

ARUN DISTRICT COUNCIL

REPORT TO AND DECISION OF FULL COUNCIL ON 13 MARCH 2019

PART A : REPORT

SUBJECT: New National Pay Scale 2019

REPORT AUTHOR: Alan Peach, Group Head for Corporate Support

DATE:

EXTN: 37558

PORTFOLIO AREA: Corporate Support

EXECUTIVE SUMMARY:

The National Joint Council (NJC) pay agreement for 2018-20 included the introduction of a new pay scale which will come into effect on 1 April 2019. The new pay scale will replace the current one and it is for Councils to decide locally, in consultation with their recognised union/s, how the organisational grading structure should fit against the new pay scale.

This paper explains the proposed new grading structure for Arun District Council and how staff will assimilate across from their existing pay point to the new pay scale.

RECOMMENDATIONS:

1. To approve the proposed new grading structure and the principles around the assimilation of staff from the current pay scale to the new one.

1. BACKGROUND:

The NJC pay agreement for 2018-20 includes the introduction of a new pay scale on 1 April 2019. A new pay scale has been introduced as it was recognised nationally that if left unchanged, the National Living Wage would supersede the lower end of the Local Government Pay Scale. As a result, posts graded less than spinal column point (scp) 28 will benefit from a pay increase that is greater than the 2% applied to all grades above scp 28 (the percentage increase varies depending on the scp).

Agreements reached by the NJC in relation to pay are incorporated into our contracts of employment and as such, the changes will take effect automatically. The new scale will replace entirely the current scale and accordingly employees should assimilate across from their current SCP to the new corresponding SCP in April 2019.

In order to assimilate our current grading structure and associated profiling scheme to the new pay scale, we have to negotiate this locally with our recognised union, Unison. Discussions have taken place with Unison and we have agreed to a new grading model and the principles to be adhered to when assimilating across. These principles include:-

- That grades should contain no more than 5 spinal column points as longer grades are difficult to justify in terms of length of time taken to become competent in the role. Equally there are age discrimination implications with longer grades.
- That no one loses pay and subsequently complicated pay protection arrangements are avoided.
- That the opportunity is taken to rename the grades, Grade 1 to 14 rather than Grade 1 to MG6, to avoid assumptions around management grades and management responsibility versus professional posts.

The model in Appendix 1 shows the proposed grading structure which best fits with the principles as detailed above.

The Finance Team has worked with HR to produce and cost this model. Using the current establishment (excluding vacancies) and working on the basis that all staff employed below our current scp 28 (grade 6) would eventually move to the top of the grade, the anticipated cost would be up to £60K. Not all staff will move to the top of the grade in April 2019 and so this cost will occur over a period of years. Costs have been built into next year's base budget.

Consultation has taken place with staff and the proposal has been accepted. Unison has also conferred with their Regional Office who has confirmed that the proposal is acceptable.

2. PROPOSAL(S):

1. To approve the proposed new grading structure and the principles around the assimilation of staff from the current pay scale to the new one.

3. OPTIONS:

1. To accept the proposed grading structure and the principles around the assimilation of staff from the current pay scale to the new one.
2. To not accept the proposed grading structure and the principles around the assimilation of staff from the current pay scale to the new one and for HR, Finance and Unison to consider a new proposal accepting that the 1 April implementation date cannot be met.

4. CONSULTATION:

Has consultation been undertaken with:	YES	NO
Relevant Town/Parish Council		✓
Relevant District Ward Councillors		✓
Other groups/persons (please specify)	✓	
<ul style="list-style-type: none"> • Corporate Management Team • Local Joint Consultative Panel (including the Cabinet Member for Corporate Governance and 		

Unison)		
5. ARE THERE ANY IMPLICATIONS IN RELATION TO THE FOLLOWING COUNCIL POLICIES: (Explain in more detail at 6 below)	YES	NO
Financial	✓	
Legal	✓	
Human Rights/Equality Impact Assessment	✓	
Community Safety including Section 17 of Crime & Disorder Act		✓
Sustainability		✓
Asset Management/Property/Land		✓
Technology		✓
Other (please explain)		
6. IMPLICATIONS: We are legally required to adopt the national pay scale as the national pay negotiations are incorporated into the contract of employment. This should be in place by 1 April so we would not be able to meet this deadline if the proposal was to be rejected.		

7. REASON FOR THE DECISION:
 To comply with our obligations to apply the outcome of the national pay negotiations.

8. BACKGROUND PAPERS:
 Proposed pay and grading model
 Equality Impact Assessment