

COUNCIL

21 March 2022

PAY POLICY 2022-2023

Report of the Portfolio Holder for Policy, Strategy and Partnerships, Economy and Infrastructure

Strategic Aim:	All	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr O Hemsley, Leader of the Council and Portfolio Holder for Policy, Strategy and Partnerships, Economy and Infrastructure	
Contact Officer(s):	Saverio Della Rocca, Strategic Director Resources	01572 758159 sdrocca@rutland.gov.uk
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Ward Councillors	NA	

DECISION RECOMMENDATIONS

That Council:

1. Approves the 2022-2023 annual Pay Policy (Appendix A)
2. Notes the updated position regarding the Local Government Pay Award.

1 PURPOSE OF THE REPORT

- 1.1 This report presents the 2022-2023 annual Pay Policy to Council – this is a requirement of the Localism Act 2011.
- 1.2 The report also confirms that there are no proposed changes to the Council's pay policy for the forthcoming year.
- 1.3 Members are also advised via this paper of the latest position regarding the Local Government Pay Award for the financial year 2021-2022.

2 PAY POLICY FOR 2022-2023

- 2.1 There are no recommended changes to the Council's Pay Policy for 2022-2023. The Council remains part of the national pay bargaining framework for the majority of its staff (National Joint Council (NJC)) and the associated terms and conditions

of service – we are therefore required to implement annual pay awards in April each year.

- 2.2 In support of the national framework, we have in place other local policies and procedures (as referenced in the pay policy) – for example, Acting Up arrangements, Market Supplements, and some local variations to enhancements – all of which have been agreed with the recognised Trade Unions.
- 2.3 The Council will continue to monitor the effectiveness of existing policies and how they support recruitment and retention. The Employment and Appeals Committee has received reports from the Head of Human Resources regarding turnover, retention and recruitment and how the Council works to manage loss of staff and enable effective recruitment.
- 2.4 Should changes to existing policy become necessary, such proposals will be considered in the context of budget pressures and organisational risk prior to consultation with the Trade Unions and submission to the Employment and Appeals Committee.
- 2.5 Our Chief Officer pay scale (Chief Executive, Directors and Heads of Service) is also a local pay structure, aligned to the Joint Negotiating Committee (JNC) pay bargaining, terms and conditions. Periodically we undertake a ‘soft market test’ of the pay rates compared to regional authorities – this has recently been undertaken and has not identified any current risks nor requirement to amend or uplift pay rates.

3 NATIONAL PAY AWARD

- 3.1 We reported to Members last March 2021 of the late agreement of the pay award for 2020-21 of 2.75%. For Rutland this applies to the majority of our staff on the NJC Local Government Services (Green Book) Pay scale and on a local basis, we extend the same award to our P05 grade – pay points 44 to 48.
- 3.2 Members have also been aware of the position regarding the April 2021 pay award - we have shared the frustration across the sector that negotiations have been protracted and the delay this has caused in being able to apply an award to our staff.
- 3.3 By way of recap:
 - 3.3.1 The Unions (Unison, GMB and Unite) first tabled their claim in February 2021 (including a minimum of 10% uplift on all pay points). Whilst decisions were deferred until after the May 2021 local elections, the claim was rejected.
 - 3.3.2 National Employers subsequently put forward a full and final pay offer of 2.75% on pay point 1 and 1.75% on all other pay points.
 - 3.3.3 The Unions therefore undertook consultation on proceeding to ballot their members on industrial action. These were not successful and did not support industrial action.
- 3.4 The Council is now pleased to report that agreement was reached at the end of February 2022 with a settlement of 1.75% backdated to 1 April 2021. Whilst one of the three trade unions (Unite) have not yet given their support to the agreement, this does not prevent a formal agreement being reached given that Unison and GMB have both agreed.

- 3.5 Agreement has also been reached for a 1.5% pay award for staff on JNC for Chief Executives and JNC for Chief Officers for April 2021.
- 3.6 Clearly the delay on the April 2021 pay award has a knock-on impact for the April 2022 award and there are also other emerging pressures –
- 3.6.1 Ending of the public sector ‘pay freeze’ – whilst this did not directly apply to local government, it was a factor considered by some councils and reflected in recent year’s consultations.
- 3.6.2 Inflation – is now rising and likely to either rise further or stay at the current level of 5-6%.
- 3.6.3 National Insurance increases from April 2022.
- 3.6.4 Capacity pressures – whether this relates to not enough people in the market to meet demand (eg. social workers), or specialist roles where the candidate market may be broader than the public sector. As with other reports, across all sectors, employers are reporting less applicants and difficulties in attracting.
- 3.7 We are following the progress for the April 2022 pay award and will be contributing to the regional discussions through East Midlands Councils.

4 CONSULTATION

- 4.1 There are no further consultation issues arising from this paper.

5 ALTERNATIVE OPTIONS

- 5.1 The Council is required to publish an annual Pay Policy in accordance with the Localism Act.
- 5.2 We are contractually required to implement national pay agreements as we remain aligned to national pay bargaining through the National Employers and recognised Trade Unions. Similarly, the Council does not have the power to adopt any local provision outside of the national agreement.

6 FINANCIAL IMPLICATIONS

- 6.1 The Council makes annual provision in its budget for the national pay award of 2%. We will assess any further impact and pressure on our MTFP as and when pay negotiations are concluded for 2022/23.

7 LEGAL AND GOVERNANCE CONSIDERATIONS

- 7.1 The information in the Pay Policy statement requires approval by Council in order that it can be published. This is a requirement under the Localism Act.

8 DATA PROTECTION IMPLICATIONS

- 8.1 A Data Protection Impact Assessments (DPIA) has not been completed as there are no changes to the Council's Pay Policies.

9 EQUALITY IMPACT ASSESSMENT

9.1 An Equality Impact Assessment (EqIA) has not been completed as there are no changes to the Council's Pay Policies. The Council separately reports on its Gender Pay Gap to the Employment and Appeals Committee.

10 COMMUNITY SAFETY IMPLICATIONS

10.1 There are no community safety implications arising from this report.

11 HEALTH AND WELLBEING IMPLICATIONS

11.1 There are no health and wellbeing implications arising from this report.

12 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

12.1 A Pay Policy statement ensures the Council is compliant with the Localism Act and provides a clear framework and structure that describes how we pay our staff and the mechanisms we use – this ensures transparency and fairness.

12.2 Members are updated of the outcome of the 2021 pay negotiations.

13 BACKGROUND PAPERS

13.1 There are no additional background papers to this report.

14 APPENDICES

Appendix A - Pay Policy Statement 2022-2023.

A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.