

Report to	-	Cabinet
Date	-	14 May 2018
Report of the	-	Executive Director
Subject	-	Review of Local Pay Award

The Licensing and General Purposes Committee held on 16 April 2018, considered a report on the Review of Local Pay Award. The recommendation and minute arising is reproduced below.

Recommendation to COUNCIL: That

- 1) the Council's commitment to matching the Living Wage from the Living Wage Foundation be continued for staff on SCP6 for 2018/19 and 2019/20 (representing a pay settlement offer of 3.6% for these staff only); and
 - 2) subject to the Council's current financial position and outlook being maintained, a two year pay settlement increase of 2% for 2018/19 and 2019/20 be approved.
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LG17/18. REVIEW OF LOCAL PAY AWARD
(5.1)

Consideration was given to the report of the Executive Director on the Review of the Local Pay Award 2018. Pay award discussions had been on-going with Staff Side/UNISON and Members' views were being sought on proposals for a pay settlement to enable negotiation with Staff Side/UNISON to be progressed.

The Executive Director outlined the key issues to be taken into account which included current inflation and future trends; the national local government pay award that had been proposed and accepted by the unions as a two year award of 2% for each year;; the current budget allocation of 1%; the 2.5% pay award requested by Staff Side/UNISON (detailed at Appendix A to the report); the Living Wage (from the Living Wage Foundation separate from the National Living Wage), which sought to provide a socially acceptable wage level and would result in an increase of 3.6% for those staff affected; and recruitment trends. The local pay award had previously been linked to Members' Allowances, however the Independent Remuneration Panel meeting in November would make recommendations for Councillor Allowances from May 2019, which may or may not recommend that this arrangement continued.

Members were keen to support an increase of 2% for two years and sought clarity on a number of issues prior to final determination, as follows:

- the number of staff effected by the Living Wage was very small, circa 8;
- recruitment and retention – difficulties recruiting to professional posts was not linked to salary levels, it was more complex than that and included, amongst other reasons, a general shortage of professionals in the market place; in comparison to neighbouring Councils, Rother District Council generally paid at a lower level for some posts.
- budget impact if an increase of 2% was agreed rather than 1% – there would not be a full year impact in year 1, as the pay award was effective from September and was therefore only for seven months; the difference between a 1% and a 2% increase would result in an additional circa £80,000 per year; and
- whether the gender pay gap would be addressed in the pay award. It was clarified that staff were paid equally for carrying out the same roles within the Council, however there were currently more male employees in senior roles which lead to misinterpretation of the data. If there were any equal pay issues the pay award would not address these, but other procedures were already in place to prevent discrimination.

Members were keen to reward and recompense the staff employed by the Council and therefore agreed to recommend to Cabinet that the Council continued to support the Living Wage Foundation for the lower paid permanent staff and that a 2% pay award for 2 years be approved.

(Licensing and General Purposes Committee Agenda Item 5.1).

Malcolm Johnston
Executive Director