

## **SOUTH CAMBRIDGESHIRE DISTRICT COUNCIL**

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**REPORT TO:** Finance and Staffing Portfolio Holder  
**AUTHOR/S:** HR Manager/Senior Management Team

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6<sup>th</sup> October 2009

### **PAY AWARD 2009/2010**

#### **Purpose**

1. To recommend to the Finance and Staffing Portfolio Holder a 1% pay award retrospective to 1<sup>st</sup> April 2009.
2. This is not a key decision because:
  - it is in accordance with the revenue budget approved by the Council or a committee of the Council.

#### **Executive Summary**

3. The Council is not part of the National Joint Council for Local Government Services (NJC) negotiating body and instead, has a local agreement on pay bargaining with the unions. The factors, which influence the local pay award are, budget/affordability, RPI, RPIX, CPI, Average Earnings Index and other local government national pay settlements. The implementation date for annual pay awards is normally 1<sup>st</sup> April each year, however, national and local negotiations failed to reach agreement until recently.
4. Unison members at South Cambridgeshire District Council were balloted on a 1% increase during the early part of September and the outcome has been formally communicated to the Chief Executive. GMB has confirmed acceptance of a 1% increase.
5. This report recommends the implementation of a 1% increase on all pay points, backdated to 1<sup>st</sup> April 2009, for council employees to conclude this year's pay negotiations for all SCDC staff.

#### **Background**

6. The Council's pay and grading structure includes provision for a locally negotiated annual pay settlement. Representatives from the employers side and trade unions convenes every year to discuss the pay award. The panel consists of the Portfolio Holder with responsibility for finance and staffing, Chief Executive, HR Manager, Chair and Branch Secretary of Unison and GMB Regional Officer.
7. Pay awards within planned budget levels can be approved by the Portfolio Holder.
8. The pay awards in the previous two financial years have been agreed with the Portfolio Holder, Cabinet and Council and implemented as follows:

2007/2008 - 2.5% (from 1.4.07)  
2008/2009 - 3.0% (from 1.4.08)

## Considerations

9. In agreeing the annual increase, consideration is given to national pay awards for local government employees, inflation and the average earnings index, as well as affordability.
10. The National Joint Council for Local Government Services (NJC), which represents the majority of staff and employers within local government and the East of England Regional Assembly (EERA) have confirmed that negotiations between the employers and unions have concluded. It has been agreed that 1% increase will be added to pay points £14,587 and above, and 1.25% on pay points below this level.
11. Other national agreements in relation to the terms and conditions for Chief Executives and Chief Officers in local government also remain unresolved and are the subject of further negotiation.
12. Both UNISON and GMB unions have balloted their members and have formally confirmed that an increase of 1% is acceptable to their members.
13. For 2009/2010, a 1.0% increase on the Council's pay bill was included in the financial estimates and therefore the proposed increase is within budget.

## Cost

14. A pay award set at 1.0% was included within the Council's financial estimates, this would increase the total pay bill by £171,000. See Appendix 1.

## Implications

15.	Financial	See 14 above
	Legal	Failure to agree and apply a pay settlement could constitute a breach in terms and conditions.
	Staffing	It is normal practice for the pay award to be applied from 1 <sup>st</sup> April. Subject to Council approval the pay award would be implemented including the payment of backpay.
	Risk Management	The Council's reward strategy is a key factor in influencing staff morale, retention and maintaining attractive terms and conditions for recruitment purposes.
	Equal Opportunities	None

## Effect on Corporate Objectives and Service Priorities

16.	<b>Work in partnership to manage growth to benefit everyone in South Cambridgeshire now and in the future</b>
	None
	<b>Deliver high quality services that represent best value and are accessible to all our community</b>
	The Council's reward strategy is a key factor in influencing staff morale, retention and maintaining attractive terms and conditions for recruitment purposes. The recruitment and retention of high calibre staff will ensure that service quality is maintained and improved.
	<b>Enhance quality of life and build a sustainable South Cambridgeshire where everyone is proud to live and work</b>

See above
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### **Options**

17.
  - i) Agree a pay deal at 1% on all pay points. This would conclude 2009/2010 pay negotiations for this council
  - ii) Agree a lower settlement figure. This may lead to issues around staff morale as well as recruitment and retention difficulties. There would also be an increased risk of industrial action.
  - iii) Implement a higher percentage increase. This would lead to financial difficulties for the Council and the need to seek further savings and reductions in budgets.

### **Consultations**

18. Unison and GMB have been consulted throughout the process. Unions have balloted their members. Non union staff have been informed of the proposals and negotiations through Insite and weekly briefing.

### **Recommendations**

19. Finance and Staffing Portfolio Holder is recommended to;
  - a) agree the implementation of a 1% increase to conclude the 2009 pay negotiations,
  - b) backdate the award to 1<sup>st</sup> April 2009

**Background Papers:** the following background papers were used in the preparation of this report: None

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