

Diversity impact assessment

Appendix 2

TITLE
Pay Negotiations 26/27
DATE
13 January 2026
LEAD OFFICER.
Samantha Beck-Farley Chief Organisational Culture Officer
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?
<p>Pay awards are negotiated annually and applied from 01 April. Negotiations have begun to determine the pay award for 2026/27.</p> <p>Government announces statutory increases to both the National Minimum Wage (NMW) and National Living Wage (NLW) to be applied from the following April. The rates announced will be applied from the 1 April 2026.</p> <p>The pay award has two elements: Locally agreed pay award and implementation of the statutory wage increase as stated above.</p> <p>The local pay award negotiation only applies to colleagues on MedPay Terms and Conditions.</p> <p>Additional benefits are also considered at this time.</p>
2 Summary of evidence used to support this assessment
<p>Eg: Feedback from consultation, performance information, service user.</p> <p>Eg: Comparison of service user profile with Medway Community Profile</p> <p>The following factors are considered when setting pay:</p> <ul style="list-style-type: none"> • UK inflation rate • Proposals by Trade Unions <ul style="list-style-type: none"> ○ A return to NJC ○ A 5% flat rate, consolidated increase for all staff ○ An uplift to the sleep-in payments of 4.2% ○ A reduction in the working week to 35 hours. • Benchmark with similar organisations (posts are benchmarked as part of MedPay Review) and we work in collaboration on other local offers. • The financial performance of the Council (Revenue and Capital Budget monitoring Round 3, Draft Capital Revenue Budgets 2026/27) • Feedback from CMT and Cabinet • Feedback from colleagues • The National Living Wage • MedPay Terms and Conditions

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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 Yes when there is an impact or No when there isn't)

Protected characteristic groups (Equality Act 2010)	Adverse impact	Advance equality	Foster good relations
Age		X	X
Disability		X	X
Gender reassignment		X	X
Marriage/civil partnership		X	X
Pregnancy/maternity		X	X
Race		X	X
Religion/belief		X	X
Sex		X	X
Sexual orientation		X	X
Other (eg low income groups)		X	X

4 Summary of the likely impacts

Who will be affected?

How will they be affected?

Increasing pay in line with inflation, and addressing historical anomalies through the MedPay Review, is likely to reduce pay disparities and, therefore, advance equality. Staff morale will also improve.

Pay awards are applied in accordance with MedPay terms and conditions. No adverse impacts on any of the protected characteristic groups are anticipated. Reviews continue.

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Adjusting pay to meet new (2026) National Living Wage rates will advance equality.

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

What alternative ways can the Council provide the service?

Are there alternative providers?

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
Joint Consultative Committee	COCO	Dec 2025
Employment Matters Committee	COCO	Dec 2025
Corporate Consultative Committee	COCO	Dec 2025
Joint Consultative Committee	COCO	Jan 2026
Employment Matters Committee	COCO	Jan 2026
Budget Set at Council in Feb 2024	CFO	Feb 2026

7 Recommendation

The recommendation by the lead officer should be stated below. This may be: to proceed with the change, implementing the 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.

Continue with the negotiations so that a fair and reasonable award can be proposed at Full Council in February 2026.

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 the relevant Service Plan and monitored

Assistant Director

Phil Watts