

**NOT FOR PUBLICATION AS THE REPORT CONTAINS INFORMATION RELATING TO CONSULTATIONS/NEGOTIATIONS IN CONNECTION WITH ANY LABOUR MATTER ARISING BETWEEN THE AUTHORITY AND EMPLOYEES OF THE AUTHORITY (LOCAL GOVERNMENT (ACCESS TO INFORMATION) (VARIATION) ORDER 2006 - ACCESS TO INFORMATION –TO SCHEDULE 12A)**

**TYNE AND WEAR FIRE AND RESCUE AUTHORITY**

**Item No 10.**

**HUMAN RESOURCES COMMITTEE: 21 FEBRUARY 2011**

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**SUBJECT: PAY PROTECTION POLICY**

**JOINT REPORT OF THE CHIEF FIRE OFFICER THE CLERK TO THE AUTHORITY AND THE PERSONNEL ADVISOR TO THE AUTHORITY**

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## **1 INTRODUCTION**

- 1.1 The purpose of this report is for members to consider and approve an Authority policy in respect of pay protection for those staff conditioned to the National Joint Council for Local Government Services (Green Book).
- 1.2 The Authority operates in an environment subject to constant changes. On occasions, for good sound business reasons, the Authority may require variations to conditions of service for individuals or groups of staff. In such circumstances there is a commitment that managers will consult fully with staff and their representatives and endeavour to minimise the effects.
- 1.3 It is paramount that all staff whose salary and terms and conditions of service are affected by organisational change are treated fairly and equitably. In addition, comprehensive monitoring of the impact of any arrangements with particular regard to gender, race and disability will be undertaken.
- 1.3 The proposed Pay Protection Policy will be applied in any circumstance where an employee is redeployed, by agreement, into a lower graded post. Examples of such circumstances are (although not exhaustive):
- In preference to compulsory redundancy;
  - In the case of an employee becoming medically unfit to undertake their current role however they remain fit for other roles within the organisation;
  - Any organisational change which requires the redeployment of staff.

## **2 BACKGROUND**

- 2.1 It is clear that the economic situation in the public sector is likely to be extremely challenging in the forthcoming months and years. With the outcomes of the spending review now known it is probable that the Authority will need to undergo some form of organisational adjustment in terms of structural and/or management change including a reduction in the number of employees. This Authority has always managed such change, especially reductions in staff,

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utilising natural wastage methodologies which has endeavoured to protect the interests and pensions of existing staff without a detrimental effect on morale. The Chief Fire Officer can confirm that, wherever possible, natural wastage remains the preferred method by which to reduce the size of the workforce. However, given the current economic circumstances it may be necessary to consider other options such as the redeployment of staff to lower paid roles as a result of any potential restructure.

- 2.2 As the Authority has no formal pay protection policy in place currently, the Chief Fire Officer considers it prudent to establish a policy and subsequently inform employees of these pay protection arrangements, should they find themselves in a restructuring situation.

**3. PROPOSED PAY PROTECTION POLICY**

- 3.1 The policy would apply to all Green Book employees who are redeployed to a lower graded post or a post which carries a lower rate of pay, or lower number of hours than previously contracted, by agreement.
- 3.2 It would not apply in the following circumstances:-
- Where an employee has been redeployed at their own request
  - Where an employee has been redeployed as a result of action taken under the capability or disciplinary procedures.
- 3.3 The proposed policy offers protection for one year. Annual pay awards will be applied. However, where a post has been subject to an incremental pay scale, incremental progression in the old grade will cease from the date when the pay protection takes effect.

**4. PROTECTION ARRANGEMENTS**

- 4.1 An employee who:-
- a) Is downgraded as a result of organisational change / restructure; or
  - b) Who is redeployed into another lower graded post for any reason (other than those indicated in 3.2 above).

will be entitled to protection of basic salary as follows;

- One year's pay protection then revert to the grade/hours for the post occupied.

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- 4.2 Under normal circumstances, it is expected that employees will be appointed to the top of their new substantive grade. Protection of pay will not apply to any allowances, overtime or other payments other than those allowances that were payable prior to the redeployment.
- 4.3 Protection arrangements will terminate on either the:-
- Expiry of the protection period;
  - The basic pay in the new post permanently matching or exceeding that of the old post or
  - In the event the employee applies for, and being appointed to, a new post.
- 4.4 Depending on the reason for the reduction in salary, protection will commence on either:
- The date the employee commenced their new role; or
  - The date the new structure took effect; or
  - The date when the evaluation decision was made, which affected the reduction in grade.
- 4.5 The Authority commits to positively supporting and assisting employee's in receipt of pay protection, to secure employment at the salary level they previously held, or, alternatively, other suitable employment. Individuals will however be subject to the Authority's standard selection procedures.

**5. EXCESS TRAVELLING EXPENSES**

- 5.1 Employees who are required to change their base of work due to redeployment will not be entitled to any additional home to base travelling expenses.

**6. APPEALS**

- 6.1 Appeals arising out of the application of the policy shall be dealt with according to the provisions of the Authority's Grievance Procedure.

**7. REVIEW OF POLICY**

- 7.1 This policy will be reviewed on a regular basis and no later than 12 months from when the policy is formally approved.

**8. CONSULTATION**

- 8.1 This report has been submitted to the relevant representative bodies for formal consultation.

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**9. FINANCIAL IMPLICATIONS**

9.1 There are no financial implications directly relevant to this report however the Chief Fire Officer will closely monitor this situation should it be necessary to enact pay protection at any time. Thereafter further reports will be submitted as appropriate.

**10. EQUALITY AND FAIRNESS IMPLICATIONS**

10.1 There are no equality and fairness implications in respect of the implementation of the Pay Protection Policy.

**11. HEALTH AND SAFETY IMPLICATIONS**

11.1 There are no health and safety implications in respect of this report.

**12. RECOMMENDATIONS**

12.1 Members are requested to:

- a) Approve the Pay Protection Policy as detailed within this report;
- b) Receive further reports as appropriate.