around 50 full time equivalent staff and if the proposal were agreed it would avoid the need for that number of potential redundancies. The proposal is to freeze increments for a period of one year, whilst a further review is undertaken. Following this review, any proposed changes to future pay will be subject to further consultation with staff and with the Trade Unions.
- 2.5 There are statutory provisions for teachers' increments and teachers are not included in these proposals. It will be for each Governing Body to decide whether or not to apply the proposal to non-teaching staff in their school. At this point in time no schools have decided to commence consultation to freeze increments for non-teaching staff.
- 2.6 Employment Matters Committee on 2 November 2010 noted the details of the proposal and the consultation process for staff and Trade Unions. The consultation period ended on 13 January 2011 and this report details the outcome of the consultation.

3 Consultation

- 3.1 There was early consultation with the Trade Unions on 20 and 21 September 2010 and early notification to staff on 20 September 2010.
- 3.2 Formal consultation with staff and the Trade Unions commenced on 12 October 2010 and ended on 13 January 2011. All staff and Trade Unions received individual letters and were invited to make comments on the proposal via the employee consultation mailbox, the HR Advice telephone and email service and the Achieving Better for Less site. An undertaking was given that all comments would be reported to Members and these are attached at Appendix 1.
- 3.3 114 individual comments were received, together with five group responses. These comments have been made anonymous and categorised into the following themes:

Impact on personal circumstances/general comments

These comments cover low pay, increased cost of leaving, no pay awards, VAT increases, increases in National Insurance, Council Tax increases, impact on occupational pension, loss of retention/enhanced payments, changes to essential car users, morale, productivity and motivation, no longer feeling valued, unfairness, poor treatment, inadequate consultation, whether this will be a long term change, fear of losing home, high starting salaries for new staff, legality of termination of contracts, discriminatory employment practice, breaking away from national terms and conditions, and council funds being spent on other areas, such as regeneration.

Perceived unfairness of the proposal

These comments cover views that the proposal is unfair as it only affects those not on the top of the scale and that it would be fairer for all staff to have a small percentage pay cut, this will fuel resentment amongst staff. It is unfair that schools based staff and those at the top of the scale – if a pay cut was implemented across all staff (including schools), the Council could achieve the saving by each person losing £3.53 per week each. What other options were considered, like voluntary redundancy? It was unfair to also consult those on the top of the grade. For those close to retirement, the proposal will affect their pensions for the rest of their lives. Job was accepted at a lower salary than previous job on the basis that there would be increments. Is it not discriminatory that teachers are excluded? Many staff on lower pay are part time.

Alternative suggestions to the proposal

These comments cover the following. To apply no increments to new recruits only, improve purchasing and procurement, consider other options like senior management structures, pay and pension restraints should start at the top, reduce middle management, reduce number of councillors, reduce consultants, reduce temporary staff, consider performance related incentives, consider other forms of compensation such as an additional days leave or a day off given for high performance, a freeze on new recruitment, ensure any new staff start on bottom of scales, ask staff if they wish to cut their hours, offer staff the option to buy additional leave which would be deducted from pay and reduce the overall salary bill, grades PO1 and above to have a pay frozen and staff below this to receive increments (this may also help close the gender pay gap), shorten the standard working week from 37 to 35 hours to compensate for loss of pay awards and increments, performance related pay, reduce those at top of scale by one increment, award those earning less than £21,000 a £250 one off payment. By implementation of the Better for Less programme, charging for or scrapping fireworks, ward developments, and refuse collection fortnightly

In support of the proposal

Two comments were received in support of the proposals

Specifically relating to the low paid and the less than £21k proposal

The impact of the proposals on lower paid staff was commented upon the most and comments specifically relating to this refer to concern about what happened to the Government's announcement last summer that those in the public sector earning less than £21,000 would still receive a flat £250 pay award. Comments were also made about staff accepting posts on the understanding there would be incremental progression, lower paid staff feeling penalised and how this proposal sits with the Council achieving Investors in People Gold Status.

Specifically related to Social Workers/Care Managers in Adults/Soulbury terms and conditions

These groups of staff have competency based progression through their scales and the comments relate to these frameworks linking performance to demonstrable skills through a portfolio of evidence from current work and study with an evaluation of outcomes. These frameworks are outside of

normal incremental progression by length of service achieved. Staff express concerns about the recruitment and retention of staff in these areas, which takes place in an economic market where there is a shortage of well qualified and experienced staff, and where there are authorities who will be able to offer pay increases to staff tempted to move elsewhere. Should this proposal also apply to competency based progression, concerns are expressed on the implications on service delivery for children and adults in Medway.

Multiple responses (identical comments from different individuals)

These comments express concern about the proposal being an attempt to bypass negotiations with the Trade Unions and does not address key concerns such as remuneration for the good will shown by employees once a climate of more relaxed budgetary stresses has been achieved, the failure to establish any gender or ethnic bias studies concerning the proposal, failure to provide tangible information pertaining to the amount of redundancies and the savings made by the elimination and/or termination of these employment positions to establish a metric to measure the savings against, concerns about the gathering of the information that is being used to justify the need for the proposal and the inevitable job losses and service cuts, failure to provide any data to determine the impact on pensions by accepting the proposal, failure to provide career progression data if the proposal is accepted.

Group responses:

Letter received from the *Gillingham Family and School Support Team*

Letter received from the *Gillingham & Rainham Integrated Services Team*

Letter received from the *Attendance Advisory Service for Schools and Academies*

From a group of concerned employees

Response from *Aspect trade union*

Response from the *Association of Educational Psychologists (AEP)*

- 3.4 Consultation meetings were held with the Trade Unions on 12 October 2010, 18 October 2010 (JCC), 8 December (Corporate Consultative Committee), 14 December 2010 (GMB), 16 December 2010 (UNISON) and 11 January 2011.

4 Outcome of consultation

- 4.1 The meeting on 11 January 2011 with the Trade Unions was very positive and there was a consensus to reach a collective agreement if at all possible, providing there was some protection for the lower paid staff. The agreed view is that a collective agreement is preferable to termination of existing contracts of employments for those staff who would have received an increment in April 2011 and the offer of a new contract without an increment for one year, subject to review.
- 4.2 Officers are currently considering and costing what, if anything can be offered in relation to lower paid staff as obviously any offer of protection for lower paid staff will mean less savings which will impact on the overall budget deficit situation for 2011/12.
- 4.3 Representations have been made that incremental progression linked to competency levels achieved should be retained for the following:
- Social Workers covered by the Children's Care Career Grade Scheme,

- the progression from B1 grade to B2 grade for Care Managers in Adult Social Care who achieve the Post Qualifying 1 award and
- Soulbury staff eligible for SPA increments (Structured Professional Assessment).

4.4 It is recommended that progression for these three areas is retained as they directly link to competency levels achieved in relation to service delivery in the Children and Adults Directorate. This will cost approximately £97,000.

5. Risk management

5.1 The risks in relation to these proposed changes relate to the personal financial implications for employees and how this may affect morale, motivation and performance, particularly in the light of other financial pressures such as no cost of living pay award and the increase of VAT rate in January 2011. There are also some risks in losing highly valued skills of employees who decide to find employment elsewhere.

6. Financial and legal implications

6.1 The financial implications are outlined above. If the £1.6 million is not found from freezing increments it will have to be found from elsewhere in the council's budget.

6.2 If the above proposal is agreed without a collective agreement with the Trade Unions, this would result in a change to the current contractual terms and conditions of employment for the staff affected. In order to implement these changes, it will be necessary for the council to reach agreement with individual employees by agreeing a variation to their current contracts of employment. In the event that an agreement cannot be reached with the individual employee, the council can then proceed to unilaterally vary the existing contract by issuing the employee with the contractual notice to terminate their current employment contract and then issue the new contract of employment incorporating the new term which would effectively result in the freezing of entitlement to incremental progression. If the variation is not agreed with the individual employee, a right of appeal would be available and details of the appeal process would be provided at that time. A senior manager would consider any appeals.

6.3 The Council must ensure that the process for any changes to contracts of employment complies with the required statutory obligations to inform and consult employees both collectively and individually under Section 188 of The Trade Union and Labour Relations (Consolidation) Act 1992 in order to minimise successful employment tribunal claims.

7. Diversity Impact Assessment

7.1 The Diversity Impact Assessment Screening was completed in October 2010 and indicated a full DIA was required. This has been completed and is attached at Appendix 2.

8. Recommendations

The Employment Matters Committee is asked to recommend to Cabinet and Council that:

- 8.1 Increments are frozen for 2011/12 with a review of the pay and grading structure being developed and consulted upon during 2011/12.
- 8.2 The Assistant Director, Organisational Services is given delegated authority to continue negotiations with the Trade Unions with a view to reaching a collective agreement on this proposal, which achieves, within the present financial constraints, some protection for lower paid staff.
- 8.3 If this collective agreement is not reached, that individual employees are asked whether they will agree to a variation of their contracts of employment for a freeze of their increment for one year.
- 8.4 For individuals who do not agree to this variation, that notice be given that their present contracts of employment are terminated and new contracts are offered stating their increment for 2011 will be frozen.
- 8.5 Incremental progression linked to competency levels/qualifications achieved should be retained including the following:
 - Social Workers covered by the Children's Care Career Grade Scheme,
 - The progression from B1 grade to B2 grade for Care Managers in Adult Social Care who achieve the Post Qualifying 1 award and
 - Soulbury staff eligible for SPA increments (Structured Professional Assessment).

Lead officer contact

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Background papers

Cabinet Report - Medium Term Financial Plan 28 September 2010

JCC Minutes 18 October 2010

Employment Matters Committee 2 November 2010

Cabinet Report – Provisional Local Government Settlement 2011/2013 21 December 2010

Employee comments on the proposal to freeze increments Appendix 1

114 individual comments have been received in total together with five group responses. These comments have been made anonymous and categorised into the following themes:

- 1 – 42 Impact on personal circumstances/general comments
- 43 – 55 Perceived unfairness of the proposal
- 56 – 79 Alternative suggestions to the proposal
- 80 – 81 In support of the proposal
- 82 – 93 Specifically relating to the low paid and the less than £21k proposal
- 94 – 101 Specifically related to Social Workers/Care Managers/Soulbury
- 101 – 114 Multiple responses (identical comments from different individuals)
- Group responses:
 - Letter received from the *Gillingham Family and School Support Team*
 - Letter received from the *Gillingham & Rainham Integrated Services Team*
 - Letter received from the *Attendance Advisory Service for Schools and Academies*
 - From a group of concerned employees
 - Response from *Aspect trade union*
 - Response from the *Association of Educational Psychologists (AEP)*

Impact on Personal circumstances/general

- 1 After nearly nine years of service for Medway Council I am nearly at the top of my support workers pay scale, yet still feel it necessary to object to the proposed increment freeze. As a carer for the elderly, I and my colleagues are some of the lowest paid workers in the sector, and year after year struggle to cope with the ever increasing cost of living, taxes rising, minimal ,if any pay rises, and now this increment freeze. This could mean myself and a colleague earning significantly different amounts for doing exactly the same work. Does this seem fair? Is it not possible to introduce this to new entrants to the job, so that they accept these conditions on application, rather than take them from people who took on employment thinking they have a scale to work towards? I live in a village in rented accommodation as I do not earn enough to get a mortgage, due to shift work I rely on my car as public transport doesn't start early enough, my car tax and insurance have increased more this year than ever before. Who knows, with job cuts looming as well, I may find myself better off not working and relying on the benefit system to support me and my children.
- 2 I would like to give my views on the proposal to freeze future increments. I am fully aware of the issues relating to cut backs within the spending of the council's budget but feel that this is now the third item I have been presented with and am finding it more and more undermining in my job roll. Initially we were told to accept that all council staff would have to go without a cost of living increase, this was then followed with changes made in the essential car users allowance and I doubt if I will be able to qualify for this next year even although it is necessary for me to use my car for work. Now on top of all this there is a new threat looming over us with the possibility of no future increments and this is something I have always looked upon as "recognition for my services to the council". I am not one of the high earners and every penny makes a big difference to me. I hope we do not have to sacrifice yet another loss in my earnings as I feel demoralized enough with my monthly earnings diminishing rapidly.
- 3 Thank you for your letter of 12th October 2010. I appreciate that public sector funding is under pressure and that these are difficult times. I agree that alternative options to redundancies are the way forward but would like to make the following comments:

- You do not give any alternative ways that the council has considered saving money, other than the redundancy of 50 full time staff. Has the council fully considered all possible alternatives other than redundancy, to a freeze on incremental payments?

- It would not seem a fair option to only penalise the 61% of staff who are not at the top of their grade, whilst leaving the higher paid unaffected.

- To unilaterally vary the existing contract by terminating the current employment contract and then issue new contracts would give staff very little confidence in the council as a trustworthy employer. This would decrease the morale of staff and would, I suggest, make it harder to achieve 'better for less'.

- Surely staff are the most important resource that the council has, so to treat them fairly by honouring existing contracts would seem to me to be something to think about very seriously.

4 I am in the position whereby I have paid for my children's junior school education over the past years and have two years funding to find for my youngest child. I personally have saved the Council £55k in return to sewer water charges. Because of my financial commitments and savings made for the Council I believe I am entitled to an incremental pay rise for the financial years 2011/2012.

5 Although I am at the top of my pay scale--I feel the need to support my colleagues in objecting to the proposal to freeze increments. Pay in local government is low anyway--especially at the lower end--usually frontline staff.

You need to keep good, reliable, experienced staff--they are the backbone of the council. We are having more and more work put onto us and not even getting a cost of living rise--you need to keep the goodwill of the staff--give us some incentive please!

Surely there can be easier and fairer ways for the council to save money--have all 'avenues' been looked at --or is this just a quick fix?

6 I protest strongly against freezing the increment for us Medway Council employees.

Local government pay scales are low in the best of time. Especially the front line staff like myself. We choose to work locally for the best of reasons due to family commitments, easy travel & security of employment. Most of us feel strongly that the public sector ethos is important. I believe that the local government needs conscientious committed individuals to deliver excellent service to the community.

I have a strong commitment to efficiency & I would say there is always scope for savings in the budget. Your letter of the 12th of Oct say's nothing about the substantial savings that can be achieved by improved purchasing & procurement. This is the first place to look for in any organisation.

Medway Council needs to attract & retain good staff. We cannot do either if you if you remove the increment process. This council runs on good will. Please do remove the good will from the staff. I know that I am on the top of my scale but I feel that I need to support my colleagues in this instance.

Lastly I am concerned that this freeze will affect my pension as I only have another 10 years for retirement.

7 I protest in the strongest possible terms against the proposal to freeze increments for Medway Council staff.

Local government pay scales are notoriously low at the best of times. People choose to work locally for a variety of reasons – home commitments, ease of travel and security of employment.

Most of us feel strongly that that the public service ethos is important. I believe that local government needs conscientious, committed individuals to ensure excellent service to the community.

Similarly I have a strong commitment to efficiency and I would say that there is always scope for savings in the budget. Your letter of 12 October says nothing about the substantial savings that can be achieved by improved purchasing and procurement. This is the first place to look for savings in any organisation.

Medway Council needs to attract and retain good staff. We cannot do either if you remove the increment process. This council runs on good will. Please do not remove the goodwill from the staff.

We are all proud to be part of 'Investors in People' but this proposal is a retrograde step which makes nonsense of these aims- "*People's contribution to the organisation is recognised and valued*".

Your proposal to freeze increments, poses many questions about the competency of management within Medway Council since the implementation of this proposal and any follow up process in later years is in itself an expensive business.

Lastly, on a personal note, the effect this will have on my pension is intolerable. I am already having to work past pension age due to the recession but this blow to my finances is the worst.

8 I object vigorously to these proposals.

The freeze on increments disproportionately affects those of us who are already low paid. You would be expecting us to carry an unfair burden, especially with no cost of living pay rise and the increase in contributions to employee National Insurance next spring.

In essence this represents a pay cut when you take into account the cost of living. I think we deserve absolute transparency in terms of how this proposal was arrived at - at face value it seems particularly unimaginative - a knee jerk reaction.

If the intention is to demoralise and disincentivise an already low paid working force then you are going the right way.

Senior management relies on a lot of goodwill from staff to keep the Contact Centre and Contact Points running extremely effectively - that goodwill is already in short supply due to the imposition of new ways of working increased workloads and the taking on of new services all of which are saving the Council money anyway. We are an excellent team who get little financial recognition for the extremely diverse skill set we need to do our jobs as it is. This represents more than the thin end of the wedge.

Proposing to do away with a contractual commitment while wasting money on management consultants to get our team leaders to be nicer to each other and manage their time more effectively is an insult to hard working people with family commitments, mortgages to pay etc.

Feelings are running very strong.

In Customer First a new piece of software has been rolled out (inevitably at substantial cost) to schedule and manage our shifts. While I can see the advantages of something like this in a large organisation, say like the DVLA, it seems wholly inappropriate when team leaders have a maximum of 15 people to manage, especially when the software is not even being used as designed. Again, all we see is a proposal to cut increments running alongside wholly inappropriate capital expenditure.

We sit here surrounded by waste and are expected to give up our right to increments?

I would urge Senior Management and Members to rethink their strategy. They need committed hard working individuals to deliver services. This apparently cavalier proposal could have a very significant impact on this delivery.

- 9 I vigorously oppose the Increment Freezer that Medway Council are trying to impose on its staff.

I am in a low pay banding and earn less than £18,000 per annum and rely on my increments as we had our cost of living rises stopped for last 2 years. I am 58 yrs old and live on my own so these cuts are really going to affect me.

I think it is disgusting that the Councillors have passed this without looking into it properly and how it will impact on low paid staff. I am sure there were other things that could be done before they went straight for staffs pay.

I know I am probably a minority as there are lots of staff already at the top of their pay scales and haven't got to worry but this freeze is going to impact on my pension as well. I can't believe this is legal as increments are linked to our contract and from the meetings I have attended the Council seem to be steam rolling ahead

And are now talking about changing contracts. How convenient to do that so they can increase hours, make pay less, stop flexi, stop increments and down grade. And still the Council wastes money at our expense.

And why is it that the Council always hits the workers-my pension isn't protected like the directors. Chief executive and high management I bet there not worrying (I'm all right Jack) comes to mind.

And on the strength of all this I lose my Increments and Cost of living rises.

From a very cross and disgusted employee.

- 10 Salaries for staff in my work group range between spine points 17 to 21, however, all members of staff are required to perform exactly the same duties and take equal responsibility.

This is demonstrated by the fact that anyone can be rostered to work with any other member of staff regardless of length of service, level of pay or any other criteria. We regularly work two on a shift without the presence of a manager. This is especially the case at weekends.

In practice management have recognised that all staff has equal capabilities and therefore I feel that we should all be receiving the same level of pay.

The annual increment is a very attractive part of my contract and a major incentive. If I lose this increment I will feel demotivated and discriminated against as there will be absolutely no basis on which to justify the discrepancy of pay between myself and my colleagues.

- 11 I am writing in response to your letter of 12 October which proposes to freeze increments for all staff not at the top of their pay scale, nominally for one year, to be reviewed again the following year.

I note that you propose to achieve this by effectively tearing up my existing contract and redrafting it. Unless I misunderstand the content of your letter, should I not wish to accept the revised terms of this new contract, the alternative is either to terminate, or have terminated my employment and seek recourse to tribunal.

I fully understand that Medway Council's budgets are under unprecedented pressure. So are mine. My outgoings for the next twelve months look set only to rise: increases in energy prices, travel costs, national insurance contributions and VAT will resign my already-tight budgets to the status of almost unworkable. With Medway Council employees' negotiated pay increase already frozen, I fail to comprehend how Medway Council expects the simple equation of 'all outgoings

increase/ income remaining static (decreasing in real terms)' to possibly be realistic. Perhaps the Council would consider exempting its employees affected by these proposals from inevitable increases in Council Tax bills next year?

I joined Medway Council only two years ago. At the time I was offered this position, I was also considering two other positions for which I had successfully interviewed. This position was not the best paid of the three, but I liked the idea of working for the community in which I live and, having read the proposed terms of employment, I was reassured that my salary would at least be guaranteed to rise year on year for the foreseeable future. It would now seem that the terms of that contract are potentially not worth the paper that they are written on, and I fail to see how this can be deemed to be either legal or fair. You concede the point that the proposed changes can not legally enforced under the terms of my current contract: your answer to this is to rip up the bits that no longer suit, and change them. However, it does not change the fact that I would not selected this post from my choice of three if it had been made clear that my salary would remain static whilst my living costs increase.

Should the proposal to renegotiate my contract proceed, I assume that there will also be opportunities for me to also make changes? If Medway Council insists in removing my annual increment, I would propose that a clause is added to my contract providing recompense, rather than TOIL, for hours worked over and above contracted hours. My TOIL currently stands at 75 hours, and will undoubtedly be double this figure by the end of December. I trust the Medway Council would be happy to include a means for this to be paid when negotiating a new contract to remove payment of my annual increment.

I object to the proposed measures in the strongest terms: they target those who by definition are not at the top of their pay scale and who are therefore least able to afford them, and they propose to do this by effectively holding staff to ransom: accept the new measures or have your contract terminated. I would urge the Council to reconsider.

- 12 I am currently a Team Leader and am halfway up the spinal scale for my grade. I have another 5 increments before I am at the top of the salary range. For 2 years I have been seconded into this position and in May 2010 I was appointed into the role on a permanent basis.

One of my team (due to qualifications) is on the same scale as me, so although I am their manager we are both receive the same salary. With the freeze on increments I will stay on the same grading as them and not receive any benefits for being their manager.

If I had known when asked earlier this year if I wished to continue in the role on a permanent basis or return to my role as one of the team, and that I would not be able to progress further up the pay scale, to be quite honest, I probably wouldn't have taken the team leader role on permanently.

I am quite happy not to receive a pay rise for the 3 years that has been agreed and hope that it will save some jobs, but to not get paid a fair salary for the position I have just been promoted too I find rather hard to swallow, especially as the poorest performer in the team is on the same salary as me and I am having as part of my managerial role to support them through their Occupational Health referral.

- 13 I am disgusted and angry that the Council have found a 'loop hole' in the law by cancelling their staff's contracts and reissuing new ones. It makes a complete mockery of having a contract in the first place.

The whole notion is basically blackmail we are being held to ransom over this issue, which for a local government is disgraceful behaviour.

I am shocked that after 6 years of service with both Medway and KCC that the council can treat loyal hardworking staff in such an appalling manner.

I am on the bottom of the increment scale so this decision will have a huge effect on me, we all rely on these increments to help pay for the increase in the cost of living and to take care of and provide for our families..

I hope the Council will apply the same decision when the increase in Council Tax will be due...as how are we supposed to pay all the increases in Council Tax, bills etc., without an increment to our salary?

I know that my colleagues and I feel very let down as loyal members of staff.

14 I have received the letter regarding the proposal to freeze increments and here is my comment.

"The letter of 12th October 2010 is information rather than consultation as there appears to be one proposal, presented in two ways and giving the same result which is to freeze incremental progression in the next financial year.

a) Accept a variation to contract

b) refuse to accept variation resulting in termination of contract and offer of a new contract containing the change (with right of appeal).

As far as I can see this is neither a consultation nor a proposal but a plan. However, thank you for the information.

15 In response to your letter I am dismayed by the tone and content of the letter. The focus of the letter is clearly on the changes you intend to make and not on consultation, you make it quite clear that you are simply going through the motions. I find this a very insulting and aggressive way to handle such a difficult subject. There is no mention of protecting the lowest paid in the letter and I do hope that whilst this is not said that this will be included in the final proposals, as those on the lowest grades and pay points are already struggling.

Thank you for linking the saving to potential job losses, I actually think that is useful, but also very unsettling as to the scale of job losses you are actually considering.

On a further negative note, I think that it is extremely disappointing that everyone did not receive letters on the same day, this has added to the fear and anxiety that already exists in the workplace.

16 I have a number of observations to make concerning your proposal to freeze increments, which are in no particular order of importance;

1. Those approaching retirement will be penalised for the rest of their lives because of the resulting reduction in pension.
2. Your letter of 12th October to staff linking directly to avoiding 50 redundancies if this proposal is accepted is at worst a threat to staff. In practice the savings made cannot be directly linked to saving 50 jobs, the budget build process is not that simple.
3. I have it on good authority that these proposals will be passed by Members irrespective of what is said during consultation.
4. Changing staff contracts when it suits the Council renders all staff contracts meaningless.
5. At a time when the Council needs staff morale to be at its highest to cope with the stringent cuts facing us this proposal is going to reduce morale considerably.
6. This proposal penalises those on incremental progression but those at the top of the grade, who are costing the Council the most are not affected.

17 I received my letter today regarding the above. Although I am willing to sacrifice my increment for the next financial year if it can help save jobs, I am concerned about the long term.

Your letter states that you will amend our contracts. Will the changes only state that this will be for one financial year or are you intending to make it a long term change?

- 18 I am amazed and angry that the Council have found a 'loop hole' in the law by cancelling their staff's contracts and reissuing new ones.

What choice do staff have but to go along with it....I feel that we are being held to ransom and we are damned if we do and damned if we don't agree!

I hope the Council will apply the same decision when the increase in Council Tax will be due...as how are we supposed to pay all the increases in Council Tax, bills etc., without an increment to our salary?

I have already gone to four days a week in order to try and save money for our department, and several staff have done the same.

I know that my colleagues and I feel very let down as loyal members of staff.

- 19 I write in response to the recent letter regarding the incremental pay freeze in 2011/12

I have read the letter and understand the concept of the council trying to save money and protect everyone's job. However from a personal point of view I am a single earning household. My mortgage will go up, my electric and gas have gone up, Vat will go up in January yet we are not getting any increase to reflect the actual cost of today's living. I have stopped paying into my pensions scheme as I can no longer afford the monthly payments.

I am also very concerned that once this incremental rise has been taken away will not get it back and will still be earning the same money in 5 years time yet once again everything would have increased.

I feel sorry for staff that have taken a "better paid job" only to find the swap the top of the lower grade to the bottom of the new higher grade taking on more work and responsibility and they will in effect not get any increase in pay.

I have worked in local government for 21 years and in that time worked in authorities where they have had to make hard cost cutting decisions yet salary increase was not sacrificed. The cuts were made in non essential areas such as external training, attending conferences and events that are at a cost and making charges for non statutory services. (In Greenwich we only had essential stationary for example)

Whilst we are glad to be employed and earning a wage it does need to reflect the actual cost of living in 2010/2011 I am in genuine fear of loosing my home as I simply have more going out than coming in.

- 20 Whilst I am grateful just to have a job in the current climate I would like to raise an issue that I find frustrating and de-motivating and having spoken to colleagues the feeling is felt amongst allot of staff.

My point is that the majority of recent appointments within this directorate are commencing employment near to the top or on top of the the pay scale. I have been told that in order to attract the right candidate you may have to pay more, surely in this current climate that's not necessarily true for every post? I know from direct experience with friends/contacts that major housing associations/councils are restructuring and hundreds of staff being made redundant locally.

I do find it difficult to accept, especially when I was told that this council has a policy of not allowing staff to move up more than 2 spinal points and following my successful application

for my current role I was unable to negotiate. I accepted what I had been told was the truth and at the time knowing no different didn't question. Further to that, in the last year we have made staff redundant ourselves and no doubt more will fall as part of further cost cutting exercises.

I guess what im getting at is that surely we cannot commit to both, cost savings on current staff but high starting costs on new staff.

21 Could you please advise whether the temp pool staff will be receiving letters also.

22 I am writing with comments on the consultation to freeze pay.

After reading your letter I am in two minds with this. When reading the paragraph that states by freezing pay this could save 50 jobs it hit it home to me what this could potentially mean.

Before I start I would just like to say I have lived in Medway for 23 years now and have worked for Medway for 10 years since I was 17 as a JHP trainee and am proud of the achievements I have made here and am hugely great full to the Council for giving me the opportunities it has.

I am a single mother of 2 children and it is pretty tough for me to say the least. We have had no cost of living rise or incremental rise this year yet everything has gone up. My rent has gone up, my council tax, my electric and gas even the food shopping. Yet my wages do not reflect this rise and it has become harder and harder as the year has gone on. And then to top it all the VAT will be increased next year to cover the VAT drop last year. I am literally living on the poverty line at the moment. Christmas is going to be awful this year.

I am really frustrated and in the grand scheme of things I don't know what difference me writing this is going to do. We get very few 'perks' working for local government and as a public servant I expect that the public come first in everything we do. I would not expect that services for children and the elderly etc should be cut for me to have my pay rise but I am angry that I am having to pay the price.

I hope this email doesn't come across as being rude. These are my opinions however I truly do understand the situation that we are in. The cuts have got to come from somewhere its just unfortunate that it has to be hard working people's wages.

23 As an employee I have a contract with my employer Medway Council, I have always fulfilled my part of this contractual arrangement is it legal for the employer to break their side of the contract?

24 Does this constitute a fundamental change to my contractual terms and conditions if I still have increments to achieve, if I do not have increments to achieve then I can not be deemed to have accepted a new contract, does this not further evidence discriminatory employment practice?

25 The proposals appear open ended with year on year changes as deemed appropriate, how can I agree to a clause without the correct valid information contained in it, so that I know what I am signing up to?

26 It has been noted a few times within this document that unions will either agree or not on behalf of staff. I am not in the union so I personally would not agree with them negotiating on my behalf. How does that stand with consultation?

27 Having come into the office on Monday I was given a letter which pretty much stated that we either accept the pay freeze or have our contracts terminated and reinstated without the pay increment clause. I would like to know how this put up and shut up method will work? Regardless of what employees think and feel it seems we will be forced to accept these terms.

Will the terms be reversed in due time or is this something else we will have to continuously battle with? The department I work in is under constant pressure to perform well at all times and generally we are a great team. How do the council intend to keep staff morale high when it seems we will have to give more and get less? I appreciate these are hard times but are you not making it harder for us? Whether we like it or not the living increase will rise but our wages will not. Being quite a new member of staff the unease I feel in my role is great. What are the council going to do to protect us from possible job cuts?

- 28 I suggest that it needs to be highlighted at the meeting on 28 September that the terms and conditions attached to my employment provide that I will receive this incremental increase. As I joined only two years ago at the bottom of my pay scale, and have therefore benefitted from only one incremental increase, I would suggest that there are questions that need to be answered from a legal perspective before this can proceed. I took what is accepted generally to be a low salary for the post I occupy, and one of the deciding factors in my accepting this position was that all documentation I received both in advance of my interview, and immediately afterwards, provided that I would receive an annual incremental increase. I had other options for employment when I accepted this post and those conditions. To have this provision removed at this stage seems unreasonable, and I would need to seek legal advice about the legality of Medway Council doing so.

I would be grateful if you could advise as to whether Medway Council has sought legal advice on this issue.

- 29 I am looking for advice & to email my concern about the recent communications email proposing the stopping of incremental rises.

I have only recently joined Medway council. I was aware of public sector financial cutback publicised by new government at the time but felt re-assured taking the position as it was promised freezes would only affect those earning over £21,000 a year. I did have a lot of management experience in the customer service industry but was happy to start on a probation level entry salary upon the understanding this would rise with increments as my experience and performance increased. The increments were mentioned in the advert for my position I responded to, spoken of at interview and in my written contract. I now feel quite anxious about the proposals that, when I hope to satisfactorily complete my probation period in January I will not be able to rise off this probation pay level in the foreseeable future.

Would that be the case if proposals go through? Can you tell me what routes would be available to me as a new employee if I disagree with this proposal?

- 30 As I understand it the increment rise is designed as part of developmental progression within the workforce and also to ensure that new members of staff with little or no experience are not immediately paid the same as someone who has at least 1 year's experience in the role.

As someone who was at the top of my grade for over 10 years and by applying for a promotion last year has only just again been able to move up with pay scale feel that this is unjust.

As an employee of the council my pay has been frozen for 3 years from this year but my council tax was increased and next year an increment freeze is being proposed but I have no doubt that my council tax will not be frozen yet again.

- 31 In light of the union stance that "Unison will be formally objecting to the proposal to freeze pay increments.

These conditions are included within Part 2 of the National Agreement and are therefore not negotiable at a local level", are the Council now looking to come out of the NJC agreement or will they now drop these proposals?

- 32 I appreciate that the council has to cut costs, but a pay freeze and a possibility of a 0% pay award as well will be the equivalent of a pay cut, however, it also has an impact on my future earnings and pension. This will be a bad move by the cabinet if this is agreed – what are the alternatives? Can we be consulted on a range of options?
- 33 Is this freezing of increments legal. Surely if your contract states your job is worth a grade with yearly increments it would be difficult to freeze> Also if legal, how will it be that you stay on an increment level with greater responsibilities, then in a year or two a new member of staff under training earning same scale as yourself because you have not moved on.
- 34 Whilst I can see that this proposal will relieve pressure on the 11-12 budget and so minimise the need for further redundancies, what assurances will be given to those staff affected that this mechanism will not then be used in subsequent years. If this were to be a long term change, then surely the council will be creating un-equal pay. As those currently at the top of grades will continue to remain on their current spine point whilst those anywhere else on the scale will not be able to achieve that position whilst doing exactly the same work.
- 35 Surely if all staff's contract's will need to be terminated and re-issued with the incremental date removed, how will the staff be reassured that this will be reversed after one year? Will the member's sign something legally binding to state that they will terminate all staff's contract's and re-issue them again to include the incremental date within the contract again after one year? If so how is the cost of doing this justified?

It seems irrelevant whether staff agree or not as this will be forced through the same as the essential car user allowance contract amendments. So supposed consultation is only to comply with legal requirements within contract law.

So moving on with the assumption that this is going to happen for a year, it will save a proposed £1.5 million, where is the remaining £11 million coming from besides forced redundancies? After all if we expect a 25% budget cut that equates to £12.5 million?

It seems hardly fair that staff are forced to accept pay cuts and then they are not even given the satisfaction of having job security?

- 36 How many cut backs do you think we can cope with, we had a 1% payrise last year, nothing this year and nothing next year and now the increment and pension cuts.

How are we supposed to keep up with inflation? And I do hope the council doesn't raise council tax as that would be greatly unfair. You can't stop our raises and expect us to find more for a council tax increase.

All this will lead to is a loss in moral and productivity across the council.

It's nice to keep replying to everyone with the word "appreciate" but this is just a mere word and will have no meaning to the replies given.

The council will do what the council will do regardless.

- 37 I am aware of the outline plan to whittle away further at Medway Employees Pay and Terms and Conditions.

I am mindful that the plan to freeze annual increments is to be considered as the next phase of demoralising staff within Medway even further.

In the past year or so as an employee of Medway I and others have seen:

Pay freeze and therefore no annual increase, therefore salaries not being kept in line with cost of living and again falling behind the private sector equivalent.

Loss of retention/enhanced payments being phased out.

Change of Essential Care Users

And now this further plan to Freeze Increment payments.

It is clear that from your own information approximately 61% of staff will be affected by such a move in the next year. However this freeze will impact for more than just the next year.

For staff like myself who are planning retirement/early retirement during the next year this freeze will have an impact upon the calculations for pension payments as such calculations are figured upon the last few years pay levels. Therefore to freeze the increment payment will have a long term permanent impact upon these individuals beyond the initial year you speak of in your proposal.

I and others are aware of the financial impact currently around for all Local Authorities, however Medway has been working toward cuts and freeze of salary in advance of the current crisis and it is my view that such measures currently being considered are yet another step in a process which has been in operation for a few years now.

The morale of staff in Medway and certainly in my view within Social Care is at a low point and that these current proposals and the other changes already in place have impacted not only in real cash terms in so much as the pay in your pocket has reduced but also are being seen as a direct attack at the worth of the employees in the eye of the Local Authority.

Staff in Social Care and other services in an area are the main stay of the resources for any Local Authority. The manner in which a Local Authority view and value its staff is not shown in the rhetoric and worthless words on paper but by way of how they are treated via their pay and terms and condition, which allow staff to live and cover the day to day costs of such living.

In Medway it would seem that the resource of staff is now seen as a lower priority over the appalling waste of monies on projects such as Bus Stations, 'regeneration' which expends vast amounts for little return and is undertaken to pander to the ego of councillors and the local authority image, which currently is poor, and run by a Council who are unable to consider budgets and expenditure in a realistic and sensible manner. It is pointless to have nice bus stations and new housing, shops etc if the people in the area do not have the means to use such facilities, people should come first!!.

If the Local Authority wishes to maintain minimal levels of service, achieve National Targets for Child Care, Adult Care and Care of the Elderly and Vulnerable in our community then the Local Authority need to retain and maintain staff who are committed and experienced in their work. Such attacks on staff pay and conditions make staff feel undervalued, demoralised and that they are not a resource which their employer values in a true or realistic manner.

I therefore oppose the proposal for an incremental freeze for the reasons outlined above.

Further to the above I have to express a concern that it has been heard that senior council staff are not subject to such pay freeze etc and also may be in receipt of a 'bonus' for their work. I hope this is not correct and it adds further insult to the current staff who would be affected by such proposals.

Having read the dialogue on the Achieving better for less website I wished to add some comments about the proposal, but not post them on the forum. I understand that they will be public as part of the consultation

I feel the Council has been less than open about the benefits to the Council budget of freezing increments for one year. There is surely a knock-on effect year on year until people finally reach top-of-scale.

All the decisions about freezing of increments or cost-of-living increases are applied only to portions of the workforce. Teachers and some others directly employed by the Council have different conditions of service and are not affected. The increment freeze would affect a smaller proportion still, only those not at top-of-scale. This feels unfair, quite apart from the arguments others have put forward on an unfair impact.

I'm not clear on the implications of new contracts. Will there be spot-point contracts? Is the Council intending to introduce new shorter pay scales? Surely the work and time involved in producing new contracts will significantly reduce the cash benefit, always supposing there are sufficient staff in HR to process all the paperwork.

Most schools are generally against an increment freeze for non-teachers. Their arguments are generally about the unfairness, demoralising staff as they are about to carry out an overall restructuring, and that the impact of this is not worth the saving made. Schools are much smaller organisations and in most cases the saving is less than one person, rather than the 50 quoted by the proposal for the Council. The decisions by the schools, although separate, will increase the feeling of unfairness amongst direct employed Council workers.

On a personal note, whilst I have read your answers to questions on the impact on pensions, a freeze on increments will undoubtedly affect my pension directly, as my salary over the 12 months to retirement will be less than I was expecting.

39 I strongly disagree with the proposal to stop our annual increments.

I am twenty six years old and I have recently moved out of my family home into my own home for the first time.

This is a rented accommodation because my current salary at Medway Council is not enough that I could afford to buy a property.

Then I learn of the governments plan to increase council tax! So this begs the question how am I supposed to pay an increase in my council tax when my employer 'Medway Council' will be freezing my increments for the foreseeable future?

Not to mention the increase in VAT rates!!!! I really don't understand how the government can say that they are going to put up council tax and VAT rates but then stop public sector workers receiving their annual increments and expect us to be able to cope with this pressure financially?

How is someone like me supposed to cope with these cuts and increases with out getting into debt or possibly losing my home which I have worked so hard to get.

Also I have heard nothing of our cost of living allowance? Will we still receive this or will this be stopped to?

40 I am emailing you as I strongly protest against the proposed pay increment freeze for the following reasons:

1. The cost of living never stops rising and VAT has recently risen, so if my pay does not increase annually it will be extremely difficult for me as I will have limited funding.

2. I have bills to pay like everyone else and what little is left allows me some small luxuries. Without any extra funds the only life I will have will be at 'work'!
3. I have worked for Medway Council for many years and feel that I am being penalised for other people's mistakes (mismanagement of budgets/overspending). Why should Medway Council workers who work over and above their roles supporting children and their families have to fight to save what is rightfully theirs?
4. With any financial cuts it is common knowledge that we will have to make sacrifices/cuts within our lifestyles. My lifestyle is not extravagant so any cuts to it would leave me with nothing.
5. The salary I am currently paid is what I have worked up to over the years, it was not given to me on a platter, and I am not happy about someone taking some of this away from me, as I have worked hard to reach this pay level.
6. I do not think it is right that we should be expected to have our pay increments frozen and the expected to continue providing the same level of work.

I feel really strongly about this proposal and do not want this to go ahead.

- 41 I write to register my concern that staff in Medway are not being given their annual increments.

Increments are an important way of encouraging loyalty and this provides encouragement for staff to remain within the authority. It is not easy to recruit social workers and when we do manage it, it would be good if they stayed so as they can continue working with the families they know. Feedback from service users is that they just get to know their Social Worker then they are off somewhere else. All too often the council have had to rely on agency staff increasing the cost of staffing. It would be great to have staff who are committed to work for this authority and for them to be rewarded for their loyalty to Medway.

Medway is close to the London Boroughs with additional payment for working close to the City. It would be a great loss if staff looked for employment elsewhere.

Employees need to feel that their employer values them so that they can feel able to commit to a very challenging job.

- 42 At the moment I am at the top of my payscale. In order to join the next scale up I did what I was told, and joined a post qualifying degree course in order to meet the requirements. Much of the work undertaken has been done in my own time, which I don't mind as it will benefit me. I was then advised that the degree course is now irrelevant and I must undertake a competency portfolio in order to meet the requirements. How I am supposed to find the time to do this, I don't know.

As far as I am concerned, the use of increments is the employer's way of recognising and rewarding my increased experience, competence and also my loyalty to my employer, in that I don't jump from one local authority to another when the grass seems greener. The increments have served to foster goodwill between me and my employer, and consequently I haven't minded going the extra mile in order to ensure that my work is done to the highest standard possible.

By freezing increments the message that I get is that I am no longer valued, and by changing the route towards the next payscale gives me the impression that my employer will stop at nothing to prevent my professional advancement and higher pay. These actions do not foster goodwill.

So I am going to start working only the hours for which I am contracted. On average I work an additional 10 hours per week, at evenings and weekends, don't usually claim them back as toil and don't use up my all of my leave entitlement. I'm going to stop doing that.

The amount of additional working hours that the council will lose, will more than make up for the loss of an increment, and once I have my degree, I'll take it to an employer that is willing to show its appreciation.

Perceived unfairness of the proposal

- 43 I appreciate that Medway Council is facing immense financial pressures in the coming years and that there is a legal requirement to achieve a balanced budget. From the letter that I received, my immediate concern is that the proposed increment freeze is for 2011/12 whilst a further review is undertaken. Surely, a saving of this magnitude will be needed year on year to sustain a balanced budget. Therefore I am seeing this, rightly or wrongly, as a possibility of no increments for the next few years.

I understand that freezing increments will prevent more redundancies than necessary, and I applaud that sentiment, but it also means that staff will not be treated fairly. You will have the situation where two people doing identical jobs will be paid different salaries, but with the same responsibilities. I appreciate that this situation occurs at the moment where staff are moving up the spinal points within their grade but, currently, they will reach the top of that grade and will be paid equally once they have served the same number of years as their counterparts. The proposal will set that back at least a year, and in my opinion, maybe more. It will also affect people's pensions.

I'm not saying I have a solution. I appreciate that the 61% of staff affected are not actually losing anything, as we haven't been given it in the first place, but I do feel it is unfair to penalise us with an easier option instead of, for example, allowing the increments to go ahead and then have a small percentage paycut across the board from Chief Executive and Directors down to junior staff which would be treating everyone fairly and we all share the pain.

I also feel that the way the letter reads, it is basically saying if the proposal is agreed by Members then staff will be asked to agree to a variation in their contract but, if they don't, you will terminate their contract and issue them with a new one. This makes me feel the decision has already been made, regardless of consultation, and if I don't agree to the variation, it will be enforced anyway.

I know this is a very difficult time but thank you for the opportunity to make my comments known.

- 44 Further to the employee consultation letter of 12 October 2010, I wish to comment that I feel it is unjust that only 61% of employees are being asked to make this sacrifice whilst the balance (39%) are not expected to assist with this exercise. It is possible that this will fuel resentment amongst colleagues, has this possibility been considered and why has this unbalanced decision been made?

I quite understand the need under the current economic circumstances to identify cost cutting measures, but surely these should be fair and equitable and shared amongst council employees as a whole. These proposals for an increment freeze only affect a quarter of the council's total employees when you take into account those employed in education - it is right and proper that ALL council employees are considered in this. This amounts to a total of 8,178 employees, and means that a £1.5million salary saving could be achieved by reducing all employee salaries by £3.53 per week with no need to remove the salary increment.

Additionally, I would ask where the option analysis has been conducted, or was this the only proposal put on the table? The council is quite keen on options analysis so it would be interesting to know if other proposals were put forward, e.g. voluntary redundancy, or the suggestion above.

- 45 I write with regard to your letter dated 12 October 2010 informing staff of your intention to freeze increments, effectively enforcing a change in our current contracts.

You state that nearly 40% of staff would not be affected by this change, yet you are consulting both groups. I believe that to be unfair. Why should staff who are not affected by this salary cut be consulted? Most might well agree that this proposal is fair and this would affect the overall result by skewing the figures. I believe you should only consult the staff who are directly affected by this. If this is a one-off freeze, staff may agree that in the present economic climate, it is the right thing to do. However you also state that a further review will be undertaken and further changes are suggested. With such major changes to our current contracts, it is totally unfair to consult anyone who is not affected by these proposals.

I also believe that one particular group of staff to be disproportionately affected. For staff who are not on the top of their incremental scale and are close to retirement, this proposal will not affect them for just a couple of years; by affecting their pensions, this proposal will affect the rest of their natural life; therefore far more than any other group. I believe that something should be put in place to ensure these staff are not adversely affected.

- 46 I quite understand the need under the current economic circumstances to identify cost cutting measures, but surely these should be fair and equitable and shared amongst council employees as a whole. These proposals for an increment freeze only affect a quarter of the council's total employees when you take into account those employed in education - it is right and proper that ALL council employees are considered in this. This amounts to a total of 8,178 employees, and means that a £1.5million salary saving could be achieved by reducing all employee salaries by £3.53 per week with no need to remove the salary increment.

Additionally, I would ask where the option analysis has been conducted, or was this the only proposal put on the table? The council is quite keen on options analysis so it would be interesting to know if other proposals were put forward, e.g. voluntary redundancy, or the suggestion above.

- 47 I am responding to your recent letter regarding the proposal to freeze increments and have the following thoughts. Firstly I can fully appreciate the situation the Council is in and the need to consider all options. However I feel that this proposal discriminates against a particular section of the workforce who will then be unfairly treated compared to the rest of the Council employees.

The letter states that the proposal affects 2,138 individuals representing 61%, however this figure does not include Council employees in education and a recent publication stated that Medway Council employs 8,178. If this figure is used then those affected only represent 26% of the total workforce and this is therefore an unfair proposal.

I also feel that it is unfair that 1,338 individuals already on the top increment are being consulted as clearly this proposal will have no effect on their circumstances. Any proposals of this nature need to be equitable across the Council and not leave particular individuals feeling disadvantaged compared to colleagues.

- 48 I would like to register my views during the consultation period.

I have 2 points to submit

The first is an organisation wide point and this is that the cancellation of entitlement to an increment is unfair as it only affects those who are not at the top of the scale and therefore it only affects those that are less well off to begin with. To make it fair those at the top of their scale should have to take a pay cut (average for position and grade).

The 2nd comment is a personal one. When I joined Medway I actually took a pay cut. At the time of negotiation I expressed my concern at taking such a large pay cut and was assured under the contractual increment system that I would soon regain the lost income. It was also pointed out that the offer was made after taking into consideration my peers. It was upon this assurance that I accepted the job. Since joining I have discovered that not only am I the only fully qualified

***** in the department but that I am being paid the least. In order for this process to be fair and subjective individual cases must be review and either exception given or compensation paid

- 49 Medway Council has many employees, one group "teachers" are exempt from the incremental freeze, is this not discriminatory against other employees employed by the same employer?
- 50 The majority of staff in social care and a number of other areas of the council are part-time and on the lower scales, the impact on there income from a 2 year pay freeze rising inflation and proposed increment freeze will be dramatic, is this fair?
- 51 I am at the top of my scale so I will only be subject to the cost of living pay freeze which I understand and accept but because I have achieved the top of the scale through time related service I feel I am being placed by my employer in a discriminatory position in relation to my colleagues, I am not being penalised to the same extent, even though we do the same work, is this fair?
- 52 How are staff expected to feel motivated in their duties when some are paying a higher price than others whilst others escape loss of incremental earnings altogether e.g. a classroom assistant in relation to a teacher?
- 53 It is very difficult to accept this when I am so close to retirement and have already deferred my retirement due to the economic depression. In effect, this is already a pay cut as inflation is still rising. Now I may have to watch my pension decrease in value too.

We older employees are being hit from all side and this could well be the final blow for a lot of people.

- 54 The increment freeze is unfair. Why should teachers get increments and support staff not?
It's bad enough that teachers get cost of living when we don't, and I wondered how many staff we have, directly employed by Medway, in each category, so how many would it affect.
- 55 I don't think its fair councillors award themselves a 6% or so payrise when they already earn more than enough and we the workers get nothing.

Alternative suggestions

- 56 Is it not possible to introduce this to new entrants to the job, so that they accept these conditions on application, rather than take them from people who took on employment thinking they have a scale to work towards?
- 57 I have a strong commitment to efficiency & I would say there is always scope for savings in the budget. Your letter of the 12th of Oct say's nothing about the substantial savings that can be achieved by improved purchasing & procurement. This is the first place to look for in any organisation.
- 58 What other options have been considered? We see in the press that "KCC starts wielding the axe but starts at the top". Thanet it appears are also looking at management positions. Brighton & Hove are planning to make savings by overhauling the senior management structure.

Citing the purchase of the Medway Tunnel and the associated maintenance costs as one of the reasons seems particularly disingenuous - many people knew that this was a white elephant - in fact I recollect several members of highways being appalled by the attendant maintenance costs at the time!

And what have the Council done with the money from the sale of the Municipal and Civic sites?

- 59 I truly believe that the pay and pension restraints should start at the top, get rid of middle management (big pay packets but don't do a lot staff)-also get rid of at least half our councillors as we don't need 3 councillors to a ward or even husband and wife teams at nearly £10.000 a year the Council could save some money on this alone. Then of course there is still all the temps and the consultant managers that are still being brought in to show staff how to do jobs they have been doing for years, this must also cost a small fortune.
- 60 I would suggest that it would be fairer to follow the model of Central Government with regards to its Civil Service, and change those rules, and therefore the contracts, for new recruits. Furthermore, I assume that the proposed 'variations in current contracts' will not commit to reinstating the annual increment and believe that this will result not in the loss of this small increment for one year but rather for ever: once Medway Council has carte blanche to remove it, from where will the impetus come to replace it? - the areas that you identify in your letter as being under cost pressures will *always* benefit from further investment, particularly with an aging population: these budgets are, effectively, black holes into which you propose to pour the increments of members of staff not at the top of their pay scale, and who are therefore by definition less well paid than more established members of staff.
- 61 Maybe the pay structure should be reviewed at this time, currently there are no performance related incentives and the proposal to freeze incremental pay will not help with staff morale or performance in the long run.
Other than having a workforce that is "lucky to have a job in this current climate" and a wage bill that has been reduced, what reason will employees have to perform well or over and above expectations, especially when the likelihood is that staff will be given more responsibility in their job due to staff cuts with no reward from it, whether financial or motivational.
Freezing pay increments and not issuing a cost of living rise, on top of the 2.5% vat increase that will be commencing in Jan 2011 is going to hit some employees very hard.
- The only thing other than a financial reward I can think of at the moment, would be additional days added to holiday entitlement for some grades or a day off given as a reward for performance, this for some is just as important as any financial rewards offered – a better quality of life, but this in itself may have its own financial implications for the council.
- 62 Could you confirm whether the consultation on increments etc applies to posts on the Soulbury terms and conditions, or just to NJC?
- Further, are applications for the structured professional assessment (SPA) points within the Soulbury scheme affected by this proposed change to contracts?
- 63 Question 1.
- "Why has there not been a freeze on new employment?" Inevitably there will be redundancies - this directorate alone has employed 6 or 7 new members of staff in the last 2/3 months
- Question 2
- During the time period in which increments are frozen are the council going to introduce a policy of ensuring staff newly appointed commence employment on the bottom of the scale? It would be extremely unfair for a new member of staff to negotiate a wage above existing members of staff who are on a pay freeze.
- 64 Afternoon - I attended our Divisional meeting yesterday with Deborah Upton (Housing) and obviously the present work climate was brought up. Deborah did say that if anyone had anything that they would like to say, then please feel free to do so.
- I just wondered if (and I am sure it has) it had been a considered to put out to staff - whether in this climate people would like to cut their hours - and then of course you would be saving money there - rather than hopefully making redundancies.

Where I worked previously we did this - i.e. if you were Full time you could loose a day and if Part time you could loose half a day and it was surprising how it was accepted and basically never really made a massive difference in our work load and the result was No One was made redundant, which was a result.

Anyhow this is only an idea and as I say may have been suggested before but I think it could be worth asking - especially as quite a lot of your staff are women and we never seem to have enough time at home as it is.

- 65 I would like to make a suggestion for consideration by the consultation team regarding the proposal to freeze increments. I fully understand the saving that could be made on next year's budget position and obviously losing the increment is preferable to losing posts. However, I feel that the proposal is unfair in so far as not all staff will be affected by the proposal. Those staff at the top of their grade will not be affected by this proposal and so I would like to suggest that those staff not receiving an increment that they would otherwise have been entitled to, receive an additional day's leave in lieu of their lost increment. I feel that this would go some way to appeasing staff who feel that they are losing out by not receiving their increment. Hopefully it would not be a financial burden to the authority if cover for the additional day's leave can be managed within the teams.

Those staff that are at the top of their grade are effectively being paid more than their colleagues who will not receive their increment, so are not losing out by not gaining the additional day's leave.

Another suggestion that I would like to put forward as a means to create budget savings is one that has been successful in my husband's work place. Staff were offered an option to buy additional annual leave. Payment for the leave was then deducted from their monthly salary payments so reducing the annual salary bill for the organisation. It has been reported that they were able to save £10m from this initiative (although that seems an awful lot to me!). If this suggestion is not applicable to this consultation then, please can it be considered by the Achieving Better for Less project. (Let me know if I need to submit this separately to the Better for Less team).

- 66 Maybe the pay structure should be reviewed at this time, currently there are no performance related incentives and the proposal to freeze incremental pay will not help with staff morale or performance in the long run.
Other than having a workforce that is "lucky to have a job in this current climate" and a wage bill that has been reduced, what reason will employees have to perform well or over and above expectations, especially when the likelihood is that staff will be given more responsibility in their job due to staff cuts with no reward from it, whether financial or motivational.
Freezing pay increments and not issuing a cost of living rise, on top of the 2.5% vat increase that will be commencing in Jan 2011 is going to hit some employees very hard.
- 67 Freezing the increments of the lowest paid employees will obviously have a far greater impact on the worker and their families than it will for the higher paid workers and their families. I therefore suggest that the lowest paid workers be made exempt from this proposed action. The point at which this exemption starts could form part of the consultation process with the unions and individual employees? In my opinion, this would clearly demonstrate that Medway Council genuinely value each employee equally as our Investors in People award suggests.
- 68 These are nationally agreed pay scales, what are other authorities doing and is Medway attempting to ditch these agreed scales?
- 69 Would it not be better for those that are on pay grade P01 and above to have their pays frozen and the staff on a lower wage given the increment as this will affect staff on a lower wage much more harshly.

70 It would appear that once again we will not be getting a “cost of living” increase next year and it’s looking doubtful that an increment will be awarded to staff.

I realize that this is not the doing of our Council but feel that employees should not be paying for the bankers’ and previous government’s mistakes. Therefore to compensate for this, perhaps the staffs’ hours could be shortened by a nominal amount. This would result in increased morale as well as achieving the savings desired.

71 I think that as we were awarded a 0.5% increase 2 years ago, a 0% increase last year, and now face a 0% increase and loss if incremental steps (as well as that changing our pension rights), to save money the council should offer to shorten our “usual” working week from 37 to 35 hours per week (thereby giving us a hourly rate increase with no actual salary rise).

I appreciate that you said a “nominal reduction in hours with no reduction in pay, this would cost the Council more money as the hours lost in front line”, but how would this cost compare to the money saved by not giving us the incremental increase, or the cost of re-training new staff if we choose to leave en masse.

And what price would you put on staff morale?

72 Perhaps you could give those on lower pay grades (i.e. up to P0 level) the incremental increase, and not those on high pay grades (P0 level and above).

This may also go some way to close the inequality gap in pay between men and women, as it seems there is a bias of men to women in higher paid jobs within the council.

73 I think your proposals of performance related pay rise is a long time coming as almost all private sector companies use this model as part of the appraisal process. A similar system is used in some central government departments and it ensures the staff that work to a high standard are rewarded.

I think this would encourage staff to work to a higher standard, further the salary scale point increment could be only increased on successfully covering the job role to an accepted standard. If staff were to exceptionally cover their job role then a financial bonus scheme could be implemented, obviously not huge but a token amount would help staff morale. This would as a secondary measure help weed out the staff that do not meet their job requirements consistently.

It’s drastic and would need a complete rethink as to how the council operates but I think it would be successful in the long run. Further I can see no other way of implementing a scheme like this other than with financial reward. Staff do not come to work for the love of the job, they do it for the money.

74 I also agree that a performance related pay system is the way forward. The organization I previously worked for had a performance related pay system in place and it was fantastic. Good and excellent performers got the recognition they deserved and the poor performers and under achievers saw that they needed to work harder to receive an increase in salary. All staff have regular PDR’s but what is the point of these if you receive no reward for meeting your goals?

75 Before simply starting with job cuts and attacks on pay and condition we must consider other options – Telford and Wrekin have an interesting take on the options.

“Cutting The Number of Councillors: Wrekin Leads The Way

Telford & Wrekin Council are proposing to cut the number of councilors from 54 to 40 – and save £200,000 a year as a consequence. Council Leader Andre Eade said “We’ve already cut senior

managers by 50%. Now we are restructuring the whole council. And if we are slimming down the authority, there is an argument for slimming down the Members too".

76 Having read through all the comments, I have to agree with all. Performance related pay would definitely weed out the staff that are being carried by their colleagues as well as boosting morale throughout. It does seem that the lowest paid workers are being penalised.

If the £250 that was announced by David Cameron came after local government decided budget surely there should have been some other provisions set in place, in the likelihood that a new government would come in and proposals would change?

Does anyone, actually have any idea where the money saved from sold properties has gone?

Why is it that there seems to be more being done at the bottom of the pay scale and not more at the top? As others have pointed out, it seems that Medway has taken on the most obvious solutions, with other diverse options not being explored.

Is there any reason there are 3-4 Councillors to a ward? Why are so many allocated to one area?

77 The proposed idea of freezing the incremental pay increases for all staff who have not reached the top of their scale is grossly unfair and is effectively a pay cut. Why should these staff suffer when other staff who have reached the top of their scale lose nothing.

Why not let the staff who are due an increment have it and then implement a percentage cut across the board for all staff or continue as planned with the increment freeze along with a one spine point downgrade for staff who are at the top.

I appreciate this will have an effect on staff pension contributions etc but is a lot fairer than penalising the 61% of staff this will affect whilst the remaining 39% lose nothing and continue to pay the same into their pensions.

Whilst I appreciate those on the top of their scale, salary's will not advance any further, this is also not the fault of the 61% but their choice if they wish to remain in their current position.

78 It is and already has caused problems with relationships between other members of staff. All those on the top of their grade are not bothered, and rightly so, because it will not affect them. Staff doing the same job for less are now bitter and do not feel like performing as well as their colleagues who are on a higher increment. I think this council is under huge pressure to find the money Central Government are saying they have to cut back on. I strongly believe this is the wrong way to do it. The repercussions are enormous. I do not think staff who are posting these comments will have any influence on what happens but thank you for allowing us to express our feelings.

79 A suggestion for a compromise position in that rather than award increments we went with the £250 to under £21k earners. It has the advantage of being 'fairer' in terms of increments such that no-one gets them rather than a lucky few, and has the benefit of being cheaper than increments and in line with Govt proclamation.

In support of the proposals

80 I confirm that I am willing to accept the freezing of increments for the next financial year.

81 I am wholeheartedly in support of the proposal to freeze increments as an option to relieve the financial pressures.

If it means the difference between losing an increment or losing a job, then it's an easy choice to make. It seems a sensible way to spread the cutbacks more evenly

Low paid less than £21k

- 82 The Government announced in June 2010 that there should be a pay freeze for public sector workers for 2 years but that those earning less than £21,000 should receive £250 in both years. Why haven't staff earning less than £21,000 received this?
- 83 The Government announced in June 2010 that there should be a pay freeze for public sector workers for 2 years but that those earning less than £21,000 should receive £250 in both years. Why haven't staff earning less than £21,000 received this?
- 84 Please can you confirm that those Council staff earning less than £21,000 will be receiving the £250 pa for the next 2 years that has been agreed for public sector employees in the light of the public sector payfreeze
- 85 Further to the email circulated this afternoon about the incremental pay freezes, you may recall in the 2010 Budget that the two year pay freeze will be introduced from 2011-2012 for public sector workers, "with the exception of those earning £21,000 or less who will receive an increase of at least £250 in these years". Will the incremental freeze not apply to those staff earning less than £21,000 who have not yet reached the top of their pay scale?
- 86 Please can you update me as I was under the impression that staff earning less than £20,000 would be receiving it.
- 87 I have only recently joined Medway council in July starting on level D spine 12. I was aware of public sector financial cutback publicised by new government at the time but felt re-assured taking the position as it was promised freezes would only affect those earning over £21,000 a year. I did have a lot of management experience in the customer service industry but was happy to start on a probation level entry salary upon the understanding this would rise with increments as my experience and performance increased. The increments were mentioned in the advert for my position I responded to, spoken of at interview and in my written contract. I now feel quite anxious about the proposals that, when I hope to satisfactorily complete my probation period in January I will not be able to rise off this probation pay level in the foreseeable future.
- Would that be the case if proposals go through? Can you tell me what routes would be available to me as a new employee if I disagree with this proposal?
- 88 Please can you confirm that those Council staff earning less than £21,000 will be receiving the £250 pa for the next 2 years that has been agreed for public sector employees in the light of the public sector payfreeze
- 89 I work within a department that is on the low pay scales and increments is the only way to get better pay, I feel appalled that this has been allowed to happen, cuts in pay and almost certainly pension swill be next, increase in VAT and probably Council Tax I didn't put the Council or the Country into debt so why are low paid workers being penalised. I'm 58 years old and now will have hardly any pension and a rubbish wage. No job security because of the change of contracts, and i'm still supposed to work like a Trojan with all these cuts. What has happened to the £250 David Cameron said people earning under £21,000 would get this year and next. Also, where has all the money gone from the properties we sold or has that been wasted on projects like the Medway Tunnel and repairs to Gun Wharf.
- 90 We haven't even received the £250 promised by David Cameron for employers earning under £21,000 and when this is bought up its brushed under the carpet and the excuse used is that they didn't plan for it in the budget. So how come the Council can still spend money on appearances to make Medway a City, Management Consultancy agency, new systems to do

rotas and time sheets (Openwave) and there is probably loads more that staff never find out about.

91 The freeze on increments disproportionately affects those of us who are already low paid. It seems that we are having to carry an unfair burden with no cost of living pay rise and the increase in National Insurance next April. In essence we are being expected in real terms to take a pay cut taking into account the rise in cost of living. I think we deserve absolute transparency in terms of how this proposal was arrived at – at face value it seems particularly unimaginative – a knee jerk reaction. What other options have been considered? We see in the press that “KCC starts wielding the axe but starts at the top” and other proposals suggested such as Telford and Wrekin Council. And also in terms of transparency what has happened to the money from the sale of the Civic and municipal sites?

92 Although I can understand the reasoning behind the proposal, it does not seem fair that employees on the lower end of the pay structure across the council will forfeit their increment, alongside others whose income is much higher. Would it, therefore, not be better if the proposal recognised this and staff, for example, on less than 23k, were not affected.

93 Whilst accepting that there are severe financial difficulties being faced by the council it is very disappointing that the very first thing that the cabinet/council have decided to save money is staff related. This would appear to be a very poor attitude and route to take for a council that is committed to Investors in People. The following is an extract from the recent Employment Matters Committee (7 December 2010) report entitled INVESTORS IN PEOPLE – POST RECOGNITION REVIEW

2.5 Studies by the Cranfield Business school (Bourne, M., 2008) into the value of achieving IIP status identified:

Those organisations that are IIP recognised are more likely to have high levels of trust, commitment and cooperation among their employees.

Removing increments for those entitled to it will severely impair this.

The consultation implies that this is a short term measure, but bearing in mind the level of savings needed to be achieved this has every hall mark of becoming a permanent state of affairs. This is very unfortunate and brings into question equality measures for staff doing the same job but on differing pay spine points. Should this proposal remain only a short term measure then at some stage the equivalent amount of money will need to be found in savings in other areas. It would therefore seem to be more sensible to keep the incremental rises and find the savings in other areas in the first instance, and to instigate a different award structure to recognise increased knowledge/experience in the role of employees (competencies has in the past been looked at but never implemented).

The consultation claims this is the only way to protect jobs yet there is currently job losses already being instigated.

There would appear to be many other ways of making savings that could be implemented from the Better for Less programme and other areas such as charging for fireworks/scraping fireworks, ward developments, bin collection fortnightly (especially now that so much recycling is being achieved) in the first instance rather than hitting staff in the pocket particularly as pay freezes and tax increases (direct and indirect)/other increased costs to staff are already being incurred.

Social Workers/Care Managers/Soulbury

94 Please would you include consideration of the matter of structured professional assessment (SPA) points within the Soulbury scheme.

These are performance related rewards, akin to TLRs or threshold progression within the Teachers' pay progression.

It is apparent that incremental pay progression within the Soulbury scheme will be affected in the same way as NJC terms. However, the SPA rewards are separate and different and should, I would suggest, be considered accordingly.

95 From a Care Manager - Could you please clarify the issue of increments for me please. I am concerned about the email we received last week suggesting no increments would be paid. I am currently undertaking the fifth post qualifying module of six and was told completion of all six modules would give me an automatic increment. As the PQ award involves a considerable amount of extra work I hope the increment will still be paid.

96 ***From Children-s Care – Social Workers***

As discussed, Children's Social Care representation with regards competencies is based on the following:

1. On the 1st April 2010 Employment Matters agreed early this year that the best way to progress social workers through pay bands was to implement a competency framework linked to 3 stages of progression related to professional development.
2. The competency framework links performance to demonstrable skills through a portfolio of evidence from current work with an evaluation of outcomes
3. Pay bands are linked to allocating **higher need and more complex work** to social workers where more is demanded of the worker and the manager can be confident the worker has the skills and experience to tackle the work required. On Level 3 staff can supervise unqualified staff and ease managers work.
4. Competency awards are **not** linked to annual timescales but to skill so are **not** related to incremental payments
5. There was universal staff acceptance of the competency framework as a fair way of managing progression following a full consultation
6. The competency framework is also a fair and direct tool for managing poor performance
7. Social workers are a very scarce resource and staff have become disillusioned with regards the prospect of not recognising their skills and progressing through their professional competencies
8. We will be unable to ask staff to take on more complex work without the agreed remuneration for the complexity and risk of work

97 Has the Council any information on the numbers of centrally employed staff who will be affected by this?

Has the Council any information on the numbers of centrally employed staff who will not be affected by this, or who are on teacher or Soulbury scales?

98 Following the e-mail to all staff about the incremental pay freeze, please could you clarify whether this applies to staff on Soulbury terms and conditions.

99 I have been asked by one of my members of staff whether this will have any effect on those who work to a competency framework where through demonstrating competencies they move through pay bands - this is with regards to social workers - I thought not but wanted to check

100 I write regarding this proposal to freeze increments and have a number of comments which I would like to be taken into consideration.

Firstly I fully understand the pressure on the council budgets and the need to save money where ever possible.

However pay rises have generally been very low for a few years and frozen this year on top of this proposed increment freeze. My guess is that pay will also be frozen next year and this

inevitably places additional pressures on individuals, especially those on lower pay scales. It is also has a significant impact on those reaching retirement age and a pay freeze will affect the pensions of some people soon to retire. What provision will be put into place to ensure that these people do not suffer financial hardship?

As a social worker, I am fully aware of the pressure on staff from increasing numbers of children requiring care from the local authority and also the complexity of the family backgrounds that these children have come from and the abuse that they have suffered. The decisions that need to be made regarding these children's futures require well trained and motivated, competent staff and pay is part of this equation. Levels of pay are also very important when considering the retention of competent staff, an issue that Medway has addressed in recent years. It would be greatly disappointing if the positive changes to retention of staff over recent years was undermined by this proposed freeze.

As part of a recognition that social workers' pay should reflect their expertise and to further the attraction and retention arguments, social workers have been encouraged to complete their competencies in order to move to alternative pay scales. There is confusion as to whether a pay increment will be allowed for those who complete these competencies and I know this is subject to other representations. The proving of competence to practice at a certain level should be met with an increase in pay and I hope the council will listen to these arguments.

If it is agreed that social workers who meet the required competence can move scales of pay, will this apply only to this year or be considered on subsequent years. Changes in pay scales in this way might also create difficulties with more experienced staff receiving lower pay and also those with more responsibility receiving lower pay.

The pressure on budgets is not going to lessen in subsequent years and it is not clear whether this proposal to freeze increments is for one year only or will extend into subsequent years. Mention of a review suggest that further changes are in mind and should this be extended, the implications of the changes become greater with each year.

101 Increments are an important way of encouraging employee loyalty and avoiding the scenario, all too common in Medway, of social workers moving between authorities in order to obtain incremental (financial) advantage.

My own team is the beneficiary of employing a group of individuals who have found an area of work they enjoy and feel valued in various ways: one of which is by seeing their careers progress through the annual accrual of increments. This translates directly and in a positive way to the service that we provide, which can only be successfully achieved by people who commit - and stay - for the long term. (This is also, as we know from research, what the users of our service value above all else.)

Goodwill can be measured and demonstrated in many ways and I must tell you that without it public services such as ours will decline, and ultimately fail. Employees need to feel that their employer values them so that they can feel able to commit to a very challenging job. The goodwill that is thus created has tangible effects: I know that in my team people very frequently work beyond their contracted hours, they honour commitments at evenings and weekends, and they travel the country and stay away from home on occasions. They do this because of their commitment to their clients, to their team, and to Medway Council. I very much fear that any erosion of the goodwill that has built up over many years, that will be one inevitable effect of suspending increments, could very easily become cumulative, particularly in an environment where employees, and indeed everyone, are subjected to various financial pressures. It will then become increasingly easy and a ready temptation for social workers to turn away, to take goodwill elsewhere - to neighbouring authorities that at least can offer a replacement to the withheld increment. This is all the more likely in Medway, since the recruitment and retention of social workers takes place in an economic market where there is a shortage of well qualified and experienced staff, and where there are authorities who will be able to offer pay increases to staff tempted to move elsewhere.

In all the 24 years I have worked in Medway the one major factor that has prevented the authority being as successful as it wishes to be has been its ability to recruit, and even more to retain qualified and experienced social workers. Please do not put this to a further test. Suspending increments is a punishment that afflicts the loyal and committed and leaves the semi-detached and nomadic able to move to a higher bidder.

I hope also that the Council will allow the recently agreed award of increments to social workers who achieve an agreed competence to persist. It would be a bitter blow to those who have embarked on this process to see this further attempt to reward skilled and experienced staff changed once again, and another marker in regard to the Council's valuation of its workforce.

The denial of an increment, even if only for one year, has a lifetime consequence for those whose pension is based upon final salary. Foregoing one increment over a lifetime may have a relatively small, though nonetheless annoying effect, but for those approaching retirement age, the loss is greater and will be an effect for the whole of their retirement. Having twenty five years in which to offset the loss of one increment is easier to achieve than having only four or five. While I note some attempt is to be made to protect those about to retire, thought also needs to be given to those who may retire within the next few years.

Multiple responses

101 – 114 Received by 13 individual employees.

Please see my response in relation to the Proposal to Freeze Pay Increments – Employee Consultation

The Proposal to Freeze Pay Increments (PFPI) is an attempt by the Council to bypass negotiations with Trade Unions (TU) and their members. Furthermore, the PFPI does little to address key concerns such as:

- Remuneration for the good will shown by employees once a climate of more relaxed budgetary stresses has been achieved.
- The failure to establish any gender or ethnic bias studies concerning the PFPI.
- Failure to provide tangible information pertaining to the amount of redundancies and the savings made by the elimination and/or termination of these employment positions to establish a metric to measure the savings against.
- Concerns about the gathering of the information that is being used to justify the need for the PFPI and the inevitable job losses and service cuts.
- Failure to provide any data to determine the impact on pensions by accepting the PFPI.
- Failure to provide career progression data if the PFPI is accepted.

Because of these serious questions, and their far-reaching, long-term consequences, concerning the PFPI, I have no choice but to recommend that my Trade Union take a position of advocacy for me on my behalf when it comes to the negotiation of the PFPI.

Group responses

Letter received from the *Gillingham Family and School Support Team*

This letter has been compiled by the Gillingham Family and School Support Team in response to the proposed incremental pay freeze, all team members against this proposal have signed their names below.

We all agree the current financial climate is and will continue to impact on everyone. Medway Council have already removed the cost of living increment. We were informed about this with the knowledge that pay increments would remain. So with the rise in VAT in January 2011 and the general cost of living rocketing, the incremental pay freeze will put us all under immense pressure to make our personal finances go further. As a result these pressures will ultimately impact on our personal and professional lives. In particular the cost of petrol for those travelling to Medway and to all staff travelling within the council are going to be placed under financial strain. We are in receipt of the essential car user allowance, however we do not feel that the current per mileage payment is sufficient or sustainable with the rise in petrol prices. We were informed the council still had the 2% cost of living increment.

We always have to go above and beyond our normal duties to provide the best value for money service to our clients in all our roles. The news of a potential pay freeze makes us feel undervalued and demoralised. We feel we are entitled to the incremental pay rise and know it is essential to the work force in order for Medway to retain and achieve the best possible standards of work.

We work with the most vulnerable children and families in Medway, these groups experience extreme deprivation and the current financial climate means they are at a significant risk of further deprivation through redundancies, unemployment, home repossessions and poor health. This will be exacerbated further with the reduction in benefits. So in order to meet the needs of the vulnerable in Medway we need to be recruiting and retaining the best staff. The proposed pay freeze will ultimately work against the Medway Council's objective to provide good quality social care services to children, as potential staff and existing staff will consider employment elsewhere.

We are aware Medway Council currently has a number of vacant properties across the district. The sale of these would mean the Council would be under less pressure financially and potentially allow the incremental pay rise to be reinstated. On hearing this news we were extremely frustrated that vacant buildings seem to be taking president over the hard working and essential work force.

We are certain you have heard other councils sharing the financial burden. Medway is a small local authority and we know it is essential for the council to consider the sharing of jobs and services. Especially the high paid job that can easily be shared.

If the proposal is going to be sanctioned, as a team we need to be reassured about when it will be reinstated.

However, we hope you accept our case against the proposed incremental pay freeze, we believe failing to reinstate this will lead to wider implications for both the staff and the Medway Council's ability to meet the pressures of the current financial climate.

Letter received from the *Gillingham & Rainham Integrated Services Team*

We are writing in response to the proposed incremental freeze to Council staff, although responding as a collective you will notice that we have all individually signed this letter.

The tone of the letter is contradictory to the title "Proposal" the tone is very much that of a fait accompli, which we are sure has not encouraged, or promoted, responses. We are also disappointed that despite unison issuing a formal dispute and request for the consultation to be suspended the request has been refused.

We felt the timing of the letter was "interesting", coinciding with a "consultation" on restructure within Children's Services and the implementation of a new competency based framework, possibly in an attempt to mask the significance of the proposal.

We have already lost the "cost of living" increment this year and now, despite our hard work in helping Medway improve from an "adequate" Local Authority to a "good" one and there are already implications to our pensions, for those of us who can afford to contribute to the pension scheme.

Whilst we all appreciate the financial constraints being placed on Local Authorities by central Government, it is disappointing that the Council is considering freezing the salaries of those on the "front line" who already have highly pressurised roles and where recruitment and retention are major issues. We wonder what the financial implications of the proposal are for Councillors, the Chief Executive, Directors, Assistant Directors and Service Managers, it doesn't appear that this consultation is equitable to gender or post.

We also question what the council is proposing with regard to the empty properties they own and what action they intend to take to desist "writing off" monies owed to the Local Authority by large Companies, such as Morrison's and Tesco's.

It is unclear which budget has been used as a basis for the proposed cuts; whether it is the formulated grant or the actual annual income of the council, including council tax etc.

We have given suggestions for alternative ways of saving money; restricting Councillors expenses entitlements, front line employees having free parking in council car parks during their core working hours – saving the administration of costs of when these fees are reimbursed, cease any preparations or changes to fascia, letterheads etc for City status until Medway is granted City status; to name just a few.

Letter received from the *Attendance Advisory Service for Schools and Academies*

This letter has been compiled by the Attendance Advisory Service for Schools and Academies within the Gillingham and Rainham Team (formerly the Education Welfare Service) in response to the proposed incremental pay freeze, all team members against this proposal have signed their names below.

We all agree the current financial climate is and will continue to impact on everyone. Medway Council have already removed the cost of living increment. We were informed about this with the knowledge that pay increments would remain. So with the recent rise in VAT and the general cost of living rocketing, the incremental pay freeze will put us all under immense pressure to make our personal finances go further. As a result these pressures will ultimately impact on our personal and professional lives. In particular the cost of petrol for those travelling to Medway and to all staff travelling within the council means staff will be placed under financial strain. We are in receipt of the essential car user allowance, however we do not feel that the current per mileage payment is sufficient or sustainable with the rise in petrol prices. We were informed the council still had the 2% cost of living increment.

We always have to go above and beyond our normal duties to provide the best value for money service to our clients in all our roles. The news of a potential pay freeze makes us feel undervalued and demoralised. We feel we are entitled to the incremental pay rise and know it is essential to the work force in order for Medway to retain and achieve the best possible standards of work.

We work with some of the most vulnerable children and families in Medway, these groups experience extreme deprivation and the current financial climate means they are at a significant risk of further deprivation through redundancies, unemployment, home repossessions and poor health. This will be exacerbated further with the reduction in benefits. So in order to meet the needs of the vulnerable in Medway we need to be recruiting and retaining the best staff. The proposed pay freeze will ultimately work against the Medway's Council's objective to provide good quality support services to children, as potential staff and existing staff will consider employment elsewhere.

We are aware Medway Council currently has a number of vacant properties across the district. The sale of these would mean the Council would be under less pressure financially and potentially allow the incremental pay rise to be reinstated. On hearing this news we were extremely frustrated that vacant buildings seem to be taking precedence over the hard working and essential work force.

We are certain you have heard other councils sharing the financial burden. Medway is a small local authority and we know it is essential for the council to consider the sharing of jobs and services. Especially the high paid jobs that can easily be shared.

If the proposal is going to be sanctioned, as a team we need to be reassured about when it will be reinstated.

However, we hope you accept our case against the proposed incremental pay freeze, we believe failing to reinstate this will lead to wider implications for both the staff and the Medway Council's ability to meet the pressures of the current financial climate.

From a group of concerned employees

Dear Committee Members and Council Members

Thank you for the opportunity to respond to the proposal to freeze employee increments; please accept this submission on behalf of a group of concerned employees.

Firstly please note that we fully accept that the current financial situation is both pressing and serious, especially in light of the recent formula grant announcements, and that all options need to be considered both to protect jobs and services. We also agree that this is a national and international issue with a complex range of causes, rather than something of the council's own making.

However, we are compelled to suggest that the current proposals are a gross misjudgement and should be reconsidered.

This is a shameful way to reward the dedication and loyalty of employees. Recent emails from Neil Davies and the deputy leader have praised the hard work of employees at this difficult time; if these are genuine comments then these proposals seem poor reward indeed.

All employees accepted positions on the basis of a contractual right to an increment. Many of us are not well-paid, especially towards the bottom of our scales, but accepted positions secure in the knowledge that our loyalty, progression and experience would be rewarded.

If such proposals are to be considered, at worst they should only apply to new employees who are not already employed in the belief that the terms of their contracts would be upheld.

If you successfully applied for a mortgage, and made all of the payments on time, you wouldn't expect the mortgage company to foreclose the mortgage part way through the term, just because it can? Similarly, you may have the ability to alter our contract but to do so risk alienating a large proportion of your workforce. The current 'better for less' project, and other smaller-scale reviews require the support of employees to support and drive them forwards if they are to be successful. We find it hard to believe that measures such as freezing the increments of the same staff that you are asking to support, and in some cases lead, on these changes is the right approach.

We consider that the proposals are indirectly sexist and ageist as they overwhelmingly affect women (as your own DIA supports) and younger people who naturally have less experience/ service and are therefore less likely to be at the top of their pay scales already. They are also unfair, if this is the only option surely those people who earn more (i.e. are at the top of their scales) should be affected at least as much as those lower down the scales, and who earn less, which would surely spread the burden more fairly.

We also consider that this is a very short-term approach that risks creating a 'brain drain' and losing much of the current talent that Medway has, not to mention the managers of the future. Many employees are understandably upset about the proposals and the brightest and the best are naturally the most able to find employment elsewhere.

The proposal letter of 12th October makes reference to the savings from freezing increments to be the equivalent of 50 FTEs, it is with regret that we suggest that at very worst would be better to not replace or make redundant these employees rather than apply an increment freeze. Sadly we are all aware of colleagues who underperform yet are not formally disciplined, or ultimately dismissed. This largely appears to be due to the ineptitude of much of the HR department, who seem unable to take any sort of lead on HR matters or to provide any sort of consistent advice to support line managers.

That said we doubt that such a move is actually necessary in terms of the savings required; our own sections use contract employees (internal short-term and external), have employees who submit claims for hundreds of hours of overtime each month and have many more savings that could be made before

such a move was necessary. In any case our sections also have many other cost saving measures that have been proposed, but are considered 'too sensitive' or 'too political' to be put to Members; it seems a great shame that a proposal affecting the pay of two-thirds of the council's staff is perfectly acceptable but that the abolition of a discount, or a cut to some service shouldn't even be proposed to members!

Ultimately each increment doesn't actually amount to a lot of money for each employee, perhaps several hundred pounds per employee, per year - but it is important, psychologically and financially.

We didn't receive a pay rise last year, and it seems unlikely we will receive one this year or next. Inflation is at over 3%. Pension contributions are increasing. Benefits are being cut. VAT is increasing. Fuel is at near record levels. Employees simply cannot afford not to receive increments - increments that they have a contractual expectation to receive.

If a year or two ago we had said to our respective managers that we couldn't afford to continue to work unless we had a pay rise, they may have been sympathetic, but we wouldn't have got a pay rise. It couldn't be done because of contracts, unions, the financial situation etc. Well now that Medway has a large shortfall to find - we are sympathetic - but the same applies, regrettably we cannot afford to make that contribution.

Please reconsider your proposals!

Response from Aspect trade union

Please find attached a consultation response to the proposed freezing of increments from the local members of Aspect. I have collated together the comments sent to me by aspect members, placing the most commented on issues first. Many members preferred not to send individual responses, so I hope this will help indicate which are the most pertinent concerns raised.

ASPECT RESPONSE TO THE CABINET PROPOSALS TO FREEZE INCREMENTS FOR 2011 – 2012 FINANCIAL YEAR.

Written on behalf of the members of the Association for Professionals in Education and Children's Trusts (Aspect).

While local members of Aspect absolutely accept that savings need to be made, they do not agree with the current proposals to freeze increments for some members of staff. Several points have been raised by members and are summarised below.

Unequal sharing of the burden of cuts

The manner in which the increment freeze has been proposed raises questions over how other cuts will be decided. Will long standing members of staff again be given priority over newer staff? The unequal way of sharing the cuts sets a worrying precedent for the future and is the most commented on feature of the proposal. This seems to have struck a cord with people's sense of fair-play in both affected and 'unaffected' groups.

Another point for consideration is reconciling the anticipated 1.5 million saving with 61% of the workforce feeling discriminated against and undervalued.

Whilst employees will remain professional at all times, can the council realistically expect staff to go above and beyond for an employer who uses a lottery style system to decide whose salary will be cut/frozen?

SPA points

The recent restructure of the school improvement team resulted in redundancies and salary reductions for Aspect members (amounting to several thousand pounds in some cases). Staff were assured that they could build their SPA points back up to negate the impact of the salary drop. In this respect Aspect members would not agree to any proposal that includes freezing SPA points, but would be prepared to agree to a proposal where SPA continue to be awarded for exemplary service.

Impact on employees on the Soulbury payscale

For council employees on Soulbury payscale this represents a second pay freeze. Their pay is nationally agreed and a pay freeze was put in place last year.

Lack of forward planning / The cumulative effect on spending power

There doesn't seem to be any forward plan attached to the proposals regarding how next year's increments can be funded. So although this is repeatedly described as a 'temporary' measure, there are no proposals to ensure this is the case. Therefore we can assume that we will be in the same position year on year for the foreseeable future. In this case, the erosion of salary through a continued freeze is cumulative. Inflation is currently between 3% and 4% and indicators are that it will rise further. Over a three or four year period, salaries that fail to keep pace with inflation can therefore be eroded by as much as 12% to 16%. The figure is even greater if increments are not awarded. Set in the context of rising costs such as increased fares, petrol prices, rises in VAT and so on, the 'buying power' of Medway employees may, over a four year, period be over 25% less than it is now.

Contracts

Why are the council planning to issue new contracts if this is only a temporary measure? Why not a time-limited variation of contract with everyone reverting to original contracts in 12 months time?

HR costs

Several union members have commented on the HR costs associated with this exercise? As this is only a temporary measure, the exercise will have to be repeated again in 12 months time. Have the HR costs been quantified and built into the savings total?

Impact on employees close to retirement

The impact on the pensions of the employees affected is also a point of concern. This is an ongoing life long impact not simply for 1 year. If the freeze goes ahead then we propose that separate arrangements are made for people within 12 months of retiring where the law allows. These people have already put in place budget plans for their retirement and are powerless to make changes at this late stage.

Recruiting and retaining high quality staff

This proposal should also be considered in the context of what impact any proposed freeze will have on the recruitment and retention of a high quality workforce. Some parts of the Council work in very challenging circumstances and struggle to recruit and retain staff. Any erosion of terms of service will compound this issue in some areas.

Counterproposal

In summary Aspect local members do not feel that they can agree to the current proposal due to the inherent unfairness of asking 61% of the workforce to shoulder more than their share of the burden of cuts.

Aspect would like the council to consider options that involve everyone sharing the cut equally from the highest to the lowest paid member of staff.

Response sent on behalf of the Association of Educational Psychologists (AEP)

AEP MEMBERS RESPONSE TO THE AUTHORITIES PROPOSAL TO FREEZE INCREMENTAL POINTS.

On behalf of the Association of Educational Psychologists (AEP), I would like to thank you and your team for the opportunity to respond to the Consultation on the above issue. I appreciated the timely response to the concerns and issues raised by the AEP Members in our e-mail, (e-mail sent 04/01/2011) to you and Paula Charker (the reply was sent on 10/01/2011). We have since had time to discuss your response and what follows is the general view given to me verbally and in written form from Members of the AEP.

There are 11 AEP members in Medway that equates to 78% of staff in the EP Service. I would like to formally lodge our concerns regarding the proposal to freeze incremental points.

It is my understanding that this proposal is unprecedented in Medway's history. It goes against the stated terms and conditions of work guided by Soulbury's 'The Green Book' arrangements. We would go as far as to say the proposal is an attack on the fundamental integrity of the Green Book and we would wonder how that integrity could be restored. The proposed incremental cuts will affect the younger and less experienced staff and will have a knock on effect on recruitment and retention of more experienced staff. There is a need in Medway to maintain its current level of EP service to support many vulnerable families.

In October 2010, the Education Minister, Sarah Teather, asserted, "educational psychologists were an extremely important part of the family picture." Annette Brookes (Mid Dorset and North Poole –LD) commented in The House, "stressing the importance of the role that educational psychologists play in being responsive to local and individual needs to solve educational social problems."

As a Union we wonder at the inherent unfairness in what appears to be the discriminatory nature of the proposal to freeze incremental points for, as stated previously, the less experienced staff members, who are in the main younger and are women. More experienced members of staff, who have reached the top of the pay scale, will be unaffected by a freeze on incremental points. We are also aware that colleagues in other services who also work with the vulnerable families in Medway are at risk of redundancy. Our fear is, if their valuable work is lost to the community, we would possibly have to cover, or in another way, support more of their work; again without appropriate recognition and to the detriment of services to our customers, the children, parents and community that is Medway.

We understand Soulbury will be negotiating an offer of a 0% salary increase for this financial year (2011 – 2012) with the emphasis on defending jobs. If this is agreed, the younger staff will be 'hit' a second time reducing their salaries and effectively accepting a pay-cut.

We are also very aware of the increase in inflation, rising from a 3.3 to 3.7%, and the effect of the current fuel rise, which will possibly not be reflected in an increase in the

Essential Car User Allowance. This will, in reality, have an adverse affect on the pound in our pockets.

All of which, it is fair to say, has left our Members feeling confused and anxious, with many of the Members feeling very stressed by the whole experience. We are all concerned with the ultimatum presented by the LA: that it is our individual responsibility to 'save' the potential "at risk" posts, or face a draconian change to or termination of our individual contracts.

Although we understand and appreciate the position the LA is in (the need to find £23½ million worth of savings in this and the next financial year), we feel that this should be a management decision, demonstrating strong and thoughtful leadership. We would strongly suggest that alternative strategies are explored to raise revenues before resorting to canvassing the individual or issuing a notice of termination of contracts.

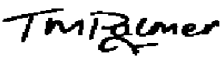
Diversity Impact Assessment: Full Assessment Form

Appendix 2

(for use after DIA screening has identified concerns that unfair access or differential impacts of function, policy, major service change or strategy may exist)

Directorate		Name of Service Change/Policy/Function	
		Proposal to freeze increment – Employee Consultation	
Officer responsible for assessment		Assessment date	New or existing?
Tricia Palmer		18 January 2011	NEW
Identify potential issues and factors			
1. In regard to which groups are there concerns that there <u>could</u> be a differential impact?	Race ✓	Religious belief	Trans-gendered or transsexual
	Disability	Age ✓	Other (specify)
	Gender ✓	Sexual orientation	Grade
2. What differential impact do you think there <u>could</u> be on this/these group(s)?	<p>This analysis relates to non-schools based staff only</p> <p>Race:</p> <p>The analysis of staff who could be expecting to receive an increment this year demonstrates that of the staff who may be impacted upon 90.66% are from a 'white' ethnic group.</p> <p>The last published workforce monitoring information from April 2010 states that 6.6% of staff were from a BME group. The potential figure for BME staff who might be impacted upon by this proposal is higher than 6.6%, at 9.34%. In the screening form dated 8 October 2010, it was stated that 5.36% of staff were from a BME group. This figure has been checked and it is actually 6.6%.</p> <p>Gender:</p> <p>The analysis of staff who could be expecting to receive an increment this year demonstrates that of the staff who may be impacted upon 72% are women and 28% men. This is marginally higher for men than the last published workforce information shows. In 2010, 71.6% of the workforce were women and 28.4% were men. The workforce figures in the screening form stated that 81.4% of the workforce were women, but that figure included schools based staff.</p> <p>Age:</p> <p>Information on age is collected by using various age bands, currently this makes direct comparison difficult. However, there is a possibility that younger staff will be impacted upon as people are more likely to reach the top of their scale as they get older.</p>		

	<p>By grade:</p> <p>Initial comparisons relating to grade shows that for 3 grades have a significant percentage of staff impacted. 14.3% of staff are C1, 14.45% of staff are C2 and 20.48% of staff are D2.</p> <p>It might be useful to investigate any possible reasons for this as part of the consultation.</p>			
Map existing data				
3. What existing evidence do you have for this - e.g. take-up, complaints?				
Information/ data	When collected	Source	Strengths of data (e.g. up- to-date)	Gaps
Workforce Data	October 2010	Resourcelink	Reliable/up to date payroll information	No data available for religion/trans/sex ual orientation
4. What are implications of the gaps in evidence (e.g. people with visual impairments do not know about council services)?		Unable to analyse any disproportionate impact for these groups.		
5. What is the key question you want answered, and by whom.		What disproportionate impact this proposal has on certain groups		

Formal Consultation		
6. Are there any experts/ relevant groups who you could approach to ask their views on the issues?	YES	Please list: Trade unions Staff forums : Black Workers Forum (BWF)/Disabled Workers Forum (DWF)/Lesbian, Gay, Bisexual and Trans Forum (LGBT).
	NO	
7. Have you discussed your consultation request with Research and Review?	YES	
	NO	
8. Describe in detail the views of the relevant groups/experts on the issues.		
Concerns about the disproportionate impact on BME staff and lower paid staff		
9. What options, alternatives or reasonable readjustment(s) have been considered?		
Impact on lower paid staff. The disproportionate impact on BME staff has been considered but it is considered that it would not be reasonable, practical or fair to award increments to BME staff and not other staff		
Conclusion and recommendations		
<i>Please see continuation sheet for conclusion and recommendations.</i>		
Target setting		
Outcome	Actions (with completion dates)	Measure of progress
 Signed (service manager/Assistant Director) Assistant Director, Organisational Services		Date 18 January 2011

Conclusions and recommendations

Background

The DIA screening form highlighted a number of areas where workforce data indicates a possible disproportionate impact for certain employee groups i.e. BME, Age & Gender groups and those within certain grades on the grading structure.

Medway pay grades, recruitment and promotion

Council pay grades are very wide and overlapping containing in most cases ten and in some cases eleven incremental pay points on the NJC scale.

The councils arrangements for incremental progression for new starters is normally to start a new employee at the bottom of the grade so in reality it could take an employee eleven years to reach the top of their pay grade.

In the case of promoting an existing employee to the next grade where there is an overlap, these would be started at one increment higher than their existing pay point. The employee then moves up the incremental pay spine on an annual basis until they reach the top of the grade.

However, in terms of new recruits this approach has not always been adopted in instances where there is a problem recruiting to certain posts or where a manager has tried to match an external salary.

As this analysis relates specifically to those who have not yet reached the top of the grade it uses recruitment/turnover trends and workforce data to identify whether there are any specific reasons why the highlighted groups show a negative differential when compared to others within the group.

(i) Ethnicity

The last published workforce monitoring information from April 2010 states that 6.6 per cent of staff were from a BME group. The potential figure for BME staff who might be impacted upon by this proposal is higher than 6.6 per cent, at 9.34 per cent. The reason for this difference could be attributed to the increase in new appointments from those from BME groups.

The Workforce Monitoring Data for 2008/9 and 2009/10 both report an increase in the recruitment of BME staff.

2008/9 Workforce Monitoring Report shows 8.9 per cent of BME staff appointed.

In 2008/9, BME communities within the workforce showed a very slight increase, whereas White Minority and White British groups showed a very slight decrease.

17 per cent of all BME staff and 23 per cent of staff from White Minority groups were new starters. These intra-group figures are significantly above the

recruitment rate for the Council as a whole, and were highest for White Other, Asian/Asian British and Black/Black British employees.

2009/10 Workforce Profile shows 11.1 per cent of BME staff appointed.

The recruitment process has attracted a more representative mix of ethnicity than the current workforce.

The increase from 8.9 per cent in 2008/9 to 11.1 per cent in 2009/10 could possibly explain why the BME staff groupings show a slightly greater impact in terms of being affected by the incremental freeze than the BME population of the council as new starters would be less likely to be at the top of the scale.

(ii) Gender

The analysis of staff who could be expecting to receive an increment this year demonstrates that of the staff who may be impacted upon 72 per cent are women and 28 per cent are men. This is slightly higher for women than the last published workforce information shows. In 2010, 71.6% of the relevant workforce were women and 28.4% were men. This difference is considered to be too little to be of concern.

(iii) Age

It is highly probable that the impact on younger staff will be greater due to the nature of the incremental scale i.e. by annual increments people are more likely to reach the top of their scale as they get older.

The council has actively and successfully tried to recruit younger people (between the ages of 16-24). These new recruits would be placed on the bottom or near the bottom of the grade and therefore it is likely that they would be affected by the freezing of increments.

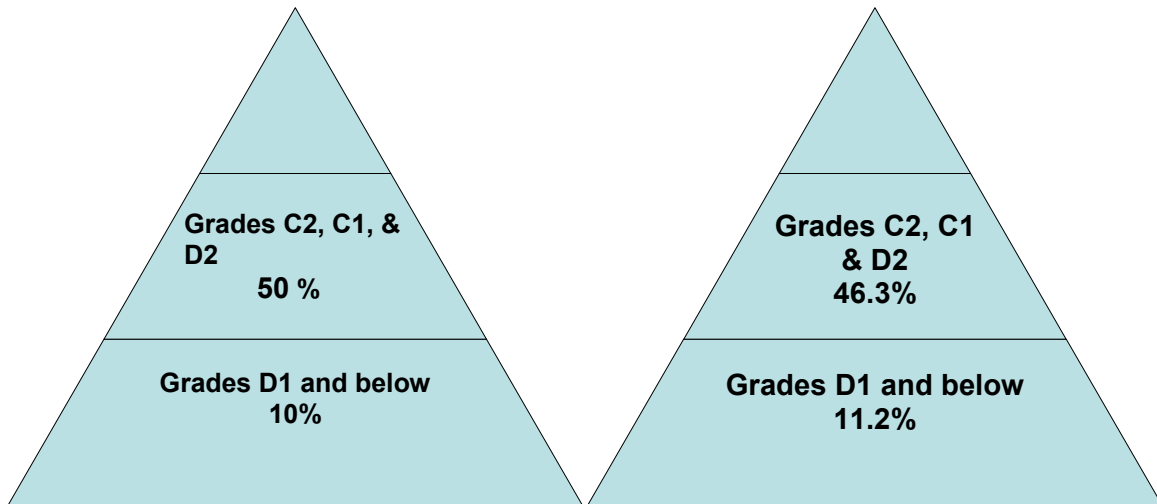
Since Age legislation was introduced in 2006 the European Court of Justice has ruled that use of length of service as a criterion in establishing levels of pay does not require specific justification by an employer. As a general rule it says, using such a criterion is appropriate, as length of service "goes hand in hand with experience, and experience generally enables the worker to perform his duties better".

It is therefore concluded that it is likely that younger people will be affected by the proposal to freeze increments.

(iv) Grade

Initial comparisons relating to grade shows that for three grades there would be a significant percentage of staff impacted. 14.6 per cent (*14.3 per cent*) of staff are C1, 15.4 per cent (*14.45 per cent*) of staff are C2 and 20.3 per cent (*20.48 per cent*) of staff are D2. These findings can be mitigated by the following factors:

(i) There are more employees in the lower grades throughout the council and as a result it would be expected to see this reflected in the proposed affected staff group. The pyramids below show the numbers at those grades throughout the council (non schools) and the comparability of the affected staff group.



Pyramid 1 – affected staff grade C2 & below Pyramid 2 – Entire staff group

(ii) It can be reasonably concluded that the lower grades are less likely to be influenced by external factors as opposed to the professional grades where market forces may influence a higher placement on the incremental scale. These differences are considered to be too little to cause concern.

(v) Disability

Whilst the screening form did not highlight an issue for investigation relating to disability, as part of the full assessment the figures have been re-assessed.

The information shows that of the staff who could be affected by the proposals 2.47 per cent are recorded as disabled. The 2009/10 Workforce Monitoring report states that 3.5 per cent of staff were declaring themselves as disabled. It can therefore be concluded that those likely to be adversely impacted upon is lower and is therefore not a concern.

Summary

From the above analysis it can be concluded that whilst there are some areas of differential that may adversely impact on minority groups, none of these are significant enough to warrant any remedial action in relation to the freezing of increments.