



**REPORT of  
DIRECTOR OF RESOURCES**

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to  
**FINANCE AND CORPORATE SERVICES COMMITTEE**  
**14 JUNE 2016**

**STAFF PAY AWARDS 2016 / 17 AND 2017 / 18**

**1. PURPOSE OF THE REPORT**

- 1.1 This Committee approved at the last meeting the implementation of a 1% pay increase to all staff from April 2016, pending the final outcome of the national pay award. The final agreements on the 2016 and 2017 have now been reached and the purpose of this report is to inform members the final outcome.

**2. RECOMMENDATION**

That the increases to pay in line with the National Joint Council pay agreement as shown in **APPENDIX 2** be noted.

**3. SUMMARY OF KEY ISSUES**

- 3.1 The Council is not formally part of the national pay negotiations conducted by the Local Government Employers representatives and the combined Trade Unions representing local government staff through the National Joint Council (NJC). In November 2010, the Council resolved to adopt the national pay award for staff from 2011/12 onwards (Minute Nos. 401 and 476 refer).
- 3.2 The Council approved a 1% pay award as part of the 2016 / 17 budget setting process; applicable from 1 April 2016. This was awarded on the basis that should the national pay award be higher than 1%, adjustments would be made to the pay line to bring it in line with NJC proposals.
- 3.3 **NJC Pay Agreement**
- 3.3.1 The NJC pay agreement for the 2016 and 2017 was announced on 16 May 2016; details of the agreement are attached as **APPENDIX 1**. The agreement sets out NJC rates of pay applicable from 1 April 2016.
- 3.3.2 It should be noted that the Councils pay line was approved as part of job evaluation and does not reflect the NJC pay line.

3.3.3 The national pay agreement sets out the following uplift to 1 April 2016 and 1 April 2017 pay rates:

<b>NJC - Spinal Column Points</b>	<b>Pay uplift (1st April 2016)</b>	<b>Pay uplift (1st April 2017)</b>
6	6.61%	3.44%
7	6.56%	3.42%
8	6.49%	3.22%
9	6.39%	2.67%
10	6.28%	2.46%
11	1.97%	1.93%
12	1.93%	1.90%
13	1.57%	1.85%
14	1.54%	1.82%
15	1.21%	1.79%
16	1.18%	1.46%
17	1.01%	1.28%
18 - 49	1.00%	1.00%

### 3.4 Implications for Maldon's Pay Line

3.4.1 Since Maldon's pay line does not reflect the NJC pay line, an exercise has been undertaken to compare NJC levels of pay to Maldon's pay scales. This was then used to inform the percentage uplifts applied to the Council's pay line.

3.4.2 The following table sets out the overall percentage uplift (excluding Living Wage Supplement) applied to 2016 and 2017 pay levels following the NJC pay agreement.

<b>Maldon payline Spinal Column Points</b>	<b>Pay uplift (1st April 2016) %</b>	<b>Pay uplift (1st April 2017) %</b>
1	6.61%	3.44%
2	6.61%	3.45%
3	6.61%	3.44%
4	6.49%	3.45%
5	6.39%	3.45%
6	6.28%	1.93%
7	1.94%	1.94%
8	1.54%	1.85%

<b>Maldon payline Spinal Column Points</b>	<b>Pay uplift (1st April 2016) %</b>	<b>Pay uplift (1st April 2017) %</b>
9	1.21%	1.82%
10	1.00%	1.46%
11 - 56	1.00%	1.00%

- 3.4.3 The Council has agreed to pay the living wage (set by the Living Wage Foundation); the current rate is £8.25 per hour and is calculated according to the basic cost of living in the UK. A supplement is paid to those employees whose salary falls below the level of living wage. It should be noted that those employees that are on spinal column points 1 – 6 will receive a Living Wage supplement. The pay line for all officer grades are outlined in **APPENDIX 2**.
- 3.4.4 Since the Council has already budgeted for a 1% pay increase and that the commitment to deliver the living wage has already been included in the budget setting process, the final implication of the pay award will be funded from existing 2016/17 budget.
- 3.4.5 The Director posts have terms and conditions of employment that fall within the NJC arrangements; therefore the post holder is legally entitled to receive the same pay award as other Council staff. This has been reflected in **APPENDIX 2**, which has applied the NJC pay award to Director salaries.
- 3.5 As reported to the last Committee meeting, the pay award was settled at 1% for 1 April 2016 and another 1% uplift for 1 April 2017. This is reflected in the pay line shown in **APPENDIX 2**.

#### **4. CONCLUSION**

- 4.1 The NJC pay agreement set out a headline increase of 1% pay award to the majority of our staff in 2016 and 2017. The staff at the lower grades is benefited from the Council's commitment to pay the Living Wage. The final NJC pay awards is funded within the existing 2016/17 budget.

#### **5. IMPACT ON CORPORATE GOALS**

- 5.1 The Staff of the authority are essential to the delivery of all the corporate goals and a pay increase paid from April will help to ensure that recruitment, retention and morale are supported.

#### **6. IMPLICATIONS**

- (i) **Impact on Customers** – None.
- (ii) **Impact on Equalities** – None.

- (iii) **Impact on Risk** – None
- (iv) **Impact on Resources (financial)** – The cost to deliver the pay award outlined by the NJC will be funded from existing 2016 / 17 budget.
- (v) **Impact on Resources (human)** – None.
- (vi) **Impact on the Environment** – None.

Background Papers: None.

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