

BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the Council's definition and has been included in the relevant Forward Plan

Report of the Service Director –
Human Resources and Business Support

2019 REVISED NATIONAL JOINT COUNCIL (NJC) FOR LOCAL GOVERNMENT SERVICES PAY & GRADING STRUCTURE

1. Purpose of Report

- 1.1 The purpose of this report is to seek approval for the revised NJC pay and grading structure at Appendix B following confirmation of the 2018 NJC pay agreement effective from 1 April 2019.

2. Recommendations

- 2.1 **Members approve the revised NJC pay and grading structure at Appendix B with effect from 1 April 2019.**

3. Introduction

- 3.1 The recent NJC pay agreement is a two year agreement. The first year includes a percentage increase on existing spinal column points (SCP) 6 to 79 and was implemented from 1 April 2018.
- 3.2 The second year of the agreement includes the introduction of a new NJC pay spine from 1 April 2019 that is based on the following:
- A bottom rate of £9.00 per hour on new SCP 1
 - 'Pairing off' old SCPs 6 to 17 to create new SCPs 1 to 6
 - Equal steps of 2.0% between each new SCPs 1 to 22
 - By creating equal steps between these pay points, new SCPs 10, 13, 16, 18 and 21 are generated to which no old SCPs will assimilate
 - On new SCPs 23 and above 2.0% increase on 2018 rate

- 3.3 The introduction of a new national pay spine means that our existing 17 grade pay structure needs to be reviewed.

4. Consideration of Alternative Approaches

4.1 Take a local approach to pay and grading and move away from national pay bargaining

- 4.1.1 The council could opt to move away from national pay bargaining and implement a locally determined pay scale. This would require a recasting of the whole pay structure. This option is not something that would be supported by the trade unions and would cause significant employee relations issues.

5. Proposal and Justification

- 5.1 To incorporate the new national pay spine a revised 17 grade pay structure has been developed at appendix B.

- 5.2 All employees covered by NJC for LGS terms and conditions will be remunerated in accordance with the revised 17 grade pay structure which is based on the national spinal column points 1 to 43. Grades 12 to 17 covering SCP 44 to 73 are locally agreed following the review of senior manager pay in 2013 (Cab.15.1.2014/7.4).
- 5.3 Grades 1, 2 and 3 of the revised pay structure contain 2 spinal column points with the possibility of progression through 1 increment. Having 1 increment is an almost inevitable consequence of having to address the impact of the National Living Wage.
- 5.4 Grade 4 contains 5 spinal column points with progression through 4 increments. Grade 5 and Grade 6 contain 6 spinal column points with the possibility of progression through 5 increments. This follows the principles already set in the existing grading structure at Appendix B.
- 5.5 Grade 7 though to Grade 17 remain unchanged in this regard.
- 5.6 Job Evaluation points attached to individual grades and incremental progression arrangements also remain unchanged.

6.0 Implementation and Assimilation

- 6.1 It is proposed that the revised NJC pay structure is implemented by the Council via a Collective Agreement with the trade unions.
- 6.2 Employees who are at the top of their grade will assimilate across on to the new grading structure as outlined in appendix B.
- 6.3 Employees who are not at the top of their grade will receive an increment on the current pay spine subject to the criteria outlined in the current Incremental Pay Progression Guidance.
- 6.4 They will then assimilate across from their incremented SCP on to the new grading structure.

7. Implications for local people / service users

- 7.1 None arising from this report

8. Financial Implications

- 8.1 Consultations have taken place with representatives of the Service Director – Finance (S151 Officer)
- 8.2 The estimated cost of implementing the revised pay scale in 2019/20 totals £2.474M including increments and the assimilation from the existing pay scale to the revised pay scale.
- 8.3 This additional cost is to be funded from previously set aside budgetary provision, included within the revised Medium Term Financial Strategy approved in February 2018.
- 8.4 The financial implications are detailed in the attached Appendix A.

9. Employee Implications

- 9.1 The implementation of the revised NJC pay structure will affect 3013 employees in the council and 1686 employees in schools.

10. Legal Implications

- 10.1 The implementation of the revised NJC pay structure enables the Council to comply with its obligations in accordance with s38 - 43 of the Localism Act 2011 and Departmental Guidance issued under s40 Localism Act 2011.

11. Communications Implications

- 11.1 A communication was issued to employees when the 2018 NJC pay award was agreed which also provided notification that a revised pay structure would be implemented in 2019 to include the 'pairing off' of SCP's 6-17 to create new SCP's 1-6 and equal steps of 2% between new SCP's 1-22.
- 11.2 A further communication including the publication of the revised pay structure, arrangements for assimilation and frequently asked questions document will be issued upon approval of the revised pay structure.

12. Consultations

- 12.1 The Trade Unions have been consulted throughout, have been fully supportive of the approach taken and are in agreement with the proposed revised pay structure as detailed at Appendix B.
- 12.2 The Senior Management Team has been consulted and support the recommendations contained within this report.

13. Promoting Equality and Diversity and Social Inclusion

- 13.1 An Equality Impact Assessment has been undertaken using advice and templates contained in part 4.11 of the NJC for LGS 'Green Book'.
- 13.2 Under the Equality Act 2010 the Council has regard to the elimination of unlawful discrimination and harassment and the promotion of equality.
- 13.3 Pay which has been determined by reference to an analytical job evaluation scheme is an important factor of the council meeting its responsibility under equal pay legislation.

14. Risk Management Issues

- 14.1 Pay and grading arrangements will always have an element of risk attached to them particularly with regard to equal pay. However, undertaking an initial Equality Impact Assessment on the proposal which highlighted no issues along with the council's statutory responsibility to undertake Gender Pay Gap Reporting, will identify and mitigate any risks associated with pay inequality, along with the Council's job evaluation process.

15. List of Appendices

Appendix A - Financial Implications
Appendix B - Current & Proposed Pay Structure

16. Background Papers

16.1 All background and working papers are available for inspection in Human Resources.

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