



East
Northamptonshire
Council

Personnel Sub-Committee 8 December 2014

National Pay Award 2014-16

Purpose of report

The purpose of this report is to:

- update Councillors about national pay agreements and negotiations
- agree the national pay award
- determine what approach to take to pay for those staff not covered by the award

Appendix A – revised NJC pay scale and lump sum payments

1.0 Background

1.1 As Councillors will be aware, the Council follows national pay negotiations in respect of all staff groups it employs. Heads of Service and below are employed on National Joint Council for Local Government Services (NJC) terms and conditions of employment. The Chief Executive's and Executive Director's salaries are part of the Joint National Council (JNC) terms and conditions for Chief Executives' and Chief Officers' salaries.

1.2 At the Personnel Sub-Committee on 17 March 2014, Councillors resolved that:

- i) A 1% cost of living pay rise, effective from 1 April 2014, be approved (subject to the Council abiding by any other changes to Green Book terms and conditions that are agreed as part of any national pay deal); and
- ii) This 1% pay rise be applied to all staff.

1.3 The pay rise was made in advance of the national pay deal being decided, to recognise the continued hard work of staff and to enable the Council to be competitive in the employment market to ensure that it can recruit and retain knowledgeable and skilled staff. As detailed above, the locally agreed pay deal was approved subject to the Council abiding by any other changes agreed as part of the national pay deal.

2.0 NJC Pay Award 2014 - 16

2.1 On 14 November 2014, confirmation was received from NJC that a national pay deal had been agreed for staff employed on NJC terms and conditions of employment (Heads of Service and below).

2.2 The pay deal covers the period from 1 January 2015 to 31 March 2016 and includes one-off lump sum payments, that vary by individual spinal column point, and also a pay increase of 2.20%.

2.3 The Council's pay scales have been updated to include the national pay deal and are provided in Appendix A for agreement by Councillors. There are two important things that Councillors need to be aware of:

- 1) When applying the national NJC 2014–16 pay award to the Council's pay scales, the 1% locally agreed cost of living pay rise, effective from 1 April 2014, was taken into consideration. That means employees will only receive the 2014–16 national pay award (not the national award plus the local award).
- 2) NJC payscales stop at scale point 49, but ENC pay scales continue to scale point 56, which covers the top of Grade 9 and Heads of Service pay. It is proposed that the national pay deal should also be applied to ENC scale points 49 to 56, in line with previous practice.

3.0 JNC Pay Award 2014 - 16

- 3.1 On 24 November 2014, confirmation was received from JNC that they have made a full and final pay offer for Chief Executives' and Chief Officers' for 2% on guaranteed FTE basic salary of £99,999 or less. The offer covers the period 1 January 2015 to 31 March 2016. The offer is currently being consulted on.
- 3.2 If consultation results in an agreed national pay award for JNC employees, at a local level it will only result in a pay increase for the Council's Executive Director because the Chief Executive's salary is above the pay threshold.

4.0 Financial implications

- 4.1 A 1% cost of living pay rise for all staff is already built into the Council's Budget for 2014/15.
- 4.2 The final pay award, as set out in section 2, includes a lump sum that varies by individual spinal column point and a 2.2% pay rise with effect from 1st January 2015. This differs from the 1% cost of living pay rise from 1st April 2014 which has already been budgeted for. As the final agreement is for a larger percentage increase but applied over a shorter period of time, plus a lump sum, the net effect is that in overall budgetary terms the difference between this final pay award and the 2014/15 Budget is minimal. The effect on each individual employee is dependent on their spinal column point.

2014/15 pay award*	£
Already committed/budgeted (as per 4.1)	44,432
Effect of national agreement	-3,687
Total cost of pay award 2014/15	40,745

*Based on FTE numbers as at 30/09/14.

- 4.3 The Council's draft Medium Term Financial Strategy (MTFS) budgeted £90k to cover the cost of the pay award in 2015/16, pending the outcome of the national pay negotiations. As the outcome of the negotiations has now been determined the final MTFS and Budget for 2015/16 will be updated to incorporate the confirmed pay award.

2015/16 pay award*	£
Total cost of pay award 2015/16	58,305

*Based on FTE numbers as at 30/09/14.

5.0 Legal implications

- 5.1 There are no known legal implications of this report.

6.0 Risk implications

- 6.1 There are no risks associated with this report.

7.0 Equality implications

- 7.1 There are no known equality implications associated with this report.

8.0 Recommendation

- 8.1 In line with the Council's agreed approach to follow national pay bargaining, Members are asked to:

- 1) Recommend to Full Council, approval of the national NJC pay award.

- 2) Recommend to Full Council that, subject to final agreement being achieved, the JNC pay award is applied.
- 3) Decide whether to apply a local pay award to the Chief Executive.

[Reason: to ensure the Council can successfully recruit and retain knowledgeable and skilled employees]

Legal	Power: Local Government Act 1972.				
	Other considerations:				
Background Papers:					
Person Originating Report: Aime Armstrong					
Date: 1 December 2014					
CFO		MO		CX	

(Committee Report Normal Rev. 22)

Appendix A – January 2014 – March 2016 NJC Pay Scale Plus Lump Sum Payments

Point	1 January 2015 – 31 March 2016	Lump Sum Payment January 2015	Lump Sum Payment April 2015
56	£57,814	£100	£160
55	£55,585	£100	£150
54	£53,449	£100	£141
53	£51,393	£100	£131
52	£49,417	£100	£122
51	£47,514	£100	£114
50	£43,873	£100	£97
49	£42,957	£100	£93
48	£42,053	£100	£89
47	£41,140	£100	£85
46	£40,217	£100	£81
45	£39,267	£100	£77
44	£38,405	£100	£73
43	£37,483	£100	£69
42	£36,571	£100	£65
41	£35,662	£100	£60
40	£34,746	£100	£56
39	£33,857	£100	£52
38	£32,778	£100	£47
37	£31,846	£100	£43
36	£30,978	£100	£39
35	£30,178	£100	£36
34	£29,558	£100	£33
33	£28,746	£100	£29
32	£27,924	£100	£26
31	£27,123	£100	£22
30	£26,293	£100	£18
29	£25,440	£100	£14
28	£24,472	£100	£10
27	£23,698	£100	£7
26	£22,937	£100	£3
25	£22,212	£100	
24	£21,790	£100	
23	£21,108	£100	
22	£20,512	£100	
21	£20,001	£100	
20	£19,307	£100	
19	£18,635	£100	
18	£17,973	£100	
17	£17,631	£100	
16	£17,228	£100	
15	£16,831	£100	
14	£16,491	£100	
13	£16,200	£100	
12	£15,782	£100	
11	£15,467	£100	
10	£14,591	£150	
9	£14,328	£150	