# **National Joint Council for Local Government Services**

Employers' Secretary:
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To: Chief Executives in England, Wales and N Ireland (copies for the Finance Director and HR Director)
Members of the National Joint Council

15 October 2014

Dear Chief Executive,

### LOCAL GOVERNMENT PAY CONSULTATION

The NJC will shortly begin consulting councils and trade union members on a pay proposal that both Sides believe is the best that can be achieved through negotiation. For details of the Employers' consultation, councils should contact their Regional Employer Organisation. Trade Union members will receive details of their union's consultation arrangements from their unions.

The consultations will seek views on the following proposal:

## Pay

- £1,065\* (equiv. to 8.56%) on SCP5 with effect from 1 January 2015 (\*based on salary at 31 March 2014. Therefore an adjustment will need to be made to take account of the increase to pay that was applied on 1 October 2014 when the National Minimum Wage increased. NJC Circular dated 9 September 2014 refers)
- £1,000 (equiv. to 7.93%) on SCP6 with effect from 1 January 2015
- £800 (equiv. to 6.19%) on SCP7 with effect from 1 January 2015
- £550 (equiv. to 4.13%) on SCP8 with effect from 1 January 2015
- £350 (equiv. to 2.55%) on SCP9 with effect from 1 January 2015
- £325 (equiv. to 2.32%) on SCP10 with effect from 1 January 2015
- 2.20% on SCPs 11 and above with effect from 1 January 2015
- Deletion of SCP5 with effect from 1 October 2015
- £325 non-consolidated payment to employees on SCPs 5, 6 & 7 to be paid in December 2014 (pro-rated for part-time employees)
- £150 non-consolidated payment to employees on SCPs 8, 9 & 10 to be paid in December 2014 (pro-rated for part-time employees)
- £100 non-consolidated payment to employees on SCPs 11-25 incl to be paid in December 2014 (pro-rated for part-time employees)

 0.45% of proposed new salaries to employees on SCPs 26-49 incl, of which £100 non-consolidated payment to be paid in December 2014, and the remaining balance to be paid (non-consolidated) in April 2015 (both payments to be pro-rated for parttime employees)

#### NJC future work

Both Sides recognise that local government is undergoing a period of unprecedented change. The way that public services are designed and delivered is evolving at a rapid pace and against this background the NJC agrees that councils and their workforce need collective agreements that:

- reward employees fairly and recognise the diverse needs of the workforce
- attract, retain and train people with the skills needed for the future
- enable local service providers to react more quickly to changing circumstances
- facilitate effective partnership working and collaboration across organisations
- remove or modify existing barriers to ensure employees can move more easily between different public sector employers

The NJC remains committed to national collective bargaining and aims to ensure that the bargaining machinery can reflect and support new ways of working. The NJC will focus on producing outputs that are relevant, fair and beneficial to both employers and those employed to provide public services.

The impact on each SCP is shown on the **attached** spreadsheet. The figures shown are for <u>information only</u> and <u>should not be implemented</u> at this stage.

#### Technical issues related to the non-consolidated payments

- The payments are subject to the normal tax and national insurance requirements and are pensionable
- 2. The payments should be paid only to those employees who are in post on 1 December 2014. The payments are not 'back pay', so should not be paid to any employees who leave employment before 1 December
- 3. The payments should be paid on a pro-rated basis according to each council's established procedure for remunerating part-time employees
- 4. The payments should be paid to employees on SCPs 5, 6, 7, 8, 9 and 10 as indicated regardless of whether councils are already applying some form of Living Wage supplement
- 5. The payments should be paid to those on maternity leave whether in the paid or unpaid period at full rate (subject to appropriate pro-rating)
- 6. The payments should be paid to those on long-term sickness absence (even if on nil pay)
- 7. The payments should be paid at the relevant rate based on the current SCP at 1 December 2014, eg. an employee on SCP7 acting up to SCP12 should get the payment that applies to SCP12

- 8. The payments should be paid to those on adoption leave and parental leave
- 9. The payments should **not** be paid to employees on a career break at 1 December 2014
- 10. The payments should **not** be paid to employees who are being paid above SCP49
- 11. If an employee has more than one contract, the payments should be paid pro-rata on each contract
- 12. Subject to any other exclusions, the payments should be paid to all employees whose pay is set in accordance with NJC for Local Government Services pay arrangements, regardless of whether they are on permanent or temporary contracts

Yours sincerely

Messenger

Sarah Fiona Farmer Brian Strutton

Sarah Fiona Brian

Messenger Farmer Strutton

Farmer

Strutton

Wakefield

Joint Secretaries

	current 20		pay proposal for consultation												
<u>SCP</u>	per annum		proposed increase from 01Jan15	proposed SCP per annum		proposed SCP per hour		proposed pay increase in FY 14/15		proposed lump sum payment in Dec14		total increase in FY 14/15		proposed lump sum payment in Apr15	
5	£12,435	£6.45	£1,065	£	13,500	£	7.00	£	266	£	325	£	591		
6	£12,614	£6.54	£1,000	£	13,614	£	7.06	£	250	£	325	£	575		
7	£12,915	£6.69	£800	£	13,715	£	7.11	£	200	£	325	£	525		
8	£13,321	£6.90	£550	£	13,871	£	7.19	£	138	£	150	£	288		
9	£13,725	£7.11	£350	£	14,075	£	7.30	£	88	£	150	£	238		
10	£14,013	£7.26	£325	£	14,338	£	7.43	£	81	£	150	£	231		
11	£14,880	£7.71	2.20%	£	15,207	£	7.88		£82	£1	00	£	182		
12	£15,189	£7.87	2.20%	£	15,523	£	8.05		£84	£1	00	£	184		
13	£15,598	£8.08	2.20%	£	15,941	£	8.26		£86	£1	00	£	186		
14	£15,882	£8.23	2.20%	£	16,231	£	8.41		£87	£1	00	£	187		
15	£16,215	£8.40	2.20%	£	16,572	£	8.59		£89	£1	00	£	189		
16	£16,604	£8.61	2.20%	£	16,969	£	8.80		£91	£1	00	£	191		
17	£16,998	£8.81	2.20%	£	17,372	£	9.00		£93	£1	00	£	193		
18	£17,333	£8.98	2.20%	£	17,714	£	9.18		£95	£1	00	£	195		
19	£17,980	£9.32	2.20%	£	18,376	£	9.52		£99	£1	00	£	199		
20	£18,638	£9.66	2.20%	£	19,048	£	9.87	1	£103	£1	00	£	203		
21	£19,317	£10.01	2.20%	£	19,742	£	10.23	1	£106	£1	00	£	206		
22	£19,817	£10.27	2.20%	£	20,253	£	10.50	4	£109	£1	00	£	209		
23	£20,400	£10.57	2.20%	£	20,849	£	10.81	1	£112	£1	00	£	212		
24	£21,067	£10.92	2.20%	£	21,530	£	11.16	4	£116	£1	00	£	216		
25	£21,734	£11.27	2.20%	£	22,212	£	11.51	4	£120	£1	00	£	220		
26	£22,443	£11.63	2.20%	£	22,937	£	11.89	4	£123	£1	00	£	223	£	3
27	£23,188	£12.02	2.20%	£	23,698	£	12.28	4	£128	£1	00	£	228	£	7
28	£23,945	£12.41	2.20%	£	24,472	£	12.68	4	£132	£1	00	£	232	£	10
29	£24,892	£12.90	2.20%	£	25,440	£	13.19	1	£137	£1	00	£	237	£	14
30	£25,727	£13.33	2.20%	£	26,293	£	13.63	1	£141	£1	00	£	241	£	18
31	£26,539	£13.76	2.20%	£	27,123	£	14.06	1	£146	£1	00	£	246	£	22
32	£27,323	£14.16	2.20%	£	27,924	£	14.47	4	£150	£1	00	£	250	£	26
33	£28,127	£14.58	2.20%	£	28,746	£	14.90	4	£155	£1	00	£	255	£	29
34	£28,922	£14.99	2.20%	£	29,558	£	15.32	4	£159	£1	00	£	259	£	33
35	£29,528	£15.31	2.20%	£	30,178	£	15.64	4	£162	£1	00	£	262	£	36
36	£30,311	£15.71	2.20%	£	30,978	£	16.06	4	2167	£1	00	£	267	£	39
37	£31,160	£16.15	2.20%	£	31,846	£	16.51	1	E171	£1	00	£	271	£	43
38	£32,072	£16.62	2.20%	£	32,778	£	16.99	4	2176	£1	00	£	276	£	47
39	£33,128	£17.17	2.20%	£	33,857	£	17.55	1	£182	£1	00	£	282	£	52
40	£33,998	£17.62	2.20%	£	34,746	£	18.01	1	£187	£1	00	£	287	£	56
41	£34,894	£18.09	2.20%	£	35,662	£	18.48	1	£192		00	£	292	£	60
42	£35,784	£18.55	2.20%	£	36,571	£	18.96		E197		00	£	297	£	65
43	£36,676	£19.01	2.20%	£	37,483	£	19.43	1	202		00	£	302	£	69
44	£37,578	£19.48	2.20%	£	38,405	£	19.91		207		00	£	307	£	73
45	£38,422	£19.92	2.20%	£	39,267	£	20.35		211		00	£	311	£	77
46	£39,351	£20.40	2.20%	£	40,217	£	20.85		216		00	£	316	£	81
47	£40,254	£20.86	2.20%	£	41,140	£	21.32		E221		00	£	321	£	85
48	£41,148	£21.33	2.20%	£	42,053	£	21.80		226		00	£	326	£	89
49	£42,032	£21.79	2.20%	£	42,957	£	22.27	1	231	£1	00	£	331	£	93