
To: Finance, Resources and Customer Services Policy Board

On: 3 February 2021

Report by: Director of Environment & Infrastructure

Heading: BUILDING SERVICES: CRAFT PAYMENT RATES AND HARMONISING
HOLIDAY ENTITLEMENT

1. Summary

- 1.1 Building Services employs around 175- 190 trades persons at any one time across 10 different trade groups.
 - 1.2 In 1996, Renfrew District Council (RDC) craft operatives were amalgamated with the Strathclyde Regional Council (SRC) craft operatives. They each had different levels of annual leave entitlement and over the years this has become more apparent as the length of service has increased.
 - 1.3 In 2007, there was a local agreement regarding pay rates to the craft operatives where their rates were consolidated into a specific hourly rate and the previous bonus system was then removed in its entirety.
 - 1.4 Building Services have reviewed this situation and it is felt that harmonising the remaining 8 SRC operatives onto the ex RDC craft annual leave entitlement would provide parity across the workforce.
 - 1.5 This report seeks to review the current payment rates across the trades and the different holiday entitlement. This will ensure the pay rates are in line with the minimum industry recognised levels and the annual leave entitlement is consistent across the workforce.
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2. Recommendations

- 2.1 It is recommended that the Finance, Resources and Customer Services Policy

Board:

- note the content of this report;
- approves the proposed craft rate changes to be in line with the approved industry bodies recommended minimum payments; and
- approves the proposal to align all tradesperson to the same annual leave entitlement.

3. Building Services

Background on the Craft Trade Rates

- 3.1 In 2007, Building Services entered into a union negotiated local agreement regarding hourly pay rates to all craft operatives, this was in place of the bonus system and the various other rates that could be claimed. This included, travel time, site tidy up, waiting time and bonus. Each trade negotiated an agreed hourly rate, and this has been the method of payment since 2007. No bonus payments or systems have been in operation since this time.
- 3.2 Since 2007, the COSLA agreed hourly rate has been used as a guide and increased in line with the percentage rise across the rest of local government. This paper reviews these payment rates and compares the rates against the recognised minimum trade rates as published by governing bodies.
- 3.3 Research has shown that the two trade bodies that provide publish trades rates are:
- SNIPEF (Scottish and Northern Ireland Plumbers Employers Federation) for all levels of plumbing and gas trades; and
 - SJIB (Scottish Joint Industry Board) for all levels of electricians.
- 3.4 For the trades not covered under these official bodies, comparisons were made with the National Schedule of Rates (NSR's) who are a UK recognised and respected institute.
- 3.5 This table provides a list of trade rates that are currently paid by Renfrewshire council as compared with the recognised industry rates. Trade rates below are applied from 6th July 2020 as per the trade bodies publication.

TRADE AREA	RC rate 20/21	official trade rate	difference	number of staff affected	number of hours annually - 1425 hours	payment per person	cost per group
Approved Plumber	£13.57	£13.20	-£0.37	2	0	£0.00	£0.00
Advanced Plumber	£14.40	£15.03	£0.63	13	1425	£897.75	£11,670.75
Gas Engineer (advanced)	£15.26	£15.03	-£0.23	23	0	£0.00	£0.00
Facilities Engineer	£16.20	£16.63	£0.43	4	1425	£612.75	£2,451.00
Electrician	£13.57	£13.81	£0.24	15	1425	£342.00	£5,130.00
Approved Electrician	£14.40	£15.16	£0.76	14	1425	£1,083.00	£15,162.00
Electrical technician	£15.47	£17.32	£1.85	3	1425	£2,636.25	£7,908.75
Blacksmith/Labourer	£13.57	£13.75	£0.18	2	1425	£256.50	£513.00
Bricklayer	£13.57	£13.75	£0.18	2	1425	£256.50	£513.00
Joiner	£13.57	£13.75	£0.18	34	1425	£256.50	£8,721.00

Painter	£ 13.57	£13.75	£0.18	17	1425	£256.50	£4,360.50
Plasterer	£13.57	£13.75	£0.18	13	1425	£256.50	£3,334.50
Slater	£13.57	£13.75	£0.18	9	1425	£256.50	£2,308.50
General Maintenance Operative	£11.05	£10.74	-£0.31	25	0	£0.00	£0.00
				175		total	£62,073

3.6 It can be shown from the table that most of the trades are under the current industry recognised minimum rate. The amounts shown are basic hours only and do not include any overtime payments. It is estimated that this could add an additional 20% to the total monies of £62,073. Therefore, the primary sum required would be approximately £74,500 excluding on costs of approximately 30% for National Insurance and Superannuation.

3.7 Building Services requested information via APSE to compare rates with other local authorities. This has shown that some of the councils have moved to a salaried workforce which have multiple grades. The councils who responded to the request are:

- South Lanarkshire who pay £15.56 per hour (19/20) for all trades.
- North Ayrshire pay between £13.86 and £15.12 for all trades.
- West Lothian pay between £12.24 and £12.99 for most trades with advance plumbers and approved electricians £13.39 - £13.78 and gas engineers £14.17 - £15.94.
- Moray Council – all plumbers/gas engineers/electricians £14.26. Joiners - £12.51 and bricklayers/painters £11.41.

3.8 Building Services has recently lost several tradesmen to neighbouring councils and have experienced great difficulty in attracting any applicants to recent vacancies.

Background on the Craft Trades Annual Leave.

3.9 In 1996, tradesmen from SRC were transferred into the local authorities across Scotland. These staff transferred with their existing terms and conditions and this has operated for 24 years. However, a recent review across the trades has highlighted that there is now only 8 previously SRC operatives left among the current workforce. Ex SRC staff received a maximum of 25 days annual leave no matter the length of service of the individual. However, by comparison Renfrew District Council Craft (prior to 2007) employees received the following entitlement.

Service Years	Annual Leave Entitlement
5	25 Days
25	26 Days
30	27 Days
35	28 Days

3.10 The 8 remaining ex-SRC employees have between 27 years and 40 years' service. It is proposed to equalise the annual leave entitlement across these two sets of craft

employees considering their length of service.

- 3.11 Craft employees who started after 2007 initially receive 20 days and after 5 years' service receive 25 days. However, as it has only been 13 years nobody within this timeframe would be entitled to any additional days.
- 3.12 Further harmonisation of holiday entitlement for all craft employees would be considered in further negotiations with the trade unions if the trade workforce were to transfer to APT and C conditions.

4.0 **Financial Implications.**

- 4.1 It is proposed to increase the hourly rate of the trades currently paid under the industry recognised minimum from 6th July 2020. This equates to 1425 hours in the financial year 2020 -2021. This has a financial implication that would incur costs equalling. Total basic costs approximately for 20/21 equates to £74,500. The addition of National Insurance and Superannuation takes this total to approximately £97,950.
- 4.2 This should allow Renfrewshire Council to advertise that they pay the national agreed trade rates and compete better within the market place for experienced and qualified tradespersons. It would also help protect against employees leaving to work for other neighbouring councils.
- 4.3 To equalise the holidays across the 8 employees would mean a maximum of 19 additional days annual leave. This would have a financial implication of approximately £7,000. However, this would eradicate the two-tier holiday system currently in place and provide for the long serving craft operatives and would be an appropriate recognition for the operative's long service.

Implications of the Report

1. **Financial** - Financial costs of £104,950 will be contained within Building Services and paid from existing revenue budget.
2. **HR & Organisational Development** - Any staffing changes from the service redesigns referenced in this report will be progressed through the Council's HR policies, including redeployment and utilisation of VR/VER scheme.
3. **Community & Council Planning** - the report details a range of activities which reflect local community and council planning themes.
4. **Legal** - None.
5. **Property/Assets** - None.
6. **Information Technology** - IT implications are contained within the report.
7. **Equality & Human Rights** - The recommendations contained within this report have been assessed in relation to their impact on equalities and human rights. No negative impacts on equality groups or potential for infringement of individuals' human rights have been identified arising from the recommendations contained in the report because it is for noting only. If required following implementation, the actual impact of the recommendations and the mitigating actions will be reviewed and monitored, and the results of the assessment will be published on the Council's website.
8. **Health & Safety** - None.
9. **Procurement** - None.
10. **Risk** - None.
11. **Privacy Impact** - None.
12. **CoSLA Policy Position** - None

List of Background Papers: None

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