

Title of meeting: Employment Committee

Date of meeting: 8th June 2012

Subject: NJC Pay 2012

Report by: Head of Human Resources

Wards affected: N/A

Key decision: No

Full Council decision: No

1. Purpose of report

For the Employment Committee to consider the response to a letter from UNISON in which they are asking the Council to:

- i) Pay £250 to NJC employees in the council from 1 April as a consolidated payment
- ii) Identify part-time employees who may be affected by the change in conditions for Working Tax Credit and seek to enhance their hours to 24
- iii) Resist making cuts to pay, hours and conditions at local level

2. Recommendations

It is recommended that:

- i) A response is sent to UNISON confirming the council's commitment to national collective bargaining, and
- ii) Managers are asked to confirm that they have considered increased hours for part-time staff when putting forward a vacancy to the Members Recruitment Panel

3. Background

UNISON sent a letter on 21st March 2012 to the Chief Executives and Leaders of Councils in England, Northern Ireland and Wales (Appendix 1) regarding the difficulties facing staff following a third year without a pay increase, Local Government Employers failing to pay the £250 'promised by the Chancellor' in the 2010 budget to those earning below £21,000 unlike public sector workers in the civil service, the NHS and teachers, potential further cuts in pay and conditions and the changes to the qualification threshold for Working Tax Credit.

UNISON asked Councils to do three things:

- Pay the £250 to NJC employees in the council from 1 April as a consolidated payment
- Identify part-time employees who may be affected by the change in conditions for Working Tax Credit and seek to enhance their hours to 24
- Resist making cuts to pay, hours and conditions at local level

Members have previously considered the choices which could be made in relation to pay and terms and conditions of employment to assist in meeting required budget savings in a report to the 21 December 2010 Employment Committee. The report included the option of the application of a £250 increase for all staff on salaries of £21,000 and below as suggested by the Chancellor in his emergency budget and the implications for all staff of reductions in pay and/or hours

Members were also made aware of the Retail Prices Index running at 4.2% at the time, the lack of a cost of living increase since April 2009 and that all staff were facing a pay cut of at least 1% from 1 April 2011 when the National Insurance deductions increased and the potential for the Local Government Pension Scheme pensions increase

At the 18 January 2011 Employment Committee meeting Members considered the payment of the £250 but in view of the savings required by the council, and the increase not being agreed nationally by the Local Government Employers, were not able to include it in the package of issues for consultation with the trade unions

The council applies the pay, terms and conditions of the National Agreement (the 'Green Book') and participated in the consultation by the Local Government Employers regarding the position they should take in the national pay bargaining meetings for 2012 which resulted in the decision not to make a pay offer.

The non-pay terms and conditions of service for staff which can be changed at our discretion (Part 2 of the 'Green Book') were significantly modernised in the Local Pay Review

From 6th April 2012 the rules around working tax credits for couples with children changed with the qualifying number of hours worked increasing from 16 to 24 hours a week ie a couples joint working hours must be at least 24 hours a week to qualify. Analysis of employees including those in schools, up to Band 12 (max £43,419 pa) shows 1124 staff working between 16 and 23.9 hours per week (Appendix 2).440 (39%) of these work in Schools. We cannot, however, determine how many of these staff have shared responsibility for children and therefore will be affected by the new rules.

4. Reasons for recommendations

The Local Government Association has written to Chief Executives in England, Wales and Northern Ireland regarding the decision not to make a pay offer after extensive consultation with councils and including a template reply to UNISON (Appendix 3). Given the continuing financial constraints facing the council it is recommended that a reply to UNISON based on this letter is sent by the chief executive.

The Members Recruitment Panel consider requests from managers to fill vacancies and can satisfy themselves that offering additional hours to part-time staff has been considered as an option.

5. Equality impact assessment (EIA)

A full Equality Impact Assessment was completed on 18th November 2011 as part of the terms and conditions proposals.

6. Head of legal, licensing & registrars' comments

The Head of Legal, Licensing and Registrars is satisfied there are no immediate legal implications arising from this report.

7. Head of finance's comments

There are no additional financial consequences arising directly from the recommendations contained within this report.

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 Signed by:

Appendices:

Background list of documents: Section 100D of the Local Government Act 1972

The following documents disclose facts or matters, which have been relied upon to a material extent by the author in preparing this report:

Title of document	Location
Employee issues in relation to the budget position (exempt) 21 December 2010	Human Resources
Employee issues in relation to the budget position – UPDATE (exempt) 18 January 2011	Human Resources
Equality Impact Assessment 18 Nov 2011	PCC website

The recommendation(s) set out above were approved/ approved as amended/ deferred/ rejected by on

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 Signed by: