

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

PERSONNEL COMMITTEE

9TH SEPTEMBER 2019

REPORT OF THE HEAD OF HUMAN RESOURCES – SHEENAGH REES

Matter for decision

Wards Affected: All wards

Pay update

Purpose of Report

The purpose of this report is to update Members in relation to national pay negotiations and agree feedback for the regional employer consultation.

Executive Summary:

This report provides Members with information in relation to the pay negotiations that are taking place at a national level in relation to those employees who are employed under LGS 'Green Book' terms and conditions of employment. The National Trade Union Side have submitted a pay claim for 2020 and the National Employers are consulting with employers on how to respond to the claim that has been made. Details of the pay claim and the employer consultation are set out in the report.

Background:

The Council employs people under a number of nationally agreed terms and conditions: Local Government Services (LGS), Joint National Council Chief Executives, Joint National Council Chief Officers, Soulbury Officers and Youth & Community Workers. For all employee groups, any nationally agreed pay awards, negotiated at a national level by the local government employers in conjunction with the recognised Trade Unions will be applied. The Council will pay these nationally agreed pay awards as and when determined unless full Council decides otherwise.

Trade Union Pay Claim 2020

In July 2019 the National Employers advised that they were in receipt of the NJC Trade Union pay claim for 2020. The pay claim is for:

- A 10% pay increase
- A one day increase in annual leave
- A two hour reduction in the working week
- A review of workplace stress and mental health

Employer consultation

The NJC National Employers will be consulting with employers through a series of regional pay briefings during September and October. The Welsh consultation meeting will be held in September in Cardiff. In preparation for this consultation event the National Employers have circulated a number of questions to employers, to help inform the national pay negotiations. The questions, along with draft responses are set out below and Members are asked to consider these responses and provide feedback at Committee:

2018 – 20 Pay Deal

If you have not implemented the new pay spine, why? When do you expect to implement?

Response: Neath Port Talbot Council implemented the new pay spine on 1st April 2019.

2020 Pay Claim:

Pay Increase:

How much have you assumed in budget for 2020 pay award?

Response: Neath Port Talbot Council has assumed a 2% pay award for 2020 in forward financial planning.

Would you expect the award to be ‘across the board’ – i.e. no bottom loading?

Response: Neath Port Talbot Council notes that bottom loading has been necessary in the past to ensure that the lower points on the pay spine do not fall below national living wage (NLW) requirements. The introduction of the new pay spine has ensured that the bottom point of the pay spine is now 79 pence above the current NLW rate. In order to maintain the even steps in the pay spine created through the implementation of the new pay spine, an across the board pay award should be applied, unless there is a specific reason to bottom load e.g. because of NLW requirements – otherwise it will result in uneven steps between pay points, which is one of the issues that resulted in the need to introduce a new pay spine.

Would you expect the same award for CEXs / Cos / Craft (NB: no claims tabled at present)?

Response: Neath Port Talbot Council would support equality in approach – it certainly would not support higher pay awards for the groups set out above.

How do you view an appropriate level of settlement in the context of other increases in the public sector, in particular schoolteachers’ award of 2.75?

Response: Employee engagement and retention across the diverse local government and then wider public sector, workforce is best served by an even handed approach. However the schoolteacher pay award is not a funded position, and this and any other pay award can only put pressure on an already extremely pressured funding position. Unless pay awards are adequately funded, this will result in job losses.

Non-Pay Issues

What is your minimum leave entitlement for new starters?

Response: 25 days (including one day allocated at Christmas).

Is your working week less than 37 hours?

Response: No.

Do you have stress / mental health policies over and above e.g. HSE good practice? Would you be willing to share policy with employers?

Response: we have signed the Time to Change Wales Employer Pledge and will be happy to share our experience of this.

Financial Impacts:

A 1% pay award equates to an additional £1.1 million on the paybill for the LGS workforce.

Integrated impact assessment:

A first stage impact assessment has been undertaken to assist the Council in discharging its legislative duties (under the Equality Act, the Welsh Language Standards (No.1) Regulations 2015, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016. The first stage assessment, attached at appendix 1 has indicated that a more in-depth assessment is not required. A summary is included below:

“A full impact assessment is not required as this response is not in relation to any firm proposal on pay and the report does not propose any changes to Council pay arrangements. The report asks Members to approve a draft response to consultation questions, some of which are factual responses”.

Valleys Communities Impacts:

No implications

Workforce Impacts:

This report refers to national pay bargaining in relation to the LGS 'Green Book' workforce of the Council, which represents the majority of Council employees (5234 employees or 76% of the total workforce as at 30.06.19.)

Legal Impacts:

No implications.

Risk Management Impacts:

No implications.

Consultation:

There is no requirement under the Constitution for external consultation on this item.

Recommendations:

It is recommended that:

- A) Members note the information provided in relation to pay and receive further updates reports when more information is available, and
- B) Members approve the response to inform the regional employer consultation.

FOR INFORMATION

Officer contact

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Impact Assessment - First Stage

1. Details of the initiative

Initiative description and summary: Pay Update – response to Employer Side Consultation
Service Area: N/A
Directorate: N/A

2. Does the initiative affect:

	Yes	No
Service users		√
Staff		√
Wider community		√
Internal administrative process only	√	

3. Does the initiative impact on people because of their:

	Yes	No	None/ Negligible	Don't Know	Impact H/M/L	Reasons for your decision (including evidence)/How might it impact?
Age						
Disability						
Gender Reassignment						
Marriage/Civil Partnership						
Pregnancy/Maternity						
Race						
Religion/Belief						
Sex						
Sexual orientation						

4. Does the initiative impact on:

	Yes	No	None/ Negligible	Don't know	Impact H/M/L	Reasons for your decision (including evidence used) / How might it impact?
People's opportunities to use the Welsh language						
Treating the Welsh language no less favourably than English						

5. Does the initiative impact on biodiversity:

	Yes	No	None/ Negligible	Don't know	Impact H/M/L	Reasons for your decision (including evidence) / How might it impact?
To maintain and enhance biodiversity		√				
To promote the resilience of ecosystems, i.e. supporting protection of the wider environment, such as air quality, flood alleviation, etc.		√				


6. Does the initiative embrace the sustainable development principle (5 ways of working):

	Yes	No	Details
Long term - how the initiative supports the long term well-being of people	√		To inform the development of future pay arrangements.
Integration - how the initiative impacts upon our wellbeing objectives	√		Pay is intrinsically linked to well-being.
Involvement - how people have been involved in developing the initiative	√		We are responding to a regional consultation initiative which will feed in to and inform national pay negotiations. Trade unions will consult with their respective memberships to inform their response to negotiations.
Collaboration - how we have worked with other services/organisations to find shared sustainable solutions	√		As above.
Prevention - how the initiative will prevent problems occurring or getting worse	N/A		

7. Declaration - based on above assessment (tick as appropriate):

A full impact assessment (second stage) is not required	
Reasons for this conclusion	
A full impact assessment is not required as this response is not in relation to any firm proposal on pay and the report does not propose any changes to Council pay arrangements. The report asks Members to approve a draft response to consultation questions, some of which are factual responses.	

A full impact assessment (second stage) is required	
Reasons for this conclusion	

	Name	Position	Signature	Date
Completed by				
Signed off by	Sheenagh Rees	Head of Service		15/08/19