



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

APPOINTMENTS AND CONDITIONS OF SERVICE COMMITTEE

MONDAY, 26 FEBRUARY 2024

Report of the Director of People and Organisational Change

Ratification of the NJC, Chief Executive, Chief Officers and Soulbury pay agreements

1. Purpose

1.1 For the Committee to note the implementation of a one year pay agreement for Local Government Services Grades 1/2 to 16, Degree and Higher Apprentices, the Joint Negotiating Committee (JNC), for chief officers Grades 17 to 20, chief executives (Grade 21) (effective 1 April 2023 and the Soulbury Committee pay agreements (effective 1 September 2022 and 1 September 2023).

2. Information and Analysis

2.1 The national pay agreement for Local Government Service employees with effect from 1 April 2023 is attached at Appendix 2 and the main points of the pay agreement are:

- A one year pay deal effective from 1 April 2023
- £1,925 full time equivalent (fte) pay award uplift on grades 1/2 to grade 13 and a 3.88% increase on grades 14–16.
- A 3.88% uplift on all allowances (including Standby, Seep-in, Recall to Work, Tool & First Aid allowances)

2.2 The national pay agreement for Chief Executives with effect from 1 April 2023 is attached at Appendix 3 and the main points of the pay agreement are:

- A one year pay deal effective from 1 April 2023
 - 3.5% increase on all pay points
- 2.3 The national pay agreement for Chief Officers with effect from 1 April 2023 is attached at Appendix 4 and the main points of the pay agreement are:
- A one year pay deal effective from 1 April 2023
 - A 3.5% increase on all pay points on all pay points (Grades 17 - 20)
- 2.4 The pay agreement for Soulbury employees with effect from 1 September 2022 is attached at Appendix 5 and the main points of the pay agreement are:
- A one year deal effective from 1 September 2022
 - an increase of £1,925 on all pay points
 - an increase of 4.04% on all allowances
- 2.5 The pay agreement for Soulbury employees with effect from 1 September 2023 is attached at Appendix 6 and the main points of the pay agreement are:
- A one year deal effective from 1 September 2023
 - an increase of 4% on all pay points
 - an increase of 3.88% on all allowances
 - the addition of two pay points to the Education Improvement Professionals pay scales
- 2.6 All employees covered under the NJC and JNC national pay agreements received backdated pay to 1 April 2023 in November 2023.
- The Chief Officers received backdated pay to 1 April 2023 in May 2023.
- Coroners received backdated pay to 1 April 2023 in June 2023.
- The Managing Director received backdated pay to 1 April 2023 in November 2023 following the Chief Executives payment agreement.
- Soulbury employees received backdated pay to 1 September 2022 in January 2024 pay.
- 2.7 In line with advice from the Local Government Association as outlined within the national pay agreement for local government workers, the Council will provide backdated payments for leavers upon request.

3. Consultation

- 3.1 It was agreed as part of Single Status implementation in 2010 that the Derbyshire pay and grading structure would be adjusted by any 'cost of living' increase agreed nationally by the relevant National Joint Committee. The Council has engaged with Joint Trade Unions regarding the revised Derbyshire Pay Scales for 2023/24 reflecting the national pay agreement to all pay points for grade 1/2 to 16, and the higher level apprentice salary rates (Appendix 7)

4. Alternative Options Considered

- 4.1 An alternative consideration could be to not apply the pay agreement for 2023/23, however, the requirement for employees to receive a pay agreement is detailed within employee's terms and conditions and therefore this is not a viable alternative.
- 4.2 The Council could negotiate the pay agreements for those on Derbyshire package terms and conditions locally, however the Council has previously agreed to reflect the pay elements of national pay agreements of the relevant national negotiating bodies for Local Government Services, Soulbury, Chief Officers and Chief Executives.

5. Implications

- 5.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

6. Background Papers

- 6.1 None

7. Appendices

- 7.1 Appendix 1 – Implications
- 7.2 Appendix 2 - National Pay Agreement for Local Government Services employees
- 7.3 Appendix 3 - Chief Executives Pay Agreement
- 7.4 Appendix 4 - Chief Officers Pay Agreement
- 7.5 Appendix 5 - JESC Soulbury Pay Agreement
- 7.6 Appendix 6 - Soulbury Pay Scales 2023-2024
- 7.7 Appendix 7 - Derbyshire Salary Scales 2023-2024 including Higher Level Apprentices

8. Recommendation(s)

That Committee:

- a) notes the pay awards that have been applied applied following the national pay agreements as outlined within the report at paragraphs 2.1 to 2.6 and at appendices 2 to 7.

9. Reasons for Recommendation(s)

- 9.1 As application of the pay agreements is a contractual requirement these recommendations fulfil our employer responsibility.

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Implications

Financial

- 1.1 The NJC for Local Government Services employees, JNC for Chief Officers and JNC for Chief Executives 2023-24 pay agreements represent an average increase of 5.1% across the Council's paycales with a cost of £15.990m, excluding separately funded areas outside the Council's Revenue Budget, such as those funded from the Dedicated Schools Grant (DSG). The Council set aside contingency funding £10.456m in the 2023-24 Budget, leaving an ongoing shortfall of £5.534m as a result of the 2023-24 pay award. This shortfall has been addressed as part the Council's 2024-25 budget setting process.

The 2022-23 pay agreement for Soulbury employees is expected to have an annual cost of £0.099, excluding separately funded areas outside the Council's Revenue Budget.

The 2023-24 pay agreement for Soulbury employees is expected to have an annual cost of £0.126m, excluding separately funded areas outside the Council's Revenue Budget.

In addition to the ongoing pressure which falls to the Council, the pay award impacts the cost of services which are separately funded from its core budget. Some employees work in areas wholly funded by grants or traded services and it is essential that these grants and charges for services take up their fair share of additional costs in line with their workforce cost.

Legal

- 2.1 Following Single Status, Derbyshire County Council moved away from Green Book terms and conditions and adopted the terms and conditions outlined in the Working for Us document. The Council did, however, agree to adopt any nationally agreed pay awards for Local Government service employees, Chief Officers and Soulbury employees. The Pay Awards and percentage uplifts do not require a contract variation as the current wording of the Working For Us booklet refers to any pay awards being added to pay points from 1 April each year. Not to pay the award would be contrary to the terms and conditions of employment and a breach of the employment contract. This is also stipulated in the Pay Policy Statement which requires approval of Full Council for any

amendments to that Policy Statement, other than minor updates to reflect the 2023/24 pay agreement.

- 2.2 The terms of reference for the ACOS Committee require the Committee to consider proposals for changes to standards terms and conditions of employment, including the local implementation of national pay awards to the Council's pay structure.
- 2.3 The adoption of additional awards, increased allowances and amendment to pay scale have not been agreed previously as approval was limited to the adoption of the nationally agreed pay award. Any additional changes would require local negotiation to implement changes by collective agreement.

Human Resources

- 3.1 The Council have engaged with the recognised trade unions to outline the Council's approach to the application of the 2023/24 NJC, JNC, and Soulbury pay agreements, sharing updated pay scales for 2023/24.

Leaders were updated via Leading the Way and employees were informed through Our Derbyshire that pay agreements have been reached and payments backdated to 1 April 2023. Payments were made in November 2023 pay.

Information Technology

- 4.1 None

Equalities Impact

- 5.1 The national pay agreements are applied consistently to all pay grades of the Derbyshire Pay Scales and Soulbury Pay Scales reflective of the relevant national negotiating bodies pay agreements. The Council's job evaluation scheme ensures that all jobs are evaluated and graded consistently to ensure equal pay for work of equal value.
- 5.2 The flat rate monetary increase in pay provides a greater percentage increase to employees who are on the lower grades relative to those on higher grades. This may contribute to a slight reduction to the Council's gender pay gap between males and females.

Corporate objectives and priorities for change

- 6.1 This proposal aligns with the people priorities outlined within the Council's People Strategy and in particular to 'Promote diversity and inclusion, enable responsive workforce plans and develop credible reward strategies' by applying pay agreements in a fair and consistent manner.

Other (for example, Health and Safety, Environmental, Sustainability, Property and Asset Management, Risk Management and Safeguarding)

- 7.1 None