

Report to:	Pay & Grading	Date of Meeting:	
Subject:	Implementation of New NJC Pay Spine 2019 - 2020		
Report of:	Mark Dale	Wards Affected:	All
Cabinet Portfolio:	Regulatory, Compliance and Corporate Services		
Is this a Key Decision:	No	Included in Forward Plan:	No
Exempt / Confidential Report:	No		

Summary:

To seek approval following NJC national negotiations in 2017/2018 for the implementation of a local pay spine for NJC employees

Recommendation(s):

That the implementation of the new pay spine for NJC employees is accepted (this includes as applicable within the Schools Community) for the Authority

Reasons for the Recommendation(s):

To implement a result of national pay negotiations to local pay arrangements.

Alternative Options Considered and Rejected: (including any Risk Implications)

Not implementing a new pay spine would be in breach of national negotiations and leave the Authority open to litigation. Options in respect of implementation have been considered and thought less realistic given consultation

What will it cost and how will it be financed?

(A) Revenue Costs

See section 9 of this report for details of cost implications.

(B) Capital Costs

None

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets): N/A
Legal Implications:
Equality Implications: The equality Implications have been assessed and shared with trade unions

Contribution to the Council’s Core Purpose:

(Please give a brief description of how the proposals set out in the report contribute towards the following Council’s Core Purpose. Insert ‘not applicable’ where required **and remove this text**)

Protect the most vulnerable: N/A
Facilitate confident and resilient communities: N/A
Commission, broker and provide core services: N/A
Place – leadership and influencer: N/A
Drivers of change and reform: N/A
Facilitate sustainable economic prosperity: N/A
Greater income for social investment: N/A
Cleaner Greener: N/A

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Head of Corporate Resources (FD4650/19) and Chief Legal & Democratic Officer (LD 4650/19) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Joint Trade Union Forum from Summer 2018

Implementation Date for the Decision

Immediately following the Committee / Council meeting.

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Appendices:

Appendix 1 - Existing Pay Spine and the recommended pay spine that would apply from 1st April 2019

Background Papers:

NJC Circular: 2019 New Pay Spine Circular and FAQs

BACKGROUND

1. This report deals with the implementation of the pay spines that are recommended to apply in respect of NJC employees within the Authority. The pay spines will also be utilised in respect of NJC School Council employees and utilised within the school community as necessary.
2. The process of the implementation of the pay spine has occurred as a result of national pay negotiation and local consideration of national advice and technical guidance. Following this, local consultation with Trade Unions has taken place and has now concluded.

NATIONAL NEGOTIATIONS

3. As part of the 2018/19 two year NJC pay deal, nationally a new set of national pay spines were agreed.
4. Although the national pay spines were produced at national level, the implementation of the Local Pay structure in terms of the application of the new pay spines to local pay grades is a matter for each individual NJC employer.
5. The pay spine sits in conjunction with the NJC Green Book National Agreement with various local terms and conditions that may have been agreed.
6. Nationally the signatories to the NJC pay spine that are reflected in this Authority's consultation are GMB, UNISON and UNITE.
7. The NJC pay spine will apply within the Authority and to all Community controlled schools (and would also it is anticipated be adopted by Voluntary Aided schools). Pay spine implementation in relation to Academy schools and Multi-Academy Trusts would be a matter for them.
8. The table at Appendix 1 indicates the existing pay structure and the recommended pay structure that would apply from 1st April 2019.
9. In terms of implementation, several key points are important:
 - (a) Financially the changes in pay structure will be contained within the existing MTFP assumptions. As such the deletion of spinal column point 7 and the non use of 'greyed out' spinal column points will not present any material budget issues
 - (b) The implementation arrangements will apply existing conventions in relation to the implementation of pay awards, which follows a two stage process, firstly the application of incremental progression within the grade (if appropriate) followed by the application of the pay award.

- (c) The National pay spine introduced equal steps of 2.0% between each NEW SCP 1 to 21. By creating these equal steps between these pay points new SCPs 10,13 16,18 and 21 were generated to which no old SCPs would readily assimilate. This meant that in relation to implementation arrangements on 1.4.2019 these spinal column points were 'greyed out' indicating that they were not to be utilised in the assimilation process. The introduction of this equal step pay spine meant that in some organisations the current number of pay points in a grade changed and the National employers suggested that local consultation determined how individual pay structures utilise these spinal column points.
- (d) Pay rates in Sefton are based on a standard 36-hour week. Some employers operate a 37 hour week utilising the pay spine.

10. Consultation was through the Joint Trade Union Forum.

DELETION OF OLD SPINAL COLUMN POINT 7 AND PROGRESSION ISSUES

- 11. Within Sefton the new pay spine involved the deletion of spinal column point 7 in order to maintain grading differentials and to comply with job evaluation protocols. The introduction of the new SCPs (para 9c refers) expanded the number of incremental steps in certain grades within the initial proposed grading structure. This was particularly prevalent in Grade F, and in respect of potential Age and Sex Discrimination challenges, was an issue as the number of spinal column points were above the best practice number of six.
- 12. The initial proposals were tabled with Trade Unions in the summer of 2018 and consultation took place in relation to a potential issue around an increase in incremental progression and ensuring that any issue in regard of gender inequality was mitigated. Trade Unions were also considering their own guidance and were mindful of any situation which increased grade size or which they felt inadvertently disadvantaged the workforce.
- 13. In relation to the new 'greyed out' spinal column points, it is recommended by officers that none of these 'spinal column' points are utilised which will enable Grades E, F and G to consist of the same amount of spinal column points in the grades going forward as in the current pay structure and limits the number of spinal column points in the grade to comply with best practice.
- 14. The final proposals which have been the subject of consultation through the Joint Trade Union whilst allowing potential progression through grades E, F and G slightly quicker than if utilising all the spinal column points in the national Pay spine, does not increase headroom in any grade and is in compliance with the national protocol. Any move to utilise "new /greyed out" Spinal column points would risk disagreement with Trade Unions on a Regional or National Level which would and could not be overridden by local

representatives. On balance, it is felt that this is a realistic situation going forward.

15. In terms of equality impact and gender equality, the statistics and data in respect of the exercise have been shared with the Joint Trade Unions and no issues have arisen relative to this matter.
16. It should be remembered that the implementation of a new pay spine is not about re-writing grades, but is about assimilation to the new structure.
17. Considerable work has taken place in terms of consultation and officers believe that the position reached is a fair and equitable one.
18. Advice has been taken as to the consistency of this Authority's approach and information provided from North West Employers indicates that the approach of Sefton is consistent with other Authorities.
19. The Trade Unions have indicated that, given the change in pay, they may want to sound their members out by potential indicative ballot, however, consultation has been constructive and balanced in relation to the implementation.

20. **ANCILLIARY MATTERS**

In relation to other matters concerning the pay spine, we currently utilise spinal column point 6 for the basis of calculating standby payments and there is a presumption of non-payment of overtime in respect of current spinal column point 32. It is intended that relevant standby calculations will be based on new spinal column point 1 and the overtime barrier becomes applicable at spinal column point 26 and above. Trade Unions will not seek to canvas their members' views on this aspect as this is simply transposing in existing arrangements onto the pay spine.

21. The national agreement provides contractual Sunday working to be paid at double time for individuals on spinal column point 11 and below and time and a half rate for those on spinal column point 12 or above. This will translate going forward as double time for spinal column point 1 to 3 and time and a half for spinal column point 4 and above.

RECOMMENDATIONS

- (i) The implementation of the new pay spine for NJC employees is accepted (this includes as applicable within the Schools Community) for the Authority

Appendix 1

1 st April 2018					Increment	Assimilation	Assimilation only	1 st April 2019				
SCP	Annual Salary	Hourly rate of pay	JE Score	Grade	If 6 months or more in grade	If 6 months or more in grade	If less than 6 months in grade	SCP	Annual Salary	Hourly rate of pay	JE Score	Grade
6	£16,394	£8.7335	Up to 235	A	n/a	1	1	1	£17,364	£9.2502	Up to 235	A
7	£16,495	£8.7873	236	B	8	2	2	2	£17,711	£9.4351	236 to 260	B
8	£16,626	£8.8571	to		9	2	2	2				
9	£16,755	£8.9258	260		n/a	2	2	2				
10	£16,863	£8.9833	261	C	11	3	3	3	£18,065	£9.6237	261 to	C
11	£17,007	£9.0600	to		12	4	3	3	£18,426	£9.8160	299	
12	£17,173	£9.1485			13	4	4	4				
13	£17,391	£9.2646	299		n/a	4	4	4				
14	£17,681	£9.4191	300	D	15	5	5	5	£18,795	£10.0126	300 to	D
15	£17,972	£9.5741			16	6	5	5	£19,171	£10.2129	332	
16	£18,319	£9.7590	to		17	6	6	6				
17	£18,672	£9.9470	332		n/a	6	6	6				

18	£18,870	£10.0525	333	E
19	£19,446	£10.3594	to	
20	£19,819	£10.5581		
21	£20,541	£10.9427	372	

19	8
20	9
21	11
n/a	11

7
8
9
11

7	£19,554	£10.4169	333	E
8	£19,945	£10.6252		
9	£20,344	£10.8377	to	
10	£20,751	£11.0546	NOT IN USE	
11	£21,166	£11.2756	372	

22	£21,074	£11.2266	373	F
23	£21,693	£11.5564		
24	£22,401	£11.9336	to	
25	£23,111	£12.3118		
26	£23,866	£12.7140	411	

23	14
24	15
25	17
26	19
n/a	19

12
14
15
17
19

12	£21,589	£11.5010	373	F
13	£22,021	£11.7311	NOT IN USE	
14	£22,462	£11.9661	to	
15	£22,911	£12.2053		
16	£23,369	£12.4492	NOT IN USE	
17	£23,836	£12.6980		
18	£24,313	£12.9521	NOT IN USE	
19	£24,799	£13.2110	411	

27	£24,657	£13.1354	412	G
28	£25,463	£13.5648		
29	£26,470	£14.1012	to	
30	£27,358	£14.5743		
31	£28,221	£15.0340	459	

28	22
29	23
30	24
31	25
n/a	25

20
22
23
24
25

20	£25,295	£13.4753	412	G
21	£25,801	£13.7448	NOT IN USE	
22	£26,317	£14.0197	to	
23	£26,999	£14.3830		
24	£27,905	£14.8657		
25	£28,785	£15.3345	459	

32	£29,055	£15.4783	460	H
33	£29,909	£15.9333		
34	£30,756	£16.3845	to	
35	£31,401	£16.7281		
36	£32,233	£17.1713	509	

33	27
34	28
35	29
36	30
n/a	30

26
27
28
29
30

26	£29,636	£15.7878	460	H
27	£30,507	£16.2518		
28	£31,371	£16.7121	to	
29	£32,029	£17.0626		
30	£32,878	£17.5149	509	

37	£33,136	£17.6524	510	I
38	£34,106	£18.1691		
39	£35,229	£18.7674	to	
40	£36,153	£19.2596		
41	£37,107	£19.7678	559	

38	32
39	33
40	34
41	35
n/a	35

31
32
33
34
35

31	£33,799	£18.0056	510	I
32	£34,788	£18.5324		
33	£35,934	£19.1429	to	
34	£36,876	£19.6447		
35	£37,849	£20.1631	559	

42	£38,052	£20.2712	560	J
43	£39,002	£20.7773	to	
44	£39,961	£21.2882		
45	£40,858	£21.7661	609	

43	37
44	38
45	39
n/a	39

36
37
38
39

36	£38,813	£20.6766	560	J
37	£39,782	£21.1928	to	
38	£40,760	£21.7139		
39	£41,675	£22.2013	609	

46	£41,846	£22.2924	610	K
47	£42,806	£22.8038	659	

47	41
n/a	41

40
41

40	£42,683	£22.7383	610	K
41	£43,662	£23.2598	659	

48	£43,757	£23.3104	660	L
49	£44,697	£23.8112	709	

49	43
n/a	43

42
43

42	£44,632	£23.7766	660	L
43	£45,591	£24.2874	709	

49	£44,697	£23.8112	Over 710	M
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n/a	43
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43

43	£45,591	£24.2874	Over 710	M
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