



## Report of the Strategic Human Resources and Organisational Development Manager

Cabinet – 21 February 2019

### National Joint Council for Local Government Services Pay Award for 2019/20

<b>Purpose:</b>	To advise on the National Joint Council (NJC) Pay Award for the pay year 2019/20 and to seek approval to enable implementation of the NJC Pay Award.
<b>Policy Framework:</b>	Pay Policy 2019/20.
<b>Consultation:</b>	Legal, Finance, Recognised Trade Unions.
<b>Recommendation(s):</b>	It is recommended that:  1) The NJC proposed pay award is agreed and implemented.
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#### 1. Introduction

- 1.1 The National Joint Council (NJC) has confirmed the agreed pay increase applicable for Local Government employees from 1<sup>st</sup> April 2019 (see Appendices B and C).
- 1.2 This report seeks authority to implement this proposal on a local basis.
- 1.3 All Staff within the Council are covered by the National Joint Council apart from Chief Officers, Teachers and Soulbury employees who are covered by separate negotiating bodies.

## 2. The Proposed National Pay Award

2.1 Swansea has historically and consistently paid NJC pay rates and national pay awards, details of which will be public knowledge.

2.2 The NJC Pay Agreement for 2018-20 introduced a new nationally agreed pay spine on 1 April 2019 that includes:

- A bottom rate of £9.00 per hour on a new spinal point SCP1 (old spinal points 6 and 7), = to a salary of £17,369 p.a. \*
- Pairing the old spinal points 6-17 into the new spinal points 1-6 inclusive (Grades 1-4 plus the first increment of Grade 5)
- Additional 2% to SCPs 6-28 inclusive (additional pay rise to grades 1-6 and the first three increments of Grade 7)
- Additional 2% to SCPs 29 and above (additional pay rise to top of Grade 7 through to Grade 12)

Therefore, we have a statutory obligation to make these changes.

(\*Living Wage is currently set on CCS pay scale at £8.13 per hour, or £16,946 p.a., = total annual increase of £423)

2.2 Pay modelling has been undertaken to consider the impact on;

- Our current grade structure
- Differences in grades
- Equalities issues, including Gender Pay Gap
- Job evaluation process and allocation of grade (JFA process)
- Our pay bill

Taking that into consideration;

- Discretionary additional increments have not been included in the pay structure. This will have a positive impact on employees as they will 'skip' the scale point and move to the next one, thus, in effect, having the additional increment, where increments are available within these grades.
- The pay award will be adopted on the basis of incremental progression then assimilation. This decision has been made based of the estimated increased cost to the Council of approximately £120,000 per annum by taking an alternative "assimilate then increment" approach.
- Consultation has taken place with Trade Unions via the JCC and monthly Trade Union Meetings.

## 2.3 Benefits of the Proposal

- The top and bottom of current grades remain unchanged
- Each grade does not exceed recommended number of increments
- We meet obligations legally, including gender pay gap/equal pay
- Lower paid workers receive a pay award in excess of 2%

## 3. Equality and Engagement Implications

3.1 The Council is subject to the Public Sector Equality Duty (Wales) and must, in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

Our Equality Impact Assessment process ensures that we have paid due regard to the above

3.2 The EIA screening form attached in appendix D clearly shows that a full EIA is not required as the new Pay Structure will not cause any detriment (changes to grade increments) or inequality to protected groups. However, to help meet Trade union consultation requirements an Equalities Impact Assessment has been produced as Appendix E. Please note that the full EIA produced has not been subject to quality assurance and signoff by Access to Services.

3.3 As part of the pay modelling exercise, consideration has been given to equalities issues noting that;

- There is no change to the pay structure for which an Equalities Impact Assessment had already been undertaken as part of the 2014 Single Status implementation.
- Discretionary additional increments are not being implemented, which would have created potential issues regarding employees at Grade 6 and 7 with a higher risk of Gender issues.

## 4. Financial Implications

4.1 The budgetary implications are an estimated £5.4 million per annum.

## 5. Legal Implications

5.1 There are no legal implications associated with this report.

**Background Papers:** None.

**Appendices:**

Appendix A	Delivering Local Implementation of the NJC Pay Award 2018-20 In Councils, Schools, Academies and Other NJC Employers.
Appendix B	New Pay Spine 1 April 2019
Appendix C	Equalities Impact Assessment Screening Form
Appendix D	Equalities Impact Assessment