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# Implementing the 2019 pay award - Summary Report

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<b>Committee considering report:</b>	Personnel Committee
<b>Date of Committee:</b>	05 September 2018
<b>Portfolio Member:</b>	Councillor Dominic Boeck
<b>Date Portfolio Member agreed report:</b>	01 August 2018
<b>Report Author:</b>	Robert O'Reilly
<b>Forward Plan Ref:</b>	TBC

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## 1. Purpose of the Report

- 1.1 To explain the changes to the National Joint Committee (NJC) pay spine which take effect on 1<sup>st</sup> April 2019 and how this will affect the Council. To recommend changes to the current pay policy of the Council to facilitate the implementation of the 2019 pay award on the new pay spine.

## 2. Recommendation(s)

- 2.1 There are two options available to local authorities in implementing the pay award on the new spine. These are explained below. It is recommended that option A (“assimilate first”) is implemented in West Berkshire Council.
- 2.2 The Council ‘shadows’ the NJC pay award for all its employees (except teachers) with the exception of the position of Chief Executive where it shadows the national pay award for Chief Executives. It is recommended that this anomaly is ended and from 1<sup>st</sup> April 2009 all employees, including the Chief Executive, receive the same pay award which shadows the NJC pay award.
- 2.3 The Council increased the hourly pay rate for its lowest paid employees on 1<sup>st</sup> October 2015 by introducing the “West Berkshire Living Wage Supplement” for corporate employees. This is a non-contractual, discretionary payment to top up the hourly rate of the lowest spinal column points. The 2018 and 2019 pay awards have addressed the same issue and is recommended that the ‘West Berkshire Living Wage Supplement’ is frozen at its current rate from 1<sup>st</sup> October 2018 to avoid unplanned changes to wage differentials in future; and to recognise that schools have not signed up to the “West Berkshire Living Wage Supplement” which has created an equal pay risk.

## 3. Implications

- 3.1 **Financial:** The 2019 NJC pay award is factored into the MTFs.
- 3.2 **Policy:** The Council’s Pay Policy will be changed.
- 3.3 **Personnel:** None

3.4 **Legal:** None

3.5 **Risk Management:** None

3.6 **Property:** None

3.7 **Other:** None

**4. Other options considered**

4.1 None.

## Executive Summary

### 5. Introduction / Background

- 5.1 The Council shadows the National Joint Committee (NJC) pay award each year. In 2018 a two year deal was agreed at national level. This awarded 2% to most employees on 1<sup>st</sup> April 2018 with significantly higher increase for the lower grades. The details of the 2018 pay award are shown at Appendix D.
- 5.2 The second year of the two year deal is more complicated because the existing pay spine is shortened from 49 spinal points to 43 points. It is therefore necessary to assimilate employees on lower grades from their existing spinal points to the new spinal points on 1<sup>st</sup> April 2019. There are two options set out by the NJC guidance on how to do this:
- (1) Option A is to firstly assimilate employees to the new spinal point column and then allow employees who are not already at the top of their grade on the new spine to move up (“increment”) one point on the new spinal point column.
  - (2) Option B is to allow employees who are not already at the top of their grade to move up (“increment”) one point on the ‘old’ spinal point column and then to assimilate them to the new spinal point column.
- 5.1 The NJC guidance states that each local authority must decide which option to take. Finance have modelled the two options and recommend Option A as the slightly less expensive way to implement the 2019 pay award for corporate and school employees. If Option A is approved by the Personnel Committee it will also be applied to support staff in all maintained schools.
- 5.2 The NJC has three levels of negotiation for local government employees under the scope of this report (excluding teachers, Soulbury and craft workers). The three levels are employees, chief officers and chief executives. WBC is not a ‘Green Book’ employer and is not bound by the NJC pay awards. However it ‘shadows’ the NJC pay award (with a procedure in place to allow divergence if that was deemed in the best interests of the Council).
- 5.3 From the start of the unitary authority all employees including chief officers have been paid the general NJC pay award for all employees. However, this has not applied to the Chief Executive, where the Council ‘shadows’ the chief executives’ pay award. This can lead to pay awards at different times. Both negotiating bodies have awarded a 2% pay award for 1<sup>st</sup> April 2019 so this is an opportune time to end this anomaly. This would mean that all employees including the Chief Executive would be affected by the same main NJC pay award, when the annual NJC pay award is ‘shadowed’ by WBC. This make no difference to the CX’s pay increase in April 2019 as both negotiating committees have agreed a 2% increase as part of a two year deal. The proposed change may make a difference in April 2020 but whether to the advantage or disadvantage of the Chief Executive will be unknown until 2020 when negotiations at national level are completed.
- 5.4 In October 2015 the Council introduced the “West Berkshire Living Wage Supplement”. This is based on the hourly rate set by Foundation Living Wage (a national charity) which increases every 1<sup>st</sup> November. The national pay award and

the implementation of the new pay spine on 1<sup>st</sup> April 2019 will increase the hourly rates of lower grade posts by more than 2% and the issue of differentials between supervised and supervisors will be important. The 'West Berkshire Living Wage Supplement' has not been implemented in schools and currently only affects 15 employees in corporate positions. The supplement is non-contractual and is awarded at the discretion of the Council. When the pay award is implemented on 1<sup>st</sup> April 2019 and differentials are set it is not helpful to have a possible further increase in pay for some employees on 1<sup>st</sup> November 2019 that is impossible to predict. It is therefore sensible to freeze the 'West Berkshire Living Wage Supplement' at its current rate from 1<sup>st</sup> October 2019. This change will recognise that schools have not signed up to the "West Berkshire Living Wage Supplement" which has created an equal pay risk for the Council.

## 6. Proposals

- 6.1 There are two options available to local authorities in implementing the pay award on the new spine. These are explained above. It is recommended that option A ("assimilate first") is implemented in West Berkshire Council.
- 6.2 The Council 'shadows' the NJC pay award for all its employees (except teachers) with the exception of the position of Chief Executive where it shadows the national pay award for chief executives. It is recommended that this anomaly is ended and from 1<sup>st</sup> April 2009 all employees, including the Chief Executive, receive the same pay award which shadows the main NJC pay award.
- 6.3 The Council wished to increase pay rates for its lowest paid employees in 2015 and introduced the "West Berkshire Living Wage Supplement". This is a non-contractual, discretionary payment to top up the hourly rate of the lowest spinal column points. The 2018 and 2019 pay awards have addressed the same issue and is recommended that the 'West Berkshire Living Wage Supplement' is frozen from 1<sup>st</sup> October 2019 to avoid unplanned changes to wage differentials in future; and end an equal pay risk because schools do not pay the supplement.

## 7. Conclusion

- 7.1 The Personnel Committee is asked to approve the recommendations in this report regarding the implementation of the 2019 pay award.

## 8. Appendices

- 8.1 Appendix A – Data Protection Impact Assessment
- 8.2 Appendix B – Equalities Impact Assessment
- 8.3 Appendix C – Supporting Information
- 8.4 Appendix D – Unison leaflet explaining the two pay spines
- 8.5 Appendix E – Unison comments

## Appendix A

### Data Protection Impact Assessment – Stage One

The General Data Protection Regulations require a Data Protection Impact Assessment (DPIA) for certain projects that have a significant impact on the rights of data subjects.

Should you require additional guidance in completing this assessment, please refer to the Information Management Officer via [dp@westberks.gov.uk](mailto:dp@westberks.gov.uk)

Directorate:	Resources
Service:	HR
Team:	n/a
Lead Officer:	Robert O'Reilly
Title of Project/System:	2019 pay award
Date of Assessment:	16/07/18

**Do you need to do a Data Protection Impact Assessment (DPIA)?**

	Yes	No
<p><b>Will you be processing SENSITIVE or “special category” personal data?</b></p> <p>Note – sensitive personal data is described as “<i>data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, or trade union membership, and the processing of genetic data, biometric data for the purpose of uniquely identifying a natural person, data concerning health or data concerning a natural person’s sex life or sexual orientation</i>”</p>	<input type="checkbox"/>	<b>x</b>
<p><b>Will you be processing data on a large scale?</b></p> <p>Note – Large scale might apply to the number of individuals affected OR the volume of data you are processing OR both</p>	<input type="checkbox"/>	<b>x</b>
<p><b>Will your project or system have a “social media” dimension?</b></p> <p>Note – will it have an interactive element which allows users to communicate directly with one another?</p>	<input type="checkbox"/>	<b>x</b>
<p><b>Will any decisions be automated?</b></p> <p>Note – does your system or process involve circumstances where an individual’s input is “scored” or assessed without intervention/review/checking by a human being? Will there be any “profiling” of data subjects?</p>	<input type="checkbox"/>	<b>x</b>
<p><b>Will your project/system involve CCTV or monitoring of an area accessible to the public?</b></p>	<input type="checkbox"/>	<b>x</b>
<p><b>Will you be using the data you collect to match or cross-reference against another existing set of data?</b></p>	<input type="checkbox"/>	<b>x</b>
<p><b>Will you be using any novel, or technologically advanced systems or processes?</b></p> <p>Note – this could include biometrics, “internet of things” connectivity or anything that is currently not widely utilised</p>	<input type="checkbox"/>	<b>x</b> <input type="checkbox"/>

**If you answer “Yes” to any of the above, you will probably need to complete [Data Protection Impact Assessment - Stage Two](#). If you are unsure, please consult with the Information Management Officer before proceeding.**

## Appendix B

### Equality Impact Assessment - Stage One

We need to ensure that our strategies, policies, functions and services, current and proposed have given due regard to equality and diversity as set out in the Public Sector Equality Duty (Section 149 of the Equality Act), which states:

- “(1) A public authority must, in the exercise of its functions, have due regard to the need to:**
- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;**
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it; This includes the need to:**
    - (i) remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic;**
    - (ii) take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it;**
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it, with due regard, in particular, to the need to be aware that compliance with the duties in this section may involve treating some persons more favourably than others.**
- (2) The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.**
- (3) Compliance with the duties in this section may involve treating some persons more favourably than others.”**

The following list of questions may help to establish whether the decision is relevant to equality:

- Does the decision affect service users, employees or the wider community?
- (The relevance of a decision to equality depends not just on the number of those affected but on the significance of the impact on them)
- Is it likely to affect people with particular protected characteristics differently?
- Is it a major policy, or a major change to an existing policy, significantly affecting how functions are delivered?
- Will the decision have a significant impact on how other organisations operate in terms of equality?
- Does the decision relate to functions that engagement has identified as being important to people with particular protected characteristics?
- Does the decision relate to an area with known inequalities?
- Does the decision relate to any equality objectives that have been set by the council?

Please complete the following questions to determine whether a full Stage Two, Equality Impact Assessment is required.

<b>What is the proposed decision that you are asking the Executive to make:</b>	To implement the 2019 pay award To freeze the Living Wage Supplement at £8.75 per hour from 1 <sup>st</sup> October 2019 To move the CX post onto the main NJC pay award from 01/04/19 (2% increase)
<b>Summary of relevant legislation:</b>	n/a
<b>Does the proposed decision conflict with any of the Council's key strategy priorities?</b>	no
<b>Name of assessor:</b>	Robert O'Reilly
<b>Date of assessment:</b>	16/07/18

<b>Is this a:</b>		<b>Is this:</b>	
<b>Policy</b>	<b>Yes</b>	<b>New or proposed</b>	<b>No</b>
<b>Strategy</b>	<b>No</b>	<b>Already exists and is being reviewed</b>	<b>Yes</b>
<b>Function</b>	<b>No</b>	<b>Is changing</b>	<b>Yes</b>
<b>Service</b>	<b>No</b>		

<b>1 What are the main aims, objectives and intended outcomes of the proposed decision and who is likely to benefit from it?</b>	
<b>Aims:</b>	To provide certainty for the future regarding pay awards.
<b>Objectives:</b>	To have all employees on the same NJC pay award to be shadowed by the Council
<b>Outcomes:</b>	All employees are treated in the same way
<b>Benefits:</b>	Avoid problems with differentials at lower grades and avoid an equal pay risk from school support staff.

<b>2 Note which groups may be affected by the proposed decision. Consider how they may be affected, whether it is positively or negatively and what sources of information have been used to determine this.</b>		
(Please demonstrate consideration of all strands – Age, Disability, Gender Reassignment, Marriage and Civil Partnership, Pregnancy and Maternity, Race, Religion or Belief, Sex and Sexual Orientation.)		
<b>Group Affected</b>	<b>What might be the effect?</b>	<b>Information to support this</b>
Age	n/a	



Disability	n/a	
Gender Reassignment	n/a	
Marriage and Civil Partnership	n/a	
Pregnancy and Maternity	n/a	
Race	n/a	
Religion or Belief	n/a	
Sex	n/a	
Sexual Orientation	n/a	
<b>Further Comments relating to the item:</b>		
nonw		

<b>3 Result</b>	
<b>Are there any aspects of the proposed decision, including how it is delivered or accessed, that could contribute to inequality?</b>	<b>No</b>
Please provide an explanation for your answer: n/a	
<b>Will the proposed decision have an adverse impact upon the lives of people, including employees and service users?</b>	<b>No</b>
Please provide an explanation for your answer: n/a	

If your answers to question 2 have identified potential adverse impacts and you have answered 'yes' to either of the sections at question 3, or you are unsure about the impact, then you should carry out a Stage Two Equality Impact Assessment.

If a Stage Two Equality Impact Assessment is required, before proceeding you should discuss the scope of the Assessment with service managers in your area. You will also need to refer to the [Equality Impact Assessment guidance and Stage Two template](#).

<b>4 Identify next steps as appropriate:</b>	
<b>Stage Two required</b>	no
<b>Owner of Stage Two assessment:</b>	
<b>Timescale for Stage Two assessment:</b>	

Name: Robert O'Reilly

Date: 16/07/18

Please now forward this completed form to Rachel Craggs, Principal Policy Officer (Equality and Diversity) ([rachel.craggs@westberks.gov.uk](mailto:rachel.craggs@westberks.gov.uk)), for publication on the WBC website.