

Subject: GLA Pay Award	
Report to: GLA Oversight Committee	
Report of: Chief Officer	Date: 26 April 2022
This report will be considered in public	

1. Summary

- 1.1 This report consults the Greater London Authority (GLA) Oversight Committee on the proposed pay award for GLA staff for 2022/2023, effective from 1 April 2022.

2. Recommendation

- 2.1 **That the Committee responds to the Chief Officer's consultation on the GLA pay award and notes the considerations set out in the report.**

3. Background

- 3.1 The GLA's budget for 2022/23 allows £2.17m for a potential pay award, which equates to a 3% increase for all staff and office holders. The terms of any pay award made to GLA staff, with a few exceptions, are subject to negotiation with Unison.
- 3.2 On 24 February, as laid out in Appendix 1, Unison proposed a tapered pay award for GLA staff for 2022/23:
- Grades 1 to 6 6% increase
 - Grade 7 4% increase
 - Grades 8 and 9 3% increase
 - Grades 10 to 15 1% increase
- 3.3 It was the Chief Officer's view that a more equitable position would be an award of 3% to all staff in light of: a six-year run of tapered pay awards; and the fact that all staff have contributed hugely to the GLA's work across the last very difficult couple of years. Appendix 2 lays out the cumulative impact this has had on awards by grade.
- 3.4 The Mayor and the Assembly, acting jointly, are responsible for determining the pay award for the GLA's three statutory officers; the Chief Officer (Head of Paid Service), Executive Director of Resources (Chief Finance Officer) and the Monitoring Officer. This decision will now be progressed in the usual way.

- 3.4 The Mayor determines the pay award for the Mayoral appointees, (i.e. those appointed under s67(1)(a) and (b) of the GLA Act; the “11+2”). Again, this decision will now be progressed in the normal way.

4. Issues for Consideration

- 4.1 The Chief Officer is grateful to Unison for their active participation in the pay talks and their prompt responses during the negotiation. Both parties were very keen to reach a swift resolution this year so that staff could start benefitting from the agreed award as soon as possible and in contrast to previous practice at the GLA. We have achieved this together.
- 4.2 We have reached agreement on the following award for 2022/23:
- Grades 1 to 12 3.2% increase
 - Grades 13 upwards 2% increase
- 4.3 The correspondence at Appendices 3, 4 and 5 shows how we arrived at the final position.

5. Consultation

- 5.1 In accordance with the GLA Head of Paid Service Staffing Protocol and Scheme of Delegation (the “Staffing Protocol”), formal consultation with Unison is required for this proposal as it relates to changing the terms and conditions of employment of existing employees.
- 5.2 The Chief Officer is consulting the Mayor and the London Assembly, the latter through the GLA Oversight Committee by virtue of this paper, on the proposal for the pay award for 2022/23.

6. Legal Implications

- 6.1 Under section 70(2) of the GLA Act 1999 (as amended) the Head of Paid Service (the “HoPS”) may employ staff appointed under section 67 (2) on such terms and conditions (including as to remuneration) as the HoPS , after consultation with the Mayor and the Assembly and having regard to the resources available and priorities of the Authority, thinks fit.
- 6.2 After consultation with the Mayor and the Assembly, the Staffing Protocol was adopted by the HoPS in November 2009 and revised in July 2018. The Staffing Protocol sets out the Authority’s agreed approach as to how the HoPS will discharge the staffing powers contained in sections 67(2) and 70(2) of the Greater London Authority Act 1999 (as amended). The Assembly has delegated its powers of consultation on staffing matters to the Assembly’s staffing committee, currently the GLA Oversight Committee. Under the Staffing Protocol, formal consultation with Unison is also required and paragraph 5 confirms this has commenced.

7. Financial Implications

- 7.1 £2.17m has been provided for in the GLA's 2022/23 budget for a potential pay award, which equates to a 3% increase for all staff and office holders. The proposals recommended in this and accompanying papers are contained within this financial envelope.
- 7.2 The provision for the pay award 2022/23 has been budgeted centrally. Once a pay award is agreed, the detailed GLA budget will be updated accordingly, and this will include a transfer of the relevant sum into the Assembly budget.
- 7.3 The pay award will be processed in the May 2022 payroll and backdated to 1 April 2022.
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List of appendices to this report:

Appendix 1: Initial Unison proposal for the pay award 2022/23
Appendix 2: Cumulative impact of historic tapered pay awards on GLA grades
Appendix 3: Final Unison proposal for the pay award 2022/23
Appendix 4: Chief Officer proposal for the pay award 2022/23
Appendix 5: Unison acceptance of the pay award

Local Government (Access to Information) Act 1985
List of Background Papers: None
Contact Officer: Raj Bhamber, Interim Assistant Director Human Resources and Organisational Development
Telephone: 07798 791344
Email: raj.bhamber@london.gov.uk

Appendix 1: Initial Unison proposal, 24 February 2022

Dear Mary, Raj

GLA Unison have worked on the figures at a median per grade; estimating that whilst some staff are at the top of the grade, some are not and are continuing to receive increments across the grades, and we show that though the higher grades would receive lower pay awards the rise would be equitable. Those that are receiving honorarium, acting up allowances, market force supplements etc often tend to be higher grades too, so we feel this dissemination of pay award percentage would be the fairest.

In our meeting earlier in the week we discussed the on costs, which we were informed were factored in, we don't have the costings to include in our spreadsheet, so our figures leave some room for this to be included in the overall amount.

Regards

GLA Unison

GLA UNISON BRANCH SECRETARY

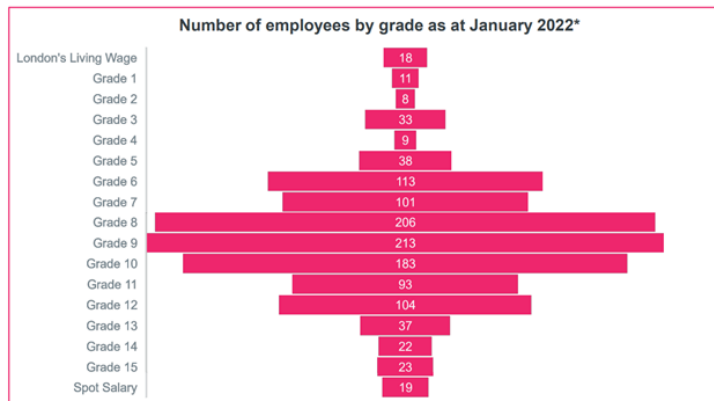
gla.unison@london.gov.uk

Grade	Median	Number of staff	Total costs	Median pay rise	% pay rise		
G1	23504	11	258544	24914.24	0.06	274056.64	
G2	27022	12	324264	28643.32	0.06	343719.84	
G3	30058	36	1082088	31861.48	0.06	1147013.28	
G4	30960	19	588240	32817.6	0.06	623534.4	
G5	33459	52	1739868	35466.54	0.06	1844260.08	
G6	36389	142	5167238	38572.34	0.06	5477272.28	
G7	43177	122	5267594	44904.08	0.04	5478297.76	
G8	46636	257	11985452	48035.08	0.03	12345015.56	
G9	51402	263	13518726	52944.06	0.03	13924287.78	
G10	57114	212	12108168	57685.14	0.01	12229249.68	
G11	60991	101	6160091	61600.91	0.01	6221691.91	
G12	73077	111	8111547	73807.77	0.01	8192662.47	
G13	83169	44	3659436	84000.69	0.01	3696030.36	
G14	90100	23	2072300	91001	0.01	2093023	
G15	116926	22	2572372	118095.26	0.01	2598095.72	
Spot Salary							
TOTAL	803984		74615928	824349.51	20365.51	76488210.76	1872282.76
						MAX	£1.934m
Pay Award 2% disseminated across grades - £1.2m							
Plus £734k awarded in the Final Mayor's Budget							
£1.934m							
On costs factored in but no actual figures to include in spreadsheet							

Appendix 2: Cumulative impact of historic tapered pay awards on GLA grades

COMPOSITE (CUMULATIVE % CHANGE, AVERAGE GROSS UPLIFT BY GRADE WITH EMPLOYEE NUMBERS) 2015/16 TO 2021/22

Grade	No. of employees*	Cumulative % change	Average gross uplift**
Grade 1	11	13.1%	£2,729
Grade 2	8	13.1%	£3,137
Grade 3	33	13.1%	£3,490
Grade 4	9	13.1%	£3,595
Grade 5	38	13.1%	£3,885
Grade 6	113	11.5%	£3,749
Grade 7	101	9.9%	£3,877
Grade 8	206	7.7%	£3,340
Grade 9	213	7.2%	£3,444
Grade 10	183	7.2%	£3,827
Grade 11	93	6.1%	£3,523
Grade 12	104	6.1%	£4,222
Grade 13	37	6.1%	£4,805
Grade 14	22	6.1%	£5,205
Grade 15	23	6.1%	£6,755
Spot Salaries	19	6.1%	



* The number of employees shown is as at January 2022 (as per numbers reported to ECM in February 2022).

** NB: this uplift is the gross average increase per grade before tax, NI and pension deductions between the base year of 2015/16 and 2021/22. Therefore this does not necessarily provide a direct comparator to the sum received by the individual, which will be determined by individual circumstances. For example, individuals earning above the basic rate tax threshold will pay a higher rate of tax on any additions than those earning below that level. Similarly, pension contributions, for those individuals who choose to take advantage of the LGPS offer, are proportionately increased with higher salaries.

Appendix 3: Final Unison proposal, 25 March 2022

Dear Raj,

Thank you for your swift response.

Following the meeting in which you suggested modelling for the 2%+1% differentiated, we were provided with two options in a letter.

Option 1

2% across the board, with remaining 1% spread differentially across a range of grades, to result in total awards of:

Gr 1-6 4%

Gr 7-11 2.75%

Gr 11+ 2.25%

Option 2

2% across the board, with remaining 1% spread differentially across two bands, to result in total awards of:

Gr 1-11 3.4%

Gr 12+ 2%

As stated our preference would be for Option 2 rather than a 3% across the board.

Our rationale for this is that we believe that this would be a suitable compromise for both parties, from our initial recommendation for differentiated pay starting at 6% for the lowest grades, and a move closer towards your 3% across the board. The data that you have shared with us highlights that the highest grades have benefited the most from pay awards over the past six years in monetary terms and will be least affected financially by the organisational changes such as the payroll change. Looking at the figures, it is clear that grades 12 and above will receive a significant pay award with both 3% across and board, and with option 2. The staff that will benefit the least from a 3% across the board compared to option 2, would be grades 11 and below where we know we have the bulk of BAME and disabled staff as highlighted in the recent GLA pay gap publications.

We also believe that option 2 would support the Organisation's aims as highlighted by Mary in the All Staff Briefing this week when she said *"We do now need to think even more carefully about, are there particular groups in the organisation that are likely to be disproportionately impacted by our decisions, and I'm happy to take that on as a challenge to us all at the CMT."* For us, option 2 would be an immediate way to take up that challenge and put words into actions.

We appreciate that in a cost of living crisis, a below inflation pay award will cause stress for all staff, but we strongly feel that option 2 would be the fairest option to support those who will struggle the most during this period of high inflation and organisational change.

Regards

GLA Unison

Appendix 4: Chief Officer proposal, 12 April

Steve Terry
Unison
By email 12 April 2022

Dear Steve,

Further to our recent exchanges and discussions regarding the pay award 2022/23, I thought it might be helpful to set out formally the following:

- Our rationale for an equitable pay award of 3% to all staff
- Our response to your latest proposed differentiated pay award
- An alternative and compromise proposal to secure the ability to pay this award in full in May and so to achieve what we all set out to do given the financial challenges everyone faces
- Our intention to process an award of 2% to all staff in the May payroll in the event that we cannot reach agreement on the distribution of the remaining 1% this week. As you know, any payments we do not make in the May payroll will be delayed by several months.

In Shakira's letter of 16 March 2022, the case for a 3% pay award to all staff was clearly stated in accordance with our agreed principles – affordability, fairness and equity:

- Affordable – the budgetary provision for a 3% pay award across all grades.
- Fairness – six years of cumulative pay awards have resulted in: staff in grades 1 to 6 receiving a cumulative pay award of 13.1%; staff at grade 8 receiving 7.7%; and grades 9 & 10, 7.2%. The rates for other grades have been significantly lower as the attachment demonstrates. I am grateful that in negotiations you have recognised the fact that staff in all grades up to grade 11 must be awarded equally, but a 3% flat rate award will fairly reward the greatest number of staff – all of whom have had a very difficult couple of years and contributed hugely to the GLA's work.
- Equity – staff across all salary grades are being affected by cost of living increases. A flat-rate increase is fair to all staff who are valued equally.

Your proposal of a differentiated pay award is problematic as it continues the six-year negative cumulative impact for over 200 staff at grades 12 and above, the majority of whom are female.

I am therefore inviting you to consider an alternative compromise proposal of a pay award of 3.2% for all staff including all staff at grade 12 (104 staff, the majority of whom are female and half of whom are Black, Asian and Minority Ethnic) and 2% for staff at grades 13 and above. While this scenario, in my view, does not appropriately recognise the invaluable contributions made by over 100 staff at grade 13 and above (the majority of whom are female), I remain grateful to them for their continued understanding and commitment.

Finally, I am advising you that it is our firm intention to process the first stage of the pay award 2022/23, i.e. 2% for all staff, in the May payroll. If we agree the allocation of the

further 1% this week in the form of our preferred flat rate award or our alternative compromise proposal, then we can of course process that too so that staff can receive the full 2022/23 pay award in May 2022, rather than in stages. Otherwise, as previously advised the payment of the remaining award will be delayed by several months.

I trust this correspondence is self-explanatory, but should you have any queries please do not hesitate to contact Raj and/or Shakira pending my return.

I look forward to your response to this letter by the end of this week.

Yours sincerely,

Mary Harpley

Chief Officer

Copied to: Raj Bhamber, Shakira Keddo

Appendix 5: Unison's acceptance of pay award, 13 April



Mary Harpley
Chief Officer
Greater London Authority

169 Union Street
London
SE1 0LL

Date: 13 April 2022

Dear Mary

GLA Pay Award 2022/23

Thank you for your email of 12 April to Steve Terry where you outlined an alternative compromise proposal for the 2022/23 pay award.

GLA Unison Branch Committee met today and have voted to accept the pay award of 3.2% for G1-12 and 2% for G13 upwards.

Regards

GLA Unison

GLA UNISON

CC Shakira Keddo
 Raj Bhamber