

EXECUTIVE

LEADER: Cllr Jeremy Christophers

PORTFOLIO HOLDER: Kevin Lake

DATE: 30th October 2018

REPORT OF: Interim Head of Operations/ Waste and Cleansing Manager and the Portfolio Holder for Environment Services

SUBJECT: Driver and Operation Staff Salaries – Market Forces

PART I

RECOMMENDATIONS

The Executive is recommended to

Consider the market forces information contained in the report and approve the implementation of the Council's Market forces Policy to increase LGV driver's salaries to Grade 16a equivalent. In addition to approve the increases to the posts in the operational management team to maintain the grade differential as detailed.

1. PURPOSE

To bring to the attention of the Executive the ongoing difficulties being experienced in the recruitment and retention of Large Goods Vehicle (LGV) Drivers and the implications of applying the Council's Market Forces Policy to resolve the issue.

2. BACKGROUND

The Waste Recycling and Cleansing service is continuing to experience difficulties in recruiting and retaining LGV drivers. This is a regional issue and our neighbouring authorities are experiencing the same difficulties.

Typically during recruitment exercises we have very low or no applicants which creates a significant operational pressure on the service. At present there are 4 LGV driver vacancies. The last 5 recruitment processes have only reduced the number of vacancies by 1 because new recruits have been balanced by those leaving.

In 2015 the Market Forces policy was applied to LGV drivers' salaries in order to retain existing staff and recruit the large number of new drivers required for the new weekly recycling service. This raised the role from Grade 8 to Grade 14.

As there are no significant changes to the nature of the job the 'Job Evaluation' process is not considered a viable process to address this issue.

The LGV driver recruitment issues are compounded by the fact that other operational staff (van drivers and manual operatives) received a higher percentage pay increase as part of the recent Local Government Pay Award. This effectively closes the gap between the roles and reduces the incentive for the additional responsibilities and qualifications required to be an LGV driver.

We have offered to cover the training costs of staff to gain an LGV qualification but take up on this offer has been very limited with only one current member of staff participating.

The current benchmarking information is shown below.

	2015	2018
Authority	Salary	Salary
North	£19,317	£23,111
Mid	£21,734	£23,112
Tor 2/Torbay	£17,722	£21,195
Exeter	£17,251	£20,811
Plymouth	£20,400	£21,625
South Hams	£17,761	£19,446
Torrige	£19,300	£20,541
East	£17,333	£20,849
Average	£18,852	£21,336
	TDC	£19,819

The average is equivalent to Grade 16a of our current pay scales. It is important to note that both Tor2 and Exeter are both currently paying a higher rate than Teignbridge, geographical areas we typically recruit from.

3. MAIN IMPLICATIONS

Financial Implications

The cost to implement the changes for the 49 drivers on the establishment from Grade 14 to Grade 16a would be;

Year	18/19	19/20	20/21
Annual cost	£38,280*	£128,340	£134,490

* This assumes 1st December 18 implementation

Pay Differentials for Operational Management

If we assume that LGV driver salaries are increased to Grade 16a through the Market Forces policy it creates further issues for the operational management team as Charge-Hands are currently at that grade and the two Supervisors a few grades above.

In order to maintain the grade differentials for the supervisory staff in the operational team the following cost pressures would arise:

Year	18/19	19/20	20/21
Annual cost / (saving)	£2,580*	£10,080	£13,380

Total cost for all implicated staff

The table below shows the additional budget to find for the next three years taking into account the additional income to be received from the joint working with DCC.

Year	18/19	19/20	20/21
Annual cost	£40,860*	£138,420	£147,870
Additional Income**	£32,070	£47,170	£57,810
Budget shortfall	£8,790	£91,250	£90,060

* This assumes 1st December 18 implementation

** This includes income from the shared savings agreement with Devon County Council and some expenditure savings.

The additional costs associated with attracting and retaining staff will cost £8,790 initially rising to £91,250 for the following full year. These additional costs will require being met from general reserves initially whilst investigations are pursued to make additional savings to reduce these costs (including anticipated increases in the waste savings sharing agreement) and incorporated into the annual budget process for 2019/20.

HR Implications

This has been discussed with the HR and OD Manager who is supportive of the approach outlined and advised, if approved, this will need to be managed under the Council's existing Market Forces policy. HR can support the implementation.

4. GROUPS CONSULTED

SLT, Finance and HR department. HR will undertake any consultation required with staff and the Trade Unions.

5. TIME-SCALE

Immediate implementation is recommended, the report contains financial implications assuming a 1st December 2018 implementation.

6. JUSTIFICATION

It is clear from the difficulties being experienced that the existing salary being offered for LGV drivers by the Council is not attracting people to take up, or stay in these positions. The Market Forces information presented confirms the situation.

The repositioning of the LGV driver and Operational Management staff salaries using the Council's Market Forces Policy as recommended in this report is required to offset the significant risk that the quality of this statutory service will reduce if steps are not taken to improve recruitment and retention of staff.

7. DATE OF IMPLEMENTATION (CONFIRMATION OF DECISION SUBJECT TO CALL-IN)

10.00 a.m. on 6 November 2018

Lorraine Montgomery /Chris Braines
Interim Head of Operations/ Waste and
Cleansing Manager

Cllr Kevin Lake
Portfolio Holder for Cleansing Waste
and Recycling

BELOW TO BE FILLED IN BY REPORT AUTHOR:

Wards affected	All
Contact for any more information	L .Montgomery / Chris Braines 01626 215841
Background Papers (For Part I reports only)	
Key Decision	N
In Forward Plan	Y
In O&S Work Programme	N
Community Impact Assessment attached:	N