

FINAL VERSION

NORTHERN IRELAND CIVIL SERVICE (NICS) **COMPREHENSIVE PAY AND GRADING REVIEW**

TERMS OF REFERENCE

PURPOSE

1. The purpose of this document is to set out the terms of reference for the first stage of the comprehensive review of the NICS pay and grading structures. This document details the key objectives, scope and indicative timescale under which this stage of the review will be conducted.
2. Within the NICS there are three very different pay and grading systems covering Senior Civil Servants (SCS), Non-Industrial staff below the SCS and Industrial staff. The different pay and grading arrangements mean that the review will be carried out in three stages. The first stage will involve Non-Industrials below the SCS.

BACKGROUND

3. As part of the 2006 pay negotiations NICS Management and NIPSA sought to address a number of common objectives to reform the pay structures in the NICS. While not all those objectives were realised some limited progress was achieved on the basis that further work in this area was required. Subsequent to the 2006 pay settlement NIPSA lodged a number of equal pay cases at the Industrial Tribunal. A negotiated settlement of the cases was reached in December 2009 and its implementation is well advanced. A feature of the negotiated settlement of the equal pay cases was agreement to joint Management and Trade Union Side engagement in a comprehensive review of pay and grading, covering all grades within the NICS.

4. Clearly there is a pressing need to reform NICS pay and grading structures. The following paragraphs will set out some of the reasons for change and a number of priority areas that need to be addressed.

OBJECTIVES

5. The main purpose for this stage of the review is to modernise the current pay and grading structures in the NICS for non industrial staff below the Senior Civil Service to ensure that known and potential inequities are addressed. The review will also need to take cognisance of the NICS business objective to improve service delivery and recruiting and retaining staff in order to achieve this.
6. Priority areas requiring attention include:-
 - (a) Examination of the Executive Officer II grade within the review process;
 - (b) The structure of pay scales;
 - (c) Arrangements for pay progression including length of pay scales and the need to avoid risk of discrimination;
 - (d) Overtime arrangements related to certain grades;
 - (e) Overlapping pay bands – where staff can earn more than those in grades higher than their own;
 - (f) Leap frogging – where staff in lower grades can be promoted to a higher point on the promoted grade pay scale than staff already at the higher (promoted) grade;
 - (g) Ensuring that where anomalies in the level of pay for analogous grades exist, that they can be justified; and
 - (h) Revisit the outputs from the 2005 NICS Equal Pay Audit
7. It is important that any proposed changes to pay and grading support the achievement of departments' business objectives, are consistent with NICS core

competences and comply with all relevant legislation. Equally, they must be fair, enjoy the confidence of staff and support their development. The pay and grading structures must be consistent across disciplines at all levels, simple, transparent in application and maintenance and not hinder the movement of staff between departments.

METHODOLOGY

8. The precise methodology will be determined in consultation between NICS Management and Trade Union Side (TUS). Processes will be based on TUS having access to all relevant information and data to facilitate joint engagement under the agreed terms of reference for the review.

9. The review process will include the following stages:-
 - (a) Consideration of potential changes to the current pay and grading structure, consistent with Equality Commission job evaluation guidance;
 - (b) Joint agreement on detailed and updated grading guidance taking account of any outputs from (a) above;
 - (c) Alignment of posts using the updated grading guidance;
 - (d) Job evaluation (JEGS), including consultation with TUS, of any post not aligning to the updated grading guidance, whether it is considered to be of a higher or lower grade than currently graded;
 - (e) Consultation and/or negotiation as appropriate with TUS on any Human Resource consequences emanating from the review.

SCOPE

10. This stage of the review will cover all non-industrial grades below the Senior Civil Service in the NICS. The key stakeholders are therefore staff, Corporate HR, Pay and Grading Unit, NISRA, NIPSA, Departmental HR and DFP Minister.

RESOURCING

11. The time and resources that will be needed to successfully deliver the programme will be significant and will need to be drawn from Corporate HR, Departmental MSUs, Information Strategy & Innovation Division, operational departmental staff and DSO.
12. The Pay and Grading Review Teams will comprise a small but representative group drawn from CHR, and Departments. These teams will be DFP-led, assigned to Corporate HR and time-bounded for the duration of this phase of the review.

OVERSIGHT ARRANGEMENTS

13. A project board group will be established to oversee the work of the Pay and Grading Review Teams and will be responsible for overall management of the programme of work. The board will consist of members from Corporate HR, Departmental HRs and others to be agreed. The Director of Corporate HR will be the Senior Responsible Owner and oversight will be provided by the Permanent Secretary Group (PSG) - People Issues Sub Group.
14. The oversight arrangements will not circumvent TUS's negotiating rights on pay as provided for under the Central Whitley Council arrangements or the statutory rights of individuals.

TIMESCALES

15. Given the significance of the issue, the review will be conducted as quickly as is professionally possible observing the various elements of the terms of reference. Indicative timescales are outlined below:-

Agree the methodology for the review with NIPSA	By Jan 2011
Establish review team	Jan 2011
Joint consideration of the need to change the current pay and grading structure	Jun 2011
Agree updated grading guidance	Dec 2011
Alignment of posts using grading guidance (May need a prioritisation of grades to be reviewed)	2012
Completion of JEGS review on unaligned posts.	Dec 2012
Establishment of maintenance arrangements	Jan 2013

AGREEMENT

16. These terms of reference were jointly agreed between Management and Trade Union Side on 16 March 2011.