



SOUTH
KESTEVEN
DISTRICT
COUNCIL



Employment Committee

Monday, 8 July 2024

Report of Councillor Ashley Baxter,
Leader of Council and Cabinet Member
for Finance, HR and Economic
Development

Pay Award 2024/25

Report Author

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Purpose of Report

The purpose of this report is endorsement from Employment Committee to implement a pay award in line with the National Employers final offer effective from 1st April 2024.

Recommendations

That the Employment Committee:

1. Endorses the Head of Paid Service and Leader of the Council's decision to award a pay rise, effective from 1 April 2024, in line with the National Employers final offer:
 - £1290 (pro rata for part time employees) to be paid as a consolidated, permanent addition on all pay points from SK2 – SK20.
 - An increase of 2.5% on all pay points above SK20.

Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	Effective council
Which wards are impacted?	All Wards

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The budget assumptions that were built into the 2024/25 financial year included an assumed increase of 5% to the Council's salary budget. The increase proposals set out in the report are within the assumed increase levels and are therefore affordable without the need to adjust the current year's budget framework.

Completed by: Richard Wyles (Deputy Chief Executive and s151 Officer)

Legal and Governance

- 1.2 The proposed pay rise complies with the relevant legislation and regulations that govern the remuneration of local government employees including ensuring the bottom scale is above the predicted National Living Wage rates ahead of a rise next April 2025.

Completed by: Graham Watts (Monitoring Officer).

2. Background to the Report

- 2.1 The National Employers for Local Government are responsible for negotiating pay, terms and conditions of staff in many local authorities. They consult with Councils and make an offer to the Trade Unions.
- 2.2 On 16 May 2024, the National Employers for local government services announced a full and final offer for Council employees.
- 2.3 The offer is to pay an increase of at least £1,290 on the National Joint Council (NJC) pay scales from 1 April 2024.
- 2.4 South Kesteven District Council is **not** part of the national consultation process and the Council's pay scales are not on the National Joint Council (NJC) scales. Instead, SKDC consults locally with our Trade Union Representatives and aligns to local agreements. However, in previous years, the pay award has aligned to what has been offered in the national negotiations.
- 2.5 Aligning the national pay offer to South Kesteven District Council's pay scales, the offer amounts to:
 - £1290 (pro rata for part time employees) to be paid as a consolidated, permanent addition on all pay points from SK2 – SK20.
 - An increase of 2.5% on all pay points above SK20.

3. Key Considerations

- 3.1 The proposal would achieve a bottom rate of pay of £23,526 with effect from 1 April 2024 and equates to a 5.785% increase for this grade (SK2).
- 3.2 Staff would receive a minimum 2.5% increase.
- 3.3 Following calculations of FTE against each grade on our pay scales, the proposed pay rise would be £201,633 under the budget allocated for a pay award this financial year. The General Fund/HRA split of this underspend is (£143,091) in the General Fund and (58,542) HRA.
- 3.4 The National Employers pay offer has not been accepted by the Unions and there is therefore a possibility this could change. If this were to happen, SKDC would review against budget and consult with our Trade Union representatives.

4. Other Options Considered

- 4.1 Not implementing a pay award would have a significant impact on staff morale and employee relations, as well as effecting staff retention and our relations with the Trade Union.

5. Reasons for the Recommendations

- 5.1 The staff award is a recognition of the hard work and dedication of our employees.
- 5.2 The proposed pay award is back dated to 1 April 2024, but holding off paying this could negatively impact some colleagues financially as receiving a larger lump sum can affect their benefit payments.
- 5.3 The Council has already budgeted for this pay offer.

6. Consultation

- 6.1 The Trade Unions have been consulted and are in agreement with offering the above pay award on behalf of their members.

7. Appendices

- 7.1 Appendix A – Letter from the Employers