



**PORTFOLIO AREA: Corporate Resources and Finance and Resources**

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Date of Meeting: 28 October 2002

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Public

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Key Decision: No

Recorded in Forward Plan: Yes

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Inside Policy Framework

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**Title:** 2002/4 Pay Award  
**Report of:** Town Clerk and Chief Executive  
**Report reference:** TC 208/02

**Summary:** Report advises the Executive of the Pay Award for 2002/4, including financial implications.

**Recommendations:** Members note the report.

**Contact Officer:** Jean Cross

**Ext:** 7082

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: None

## **1. BACKGROUND INFORMATION AND OPTIONS**

Members will be aware that the national pay negotiations this year were protracted and ACAS were called in to assist in a settlement.

A two year settlement was reached covering the period from April 2002 – March 2004. It provides for an average increase of just about 3.5% across the two years. A copy of the Employers' Organisation outlining the new pay rates and a summary of the consultation carried out with the Employers is given at Appendix 1.

## **2. CONSULTATION**

2.1 Consultation to Date – not applicable.

2.2 Consultation proposed – none.

## **3. STAFFING/RESOURCES COMMENTS**

As the City Council's pay policy is to abide by nationally agreed settlements the award is being implemented. There are, however financial implications as the settlement is greater than that budgeted for. Those are covered below in the City Treasurer's comments.

## **4. CITY TREASURER'S COMMENTS**

The additional cost of the pay award (over and above the 3% already budgeted for) has been estimated as £78,000 in 2002/03 and £236,000 in 2003/04. This estimation has taken into account the significant staffing changes taking place in the Council's overall staffing budgets (Organisation Structure, LSVT/DSO/Leisuretime transfers). The revised 2002/03 and 2003/04 budgets are currently being prepared taking into account the changes and increased pay costs, and confirmation of the increased cost will be available at that time.

## **5. LEGAL COMMENTS**

None.

**6. CORPORATE COMMENTS**

None.

**7. RISK MANAGEMENT ASSESSMENT**

None.

**8. EQUALITY ISSUES**

None.

**9. ENVIRONMENTAL IMPLICATIONS**

None.

**10. CRIME AND DISORDER IMPLICATIONS**

None.

**11. RECOMMENDATIONS**

Members note the pay award and its financial implications.

National Employers' Organisation for Local  
Government Services (including Craft)



*employersorganisation*

To: Chief Executives in England and Wales  
(additional copies for Chief Personnel Officer and Treasurer)  
Members of the National Employers' Organisation  
Regional Directors  
Secretaries of the Local Government Associations

23 September 2002

Dear Chief Executive

**PAY 2002/03 and 2003/04**

Both Sides of the NJC have now completed their consultation processes in relation to the ACAS proposals that were recommended to each Sides' members in August.

Both Sides have reported clear majorities supporting acceptance of the ACAS proposals. Agreement has accordingly been reached between the two Sides to adopt the ACAS proposals for 2002/03 and 2003/04. The joint circular setting out the new pay rates is **attached**. These payscales are available electronically by emailing:

**[harry.honnor@lg-employers.gov.uk](mailto:harry.honnor@lg-employers.gov.uk)**

The response to the Employers' consultation exercise showed a clear majority of each type of authority in each region in favour of accepting the ACAS proposals. Many authorities, however, registered serious reservations about the affordability of the proposals and it is clear that the majority in favour of them is, generally speaking, a very reluctant one, on the basis that the ACAS proposals are widely seen as the least unacceptable of the available options.

**Attached** to this letter is a summary by region and authority type of the responses to the key question whether to support the ACAS proposals in respect of the NJC for Local Government Services.

In the ACAS discussions on 5 August, the unions sought inclusion in the ACAS proposals of an inflation-based review clause in relation to 2003/04. The Employers rejected this proposal. The unions said that they would register later with the Employers that they would seek to re-open negotiations on the 2003/04 element of the proposals in the event of a significant rise in inflation before next April. The Employers replied that they would refuse to re-open the negotiations.

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Employers' Secretary: Charles Nolda  
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INVESTOR IN PEOPLE

The unions have now written to us as they said they would. The **attached** letter has been sent back, making clear that the Employers would refuse to re-open negotiations.

When the Employers met on 17 September they also agreed to convene a meeting of the Craft JNC with the caveat that no discussions regarding pay would take place until the outstanding issue of national guidance on job evaluation had been resolved. No date has yet been set for the meeting but the Craft Joint Secretaries have agreed to meet on 24 September.

A meeting is being arranged of the Chief Officers' JNC to consider the claim that has been lodged on their behalf. In summary the claim is for:

- A significant percentage increase\* on all salary points
- An investigation into the effect of new political structures on Chief Officer posts
- A joint review of benchmark salaries with revised salary levels implemented in July 2003
- The report on stress and working time to be progressed as soon as possible.

A key component of the agreed ACAS proposals in respect of Local Government Services, is the establishment of a Commission to consider pay and related issues. We will be in touch with you in due course about the detail. The EO is also taking the opportunity to review the support and advice it provides local government within the wider improvement agenda. We have **attached** with this letter details of our medium term review of strategic priorities and hope you will take advantage of the forthcoming opportunities to tell us your views.

Yours sincerely

*Charles Nolda*

Employers' Secretary

\*no actual figure has been quoted in the claim.



# National Joint Council for Local Government Services

## Employers' Secretary:

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## Trade Union Secretaries

Heather Wakefield, UNISON  
Jack Dromey, TGWU  
Mick Graham, GMB

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**To: Chief Executives in England and Wales  
(with copies for the Chief Personnel Officer and Treasurer)  
Members of the National Joint Council  
Provincial/Associated Joint Secretaries  
Local Authority Associations' Secretaries**

23 September 2002

Dear Chief Executive

**CIRCULAR 2/02**  
**AGREEMENT REACHED IN THE NATIONAL JOINT  
COUNCIL**  
**2002/03 PAY RATES**

Agreement has now been reached on rates of pay applicable from 1 April 2002, 1 October 2002 and 1 April 2003. The new rates are set out in Annex 1, **attached**. The new rates for allowances up-rated in line with pay are also set out in the annex. In accordance with last year's practice, Inner and Outer Fringe Allowances are the only London Weighting rates included in the annex.

Yours sincerely

CHARLES NOLDA  
HEATHER WAKEFIELD  
MICK GRAHAM  
JACK DROMEY

Joint Secretaries

	1 Apr 01	1 Apr 02	1 Oct 02	1 Apr 03
4	9,267	9,648	9,834	10,278
5	9,588	9,876	10,068	10,521
6	9,912	10,209	10,308	10,668
7	10,233	10,539	10,641	11,013
8	10,554	10,872	10,977	11,361
9	10,875	11,202	11,310	11,706
10	11,100	11,433	11,544	11,949
11	11,817	12,171	12,291	12,720
12	12,066	12,429	12,549	12,987
13	12,390	12,762	12,885	13,335
14	12,618	12,996	13,122	13,581
15	12,879	13,266	13,395	13,863
16	13,188	13,584	13,716	14,196
17	13,500	13,905	14,040	14,532
18	13,764	14,178	14,316	14,817
19	14,283	14,712	14,853	15,372
20	14,802	15,246	15,393	15,933
21	15,342	15,801	15,957	16,515
22	15,741	16,212	16,371	16,944
23	16,203	16,689	16,851	17,442
24	16,734	17,235	17,403	18,012
25	17,265	17,784	17,955	18,582
26	17,823	18,357	18,537	19,185
27	18,417	18,969	19,155	19,824
28	19,014	19,584	19,776	20,469
29	19,770	20,364	20,562	21,282
30	20,433	21,045	21,249	21,993
31	21,078	21,711	21,921	22,689
32	21,702	22,353	22,569	23,358
33	22,341	23,010	23,235	24,048
34	22,971	23,661	23,889	24,726
35	23,451	24,156	24,390	25,245
36	24,072	24,795	25,035	25,911
37	24,750	25,494	25,740	26,640
38	25,473	26,238	26,493	27,420
39	26,310	27,099	27,363	28,320
40	27,003	27,813	28,083	29,067
41	27,717	28,548	28,827	29,835
42	28,422	29,274	29,559	30,594
43	29,133	30,006	30,297	31,356
44	29,847	30,741	31,041	32,127
45	30,516	31,431	31,737	32,847
46	31,254	32,193	32,505	33,642
47	31,971	32,931	33,249	34,413
48	32,682	33,663	33,990	35,181
49	33,384	34,386	34,719	35,934

**Part 3 Paragraph 2.3(e) Sleeping-in Duty Payment**

<b>1 Apr 02</b>	<b>1 Oct 02</b>	<b>1 Apr 03</b>
£27.21	£27.48	£28.44

**RATES OF PROTECTED ALLOWANCES AT 1 APR 02, 1 OCT 02 AND 1 APR 03  
FORMER APT&C AGREEMENT (PURPLE BOOK)****Paragraph 28(3) Nursery Staffs in Educational Establishments - Special Educational Needs Allowance**

<b>1 Apr 02</b>	<b>1 Oct 02</b>	<b>1 Apr 03</b>
£972	£984	£1017

**Paragraph 28(14) Laboratory / Workshop Technicians****City and Guilds Science Laboratory Technician's Certificate Allowance**

<b>1 Apr 02</b>	<b>1 Oct 02</b>	<b>1 Apr 03</b>
£156	£156	£162

**City and Guilds Laboratory Technician's Advanced Certificate Allowance**

<b>1 Apr 02</b>	<b>1 Oct 02</b>	<b>1 Apr 03</b>
£117	£120	£123

**Paragraph 32 London Weighting and Fringe Area Allowances £ Per Annum****Inner Fringe**

<b>1 Apr 02</b>	<b>1 Oct 02</b>	<b>1 Apr 03</b>
£657	£666	£690

**Outer Fringe**

<b>1 Apr 02</b>	<b>1 Oct 02</b>	<b>1 Apr 03</b>
£456	£462	£477

**Paragraph 35 Standby Duty Allowance - Social Workers (1)(a)(i) Allowance - Per Session**

<b>1 Apr 02</b>	<b>1 Oct 02</b>	<b>1 Apr 03</b>
£21.91	£22.12	£22.89

**FORMER MANUAL WORKER AGREEMENT (WHITE BOOK)****Section 1 Paragraph 3 London and Fringe Area Allowances £ Per Annum****Inner Fringe Area**

<b>1 Apr 02</b>	<b>1 Oct 02</b>	<b>1 Apr 03</b>
£658	£666	£690

**Outer Fringe Area**

<b>1 Apr 02</b>	<b>1 Oct 02</b>	<b>1 Apr 03</b>
£456	£462	£477



# ACAS Proposals - Consultation Responses Circ Appx @ 20/09/2002

	Q1		Q2		LGA VOTES	WEIGHTED 'YES'	WEIGHTED 'NO'
	YES	NO	YES	NO			
<b>REGIONAL TOTALS</b>							
East of England	34	3	34	3	84	76	8
East Mids	35	3	35	3	78	69	9
North East	21	1	21	1	60	57	3
N West	40	5	40	5	145	124	21
S East	35	2	35	2	72	70	2
South West	41	2	41	5	91	78	10
West Mids	27	1	27	1	91	90	1
Yorks & Humbs	19	0	19	0	93	93	0
London	22	3	22	3	122	107	15
Wales	19	0	19	0	58	58	0
<b>GRAND TOTAL</b>	<b>293</b>	<b>20</b>	<b>293</b>	<b>23</b>	<b>894</b>	<b>822</b>	<b>69</b>
<b>AUTHORITY TYPE</b>							
METS	30	3	30	3	209	195	14
COUNTIES	26	3	26	3	192	176	16
DISTRICTS	164	7	164	7	171	164	7
LONDON BOROUGHS	22	3	22	3	122	107	15
ENGLISH UNIs	32	4	32	7	142	122	17
WELSH UNIs	19	0	19	0	58	58	0
<b>GRAND TOTAL</b>	<b>293</b>	<b>20</b>	<b>293</b>	<b>23</b>	<b>894</b>	<b>822</b>	<b>69</b>
<b>Explanatory Notes:</b>							
Q1: Do you consider that in the circumstances the Employers' Side of the NJC should accept the pay proposals on behalf of local authorities, subject to the unions also accepting them?							
Q2: Do you consider that the Employers should settle with the Craft unions on the same terms (except the bottom-loading which would not apply) subject to the Craft unions also accepting them?							
LGA Votes: District Councils = 1 vote; County Councils = votes equate to number of district councils in their area; Mets, London Boroughs, English Unitaries, Welsh Unitaries = votes equate to population bands as shown below:							
<b>Population</b>	<b>Votes</b>						
1 - 100,000	2						
100,001 - 150,000	3						
150,001 - 200,000	4						
200,001 - 300,000	5						
300,001 - 400,000	7						
400,001 - 500,000	9						
500,001 - 600,000	11						
600,001 - 700,000	13						
700,001 - 800,000	15						
800,001+	17						

**National Employers' Organisation for Local  
Government Services (including Craft)**



17 September 2002

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E-MAIL: charles.nolda@lg-employers.gov.uk

Heather Wakefield, UNISON  
Mick Graham, GMB  
Jack Dromey, TGWU

Dear Heather, Mick and Jack,

**ACAS PROPOSALS**

The Employers met today and reviewed the responses received from local authorities to our consultation on the ACAS proposals for 2002/3 and 2003/4. The position is that most of those responding to the consultation have indicated support, but usually with serious reservations and with considerable reluctance.

In the circumstances, the Employers are willing to conclude an agreement with you to put the ACAS proposals into effect for this year and next year. We are already in discussion with you about the Pay Commission and that will continue next week at joint secretarial level as a matter of priority.

The Employers were informed of Heather's letter to me of 5 September on your joint behalf registering that you would seek to re-open negotiations on the 2003/4 pay element of the proposals in the event of a significant rise in inflation prior to 1 April 2003. We made it unmistakably clear on 5 August at ACAS that to incorporate an inflation-based review clause for the second year would be a "deal-breaker", i.e. the ACAS process would have foundered and the dispute would have continued. It is clear beyond doubt that many local authorities will have real difficulties in funding the package. If there is an attempt to re-open negotiations in respect of next year, you must expect that attempt to be refused by the Employers.

Yours sincerely

Employers' Secretary

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Employers' Secretary: Charles Nolda

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