



EMPLOYMENT COMMITTEE: 21 OCTOBER 2014

PAY AWARD 2014

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

Purpose

1. The purpose of this report is to provide an update on the 2014 national pay negotiations affecting Leicestershire County Council employees employed under the National Joint Council (NJC) for Local Government Employees.

Background

2. The County Council, through the Employment Committee, decide a level of pay award based on the annual national pay award for Local Government Employees.
3. In March 2014, the NJC made an offer of 1% but with an element of 'bottom loading' (i.e. a slightly higher increase) for the lowest six pay points on the national pay spine. This is in relation to the National Minimum Wage (NMW) being increased to £6.50 on 1 October 2014; which would reduce the difference with the lowest pay point to just 1 pence if only a 1% pay award was implemented. The NJC pay offer therefore put the bottom rate at 25p above the NMW and the subsequent five pay points would be increased by different cash figures to ensure differentials between pay points to be maintained.
4. The Trade Unions rejected this offer and balloted their membership on taking industrial action. This resulted in a one day strike which took place on 10 July 2014, and a further one day strike was scheduled for 14 October 2014.

Current Position

5. The NJC put a revised set of proposals to the Trade Unions at the end of September 2014, requesting that the industrial action planned for 14 October is suspended whilst the Trade Unions consult their members. These proposals are not detailed in this report as they do not yet constitute a formal offer but cover a two year period up to March 2016. The Trade Unions rejected the proposal but in relation to this they are consulting their membership as to whether to suspend industrial action, allowing for further negotiation to take place.

6. In the meantime the NJC has issued advice that, in the absence of a pay settlement, local authorities increase the lowest pay point in line with the NMW Regulations 2014 so that no employee is paid below the NMW with effect from 1 October 2014. Leicestershire County Council has taken the necessary steps to implement this change.

Recommendations

7. That the report be noted.

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