

Personnel Committee Date – 16 April 2019

2019/20 PAYSCALES & ALLOWANCES - 2nd Year of Pay Deal Update

Service: All

Wards: All

1. Summary of report

- 1.1 To update Personnel Committee as to the work undertaken to date to implement the 2nd year of the 2 year National Employers for Local Government Services following the previous report tabled at committee on 19 September 2018.

2. Recommendations

Members are asked to;

- 2.1 Support the approach being undertaken from 1st April 2019 to continue to apply the 2018/19 pay spine and any increments due in the absence of signed collective agreements from the 3 non-teaching trade unions.
- 2.2 Upon agreement to the point above agreement is also sought to assimilate to the new pay spine backdated to 1st April 2019 once signed collective agreements are received from the 3 non-teaching unions
- 2.3 Extend the delegated authority to the Executive Director of Resources and Transformation, in consultation with the Portfolio Holder for Personnel and Business Support, to implement the second year of the NJC pay award including assimilation to the new pay spine at the conclusion of the consultation with the unions.

3. Report Detail

- 3.1 At Personnel Committee on 19 September 2018 approval was given to the various recommendations contained in the 2nd Year of Pay Deal report.
- 3.2 Since then consultation has taken place with the 3 non-teaching unions to reach collective agreements linked to the implementation of the 2nd Year of the 2 Year National Employers for Local Government Services for both corporate and schools based staff where the Council remains the employer.
- 3.3 As part of such consultation an initial draft collective agreement was submitted to the unions for their consideration and signature on 9/12/18 with a further version issued on 17/2/19 and a final version on 12/3/19.
- 3.4 During such consultation the Council actively sought and obtained the views of the 3 non-teaching trade unions at a local, regional and national level along with monitoring where other neighbouring councils were at with the same issue.

- 3.5 Year 2 of the pay award for the period 2019/2020 was due to be implemented on 1st April 2019, however, UNISON informed us week commencing 25 March 2019 that before doing so that they needed to first consult with their members from an equal pay and equality perspective which will be concluded later mid/late April.

The basis of their concerns centre around the 1% basic pay reduction applied In April 2017 as part of the localised revised terms and conditions and having an existing pay structure with overlapping grades and inconsistent number of pay spinal points in each grade.

- 3.6 In the absence of guaranteed confirmation from all 3 of the non-teaching trade unions and after seeking legal advice it is viewed that the Council are not able to implement the 2nd year of pay award in April 2019 payroll. Instead it is hoped to be in a position to do so in May 2019 payroll instead, backdated to 1st April 2019, once the collective agreements have been signed.
- 3.7 In the absence of the Council receiving signed collective agreements from the 3 non-teaching unions the Council will consider all options including the implementation of the second year pay award and assimilation without further consultation.
- 3.8 In the meantime we intend to continue to use the existing pay spine agreed for 2018/19 for April 2019 payroll and beyond and apply any increments due from 1st April 2019.

4. **External Intelligence**

- 4.1 In terms of where our neighbouring councils are at with this issue the following was obtained from West Midlands Employers:

Agreed – Warwickshire CC; Coventry; Telford; Stoke; Sandwell; Dudley

Yet to be Agreed – Birmingham, Wolverhampton; Staffordshire; Worcestershire

- 4.2 It should be noted that unlike many of the other neighbouring authorities the Council's position is more complex due to the implementation of the revised localised terms and conditions back in April 2017.

4. **Financial implications**

- 4.1 If the straight forward assimilation to the new pay spine is applied to the 2nd year of the 2 year deal the financial impact has been calculated to be an additional c£500K including on costs.
- 4.2 As the Council has not been able to obtain a collective agreement to date the previously preferred option to assimilate and then apply any increments due needs to be reversed. Such a reversal means a slightly higher cost to the Council of approx. £73K based on the figures used for the previous report back in September 2018.

4.3 It should be noted that the financial impact of implementing Year 2 of the 2 year deal as detailed above has been included in the Council's Medium Term Financial Outlook.

5. Legal considerations

5.1 The Council's proposals for the increase in staff pay for 2019/2020 are in line with the nationally agreed increase in the pay awards for which will be implemented using the Council's existing localised pays scales. On this basis there are no adverse legal implications for this proposal.

6. Citizen impact

6.1 There are no identified implications on the residents of Borough in the implementation of these recommendations.

7. Equality implications

7.1 An EQIA analysis has been generated linked to the reports proposals and will be implemented in line with equality good practice.

7.2 Whilst there will be more 'winners' by applying any increments due and then assimilation rather than the other way round, the impact felt of this by those staff with protected characteristics is less as a % of the workforce.

8. Consultation

8.1 Consultation on the 2 year deal has taken place at national level although dialogue at the Council's ERF forum has been maintained during this period and will continue between localised unions officials and officers.

Nationally unions have stated their support for employers to implement the 2nd year of the pay deal moving onto the new pay spine but have stated that local implementation to the new pay spine will require a new collective agreement to be signed.

Localised consultation has occurred both in and in-between the regular Employee Relations Forum meetings and will continue until such time as either the collective agreements are signed or an alternative approach is taken. Any such alternative approach being considered will be tabled before Personnel Committee before implementation.

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