

## REPORT TO EMPLOYMENT PANEL

Title: **Annual Pay Award**

Date: 6 November 2008

Member Reporting: N/A

Contact Officer(s): Daniela Standen, Pay and Workforce Strategy Manager  
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Wards affected: None

### 1. SUMMARY

- 1.1.1 Pay levels for Director's grades are locally determined. Normally the annual pay award granted for this group of staff is determined with reference to national agreements (JNC for Chief Officers and NJC for local government services)
- 1.1.2 The JNC for Chief Officers is still in negotiations, the NJC for local government services has been referred to ACAS arbitration committee with an interim payment being made.
- 1.1.3 The interim payment for those staff covered by the NJC has been implemented and members gave delegation for extension to the locally determined management grades. This report asks that the same arrangement is put in place for Directors' pay.

### 2. RECOMMENDATION

- 2.1.1 **That the Directors' salaries and pay ranges are uplifted by 2.45%, with effect from April 2008 to be paid in December salaries.**
- 2.1.2 **That once the decision of the arbitration committee is known it is implemented for these groups of staff.**

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| What will be different for residents as a result of this decision? |
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| Continuity of service delivery will not be disrupted and effective management of resources ensures that revenues budgets can be released for potential spending on frontline services. |
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### 3. SUPPORTING INFORMATION

#### 3.1 Background

- 3.1.1 The Royal Borough of Windsor and Maidenhead has locally determined pay levels for Directors' pay. Normally, when determining the level of the annual pay award granted for this group of staff, reference is made to national agreements (JNC for Chief Officers and NJC for local government services), and economy figures.

- 3.1.2 National agreements have been slow to be reached if at all.
- The JNC for Chief Officers is still in negotiations, employers have made a final offer of 2.45%
  - The NJC for local government services has been referred to ACAS arbitration committee. An interim payment pending the result of the arbitration committee at 2.45% is being made.
- 3.1.3 Members have agreed that the arrangements for staff covered by the NJC are extended for this year to management grades. Historically the same pay award has been granted to Directors' grades.
- 3.1.4 The Industrial Relations Service (IRS) reports pay settlements up to August 2008 averaging 3.5% for all sectors and 2.5% for the public sector. Incomes Data Services (IDS) are reporting awards for basic pay settlements averaging 2.6% for the public sector.
- 3.1.5 South East Employers, our regional Employers Organisation, has reported that locally agreed pay settlements in the region average at September 2.77%.
- 3.1.6 As at July 2008, private sector average earnings increase was reported at 3.5%, and for the public sector 3.3%.
- 3.1.7 As at September 2008, CPI was 5.2% and RPI 5%.
- 3.1.8 For 2008/09 the Council has budgeted for a 2.5% pay increase for staff covered by the national agreement and this group of staff. Any award over this percentage will require additional budgetary provision.

#### 4. OPTIONS AVAILABLE AND RISK ASSESSMENT

##### 4.1 Options

|    | Option   | Comments  | Financial Implications  |
|----|--|---|---|
| 1. | To increase the salary and range of Directors Executive by 2.45% and review in line with ACAS arbitration. | This is in line with the provisions for management grades. The award is within budget.  | The Council has budget provisions for a pay increase up to 2.5% this recommendation is below the sum provided for in service budgets. |
| 2. | To pay a different award to the rest of staff.   | It has been the practice over the past 7 years for the Directors' awards to mirror the NPA. There is no evidence that the salaries for this group of staff need to be adjusted at above the national percentage pay award. An award lower than that applied | At this level each 0.5% variation is worth £1,500.  |

|  | Option | Comments  | Financial Implications |
|--|--------|---|------------------------|
|  |        | to the other staff may result in our salaries being adrift from the market and in dissatisfaction within this key group of staff. |                        |

## 4.2 Risk assessment

- 4.2.1 If the pay award for this group of staff is different from the rest, it may cause unrest from the group with the lower award

## 5. CONSULTATIONS CARRIED OUT

- 5.1.1 Initial discussions with the Unions have taken place and were positively received.

## 6. COMMENTS FROM THE OVERVIEW AND SCRUTINY PANEL

- 6.1.1 Not yet gained.

## 7. IMPLICATIONS

- 7.1.1 The following implications have been addressed where indicated below.

| Financial      | Legal        | Human Rights Act | Planning | Sustainable Development | Diversity & Equality |
|----------------|--------------|------------------|----------|-------------------------|----------------------|
| Andrew Brooker | Tracey Allen | ✓                | N/A      | N/A                     | ✓                    |

Background Papers: None