



EMPLOYMENT COMMITTEE – 29 JUNE 2018

PAY AWARDS 2018/19

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

Purpose of the Report

1. The purpose of this report is to:
 - i. Inform the Employment Committee of the action taken by the Chief Executive to implement a pay award for employees on grades 2 – 17 inclusive, in order to meet the requirements of the first year of the nationally-agreed National Joint Council (NJC) pay award which covers the period from April 2018 to March 2019;
 - ii. Seek the agreement of the Committee to apply the nationally-agreed Joint Negotiating Committee (JNC) pay award for Chief Executives.

Policy Framework and Previous Decisions

2. The Chief Executive agreed, following consultation with the Chairman and Spokesmen of the Committee, to exercise his delegated powers in the event of matters of urgency to enable the pay award for 2018/19 to be implemented for employees on grades 2 – 17. This allowed employees to receive the appropriate pay increase within their May 2018 salary, backdated to 1 April 2018. When action is taken under these powers, details must be reported at the next meeting of the Employment Committee.
3. In regard to the pay award for Chief Executives, the Employment Committee must be in agreement to apply the pay award in order to implement it.

Background

Employees with NJC terms and conditions of service

4. The County Council's current grade structure was implemented in 2002 in conjunction with the Hay Job Evaluation Scheme. At that time it was

agreed that the Council, through the Employment Committee, would decide a level of pay award locally which would be based on the national pay award for Local Government Employees.

5. The previous pay award for Council employees on grades 2 – 17 covered the two-year period from 1 April 2016 to 31 March 2018, and comprised a 1% increase on 1 April 2016 and a further 1% increase on 1 April 2017 on all pay points between 16 and 59 (grades 7 to 17 inclusive). For pay points below pay point 16 (grades 2 – 6 inclusive), higher percentage increases were applied which ranged from 6.6% to 1.01% respectively in the first year and 3.4% to 1.3% in the second year.

Key Points – NJC award

6. The pay award for employees on grades 2 – 17, covering the period from 1 April 2018 to 31 March 2019, comprises the following elements:
 - i. From 1 April 2018, an increase of 2% on all pay points from grade 7 pay point 18 to grade 17 pay point 59 and;
 - ii. Higher percentage increases to pay points between pay point 2 (grade 2) and pay point 18 (grade 7), ranging from 3.73% to 9.19%, along with a minimum salary of £16,401 (£8.50 per hour) which exceeds the National Living Wage (currently £7.83 per hour).
7. Work is currently underway with regard to the pay award covering the period from 1 April 2019 to 31 March 2020, as there are significant changes to the national pay scale which means it will not be possible to simply apply a percentage increase. Further information about the proposed way forward will be provided to the Committee at a later date.

Chief Executive (JNC) award

8. Whilst the Council has implemented local pay scales, it is committed to applying JNC pay awards to those on grades 18 - 22 inclusive. National pay awards for Chief Officers on grades 18 – 21 have not yet been agreed.
9. The previous pay award for Chief Executives covered a two-year period and comprised a 1% increase on 1 April 2016 and a further 1% increase on 1 April 2017.

Key Points – JNC award

10. The national pay award for Chief Executives covers the period from 1 April 2018 to 31 March 2020, and was agreed by the JNC on 8 June 2018.

11. The nationally-agreed pay award for Chief Executives comprises a 2% increase to basic salary on 1 April 2018 and a further 2% increase on 1 April 2019. It is anticipated that the appropriate increase for 2018/19 would be paid at the end of July 2018 (backdated to 1 April 2018).

Recommendations

12. It is recommended that the:
 - a. Action taken in respect of the implementation of the pay award for employees on grades 2 – 17 for the period 1 April 2018 to 31 March 2019 be noted;
 - b. Implementation of the two year pay award for Chief Executives for the period 1 April 2018 to 31 March 2020 be approved.

Background Papers

13. The revised pay scales are attached at Appendix A.

Circulation under the Local Issues Alert Procedure

14. None.

Officer to Contact

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List of Appendices

8. Appendix A: Leicestershire County Council Grade Structure April 2017 – March 2019.

Equality and Human Rights Implications

9. None.

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