

**PROTOCOL FOR ANNUAL LOCAL PAY AND CONDITIONS NEGOTIATIONS
2017/2018**

	ACTION	TIMEFRAME	COMMENT
1.	The Chief Executive updates trade unions on the budget and financial situation.	September 2016	Next scheduled meeting with CEO and TU's on 27/9
2.	The Chief People Officer will invite the trade unions to submit their claim on pay and conditions of service effective from the following 1 st April. The trade unions will be provided with an analysis of the Council's financial position.	September 2016	Agenda item at the CCC meeting scheduled for the 6/9
3.	The trade unions will first submit their joint claim to the Chief People Officer.	October 2016	
4.	The Chief Executive and the Chief People Officer will meet the trade unions to discuss and respond to the claim(s).	December 2016	Meeting scheduled for the 13/12
5.	Further meetings will take place as necessary during November/ December, including a Corporate Consultative Committee (CCC), Joint Consultative Committee (JCC) and Employment Matters Committee (EMC).	November 2016 & December 2016	JCC/EMC Meeting scheduled for the 30/11. CCC meeting scheduled for 6/12
6.	(a) Subject to 7 below, if agreement is reached, approval to recommend the agreement to full Council will be sought from the first EMC before the annual budget setting meeting of full Council.	February 2017	EMC meeting scheduled for 1/2/17
	(b) If agreement cannot be reached, the matter will be referred to JCC at which officers will outline the negotiations and the trade unions can respond.	February 2017	
	(c) Recommendation(s) from the JCC will be reported to the EMC where a decision will be made for recommendation to full Council.	February 2017	

7.	Decision made and budget approved by full Council.	March 2017	Full Council meet on 23/02/17
8.	Any agreed pay award and/or changes to any terms and conditions implemented.	April 2017	As per the processing of the 2016 increase, it is proposed that this is actioned in May 2017 and backdated

An extract from the minutes of the Corporate Consultative Committee held at Gun Wharf on 6 September 2016

Key: JC (John Chance, Head of Finance Strategy), TS (Tim Silver, Employee Relations Manager), TE (Tania Earnshaw, UNISON), FM (Frank Macklin, GMB), MG (Margaret Gallagher, AEP), LM (Lorraine MacManus, NUT).

3. Briefing from John Chance

TS circulated the Protocol for Annual Local Pay and Conditions Negotiations 2017/18 document. TS advised John Chance, the Head of Finance Strategy has been invited to attend the CCC to provide a brief with regards to the council's mid-term financial position.

JC explained that there are a number of elements impacting on the current year position, including a pressure on budgets particularly within Children and Adults.

The outlook is for continuing pressure on budgets, revenues and the support grant being taken away. There is a need to become self-sufficient through such means as Council tax. Cabinet have been asked to consider a number of strategies to raise the £13 million needed to break even next year. At national level relaxation of the rule regarding Council tax is awaited, which is felt to be the only way out for Local Authorities, but the increase of 2% has been factored in to the current report.

A 1% pay increase for the medium term has been factored in which incorporates any Cost of Living increase, budget for performance related pay and any statutory increases.

The National Minimum Wage/National Living Wage statutory increases are also causing pressure as Norse and many Adult Social Care providers that we pay have many staff affected.

The paper goes to Cabinet on 27th September and will be available on the public website early next week.

TE commented that the pay negotiation will be superficial. JC responded that if there is an argument for a pay increase greater than 1% it needs to be discussed. We have had to budget, the government directive says that the pay increase should be capped, which is the difficulty and has been factored in. MG mentioned that there is a private sector wage increase of 2%. JC mentioned that the private sector wages dropped in the economic downturn of 2008, where as public sector stayed constant. FM noted that there is a gap between private and public sector pay. Medway Council had frozen pay for a long time and now there are very small increases. JC suggested a table of how public and private sector pay have adjusted could be used to support the pay claim argument. FM highlighted that other Local Authorities are giving more, but FM understands the complexity. JC highlighted that district and borough Councils have more freedom as they do not have the social care aspect, we are a unitary authority.

FM raised a query of how staff will be rewarded for achieving all targets when there is insufficient budget. JC advised that as we have a slightly shrinking workforce, and staff

leaving at the top of salary scales, and we may appoint further down, it is hoped that this can be managed.

FM commented that the two schemes have morphed into one, and it should be that MedPay was to replace increments, which is the problem that we will have with members. TS commented that the split in the first two years wasn't all based on performance, we are now in the third year of MedPay and that the council rewarded colleagues at performance level 1B with an extra one day's holiday in the current leave year.

In response to a query from MG with regards to pensions, JC advised that these are dealt with separately and what is currently provided is deemed adequate.

MG raised an issue reported in the media of wage differentials between men and women. TS advised that any challenges around Equal Pay comparisons are managed through the usual protocols. TS reminded the Committee that the NJC job evaluation scheme had been used to evaluate jobs resulting in a MedPay range for the employees, regardless of gender. LM advised that the last breakdown on Equal Pay provided by academy schools who complied with the request was poor in this area.

JC advised that the Governments autumn budget statement will be available in late October/November. It was hoped that there would be some positive news with regards to empowerment for Councils to be self-sufficient.

TS advised that there is a target to have a pay uplift recommendation from the JCC to go to full Council in February, and reminded the Committee that the TUs' joint pay claim should be submitted by the end of October. FM expressed concern with regards to whether it is a worthwhile exercise.

**E-mail from Mark Hammond (Unison, Regional Officer)
to Tim Silver (Employee Relations Manager)**

Subject: RE: Joint Pay Claim 2017/18

Hi Tim

Unfortunately, I haven't been able to confirm a joint pay claim with the GMB as yet but Unison's headline claim is as follows:

- £10 an hour minimum wage
- 3% consolidated increase on all salary points and allowances

Thanks
Mark

Extract from the minutes of a meeting of the Corporate Consultative Committee (CCC)

Tuesday 6 December 2016

Room 1, Level 3, Gun Wharf

10:00 – 12:00

Present: Tim Silver (TS) (Assistant Hd of HR), Lauraine McManus (LM) (NUT), Joe Parsons (JP) (Unison), Frank Macklin (FM) (GMB), Julia Harris (JH) (NASUWT).

5. Update on Pay Negotiations 2017/18

TS circulated the Pay Negotiations Protocol document, and provided an update on the current position.

TS asked FM to confirm that GMB were supporting the claim submitted by Unison. FM confirmed that GMB were supporting the Unison claim. TS asked FM to confirm GMB's position to him in writing.

- **Action** – *FM to email TS to confirm the pay claim submitted at JCC can be considered as a joint pay claim.*

TS advised that in line with the Protocol there is an upcoming meeting with the Chief Executive and the Chief People Officer with the unions on 13 December. TS sought confirmation from JP and FM that they will be in attendance. FM responded that he will have to confirm with his Manager. JP advised that he will request that MH go if he is able to. TS asked both FM and JP to confirm with him ahead of the 13th.

TS referred to the EMC and JCC meetings held in the previous week. It was noted that GMB had not attended; the verbal confirmation from FM here needs to be followed up. FM replied that there were emails and it should have gone through as joint, and FM will confirm this. TS reiterated that the members noted that GMB were not in attendance. TS advised that the meeting with the Chief Executive and the Chief People Officer is the next significant step, and then there will be further work to understand the cost implications. The next EMC and JCC at the beginning of February 2017, and Full Council is around three weeks after that. TS invited any questions or observations, there were none.

Appendix 5

Minutes of a meeting held on 13 December 2016.

In attendance: Neil Davies (Chief Executive), Carrie McKenzie (Chief People Officer), Mark Hammond (Unison, Regional Officer)

The meeting had been called to progress the Pay Negotiations for Financial Year 2017/2018, and it was recognised that this satisfied Action Point 5 within the Protocol for Annual Pay Local Pay and Conditions Negotiations.

Neil Davies reiterated the current and future financial position of the council, and referred to the information shared by John Chance (Finance Strategy Manager) at the meeting of the CCC in September 2016, and further detail shared at the JCC and EMC at their November meeting.

Mark Hammond (MH) confirmed that the joint pay claim of a 3% across the board increase with a minimum hourly rate of £10 per hour was consistent with the Unison National Pay Claim and that he recognised the council's financial position.

Carrie McKenzie urged the TU's to consider other non-pay related elements that they could ask the council to consider and it was agreed that CM would call a further meeting with the TU's as soon as practicable in the new year, ahead of the JCC/EMC meeting scheduled for 1 February 2017.

Appendix 6

Minutes of a meeting held on 11 January 2017 as part of the Pay Negotiations 2017/2018.

In attendance: Carrie McKenzie (CM) (Chief People Officer), Tim Silver (TS) (Assistant Head of HR), Tania Earnshaw (TE) (Unison).

Apologies had been received from: Lauraine McManus (NUT), Margaret Gallagher (AEP)

CM updated TE on the meeting that she and the Chief Executive had with Mark Hammond (Unison, Regional Officer) on 13 December 2016.

TE asked that the council consider applying the whole of the 1% pay pot to a Cost of Living Award (COLA), further award an extra one day's holiday to all staff, and to give a commitment not to review other Terms and Conditions until 2020.

CM agreed to run a pay modelling exercise on the basis of TE's requests and report back.

It was confirmed that Terms and Conditions referenced Section 2 of the NJC Green Book.

CM commented that there was the need to review the current level of mileage allowances as these were out of line with other council's, were a contradiction of the council's green agenda by paying a higher rate for larger engines, and were burdensome to administer.

TE responded that she did not consider that reviewing allowances at this time was appropriate and would erode what was already a small pay award.

There was discussion around the exclusion of staff at the top of their pay range from receiving the performance element of previous pay awards, and that staff who were under pay protection did not actually receive the performance element as this was automatically applied as an erosion against the element of pay under protection.

CM committed to provide the MedPay performance outcomes for April 2016 together with the number of staff either at the top of their pay range or on pay protection.

Diversity impact assessment

TITLE <i>Name/description of the issue being assessed</i>	Pay Negotiations 2017/2018
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DATE <i>Date the DIA is completed</i>	23 January 2017
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LEAD OFFICER <i>Name of person responsible for carrying out the DIA.</i>	Tim Silver Assistant Head of HR
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1 Summary description of the proposed change

- *What is the change to policy/service/new project that is being proposed?*
- *How does it compare with the current situation?*

To report on Pay Negotiations for a recommendation to be made to Full Council.

2 Summary of evidence used to support this assessment

- *Eg: Feedback from consultation, performance information, service user records etc.*
- *Eg: Comparison of service user profile with Medway Community Profile*

TU's are invited to engage and are informed at all stages of the pay negotiations process.

3 What is the likely impact of the proposed change?
Is it likely to :

- *Adversely impact on one or more of the protected characteristic groups?*
- *Advance equality of opportunity for one or more of the protected characteristic groups?*
- *Foster good relations between people who share a protected characteristic and those who don't?*

(insert ✓ in one or more boxes)

Protected characteristic groups	Adverse impact	Advance equality	Foster good relations
Age			X
Disability			X

Diversity impact assessment

Gender reassignment			X
Marriage/civil partnership			X
Pregnancy/maternity			X
Race			X
Religion/belief			X
Sex			X
Sexual orientation			X
Other (e.g. low income groups)			X

4 Summary of the likely impacts

- *Who will be affected?*
- *How will they be affected?*

There is no impact on any of the protected characteristic groups.

5 What actions can be taken to mitigate likely adverse impacts, improve equality of opportunity or foster good relations?

- *Are there alternative providers?*
- *What alternative ways can the Council provide the service?*
- *Can demand for services be managed differently?*

Not applicable

6 Action plan

- *Actions to mitigate adverse impact, improve equality of opportunity or foster good relations and/or obtain new evidence*

Action	Lead	Deadline or review date
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Diversity impact assessment

Not applicable

7 Recommendation

The recommendation by the lead officer should be stated below.

This may be:

- *to proceed with the change implementing action plan if appropriate*
- *consider alternatives*
- *gather further evidence*

If the recommendation is to proceed with the change and there are no actions that can be taken to mitigate likely adverse impact, it is important to state why.

The Council is proposing the following to the trade unions:

- 0.60% paid as a general cost of living increase (COLA).
- 0.40% paid in accordance with the performance arrangements as detailed under MedPay.

8 Authorisation

The authorising officer is consenting that:

- *the recommendation can be implemented*
- *sufficient evidence has been obtained and appropriate mitigation is planned*
- *the Action Plan will be incorporated into service plan and monitored*

**Chief People
Officer**

Carrie McKenzie

Date

23 January 2017

Contact your Performance and Intelligence hub for advice on completing this assessment

RCC: phone 2443 email: annamarie.lawrence@medway.gov.uk

C&A: phone 1031 email: paul.clarke@medway.gov.uk

BSD: phone 2472 or 1490 email: corppi@medway.gov.uk

PH: phone 2636 email: david.whiting@medway.gov.uk

Send completed assessment to the Corporate Performance & Intelligence Hub (CPI) for web publication