

REPORT OF GENERAL PURPOSES AND LICENSING COMMITTEE

(Meeting held on 15 April 2013)

1. PAY AWARD 2013 (REPORT A) (MINUTE NO. 34)

The Committee has considered a proposal in relation to the employee pay award (cost of living rise) for 2013.

The Council moved to national pay negotiations from 1 April 2008. The national pay negotiations over the last 3 years (2010, 2011 and 2012) have not resulted in a cost of living rise.

The 2013 national pay negotiations commenced in October 2012 and in February 2013, the National Employers' Side offered two options to the Trade Union side with a view to securing eventual agreement. The options were as follows:

- **Option 1** - 1% on all pay points from 1 April 2013; and
- **Option 2** - 1% on national pay points 4 to 10 from 1 April 2013 (this would only be applicable to NFDC Band 1) and 0.6% on National pay points 11 and above from 1 April 2013 (this would be applicable to NFDC Band 2 and above).

UNISON rejected both options.

NFDC staff pay has not been increased by a cost of living rise since 2009; when it was increased by 1%.

The Committee has considered and supports a proposal from the Pay Panel that a pay award of 1% across all pay points be implemented from 1 April 2013.

The Committee has noted that whilst the national pay negotiations are still on-going, it is likely that there will be a cost of living increase this year.

Locally, as part of the Terms and Conditions review, the Council has implemented changes to the terms and conditions and many will start to have a financial impact from 1 April 2013 (Removal of private health, lease cars and reduction in essential user mileage rate).

Within the context of the national negotiations and the changes the Council is already implementing locally, it is proposed that a pay award of 1% across all pay points is implemented from 1 April 2013. This action removes any uncertainty from employees as well as avoiding any administrative inefficiencies that may result from an award made in-year.

Should the national settlement be more than 1% then any additional award would be paid to bring the increase in-line with the national settlement.

The Council's Medium Term Plan has provision for a 1% increase to all pay points, the total cost of which is estimated to be £260,000.

RECOMMENDED:

- a) That a 1% pay award across all pay points be agreed and implemented from 1 April 2013 in advance of national pay negotiations; and**

- b) That should the national settlement be more than 1% then any additional award be paid to bring the increase in line with the national settlement.***

**Cllr G C BECK
CHAIRMAN**