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URGENT BUSINESS AND SUPPLEMENTARY INFORMATION

Joint Commissioning Committee

26 May 2016

| Agenda Item Number | Page | Title | Officer Responsible | Reason Not Included with Original Agenda |
|--------------------|---------------|--|---------------------|--|
| 11. | (Pages 1 - 6) | Urgent Business 2016 Cost of living pay award for the Joint Management Team and Shared Service Managers | Commercial Director | Agreement for the SNC cost of living award was reached after agenda publication which is used to inform the JMT and Shared Service Manager award |

If you need any further information about the meeting please contact Natasha Clark, Democratic and Elections natasha.clark@cherwellandsouthnorthants.gov.uk, 01295 221589

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Cherwell District Council and South Northamptonshire Council

Joint Commissioning Committee

26 May 2016

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| <p>2016 Cost of living pay award for the Joint Management Team and Shared Service Managers</p> |
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Report of Commercial Director

This report is public

Purpose of report

To consider a cost of living pay award for the Chief Executive, Directors, Heads of Service and shared service managers who are outside of the mainstream pay negotiating framework for employees of Cherwell District Council (CDC) and South Northamptonshire Council (SNC).

1.0 Recommendations

The meeting is recommended to:

- 1.1 Consider awarding an annual cost of living pay award to the Chief Executive, Directors, Chief Finance Officer, Heads of Service and other shared service managers pay grades in line with that proposed for the mainstream local government workforce for 2016/2017 taking into account the 2016 pay award as agreed for SNC staff, as well as the agreed local pay award for CDC staff, and if minded to do so, to also;
- 1.2 Consider an implementation date of 1 April 2016, and delegate authority to the Chief Finance Officer to implement the decision of this Committee.

2.0 Introduction

This report will provide information to support the recommendation that a 1.25% pay increase should be provided to the Joint Management Team (JMT) and Shared Service Managers at CDC and SNC.

3.0 Report Details

- 3.1 Upon the creation of the JMT in 2011, a common pay grade was established across CDC and SNC which was applicable to posts that have senior management responsibility for shared services across both Councils.

- 3.2 JMT and shared service managers received a 1% pay increase in 2013, and a further 1% in 2014 and 2015.
- 3.3 The current pay structure for JMT and Shared Service Managers as used by both Councils are shown at **Appendix 1**.
- 3.4 Cost of Living Pay Award - National and Local Context
Across the two councils different pay bargaining arrangements currently apply for employees below Chief Executive, Chief Officer (i.e. Director and Heads of Service) and shared service manager grades.
- 3.5 CDC employees on grades below the joint manager and shared service manager grades were given a locally negotiated pay award and received an increase of 1.25% in April 2016, which is a one year pay deal.
- 3.6 Conversely SNC usually tracks the National Joint Council (NJC) pay award. For 2016 a 1% pay award has very recently been agreed.
- 3.7 Following recent discussions with Unison at SNC an offer of 1.25% has been made with a proviso that all future pay negotiations will be agreed locally, which will support the harmonisation of pay across both Councils, and morally will allow all staff to gain the same pay award, as there are more staff who also now work across both Councils. This is subject to a policy change through agreement by the A&P Committee at SNC on the 13 June 2016.
- 3.8 However for the Chief Executive, Directors, Chief Finance Officer and the Heads of Service it remains open to both Councils to decide locally what pay award to offer their senior management posts. In the case of SNC and CDC the JCC must also extend their consideration to include the shared service managers who are appointed to the shared service pay grade that was created at the time of creating the new joint management team as they sit outside of both the mainstream pay negotiating framework for SNC and CDC employees.
- 3.9 Factors of influence when considering a pay award

A number of factors are influences in this respect:

Date of last pay award

A 1% pay increase was awarded in 2013 and again in 2014 and 2015 but prior to this pay increases had not been awarded since pre-2011. Primarily this pay award will aid the prevention of a continuing decline in pay in real terms where post responsibilities have not been subject to change and salary of individual posts reviewed arising therefrom).

Consistency of treatment with the mainstream workforce

Secondly, the question of equity in comparison with the mainstream workforce these posts are responsible for managing.

Morale, recruitment and retention

Thirdly, how the continuing freeze will impact both on morale, the ability to retain key staff upon the anticipated change in labour market conditions and the ability to recruit to key posts at such time as they may become vacant.

4.0 Conclusion and Reasons for Recommendations

- 4.1 A suggested pay award of 1.25% is made based on the potential pay award being agreed by SNC staff of 1.25%, although this is subject to the A&P Committee approval on 13 June 2016, and the agreed pay award for CDC of 1.25% from the 1 April 2016.

5.0 Consultation

Pay awards are not negotiated and require a decision by the JCC.

6.0 Alternative Options and Reasons for Rejection

- 6.1 The following alternative options have been identified and rejected for the reasons as set out below.

Option 1: Not agree with the recommendations made in this report.

Option 2: Agree to the recommendations in this report.

Option 3: Propose an alternative pay increase to the recommendation made.

7.0 Implications

Financial and Resource Implications

- 7.1 The 2016-17 budget was prepared with sufficient provision for the proposed 1.25% JMT and shared service managers pay award.

Comments checked by:

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Legal Implications

- 7.2 There are no specific legal implications arising from this report.

Comments checked by:

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8.0 Decision Information

Wards Affected

All

Links to Corporate Plan and Policy Framework

None

Lead Councillor

Cllr Barry Wood, Lead Councillor, CDC

Cllr Ian McCord, Lead Councillor, SNC

Document Information

| Appendix No | Title |
|----------------------------|--|
| Appendix 1 | Current JMT and Shared Manager Pay Structure |
| Background Papers | |
| None | |
| Report Author | Karen Curtin, Director, Commercial Development |
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Appendix 1 - Current JMT and Shared Manager Pay Structure

| Grade | Annual |
|----------|-------------|
| MNR001 | £36,328.31 |
| MNR002 | £37,366.26 |
| MNR003 | £38,404.21 |
| MNR004 | £39,442.17 |
| MNR005 | £40,480.12 |
| MNR006 | £41,518.07 |
| MNR007 | £42,556.02 |
| MNR008 | £43,593.97 |
| MNR009 | £44,631.93 |
| MNR010 | £45,669.88 |
| MNR011 | £46,707.83 |
| MNR012 | £47,745.78 |
| MNR013 | £48,783.73 |
| | |
| HS009 | £62,277.11 |
| HS0010 | £63,315.06 |
| HS0011 | £64,353.01 |
| HS0012 | £65,390.96 |
| HS0013 | £66,428.91 |
| HS0014 | £67,466.86 |
| HS0015 | £68,504.82 |
| HS0016 | £69,542.77 |
| HS0017 | £70,580.72 |
| HS0018 | £71,618.67 |
| HS0019 | £72,656.62 |
| HS0020 | £73,694.57 |
| HS0021 | £74,732.53 |
| HS0022 | £75,770.48 |
| | |
| CFO1 | £83,500 |
| CFO2 | £86,500 |
| CFO3 | £90,000 |
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| New DIR1 | £92,000 |
| New DIR2 | £95,000 |
| New DIR3 | £99,476 |
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| DIR001 | £81,998.19 |
| DIR002 | £84,593.07 |
| DIR003 | £87,187.95 |
| DIR004 | £89,782.83 |
| DIR005 | £91,339.75 |
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| LS0009 | £129,743.97 |

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