



NOTTINGHAMSHIRE
Fire & Rescue Service
Creating Safer Communities

Nottinghamshire and City of Nottingham
Fire and Rescue Authority
Human Resources Committee

REVIEW OF GRADING STRUCTURE

Report of the Chief Fire Officer

Agenda Item No:

Date: 10 October 2008

Purpose of Report:

To seek agreement from the Human Resources Committee to revise the current grading structure applied to employees covered by the Scheme of Conditions for Local Government Services.

CONTACT OFFICER

Name : Andrew Beale
ASSISTANT CHIEF FIRE OFFICER

Tel : 0115 967 0880

Email : andrew.beale@notts-fire.gov.uk

**Media Enquiries
Contact :** Elisabeth Reeson
(0115) 967 5889 elisabeth.reeson@notts-fire.gov.uk

1. BACKGROUND

- 1.1 In 2005, the Service adopted a local pay scale based upon national pay points which was agreed with the appropriate representative bodies as part of the Job Evaluation process. This grading structure is comprised of nine different grading bands, and is attached as Appendix A.
- 1.2 This grading structure has now been reviewed, in consultation with the Representative Bodies, and a proposal put forward to rationalise the existing grading bands so that they each are made up of five salary points. The proposed grading structure is attached as Appendix B.
- 1.3 As well as rationalising existing pay arrangements, this proposal would ensure compliance with the Employment Equality (Age) Regulations 2006, which recommends that no contractual benefit based upon length of service should exceed five years in its effect unless this can be objectively justified by business need.
- 1.4 Work has already been undertaken to review and update recruitment, contractual and retirement procedures to ensure that the Service complies with age discrimination regulations, this review of the grading structure completes this process.

2. REPORT

- 2.1 As can be seen from the structure set out at Appendix A, there are varying numbers of spinal column points within each grade, ranging from four (Grade 7) to nine (Grade 9). Differences between the number of spinal column points within each grade arose primarily due to the number of variations on former national grades, particularly Principal Officer grades, and the desire to increase the salary band-width for non-uniformed pay overall, which had the effect of stretching grading bands.
- 2.2 However, having reviewed the existing grades, it is accepted that there is a need to simplify and rationalise this structure and to ensure that they comply with best practice, and to take account of age discrimination regulations.
- 2.3 A revised grading structure which reduces the length of grades and applies a principle of a maximum five salary points between the lowest and highest salary in each grade has been developed and has been subject to consultation and agreement with UNISON. This revised grading structure is attached as Appendix B.
- 2.4 The effect of compressing current grading bands into fewer salary points is to remove certain salary points from the pay and grading system altogether. Where this is the case, it is proposed that employees whose current salary has been removed, will move to the next spinal column point in their grade.

- 2.5 The table below sets out the effect in the first year of compressing salary grades as proposed:

Grade	Spinal Column Points	Monetary Amount £	Change	People affected	Proposed SCP in grade
1	7 – 11	12291 – 14197	Removal of point 6	0	5
2	14 – 19	15153 – 17154	Removal of point 12	0	5
3	17 – 21	16217 – 18430	Removal of point 15	2	5
4	22 – 28	18907 – 22845	Removal of points 20,24 & 26	8	5
5	27 – 32	22122 – 26067	Removal of point 26	0	5
6	33 – 38	26835 – 30598	Removal of points 32 & 34	4	5
7	39 – 43	31606 – 34991	Add SCP 43	7	5
8	44 – 50	35852 – 40924	Removal of points 39 – 43 & 46 & 48	0	5
9	52 – 57	42664 – 47122	Removal of points 46 – 50 & 53	0	5

- 2.6 Under the proposed new grading structure, 21 employees will progress to the next spinal column point on their revised grade immediately. This increases by a further 24 employees over three years. There would be no loss of pay or need to protect individuals under this arrangement.
- 2.7 It is proposed that the new grading structure is implemented from 1 April 2008, and pay back-dated for those employees who will progress to the next spinal column point on their revised grade.

3. FINANCIAL IMPLICATIONS

- 3.1 Based on the current spinal column points of existing staff and assuming pay inflation of 2.5% per annum, each of the considered options will require the following increases to the base budget over the next three financial years:

2008/09	2009/10	2010/11	Total
£16k	£37k	£52k	£105k

- 3.2 A contingency amount of £12,500 has already been built into the 2008/09 budget to help fund the increase to salary costs arising from changes to the current grade structure. Any increase over this amount will have to be met from savings elsewhere in the budget. Increases to the budget in future years will be incorporated into the budget setting process for 2009/10 and 2010/11.

4. HUMAN RESOURCES AND LEARNING AND DEVELOPMENT IMPLICATIONS

As the change to the existing grading structure requires a contractual variance for all employees covered by the Scheme of Conditions for Local Government Services, negotiations have been undertaken with the relevant representative bodies (UNISON) who have agreed the changes as specified in the report.

5. EQUALITY IMPACT ASSESSMENT

An Equality Impact Assessment was undertaken when the Grading Policy was agreed and is attached as Appendix C. The proposals will enhance the positive impact on the age strand of the Authority's implementation of its statutory equality duties.

6. CRIME AND DISORDER IMPLICATIONS

There are no crime and disorder implications arising from this report.

7. LEGAL IMPLICATIONS

There are no legal implications arising from this report.

8. RISK MANAGEMENT IMPLICATIONS

The proposed changes would assist the Authority to defend any age discrimination claims in relation to its pay and grading structure.

9. RECOMMENDATIONS

- 9.1 That the proposed changes to the Grading Structure for employees covered by the Scheme of Conditions for Local Government Services be agreed.
- 9.2 That the changes are implemented from 1 April 2008, and back-dated payments made accordingly.

10. BACKGROUND PAPERS FOR INSPECTION (OTHER THAN PUBLISHED DOCUMENTS)

None.

Frank Swann
CHIEF FIRE OFFICER

CURRENT GRADING STRUCTURE

NJC GRADES

WITH EFFECT FROM 1ST APRIL 2007

	SCP	SALARY	RANGE
GRADE 1	6	£11,907	
	7	£12,291	
	8	£12,678	
	9	£13,062	
	10	£13,336	
	11	£14,197	

GRADE 2	12	£14,492	
	14	£15,153	
	16	£15,842	
	17	£16,217	
	18	£16,536	
	19	£17,154	

GRADE 3	15	£15,470	
	17	£16,217	
	18	£16,536	
	19	£17,154	
	20	£17,781	
	21	£18,430	

GRADE 4	20	£17,781	
	22	£18,907	
	23	£19,463	
	24	£20,099	
	25	£20,736	
	26	£21,412	
	27	£22,122	
	28	£22,845	

GRADE 5	26	£21,412	
	27	£22,122	
	28	£22,845	
	30	£24,545	
	31	£25,320	
	32	£26,067	

	SCP	SALARY	RANGE
GRADE 6	32	£26,067	
	33	£26,835	
	34	£27,594	
	35	£28,172	
	36	£28,919	
	37	£29,728	
	38	£30,598	

GRADE 7	39	£31,606	
	40	£32,436	
	41	£33,291	
	42	£34,140	

GRADE 8	39	£31,606	
	40	£32,436	
	41	£33,291	
	42	£34,140	
	43	£34,991	
	44	£35,852	
	45	£36,657	
	46	£37,543	
	47	£38,404	
	48	£39,258	
	49	£40,101	
50	£40,924		

GRADE 9	46	£37,543	
	48	£39,258	
	50	£40,924	
	52	£42,664	
	53	£43,516	
	54	£44,414	
	55	£45,311	
	56	£46,209	
57	£47,122		

Proposed Grading Structure

NJC GRADES

WITH EFFECT FROM 1ST APRIL 2008

	SCP	SALARY	RANGE
GRADE 1	7	£12,291	
	8	£12,678	
	9	£13,062	
	10	£13,336	
	11	£14,197	

	SCP	SALARY	RANGE
GRADE 6	33	£26,835	
	35	£28,172	
	36	£28,919	
	37	£29,728	
	38	£30,598	

GRADE 2	14	£15,153	
	16	£15,842	
	17	£16,217	
	18	£16,536	
	19	£17,154	

GRADE 7	39	£31,606	
	40	£32,436	
	41	£33,291	
	42	£34,140	
	43	£34,991	

GRADE 3	17	£16,217	
	18	£16,536	
	19	£17,154	
	20	£17,781	
	21	£18,430	

GRADE 8	44	£35,852	
	45	£36,657	
	47	£38,404	
	49	£40,101	
	50	£40,924	

GRADE 4	22	£18,907	
	23	£19,463	
	25	£20,736	
	27	£22,122	
	28	£22,845	

GRADE 9	52	£42,664	
	54	£44,414	
	55	£45,311	
	56	£46,209	
	57	£47,122	

GRADE 5	27	£22,122	
	28	£22,845	
	30	£24,545	
	31	£25,320	
	32	£26,067	

INITIAL EQUALITY IMPACT ASSESSMENT

POLICY. REF. NO.

Section Human Resources	Manager Human Resources Manager	Date of Assessment May 2008	New or Existing Existing
Name of Policy/Service/Procedure to be assessed		Grading Policy (Local Government Services)	
1. Briefly describe the aims, objectives and purpose of the policy/service/procedure		To detail the process to be followed by the Service in establishing appropriate grades for posts on the non-uniformed establishment	
Who is intended to benefit from this policy and what are the outcomes?		Employees and service managers are clear about the grading process and the procedure by which post grades are determined and may be reviewed	
2. Who are the main stakeholders in relation to the policy/service/procedure?		Employees, service managers, members of the Combined Fire Authority	
3. Who implements and who is responsible for the policy/service/procedure?		The HR Support Officer is responsible for co-ordinating the job evaluation process The HR Manager (corporate) is responsible for reviewing and updating the Policy and for implementing changes to the grading structure in line with changes to national conditions of service, and local agreements.	

4. Please identify the differential impact in the terms of the six strands below. Please tick yes if you have identified any differential impacts. Please state evidence of negative or positive impacts below.

STRAND	Y	N	NEGATIVE IMPACT	POSITIVE IMPACT
Race	X			The application of the Policy ensures that there is no scope for direct or indirect discrimination during the grading process on the grounds of race
Gender	X			The application of the Policy ensures that there is no scope for direct or indirect discrimination during the grading process on the grounds of gender
Disability	X			The application of the Policy ensures that there is no scope for direct or indirect discrimination during the grading process on the grounds of disability.
Religion or Belief	X			The application of the Policy ensures that there is no scope for direct or indirect discrimination during the grading process on the grounds of religion or belief
Sexuality	X			The application of the Policy ensures that there is no scope for direct or indirect discrimination during the grading process on the grounds of sexual orientation
Age	X			The application of the Policy ensures that there is no scope for direct or indirect discrimination during the grading process on the grounds of age. Additionally, the application of a maximum 5-point grading structure complies with best practice guidance on the application of non discrimination pay and benefits policies.

6. Can this adverse impact be justified on the grounds of promoting equality of opportunity for one group?	Y	N	7. Should the policy/service proceed to a full impact assessment?	Y	N
	X				X