

THE STATES OF DELIBERATION
of the
ISLAND OF GUERNSEY

7th November 2024

Proposition No. P.2024/91

Policy & Resources Committee

States of Guernsey Annual Budget for 2025

AMENDMENT

Proposed by: Deputy L S Trott
Seconded by: Deputy H J R Soulsby

For proposition 32 substitute the following:

“To direct the Policy & Resources Committee, in exercising its functions on behalf of the States as an employer of public sector employees, to consider the mechanisms that apply to incremental progression as it applies to public sector staff, with a view to ensuring that such progression is used consistently and fairly for the benefit of both employees and the States of Guernsey and to review what other pay progression mechanisms might otherwise be suitable for public sector staff in order to ensure that they are paid at appropriate market rates and to consult with Unions before implementing any changes considered necessary.”

Rule 4(1) Information

- a) The proposition contributes to the States’ objectives and policy plans by improving the resilience, security and governance of public services.
- b) In preparing the proposition, no consultation has taken place.
- c) The proposition has been submitted to His Majesty’s Procureur for advice on any legal or constitutional implications.
- d) There are no financial implications to the States of carrying the proposal into effect.

Explanatory note

The current proposition 32 directs the blanket application of a completely new approach to pay in the States of Guernsey, one that would put us, as a jurisdiction, out of kilter with the public sector in other comparable jurisdictions. It is also an approach which would fundamentally affect how appropriate market rates are paid for public sector posts.

During debate on 5th November, it appeared that there might be confusion between incremental progression and progression through grades, in so far as there was a seeming belief among some Members that staff receive incremental rises every year regardless. This is definitely not the case. Most grades comprise up to five incremental points – many contain fewer. The top point of a pay band is what is perceived to be the market rate for the role and it is a ceiling beyond which the post holder cannot progress while they remain in the role in question. Progressing through the pay band is subject to satisfactory performance and allows the post holder to be rewarded for developing appropriate experience and skills in the role before hitting the ceiling. It is a cost-effective way for the States to appoint people on lower increments until they reach the top pay point. The only way to attain a higher pay point is to apply successfully for promotion, in open competition with others.

In some professions, incremental progression cannot be achieved without the attainment of specific qualifications and/or experience (in addition to satisfactory performance), and across the organisation incremental progression helps with both performance management and motivation.

Using bands that span several increments helps the States to maintain pay competitiveness and also control employment costs. It is worth emphasising that the value of a role is considered to be the top incremental point of the scale in question – the rate that someone will get to once they have fully developed into the roles and can discharge all aspects of it.

Appointing someone on the bottom of a grade means that they will take several years to reach the top point, during which time they gain knowledge and experience. This is therefore a more cost-effective approach than appointing everyone to the top point.

Appointing to a lower spot-point is problematic in terms of recruitment, retention and staff motivation, especially in the absence of any provision for bonuses to be paid, or other benefits such as private health care, as may arise in the private sector, with which the States are competing for staff. Paying the more experienced employee at a higher rate recognises the greater value of contribution they bring, compared to a newly-appointed employee on a learning curve.

One of the principles of the public sector pay grades is that of equity – there is a transparent grade for a role and it is clearly understood what needs to be achieved in order to attain the full remuneration for the role.

To make fundamental changes to pay scales for professionals that are well established and modelled on those that exist elsewhere would be uncompetitive as well as complex and very likely unworkable in practice.

To implement such a change on the basis of an amendment cuts across well-established procedures for collective bargaining, which the Policy & Resources Committee carries out through powers delegated by and derived from the Assembly. It is not good employee relations practice to approach employee pay, terms and conditions in this manner.

If approved, this amendment would enable the Policy & Resources Committee to take a more considered approach and, crucially, would enable the Committee to engage with Trades Unions, which is a more appropriate approach and ensures that all stakeholders are properly informed and consulted.