

COUNCIL

27 March 2023

PAY POLICY 2023-24

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

Strategic Aim:	A modern and effective Council	
Exempt Information	No	
Cabinet Member(s) Responsible:	Cllr L Stephenson, Leader of the Council and Portfolio Holder for Policy, Strategy, Partnerships and Economy	
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Ward Councillors	N/A	

DECISION RECOMMENDATIONS

That Council:

1. Approves the 2023-2024 annual Pay Policy (Appendix A)
2. Notes the updated position regarding the Local Government Pay Award for 2023.
3. Approves a local pay structure for Apprenticeships.

1 PURPOSE OF THE REPORT

1.1 This report presents the 2023-2024 annual Pay Policy to Council – this is a requirement of the Localism Act 2011.

2 Members are also advised via this paper of the latest position regarding the Local Government Pay Award for the financial year 2023-24.

3 PAY POLICY FOR 2023-2024

3.1 The key provisions contained with the Pay Policy remain unchanged for 2023-24. 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 Employment and Appeals Committee.

3.2 Members are asked to consider one proposal as outlined in paragraph 3.3 regarding Apprenticeship pay.

3.3 Proposal for a local arrangement for Rutland Council Apprentices:

3.3.1 The Council is committed to welcoming and supporting Apprentices into the Council – providing opportunities for individuals from all ages, from those who have limited or no work experience/qualifications, to those wanting a career change. It is important that we enable Apprentices to be recognised across the organisation as a highly effective means for us to build our pipeline of skills and future talent.

3.3.2 There are national minimum wage rates for Apprentices that start at £4.81 per hour (rising to £5.28 in April 2023). This increases slightly with age.

3.3.3 Apprentices are in ‘apprenticeship posts’ on a fixed term basis, with no guarantee of a permanent role. They also receive:

- Payment for training time that is part of the apprenticeship – at least 20% of normal working hours i.e. if the post is full-time, they receive full pay for working 80% of the time.
- Training costs that are part of the apprenticeship and any associated expenses.

3.3.4 Our success has been varied – we have some excellent examples of where Apprentices have gone on to secure permanent roles with the Council and progressed their career. The last two years has been more challenging – periods of lockdown did not provide a conducive working environment for some - we have more stability now. In addition, Apprenticeship roles provides an ideal route to grow our own talent – particularly where recruitment challenges continue.

3.3.5 The following table therefore presents a proposal for a local pay structure that would enable us to proactively identify apprenticeship roles within the Council and recruit individuals into these positions with a fair rate of pay that is attractive and competitive.

3.3.6 Proposal – in developing this model we have considered:

- Comparisons with other authorities who either already have, or are considering, developing similar structures.
- A reasonable level of increase - clearly any increase in rate increases the overall cost of an Apprentice and we need to be mindful that a negative impact could be they become unaffordable. There is therefore a balance between financial pressures but having an eye to the future and securing talent.

	Proposed April 2023	Compared to NMW April 2023
Year 1 – all ages	£7.49	£5.28
Year 2 – 17–20 year-olds	£7.49	£5.28 (age 17) £7.49 (age 18-20)
Year 2 - 21+	£10.18	£10.18
	Plus any national increase	

3.3.7 The majority of the Council's apprentice standard qualifications are pursued by existing employees who as part of their substantive role are also following further professional training – in some cases this is via a Career Grade structure. They receive the full rate of the job and are not therefore affected by this proposal.

4 NATIONAL PAY AWARD

4.1 As with 2021, we once again saw lengthy consultations between National Employers and the three recognised trade unions (Unison, GMB and Unite) for the 2022 pay award. Following balloting of their members the uplift of £1,925 on all pay points was agreed by Unison and GMB in November 2022. Unite did not vote in favour. This represents a 10.5% increase for the lowest pay point. The pay award also included an increase in annual leave of one day for all NJC Green Book employees from April 2023.

4.2 As we now turn to the pay award for April 2023, the current position is:

4.2.1 UNISON, GMB and Unite have lodged their pay claim - 12.7% (RPI of 10.7 % + 2%). They also wish to achieve a minimum rate up to £15 per hour within 2 years. Other aspects of their claim include a review of family leave and pay, an additional day of annual leave for personal or well-being purposes, homeworking allowance, reduction of the working week by two hours, review of the pay spine.

4.2.2 In response, the National Employers agreed unanimously to make the following one-year (1 April 2023 to 31 March 2024), full and final offer to the unions representing the main local government NJC workforce:

- With effect from 1 April 2023, an increase of £1,925 (pro rata for part-time employees) to be paid as a consolidated, permanent addition on all NJC pay points 2 to 43 inclusive (*this would relate to our Grade Scales 1 to P04*).

- With effect from 1 April 2023, an increase of 3.88% on all pay points above the maximum of the pay spine but graded below deputy chief officer (in accordance with Green Book Part 2 Para 5.42) (*This would apply to pay points on our P05 Grade*).

- With effect from 1 April 2023, an increase of 3.88% on all allowances (as listed in the 2022 NJC pay agreement circular dated 1 November 2022). (*This relates to allowances such as Sleeping In and Standby*).

4.2.3 This offer would achieve a bottom rate of pay of £11.59 with effect from 1 April 2023 (which equates to a pay increase of 9.42% for employees on pay point 2) and everyone on the NJC pay spine would receive a minimum 3.88% pay increase.

4.2.4 The National Employers have also made the following full and final, one-year (1 April 2023 to 31 March 2024) offer for Chief Officers:

- With effect from 1 April 2023, an increase of 3.50% on basic salary. *This would apply to our Heads of Service and Directors on our local senior officer pay scale.*

4.3 At the time of writing this report, we were advised that the 3 Unions have rejected the offer. Unison has announced a ballot for industrial action, whilst GMB and Unite members will be consulted on the basis of a recommendation that the offer be rejected. This may result in industrial action if supported. We will continue to contribute to the discussions to ensure we are fully aware of national developments

and also to represent the view and position of the Council.

5 CONSULTATION

5.1 There are no further consultation issues arising from this paper.

6 ALTERNATIVE OPTIONS

6.1 The Council is required to publish an annual Pay Policy in accordance with the Localism Act.

6.2 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.

6.3 The Council could continue to pay the national minimum wage rates for Apprentices.

7 FINANCIAL IMPLICATIONS

7.1 The Council makes annual provision in its budget for a national pay award. In 2023 this figure is 4%. We will assess any further impact and pressure on our MTFP as and when pay negotiations are concluded for 2023.

7.2 If Council approval the proposal in Para 3.3 for an increase to pay rates for Apprentices, the cost per apprentice would be £4,260 per annum. This would be met by service salary budgets.

8 LEGAL AND GOVERNANCE CONSIDERATIONS

8.1 The Localism Act 2011, section 38 sets out the requirement for all relevant authorities to prepare a pay policy statement and stipulates the matters to be included. Rutland County Council is a relevant authority for these purposes. Section 39 of the Localism Act states that the pay policy statement must be prepared and approved before the end of the 31 March immediately preceding the year to which it relates..

9 DATA PROTECTION IMPLICATIONS

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

10 EQUALITY IMPACT ASSESSMENT

10.1 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.

11 COMMUNITY SAFETY IMPLICATIONS

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

12 HEALTH AND WELLBEING IMPLICATIONS

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

13 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS

- 13.1 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.
- 13.2 Members are updated on the outcome of the 2023 pay negotiations.
- 13.3 Members are also asked to consider a local pay arrangement for Apprenticeship posts.

14 BACKGROUND PAPERS

- 14.1 There are no additional background papers to this report.

15 APPENDICES

Appendix A - Pay Policy Statement 2023-2024.

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