



NOTICE OF MEETING

Meeting	Employment in Hampshire County Council Committee
Date and Time	Wednesday, 28th March, 2018 at 10.00 am
Place	Chute Room, Ell Court, The Castle, Winchester
Enquires to	members.services@hants.gov.uk

John Coughlan CBE
Chief Executive
The Castle, Winchester SO23 8UJ

FILMING AND BROADCAST NOTIFICATION

This meeting may be recorded and broadcast live on the County Council's website. The meeting may also be recorded and broadcast by the press and members of the public – please see the Filming Protocol available on the County Council's website.

AGENDA

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2. DECLARATIONS OF INTEREST

All Members who believe they have a Disclosable Pecuniary Interest in any matter to be considered at the meeting must declare that interest and, having regard to the circumstances described in Part 3 Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore all Members with a Non-Pecuniary interest in a matter being considered at the meeting should consider whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, consider whether it is appropriate to leave the meeting while the matter is discussed, save for exercising any right to speak in accordance with the Code.

3. MINUTES OF PREVIOUS MEETING (Pages 3 - 8)

To confirm the minutes of the previous meeting held on 22 November 2017.

4. DEPUTATIONS

To receive any deputations notified under Standing Order 12.

5. CHAIRMAN'S ANNOUNCEMENTS

To receive any announcements the Chairman may wish to make.

6. THE APPRENTICESHIP LEVY - UPDATE (Pages 9 - 18)

To consider a report of the Director of Culture, Communities and Business Services regarding the implementation of the County Council's Apprenticeship Levy programme.

7. PAY AND LEGISLATION UPDATE (Pages 19 - 34)

To consider a report of the Director of Corporate Resources regarding the national pay award and proposals for a new pay framework, outline arrangements for the temporary increase to the EHCC pay framework to meet the National Living Wage (NLW) increase from 1 April 2018, and an update on recent and pending legislative changes.

ABOUT THIS AGENDA:

On request, this agenda can be provided in alternative versions (such as large print, Braille or audio) and in alternative languages.

ABOUT THIS MEETING:

The press and public are welcome to attend the public sessions of the meeting. If you have any particular requirements, for example if you require wheelchair access, please contact members.services@hants.gov.uk for assistance.

County Councillors attending as appointed members of this Committee or by virtue of Standing Order 18.5; or with the concurrence of the Chairman in connection with their duties as members of the Council or as a local County Councillor qualify for travelling expenses.

Agenda Item 3

AT A MEETING of the Employment in Hampshire County Council Committee of
HAMPSHIRE COUNTY COUNCIL held at the Castle, Winchester on
Wednesday, 22nd November, 2017

Chairman:

* Councillor Stephen Reid

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|-------------------------------|-------------------------------|
| * Councillor Keith Evans | * Councillor Roy Perry |
| Councillor Christopher Carter | * Councillor Stephen Philpott |
| * Councillor Adrian Collett | |
| * Councillor Judith Grajewski | |
| * Councillor Keith House | |

*Present

7. **APOLOGIES FOR ABSENCE**

Apologies were received from Cllr Chris Carter

8. **DECLARATIONS OF INTEREST**

Members were mindful that where they believed they had a Disclosable Pecuniary Interest in any matter considered at the meeting they must declare that interest at the time of the relevant debate and, having regard to the circumstances described in Part 3, Paragraph 1.5 of the County Council's Members' Code of Conduct, leave the meeting while the matter was discussed, save for exercising any right to speak in accordance with Paragraph 1.6 of the Code. Furthermore Members were mindful that where they believed they had a Non-Pecuniary interest in a matter being considered at the meeting they considered whether such interest should be declared, and having regard to Part 5, Paragraph 2 of the Code, considered whether it was appropriate to leave the meeting whilst the matter was discussed, save for exercising any right to speak in accordance with the Code.

9. **MINUTES OF PREVIOUS MEETING**

The minutes of the last meeting were reviewed and agreed.

10. **DEPUTATIONS**

No deputation requests were received.

11. **CHAIRMAN'S ANNOUNCEMENTS**

The Chairman had no announcements on this occasion.

12. **MEMBERS' ALLOWANCES SCHEME FOR 2018/19 & MEMBERS' ALLOWANCES SCHEME FOR 2018/19, 2019/20, 2020/21 & 2021/22**

The Committee considered the report of the Chief Executive setting out the recommendations of the Independent Remuneration Panel (IRP) with regard to the Members' Allowances Scheme for 2017/18 together with a Scheme for 2018/19, 2019/20, 2020/21 and 2021/22.

The report was introduced and the legal ability of the Council to make a new Scheme or to amend an existing Scheme was confirmed. Members noted that in doing this, the Council had a responsibility to ask the IRP for recommendations and to have regard to these in reaching a decision. The recommendations of the IRP were set out in the appendix to the report.

With reference to the report, the Committee considered a number of specific points recommended by the IRP, along with the general principle that the Scheme be set for a four year period with adjustments to be made in accordance with an agreed index.

With regard to the Special Responsibility Allowance (SRA) for the Assistant to the Executive – Rural Affairs Champion, the IRP had considered supporting information about the role and its development over the past 12 months. . It was highlighted that the increasing role of Town and Parish Councils would likely cause the significance of the position and the workload to increase going forward. With this in mind, the Committee agreed to support the recommendation of the IRP for no increase and supported a further review in 12 months, to allow consideration of any change in the role.

The IRP recommendation for no change to the formula for the calculation of the SRA for opposition spokespersons was noted and accepted by the Committee. It was agreed that comparison in the value of the opposition spokesperson SRA before and after the introduction of the formula would be investigated.

Recommendations for the introduction of an SRA for Co-opted Scheme Member Representatives on the Hampshire Pension Fund Panel and Board were considered and supported.

The Committee considered the recommendations of the IRP regarding childcare and dependents' carers allowances, in particular the need to balance responsibility for public money with a fair level of support to enable elected Members to carry out their duties and the provision of an efficient means for reclaiming costs. With this in mind a range of options were discussed, including paying the actual cost of care, linking it with the national living wage and linking it with the rate paid by the County Council for similar care provision. It was noted that Members' expense claims were spot checked and therefore relied largely on self-policing. It was proposed and agreed that it was desirable that allowances should be reflective of actual cost, whilst retaining an open, efficient and transparent process, and that officers should review and advise on appropriate means to identify a cap. It was furthermore agreed that the cap could differ between childcare and dependents' carers claims.

The recommendation for the provision of an index equivalent to grade H and above for Council staff by which future amendments to the Scheme should be made until 2021/22 was acknowledged and supported. It was agreed that this should include the posts technically outside of the Members' Allowances Scheme, such as Chairman and Vice-Chairman of the Council. The clarification of time limits for the claiming of expenses was also supported.

Resolved:

1. That the EHCC Committee recommend to the County Council that approval be given to amendment of the Members' Allowances Scheme for 2017/18 and to a Members' Allowances Scheme for 2018/19, 2019/20, 2020/21 and 2021/22, which takes into account the recommendations of the Independent Remuneration Panel and the views of the EHCC Committee. Namely:

With regard to the Members' Allowances Scheme 2017/18

- That the SRA for the position of Assistant to the Executive – Rural Affairs Champion remain at £4,345 per annum being 25 per cent of an Executive Cabinet Member SRA, to be reviewed in 12 months time.
- That the SRA for Minority Group Spokespersons remains in line with the formula adopted by the full Council on 20 February 2014, subject to review in the future and on submission of a business case evidencing how the role has developed.

With regard to the Members' Allowances Scheme 2018/19, 2019/20, 2020/21 and 2021/22

- That an SRA of £675 per annum be payable to the Co-opted Scheme Member Representatives of the Hampshire Pension Fund Panel and Board from 1 April 2018.
- That the Basic Allowance and Special Responsibility Allowances payable to Members be increased in line with any nationally agreed pay award for staff at grade H and above from 1 April 2018 and thereon annually for 2019/20, 2020/21 and 2021/22.
- That in future any allowances payable under other legislation be adjusted in line with any adjustment to allowances under the Members' Allowances Scheme.
- That further consideration be given to revising Childcare and Dependents' Carers Allowances reflective of actual costs, retaining an efficient and transparent approach in line with the County Council's payment processes, but subject to an upper limit.

2. That the proposal in regard to clarification of the procedure for claiming Members' expenses referred to at paragraph 5.1 is agreed.

13. **HAMPSHIRE COUNTY COUNCIL PAY STATEMENT - FINANCIAL YEAR 2018/19**

The Committee considered a report of the Chief Executive regarding the County Council's annual pay statement.

It was confirmed that the Council has a legal responsibility to publish an annual pay statement, that this did not set any pay policy but was a reflection of what was in place already. A query was raised regarding severance payments and it was explained by the Monitoring Officer that this was a complex area but the position was in accordance with current legislation.

The recommendations in the report were considered and it was resolved:

1. That the EHCC Committee recommends to the County Council approval of the Pay Statement as detailed in this report and at Appendix A, setting out the County Council's policies in respect of pay accountability for the financial year 2018/19 in accordance with the requirements of the Localism Act,
2. That the EHCC Committee recommends to the County Council that it remains the appropriate Committee to agree Chief Officer remuneration, for Chief Officers above Grade K, including individual salary offers in respect of any new Chief Officer appointments, any changes to Chief Officer salaries after appointment and any severance packages for Chief Officers leaving the County Council, in accordance with the Pay Statement.
3. That the EHCC Committee delegates authority to the Chief Executive, in consultation with the Chairman of the EHCC Committee, to make any changes to the draft Pay Statement consequential upon any changes to legislative requirements or other statutory guidance or changes to salaries of staff determined prior to consideration of the Pay Statement by full Council.

14. LEGISLATION UPDATE

The Committee considered the report of the Director of Corporate Resources regarding recent and pending legislative changes.

The report was introduced and key points relating to exit payments and the calculation of redundancy pay were highlighted.

The recommendations in the report were considered and it was resolved:

1. To note the developments on the Gender Pay Gap report.
2. To note the developments in relation to Exit Payment amendments.
3. To agree the proposed clarification in the Redundancy Policy
4. That a further update is provided at March 2018 meeting of EHCC

15. EHCC APPRENTICE PAY FRAMEWORK

The Committee considered a report of the Director of Corporate Resources regarding the Apprentice Pay Framework.

The context of the apprenticeship levy was set out and it was confirmed that the new framework encouraged apprenticeships to be possible at all grade levels and therefore in consultation with schools the current pay framework which focussed on apprenticeship pay at sub grades A and B needed to be withdrawn.

It was noted that a small number of schools had indicated a preference for using lower national minimum wage rates and explained they were free to do so at their own risk of equal pay challenge. The Committee welcomed publicity of a decision on the framework to school governors in order to highlight the risks and their responsibilities..

The recommendations in the report were considered and it was resolved:

That EHCC Committee:

1. Agree the adoption of a new Apprentice Pay Framework to be fully implemented on 1st April 2018, and that the Framework operates within existing EHCC pay scales. A detailed transition plan for all current apprentices on Grade Minus arrangements will be developed to transfer to newly created apprentice roles and positions in accordance with the new pay framework outlined in this paper.
2. Agree the withdrawal of the existing EHCC Apprenticeship 'grade minus' policy, this having been developed specifically as part of the Hampshire Youth Investment Programme.
3. Agree that the current 'Apprentice First' policy be formally extended from the current grades A-C to all roles appointed on EHCC terms & conditions, grades A-K.
4. Note the right of schools under the School Staffing Regulations (2009) to appoint staff, the flexibility that this affords them in the context of the Apprenticeship Levy and the associated risks.
5. Note the right of the Local Authority under the Scheme for Financing Schools (2015) (Section 6) to charge to a school's budget any awards by courts and industrial tribunals against the authority, or out of court settlements, arising from action or inaction by the governing body contrary to the authority's advice.
6. The County Council should write formally to school governors outlining the risks of paying outside of the policy and that the Council would use the right of the Local Authority under the Scheme for Financing Schools (2015) (Section 6) to charge to a school's budget any awards by courts and industrial tribunals against the authority, or out of court settlements, arising from action or inaction by the governing body contrary to the authority's advice.
7. Agree that a technical amendment be made to SAP to include the statutory Apprentice and age-related National Minimum and Living Wage rates as detailed in appendix 1. If approved, this facility would also be available to non maintained schools.

16. **PAY UPDATE**

The Committee considered a report of the Director of Corporate Resources regarding pay in Hampshire County Council.

The context of the EHCC pay scheme not being aligned with the National Joint Committee (NJC) scheme was set out and it was explained that this made the application of nationally agreed pay uplifts more complicated when they were not on the basis of a universal percentage increase. It was clarified that further

details of national changes were awaited to be able to understand the extent of the challenge.

The recommendation was considered and it was resolved to note the update provided in the report.

Chairman,

HAMPSHIRE COUNTY COUNCIL REPORT

Committee/Panel:	Employment in Hampshire County Council
Date:	28 March 2018
Title:	The Apprenticeship Levy - update
Report From:	Director of Culture, Communities and Business Services

Contact name: Karen Murray

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1. Recommendations

- 1.1. It is recommended that EHCC note the progress to date within the County Council to implement the levy and developing our Apprenticeship programme.

2. Executive Summary

- 2.1. Following its approval of a new Apprentice Pay Framework in November 2017, this paper provides a further update to the EHCC Committee on the implementation of the County Council's Apprenticeship Levy (the levy) programme.
- 2.2. The update covers policy and operational developments, and highlights activity undertaken to date to develop the Hampshire Apprenticeship and Hampshire School's Apprenticeship programmes. It also includes an update on national policy developments and comments on the operation of the scheme in accordance with national guidelines.
- 2.3. Specifically, this paper addresses three key issues raised at the EHCC committee meeting in November, namely; communications with schools; implementation of policy; and use of levy funds.

3. The Apprenticeship Levy and the public sector

- 3.1 The Apprenticeship Levy was introduced in April 2017 as part of the government's Apprenticeship reform programme. Placing employers at the heart of the reforms, government is targeting three million new apprenticeship starts by 2020. The policy has cross-party support and forms an element of the wider reforms of technical and work-based education (in England).

- 3.2 The levy requires all employers in England, across all sectors, who have an annual salary bill of £3.0m or above to pay 0.5% of their wage bill into a digital account. An allowance is applied of £15,000. Funds within the account are available only to fund approved Apprenticeship training (delivered by an approved Apprenticeship provider) and associated end-assessment.
- 3.3 Two of the largest sectors liable for the levy are the NHS, whose total liability is estimated at more than £225m p.a., and local government whose liability is estimated by the LGA to be £207m p.a.
- 3.4 Associated with the reform programme, Government has also introduced a public sector Apprenticeship target of 2.3% (Apprentices as a proportion of the workforce). For local government, LGA estimates that this may equate to a total of 36,000 Apprenticeship starts p.a. across Local Government (in England). Actual starts across the sector last year were c. 6,000, suggesting that a growth of c. 600% is required across the LA sector to 'earn back' annual levy contributions.
- 3.5 For Hampshire County Council, the 2.3% target equates to c. 750 Apprentices. Estimated total Apprenticeship starts in 2017/18 is 150 suggesting a growth requirement of c. 500% to 'earn back' the County Council's annual levy liability.
- 3.6 Apprenticeships and the reform of technical education are part of a wider set of policy initiatives from government seeking to secure future economic growth and higher levels of productivity. In the context of the UK's pending exit from the European Union, our ability to utilise the full talents of our community will be all important. Hampshire County Council, via Hampshire Futures, is developing a skills action plan for Hampshire (working title 'All Our Talents') at the heart of which will be the further expansion of Apprenticeships as a means of delivering the future skills needs of the economy.

4. Levy contributions and use of funds

- 4.1 Hampshire County Council has one digital account, managed by Hampshire Futures, covering all constituent parts of the organisation, corporate departments and schools for which the County Council is the legal employer.
- 4.2 The means by which we are able to earn-back levy contributions is restricted and determined by central government. Funds can only be used to pay for approved Apprenticeship training (known as standards – see below) and associated end assessment via an approved provider.
- 4.3 The development of Apprenticeship standards, which are replacing Apprenticeship Frameworks, aim to ensure that employers determine the contents of the qualifications so that they meet their current and future skills needs. To this end, Apprenticeships are aimed at existing staff as much as new entrants and are increasingly used to support continued professional development. The rapid development of Higher and Degree level Apprenticeships reflect this shift.

- 4.4 Once approved, all new Apprenticeship standards are assigned one of 15 funding bands ranging from £1000 to £27,000 total (March 2018). Although we can negotiate the fee within a band, the banding thresholds are set by government.
- 4.5 The development of new Apprenticeships Standards, allowing employers to replace existing non-Apprenticeship training with levy funded provision, is undertaken by a government derived Trailblazer programme and overseen by the Institute for Apprenticeship (IfA).
- 4.6 The development time for a new Apprenticeship standard is, on average, currently 18-24 months plus. This together with the tension of balancing the ability to achieve business and service deliverables with the requirement for a 20% abstraction rate to undertake off the job training is frustrating employers' ability to fully utilise their levy funds. The pace of the Trailblazer process is further compounded by the requirement to have separate and independent end-assessment arrangements for every new standard, with many awarding bodies slow or reluctant to offer end assessment.
- 4.7 The estimated annual levy contribution for the County Council is c. £3.5m. This includes contributions from schools and other bodies for whom the Local Authority is the legal employer. The profile is approx. £2.2m contribution from schools for which the local authority is the legal employer and approx. £1.3m for corporate departments and other business operating units.
- 4.8 As of 1 March 2018, the County Council had a balance of £2.8m in its digital account. This includes a 10% top-up payment from government. Against this forecast spend, based on 122 'levy funded' Apprentices, is c. £500,000 (to 2022). This figure is increasing weekly as new starts are enrolled.
- 4.9 Funds remain in the digital account for a period of 24-months (rolling) before being returned to the Treasury. The government has not yet provided any guidance as to how unused funds are to be used.
- 4.10 An illustrative list of Apprenticeship standards being delivered, and by which provider, is shown in appendix 1.

5. Implementation and influencing future policy

- 5.1. The scale of opportunity that the levy represents is reflected in the financial information set out in section 3. By the same measure, it underlines some of the practical restrictions and frustrations with associated processes that are limiting employers' ability to utilise their levy funds.
- 5.2. The levy has been set at a level to fund the government's future ambitions for Apprenticeships volumes, not the current reality. We are making good progress in utilising the levy funds to support workforce development but recognise

further and significant progress is to be made. The policy decisions taken by EHCC support this effort and are having a good impact.

- 5.3. Government data for England shows that for the first three months of the levy operation, May to July 2017, there was a 61% reduction in Apprenticeship starts compared to the same period in 2016. Starts for May alone were over 90% down on the previous year, although it should be noted that there was a spike in April as employers sought to enrol new apprentices prior to the introduction of the levy. Overall starts for the FY 2016/17 were down 2.5% on the FY 2015/16 (493k against 503k). Data for the FY 2017/18 will be available later in 2018 but the downward trend is expected to continue.
- 5.4. The above data has been used to add to the call on Government to flex the operation of the levy, including flexibilities that the County Council had lobbied for prior to the introduction of the levy in May. That an estimated third - half of all employers in scope had not set up their levy account six months after it was introduced is, perhaps, reflective of the complexity and rigidity of the scheme.
- 5.5. Aimed at allowing employers to make better use of the available resource in pursuit of Government policy, proposals have included use of levy funds to manage employer Apprenticeship programmes (employers are not allowed to charge a management fee to their levy account), to develop new Apprenticeship standards (this is unfunded activity), and use of the levy to fund the salaries for particular employees such as those previously unemployed, those returning to the workplace and those at risk of redundancy.
- 5.6. The County Council has been invited as part of a small group of leading local authorities (identified for their best practice) to advise the DfE on the implementation of the levy within local government thus far. This afforded a further opportunity to press for the aforementioned flexibilities although it is clear that there is limited scope for reforms in the short term.
- 5.7. A new flexibility will be introduced in 2018. Levy paying employers will be able to passport up to 10% of their annual levy contribution to their supply chain. We await further guidance on this from the DfE including the definition of 'supply chain'. This development is viewed as a positive and could be used to support an Apprenticeship-based workforce development offer in, for example, the Hampshire third sector and Hampshire town and parish councils. If guidance supports, this is likely to commence in the autumn 2018.
- 5.8. Separately, the County Council has been approached by one of its private sector strategic partners who, having determined that they will not fully utilise their levy funds, have offered 10% of their levy contribution to support Apprenticeships in schools. We are actively exploring how we may best utilise this generous offer without mitigating efforts to fully utilise Hampshire school's own contributions.
- 5.9. Corporately, good and ongoing efforts are being made to increase the number of Apprenticeship starts. For example, this includes a Project Management

Apprenticeship programme with the Emergency Planning Team and an IT & Digital Apprenticeship programme to support talent attraction in our Corporate IT Team. There are challenges in places between the prescribed nature of the scheme and the operational necessities of service delivery. Greater flexibility in the scheme would allow these challenges to be mitigated, for example further guidance and flexibility around the requirement for 'off the job' training.

- 5.10. Later in 2018, we will be launching a Leadership & Management Apprenticeship pilot to test how Advanced and Higher level Apprenticeships can complement the existing Workforce Development Leadership & Management offer. A key element of the planning for this pilot – and indeed all Apprenticeships – is to map the Apprenticeship standards to both the existing offer and role profiles.
- 5.11. The response across corporate departments to the introduction of the levy has been positive. Much time in the first six months has necessarily been spent ensuring we have the operational and policy basis on which to develop and grow our Apprenticeship programme. This is being supported across the organisation including by the new Hampshire Strategic Apprenticeship Team which is resourced with dedicated Development Managers, one each for corporate departments and Hampshire schools.

6. Procurement and support to other public sector bodies

- 6.1. The procurement of external Apprenticeship training and end assessment by the County Council is subject to public procurement regulations. To this end we are establishing a Hampshire Apprenticeship provider framework. A procurement exercise was launched in January and will be in place by early summer 2018. A prospective provider briefing event was held in September 21017 with 49 providers attending.
- 6.2. The approach to Apprenticeship procurement being pursued by the County Council has been commented upon by the EFSA (funding body) and partner LAs as representing emerging best practice. Consequently, all 11 Hampshire District and Borough Council's have been asked to be named on the framework, as have Hampshire Fire & Rescue, Hampshire Constabulary, Southampton City Council, Portsmouth City Council and the IOW Council. It is hoped that their wish to be included in our procurement exercise can lead to greater levels of collaboration between the Hampshire Local Authorities around this agenda including, potentially, a future shared service Apprenticeship scheme.
- 6.3. All Hampshire Academies have been named on the County Council's Apprenticeship provider framework. A small – but growing – number of these have approached the County Council to explore how we may operate their levy programme on their behalf. If agreed, this will provide a contribution towards the resourcing of the Hampshire Strategic Apprenticeship Team.

7. Communicating policy and supporting compliance

- 7.1. At its meeting in November 2017, the EHCC committee approved the adoption of a new Apprentice Pay Framework. Consequently, from 1 April 2018 all HCC Apprentices will be paid 'the grade for the role'. Committee also approved the extension of the 'Apprentice First' policy' to all EHCC pay grades.
- 7.2. Subsequent to the committee's approval, the new policy has been widely communicated. Colleagues in payroll have been making the necessary technical amendments to both apply the new pay framework and transition any continuing Apprentices on 1 April 2018 to their new pay grade, where required.
- 7.3. Schools were extensively consulted in the formulation of the new Apprentice Pay Framework which, when formally adopted, constituted Local Authority advice. Consequently, it is our expectation that all schools comply with the approved policy.
- 7.4. We have written to all schools (Head teachers and Chairs) via an all-schools communication. We have also communicated policy directly through Area and District Head teacher forums. This has included clear reference to the associated risks and liabilities, financial and other, which sit directly with those individual schools that choose not follow Local Authority advice.
- 7.5. Since approval of the Apprentice Pay Framework in November, all school-based Apprenticeships have been advertised on a 'grade for the role' basis. As well as the merits of the County Council's new approach to Apprentice pay, the challenge of recruiting high calibre candidates is itself affecting behaviour.
- 7.6. The operation of the County Council's (single) levy account is such that no recruiting manager or organisational unit, corporate or school, can access funds without first engaging with the Strategic Apprenticeship Team. This affords a direct opportunity to support recruiting managers to identify the most appropriate Apprenticeship standards to meet need, to challenge any schools who are seeking to vary from the aforementioned policy and to ensure that policy is being applied accordingly.
- 7.7. A further assertion of the Local Authority's formal advice will be communicated to schools as part of the issuing of updated guidance within the Personnel Handbook this spring term.

**CORPORATE OR LEGAL INFORMATION:
Links to the Corporate Strategy**

These proposals support Aim 1 of the Corporate Strategy, 'Hampshire maintains strong and sustainable economic growth and prosperity', through the following outcomes:

- helping people into work and to develop and maintain skills
- planning and delivering appropriate development and infrastructure.

Other Significant Links

Links to previous Member decisions:

Title

Corporate Apprenticeship Scheme - Hampshire Youth Investment Programme (HYIP)

Pay, Policy & Legislative Update

EHCC Apprenticeship Pay Framework

Date

15 July 2013

12 July 2017

22 November 2017

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

Document

Location

None.

IMPACT ASSESSMENTS

1. Equality

1.1 *The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:*

- *Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;*
- *Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;*
- *Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.*

Due regard in this context involves having due regard in particular to:

- a) *The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;*
- b) *Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;*
- c) *Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.*

1.2 Equalities Impact Assessment:

It is not envisaged there will be any equalities impact, however as this is not yet implemented, we are not yet able to fully determine the impact to the Council.

2. Impact on Crime and Disorder:

2.1 *Not applicable.*

3. Climate Change:

(b) *How does what is being proposed impact on our carbon footprint / energy consumption?*

Not applicable.

(c) *How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?*

Not applicable.

HCC Apprentices as at 1st March 2018**No. on Levy Account = 122**

Technical Pathway	Level	Provider	No. apprenticeships
Business Admin	L2	Hampshire Futures	20
Business Admin	L3	Hampshire Futures	16
Business Admin (standard)	L3	Hampshire Futures	9
Business Admin (standard)	L3	Fareport Training	1
Business Admin Prof	L4	Eastleigh College	2
Adult Care	L2	Hampshire Futures	2
Lead Adult Care	L3	Hampshire Futures	4
Supporting Teaching & Learning	L3	Hampshire Futures	5
Supporting Teaching & Learning	L3	Eastleigh College	2
Commis Chef	L2	South Downs College	1
Chartered Surveyor	L6	Portsmouth Uni	4
AAT	L3	Portsmouth College	1
Customer Care	L2	Hampshire Futures	1
Food Processing	L2	Eastleigh College	19
Catering and Professional Chefs	L2	Eastleigh College	2
Hospitality and Leadership	L3	Eastleigh College	3
Hospitality Supervisor (std)	L3	Eastleigh College	1
Early Years Education	L3	Peter Symonds	10
Early Years Education	L3	Globeus Training	1
Early Years Education	L3	Sparsholt College	1
Facilities Services	L2	Eastleigh College	1
Facilities Services	L2	Hit Training	1
Facilities Management	L3	Eastleigh College	1
AAT	L3	Kaplan	3
Profession Accounting Taxation Technician	L4	Kaplan	2
Civil Engineering	L3	Southampton City	4
Agriculture	L2	Sparsholt	1
Agriculture	L3	Sparsholt	1
IT & Telecomms	L3	ITEC	2
Heavy Vehicle Service and Repair	L2	Paragon	1

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HAMPSHIRE COUNTY COUNCIL REPORT

Committee/Panel:	Employment in Hampshire County Council
Date:	28 March 2018
Title:	Pay and Legislation Update
Report From:	Director of Corporate Resources

Contact name: Nichola Andreassen

Tel: 01962 847361

Email: nichola.andreassen@hants.gov.uk

1. **Recommendation:**

1.1 EHCC are asked to:

- note the application of the 2018 NJC national pay award to EHCC grades A to G, in accordance with the EHCC collective agreement;
- note the application of a temporary increase to step 1 of Grade A if the NJC pay award is not implemented in time for 1 April 2018;
- give authority to implement the 2018 NJC pay award to grades H to K, and those staff paid above grade K as long as it is in line with the current final offer of 2%. A pay award that is higher than this will need to be brought back to EHCC for agreement;
- note that it is not possible at this time to make a recommendation of the best option for managing the implications of the 2019 NJC pay award and the new NJC pay framework for the EHCC pay framework. The position will continue to be closely monitored with options being developed for agreement by EHCC;
- note the developments on the Gender Pay Gap report;
- note the developments in relation to Exit Payment amendments;
- further updates on the legislative changes will be provided only when further information is available.

2. **Executive Summary**

2.1 The purpose of this paper is to:

- i) Provide an update on the national pay award and proposals for a new pay framework for the National Joint Committee (NJC) for Local Government Services, and

- ii) Outline arrangements for the temporary increase to the EHCC pay framework to meet the National Living Wage (NLW) increase from 1 April 2018, should the 2018 pay award not be agreed in time for implementation in April 2018.
- iii) provide an update on recent and pending legislative changes and recommend that a further update be provided to EHCC when is available.

3. **Context**

- 3.1 A paper was submitted to the Committee in July 2017 which explained the possible impact of the National Living wage (NLW) and national pay award on the EHCC pay framework.
- 3.2 In July, the Committee gave it's authority to implement the 2018 pay increase as long as it is in line with NLW and 1%. A pay award that is higher than this will need to be brought back to EHCC for agreement.
- 3.3 In November, a further paper was submitted to this Committee providing an update on the national pay award and proposals for a new NJC pay framework for the NJC for Local Government Services.
- 3.4 The key points to note are that the:
- 3.5 EHCC pay framework is different to the national NJC pay framework, in terms of both grades and salaries.
- 3.6 EHCC agreement requires the national pay award (percentage or monetary amount) to be applied to EHCC grades of A to G inclusive. For grades H and above the salary ranges are reviewed by HCC in consultation with the Trade Unions.
- 3.7 The Medium Term Financial Strategy (MTFS) included provision for a 1% per annum national pay award and an element for the predicted impact of the NLW.

4. **Current position of NJC pay award**

- 4.1 On 5 December 2017 the National Employers made a 2 year final pay offer to the Trade Unions (TUs) side, covering the period 1 April 2018 to 31 March 2020 as detailed in **Appendix 1**.
- 4.2 The Unions will now hold consultative ballots of their members on the final pay offer. Unison and Unite are recommending rejection among their members. GMB are recommending that their members accept the final pay offer. The three Unions have co-ordinated their consultations to end in early March so that they can jointly announce the result in mid-March.
- 4.3 **The NJC pay offer:**
 - Year 1 (1 April 2018): staff on NJC scale points (SCPs) 20 and above will receive a 2% pay increase. Staff paid below SCP 20 will receive varying increases ranging from 3.7% to 9.2%. This will result in a new bottom rate of £8.50 per hour.

- Year 2 (1 April 2019): the lowest NJC SCP rate will increase to £9.00 per hour. This is to ensure that the bottom rate of the new NJC pay spine is not pegged to the NLW rate, allowing some headroom for future increases to the NLW. A new NJC pay framework will be created by 'pairing off' the existing bottom twelve pay points into six new pay points with an even increment of 2% between new SCP's 1 to 22. From SCP's 23 onwards, a flat-rate increase of 2% and retention of the current differentials will be applied.

5. **Current position of the NLW**

- 5.1 From 1 April 2018 the NLW will increase by 4.4% to £7.83 per hour, which equates to an annual salary of £15,106.44 per annum.
- 5.2 The Council has a statutory responsibility to ensure staff on the EHCC pay framework are paid at least the NLW.

6. **Action to be taken by HCC to meet NLW requirements from 1 April 2018**

- 6.1 Step 1 of Grade A is the only pay point on the 2017 EHCC pay framework which will fall below the new 2018 NLW rate, should the NJC pay award not be implemented in time for 1 April 2018.
- 6.2 If, as expected, the NJC pay award is not agreed in time for implementation in April 2018 the Council will need to ensure that all staff paid on the EHCC pay framework are paid at least the NLW of £7.83 per hour from 1 April. To meet this legal requirement an interim increase to £7.83 per hour, which equates to £15,106.44 per annum, will be applied to the base pay of staff on step 1 of Grade A, from 1 April 2018. This will affect approximately 380 staff.

7. **Future implementation of the NJC pay award**

- 7.1 A pay agreement will not be reached in time for an April 2018 implementation and dependant upon the final agreement this may require EHCC approval. Once agreed, the NJC pay award will be applied to HCC's 2017 pay scales, backdated to 1 April 2018. As a result of the NJC pay award being applied, the interim increase in pay for those members of staff referenced at 5.2 will be removed and the pay increase applied to their salary as at 31 March 2018 and, all staff will move onto the appropriate 2018 pay scales.

8. **Financial implications**

- 8.1 The MTFs included provision for a 1% per annum pay award (impact on cash limited budgets for each 1% increase is circa £2.5m) and an additional allowance rising to £5m by 2020 for the impact of the NLW on the directly employed workforce within cash limited services.
- 8.2 The two year pay offer, consisting of a 'core' increase of 2% for each of the next two years and changes to the lower pay scales to accommodate the impact of the NLW has been made by employers. The overall impact of this on cash limited service could equate to increases of around 3% each year for the next two years.

Depending on the final pay award that is agreed this could mean additional recurring costs of circa £5m need to be met.

- 8.3 As part of the budget setting process on 22 February County Council approved a council tax increase of 5.99% in 2018/19, reflecting the change in the referendum limits announced by the Government for 'core' council tax which for the County Council rose from 2% to 3%. This additional 1% increase, over and above the assumptions set out within the MTFs, will generate additional income of £5.7m in 2018/19 and has allowed provision to be made within contingencies to meet these forecast additional recurring costs.
- 8.4 The impact of the pay offer on other areas such as Trading Units and Schools will be greater due to the grade profile of the workforce. This was recognised previously and further work is underway to consider the potential financial implications.
- 8.5 The pay increases arising from the two year pay offer will help to address the widening pay disparity with the market, particularly at the lower levels, and help to redress the impact of the historic pay freezes on skills shortages and potentially Brexit. However, it must be noted that the resulting higher costs take place at a time of continued austerity when the Council still needs to deliver significant savings.

9. **Next Steps**

- 9.1 The Unions will now hold consultative ballots of their members on the final pay offer. Interim updates will be brought to EHCC as more information becomes available.
- 9.2 If the NJC pay award is not agreed in time for implementation in April 2018 a temporary increase to step 1 of grade will be applied to meet the NLW increase from 1 April 2018.
- 9.3 In view of the increased final pay offer EHCC are asked to approve the implementation of the 2018 NJC pay award to grades H to K, and those staff paid above grade K as long as it is in line with the current final offer of 2%. A pay award that is higher than this will need to be brought back to EHCC for agreement.
- 9.4 Once the final pay award has been agreed a recommendation of the best option for managing the implications of the new NJC pay framework for EHCC from 1 April 2019 will be brought to EHCC for consideration.
- 9.5 At the time of writing this paper, the known position is as described. If any further information is provided ahead of the meeting, then a verbal update will be provided.

10. **Employment Legislation Update**

10.1 **Mandatory Gender Pay Gap Reporting**

- 10.2 The project is on track to allow the County Council to meet its statutory obligations. The data will be published 29 March on the dedicated .gov website.

10.3 Exit Payment Cap, Exit Payment Recovery and Further Changes to Exit Payments

10.4 A Private Members Bill “The Public Sector Exit Payments (Limitation) Bill” is being considered by Parliament, with a second reading on 2 May 2018. There is no further update at the time of writing.

**CORPORATE OR LEGAL INFORMATION:
Links to the Strategic Plan**

These government proposals do not link to the Strategic Plan but potentially impact the County Council's workforce strategy.

Other Significant Links

Links to previous Member decisions:

<u>Title</u>	<u>Date</u>
Update on proposed Government policy changes	11 November 2015
Update on Government proposed policy changes	9 March 2016
2016 National Pay Award and National Living Wage	9 March 2016
Pay and Policy Update	10 November 2016
Pay and Policy Update	14 March 2017
Pay, Policy and Legislation Update	12 July 2017
Pay Update	22 November 2017

Section 100 D - Local Government Act 1972 - background documents

The following documents discuss facts or matters on which this report, or an important part of it, is based and have been relied upon to a material extent in the preparation of this report. (NB: the list excludes published works and any documents which disclose exempt or confidential information as defined in the Act.)

<u>Document</u>	<u>Location</u>
None.	

IMPACT ASSESSMENTS

1. Equality

1.1 The County Council has a duty under Section 149 of the Equality Act 2010 ('the Act') to have due regard in the exercise of its functions to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between persons who share a relevant protected characteristic (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation) and those who do not share it;
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Due regard in this context involves having due regard in particular to:

- a) The need to remove or minimise disadvantages suffered by persons sharing a relevant characteristic connected to that characteristic;
- b) Take steps to meet the needs of persons sharing a relevant protected characteristic different from the needs of persons who do not share it;
- c) Encourage persons sharing a relevant protected characteristic to participate in public life or in any other activity which participation by such persons is disproportionately low.

1.2 Equalities Impact Assessment:

It is not envisaged there will be any equalities impact, however as the LGA has not yet completed the review of their pay framework we are not yet able to fully determine the impact to the Council's pay framework.

2. Impact on Crime and Disorder:

2.1 Not applicable.

3. Climate Change:

(a) How does what is being proposed impact on our carbon footprint / energy consumption?

Not applicable.

(b) How does what is being proposed consider the need to adapt to climate change, and be resilient to its longer term impacts?

Not applicable.

National Employers for Local Government Services

To: **Chief Executives in England, Wales and N Ireland**
(additional copies for HR Director and Finance Director)
Members of the National Employers' Side
Regional Directors

5 December 2017

Dear Chief Executive,

LOCAL GOVERNMENT PAY 2018

I am writing to update you on the work we have been doing on your behalf on the local government national pay negotiations for 2018.

The National Employers have today made a final pay offer covering the period 1 April 2018 to 31 March 2020. A letter sent to the trade unions setting out the detailed offer is attached at **Annex A** and a copy of the Employers' press release is attached at **Annex B**.

The Pay Offer

1 April 2018 ('Year One'):

Bottom-Loading on SCPs 6-19 incl

The Employers considered it was necessary for higher increases on the lower pay points in order to continue to close the significant gap with the National Living Wage (NLW). Therefore this part of the offer would result in a new bottom rate of £8.50 per hour on SCP6

Increase on SCPs 20 and above

A flat-rate increase of 2.0%

This first year of the pay offer would increase the national paybill by 2.707%

1 April 2019 ('Year Two'):

The Employers agreed that the bottom rate of the new pay spine should not be pegged to the NLW rate but should allow for some 'headroom'. Therefore the offer is for a bottom rate of £9.00 per hour

In order to deal with the compacting of differentials at the lower end of the spine it is proposed that the existing bottom twelve pay points are 'paired off' into six new pay points, ie. current SCPs 6 & 7 become the new SCP1; current SCPs 8 & 9 become the new SCP2 etc until you reach current SCPs 16 & 17 which become the new SCP6

To further dilute the impact of compacting the lower pay points, the offer includes 'ironing out' the current random gaps between pay points and having even increments of 2.0% between new SCPs 1 to 22 incl (equivalent to SCPs 6 to 28 on the current spine). This portion of the pay spine covers approximately 60% of NJC employees

From new SCP23 onwards, a flat-rate increase of 2.0% and retention of the current random differentials

This second year of the pay offer would increase the national paybill by 2.802% The total increase to the national paybill over the two-year period would be 5.584%

Background

This pay offer is much more complex than any offer since the Single Status agreement in the mid-1990s, so I want to set out in detail the reasons behind it.

The introduction of the National Living Wage (NLW) was announced by George Osborne in his July 2015 Budget. He indicated that its target level was to reach 60% of median hourly earnings by 2020. At the time of the announcement, the forecast for 2020 was £9.35 per hour and in his speech Mr Osborne referred to it being "at least £9.00", although the most recent (November 2017) Office of Budgetary Responsibility forecast was £8.56.

At the time of the Chancellor's statement in 2015 the minimum hourly rate on the 'Green Book' pay spine was £7.00. That meant that it would have to increase by approximately £2.00 in five years if the initial 'target' for the NLW in 2020 of £9.00 was to be reached. By way of context, the increase in the bottom rate from £5.00 to £7.00 had taken thirteen years to achieve (2002-15).

The current two-year pay agreement covering 1 April 2016 to 31 March 2018, made some headway in bridging that gap and introduced minimum hourly rates of £7.52 (1 April 2016) and £7.78 (1 April 2017). This agreement included some further bottom-loading in each of the two years to assist in maintaining differentials and then annual pay awards of 1.0% further up the pay spine. This two-year deal added 2.40% to the national pay bill. The two-year increase for the lowest pay point was 10.28%. These rates provided some headroom in relation the NLW which was £7.20 (1 April 2016) and £7.50 (1 April 2017). The 1 April 2018 rate announced in the Budget is £7.83.

The 2016-18 pay deal included a commitment for the NJC to review its pay spine. To support the development of an employers' position, a sounding board of about a dozen officers from councils across the country was established. This included a balance in terms of: types of council; geography; those paying / not paying the voluntary living wage; and it also included councils that have local pay bargaining and representation from the regional employers' organisations.

The NJC set up a pay spine review working group to look at what could be done from a technical point of view. It was not a negotiating group and on the Employers' Side included three or four members of our sounding board.

The working group initially agreed to concentrate on potential models that covered one, two and three year options. A one-year settlement assimilating on to a new pay spine in 2018 could not realistically be implemented by councils in the time available. It would also be too costly if it were to start at a level that could ensure compliance with the likely levels of the NLW in 2019 and 2020, without further significant changes to its structure. A three-year settlement, whilst potentially attractive to councils from a financial planning aspect, would involve too much second-guessing of the broader economic position in 2020 and would be much more difficult for the unions to sell to their members.

All the work highlighted above was undertaken in the context of the Government's public sector pay policy remaining at 1.0% until 2020.

The unions' claim was lodged in mid-June. It was for one year and sought a 5.0% increase on all NJC pay points, plus the deletion of the bottom four NJC pay points. The unions made clear in private conversations that in the current climate it would not be possible for them to agree any offer that included 1.0% as the headline rate.

Regional pay consultation briefings took place between late June and August. There was widespread recognition that the work on the pay spine was a necessity as a result of the introduction of the NLW. It was also recognised that this could not be delivered within 1.0% increases to the overall pay bill and there was no suggestion that the additional costs be funded through providing for increases of less than 1.0% for better paid employees.

There was broad consensus on the need to have some 'headroom' from the statutory minimum NLW rate and for a two-year agreement. It was recognised that achieving a collective agreement with 1.0% as the headline rate would be nearly impossible. It was acknowledged that any agreement was likely to add between 4.5%-6.0% to the national pay bill over two years. It was also recognised that costs locally could vary significantly from this depending on a council's workforce profile and that it would have a significant impact on schools' budgets.

The political deliberations over the past few months have been difficult and while there was broad political consensus on issues such as the length of any deal, the need for headroom from the NLW and the need to reconfigure the lower end of the pay spine, this was not the case regarding the headline rate within a potential offer, which meant that in the end the only way to make a decision was to hold a vote in a meeting of the Employers' Side of the National Joint Council, which is the body that is ultimately responsible for these decisions. This is only the second vote on a pay offer since 1997 when the Local Government Services NJC was established.

Therefore whilst the decision to make a headline offer of 2.0% was not reached through consensus, it was achieved in line with the clear voting arrangements set out in the Employers' Side Constitution.

For colleagues in London Boroughs, you will be aware that there are separate pay spines for inner and outer London and in normal circumstances the nationally agreed percentage increases would be applied to the London pay points. However, given the proposed significant changes to the national pay spine, discussions are currently taking

place between London employers and trade unions and further updates will be issued by them in due course.

Finally, there has been a huge amount of technical work involving many colleagues from councils and Regional Employer Organisations from across England, Wales and Northern Ireland that has brought us to this point and we would like to thank them for the advice and assistance that they have provided to the national Secretariat.

Yours sincerely,

Simon Pannell

Simon Pannell
Employers' Secretary

**Heather Wakefield, Rehana Azam, Jim Kennedy Trade Union
Side Secretaries**

**NJC for Local Government Services c/o
UNISON Centre**

**130 Euston Road London
NW1 2AY**

5 December 2017

Dear Heather, Rehana and Jim,

LOCAL GOVERNMENT PAY 2018

I am writing on behalf of the Employers' Side of the NJC to respond formally to the Trade Union Side's pay claim.

The National Employers wish to make the following final offer:

From **1 April 2018**:

- On SCP 6, £1,380 (equivalent to 9.191%)
- On SCP 7, £1,380 (equivalent to 9.130%)
- On SCP 8, £1,380 (equivalent to 9.052%)
- On SCP 9, £1,380 (equivalent to 8.976%)
- On SCP 10, £1,250 (equivalent to 8.006%)
- On SCP 11, £1,200 (equivalent to 7.592%)
- On SCP 12, £1,050 (equivalent to 6.512%)
- On SCP 13, £900 (equivalent to 5.458%)
- On SCP 14, £900 (equivalent to 5.363%)
- On SCP 15, £900 (equivalent to 5.272%)
- On SCP 16, £900 (equivalent to 5.167%)
- On SCP 17, £900 (equivalent to 5.064%)
- On SCP 18, £800 (equivalent to 4.427%)
- On SCP 19, £700 (equivalent to 3.734%)
- On SCPs 20 and above, 2.0%

The Employers acknowledge the constructive way in which the NJC Pay Spine Review Group has worked together over the past eighteen months and therefore propose that a revised pay spine be introduced with effect from **1 April 2019**. The Employers' detailed offer in regard to this is attached as **Annex 1**.

The proposed 2019 pay spine is based on the following:

- A bottom rate of £9.00 per hour (£17,364) on new SCP1 (equivalent to old SCP6)
- 'Pairing off' old SCPs 6-17 incl to create new SCPs 1-6 incl
- Equal steps of 2.0% between each new SCPs 1 to 21 incl (equivalent to old SCPs 6-28 incl)
- By creating equal steps between these pay points new SCPs 10, 13, 16, 18 and 21 are generated to which no old SCPs would assimilate. This would mean that in some organisations the current number of pay points in a grade would change. The Employers therefore suggest that we work together to consider appropriate advice as such issues arise
- On new SCPs 23 and above (equivalent to old SCPs 29 and above), 2.0%

We hope that you will now put this offer to your members for consultation and understand that you will be considering this over the next few days.

Yours sincerely,

Simon Pannell

Simon Pannell
Employers' Secretary

ANNEX 1

1 April 2018			1 April 2019			
SCP	£ per annum	£ per hour*	New SCP	£ per annum	£ per hour*	Old SCP[s]
6	£16,394	£8.50	1	£17,364	£9.00	6/7
7	£16,495	£8.55				
8	£16,626	£8.62	2	£17,711	£9.18	8/9
9	£16,755	£8.68				
10	£16,863	£8.74	3	£18,065	£9.36	10/11
11	£17,007	£8.82				
12	£17,173	£8.90	4	£18,426	£9.55	12/13
13	£17,391	£9.01				
14	£17,681	£9.16	5	£18,795	£9.74	14/15
15	£17,972	£9.32				
16	£18,319	£9.50	6	£19,171	£9.94	16/17
17	£18,672	£9.68				
18	£18,870	£9.78	7	£19,554	£10.14	18
19	£19,446	£10.08	8	£19,945	£10.34	19
20	£19,819	£10.27	9	£20,344	£10.54	20
			10	£20,751	£10.76	
21	£20,541	£10.65	11	£21,166	£10.97	21
22	£21,074	£10.92	12	£21,589	£11.19	22
			13	£22,021	£11.41	
23	£21,693	£11.24	14	£22,462	£11.64	23
24	£22,401	£11.61	15	£22,911	£11.88	24
			16	£23,369	£12.11	
25	£23,111	£11.98	17	£23,836	£12.35	25
			18	£24,313	£12.60	
26	£23,866	£12.37	19	£24,799	£12.85	26
27	£24,657	£12.78	20	£25,295	£13.11	27
			21	£25,801	£13.37	
28	£25,463	£13.20	22	£26,317	£13.64	28
29	£26,470	£13.72	23	£26,999	£13.99	29
30	£27,358	£14.18	24	£27,905	£14.46	30
31	£28,221	£14.63	25	£28,785	£14.92	31
32	£29,055	£15.06	26	£29,636	£15.36	32
33	£29,909	£15.50	27	£30,507	£15.81	33
34	£30,756	£15.94	28	£31,371	£16.26	34

Appendix 1 - NJC Final Pay Offer 2018-2020

35	£31,401	£16.28	29	£32,029	£16.60	35
36	£32,233	£16.71	30	£32,878	£17.04	36
37	£33,136	£17.18	31	£33,799	£17.52	37
38	£34,106	£17.68	32	£34,788	£18.03	38
39	£35,229	£18.26	33	£35,934	£18.63	39
40	£36,153	£18.74	34	£36,876	£19.11	40
41	£37,107	£19.23	35	£37,849	£19.62	41
42	£38,052	£19.72	36	£38,813	£20.12	42
43	£39,002	£20.22	37	£39,782	£20.62	43
44	£39,961	£20.71	38	£40,760	£21.13	44
45	£40,858	£21.18	39	£41,675	£21.60	45
46	£41,846	£21.69	40	£42,683	£22.12	46
47	£42,806	£22.19	41	£43,662	£22.63	47
48	£43,757	£22.68	42	£44,632	£23.13	48
49	£44,697	£23.17	43	£45,591	£23.63	49

*hourly rate calculated by dividing annual salary by 52.143 weeks (which is 365 days divided by 7) and then divided by 37 hours (the standard working week in the National Agreement 'Green Book')

ANNEX B

PRESS RELEASE: 5 DECEMBER 2017

Council employees' pay offer announced

Council employees have been offered a two-year pay increase from 1 April 2018. The majority of employees - those on salaries starting at £19,430 per annum - would receive an uplift of 2 per cent on 1 April 2018 and a further 2 per cent on 1 April 2019, with those on lower salaries receiving higher increases.

The offer also includes the introduction of a new national pay spine on 1 April 2019.

The National Employers, who negotiate pay on behalf of 350 local authorities in England, Wales and Northern Ireland, made the offer to unions today. It will affect over 1 million employees.

Notes to editors

The total increase to the national paybill resulting from this offer is 5.6% over two years (covering the period 1 April 2018 to 31 March 2020).

This pay offer does not apply to council chief executives, senior officers, teachers or firefighters, who are covered by separate national pay arrangements.

The National Joint Council negotiates the pay, terms and conditions of staff in local authorities. It agrees an annual uplift to the national pay spine, on which each individual council decides where to place its employees. Each council takes into account a number of factors such as job size and local labour market conditions when deciding an employee's salary. There are no nationally determined jobs or pay grades in local government, unlike in other parts of the public sector.