SLOUGH BOROUGH COUNCIL

REPORT TO: Employment and Appeals Committee **DATE:** 22nd September 2011

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WARD(S): All

PART I
FOR DECISION

LOCAL PAY AWARD 2011/2012 - PAYMENT OF £250 FOR STAFF EARNING BELOW £21,000 PA

1 Purpose of Report

This report sets how those employees whose full time equivalent salary of less than £21,000 per annum could be paid £250 as an additional local pay award for the financial year 2011-12. The report seeks a decision to proceed with the proposal.

2 Recommendation(s)/Proposed Action

The Committee is requested to Resolve:

(a) That the council makes a local pay award of £250 for all centrally employed staff whose full time salary is below £21,000 per annum.

(b) That the operational details of the arrangements for these payments be determined by the Chief Executive as Head of Paid Service in consultation with the Director of Resources and Regeneration and AD Professional Services. The payments will be made using the established pay award arrangements and principles for dealing with starters and leavers and pro rota payments.

3 Community Strategy Priorities

- Celebrating Diversity, Enabling inclusion
- Adding years to Life and Life to years
- Being Safe, Feeling Safe
- A Cleaner, Greener place to live, Work and Play
- Prosperity for All

4 Other Implications

(a) Financial

4.1 The cost of this proposal is estimated to be £75,000. This is based upon approximately 300 staff falling into this category.

4.2 Budgetary provision for this sum was made within this years budget build.

(b) <u>Risk Management</u>

Communication on the decision to make the award will need to emphasise that this is a one off exception for a payment in financial year 2011-12 only. The communication will also need to include the rationale and reasons for the payment, this includes; an acknowledgement of the continuing pressure on household incomes and the effect of a two year pay freeze on staff earning below £21,000 pa.

(c) Human Rights Act and Other Legal Implications <u>-</u> None

(d) Equalities Impact Assessment   -None

(e) <u>Workforce</u>

The local pay award covers all centrally employed council staff whose full time equivalent salary is below £21,000 per annum. The award does not cover staff working within schools.   A copy of this paper will be presented to the next schools forum for discussion.

4   Supporting Information

4.1   In the Budget on 22 June 2010, the Chancellor announced that he was 'asking the public sector to accept a two-year pay freeze', but that 1.7 million public servants, who earn less than £21,000, 'will each receive a flat pay rise worth £250.   However, in response to a parliamentary written question tabled by Frank Field MP, the Treasury subsequently stated that its commitment covered only workforces under ministerial control or covered by pay review bodies.

4.2   The Government accepted the recommendations of pay review bodies for public sector pay awards for 2011/12. These cover teachers, prison officers, the armed forces and the NHS.

4.3.   Neither the Police nor Local Government workforces are covered by pay review bodies. Local Government workers' pay is managed by Local Authorities and the National Joint Council. For 2011 Local Government Employers the negotiating body for local government pay have decided that there will be no pay awards for any employees. However some councils have chosen to make some form of payment for employees earning less that £21,000.

4.4   To avoid distortion of the council salary scales it is proposed that the payment be made as a 'one off' for this financial year only. This would give the council the flexibility to determine if the award was appropriate in future years when examined alongside national pay decisions and the council overall financial position.

5   Comments of other Committees

This report is being considered by the Cabinet on 19th September 2011 and the outcome will be reported to the Committee at its meeting.

6   Background Papers

None