

GREATER LONDON AUTHORITY

REQUEST FOR MAYORAL DECISION – MD2697

Title: Pay award for 2020 for the GLA's Statutory Officers

Executive summary

The GLA has three "statutory officers": the Head of Paid Service, Chief Finance Officer and Monitoring Officer whose appointments and terms and conditions of contract (including level of remuneration) are required to be approved by joint decision of the Mayor and Assembly. This Form concerns the pay of the Chief Officer (as Head of Paid Service) and the Executive Director of Resources (as Chief Finance Officer).

On 16 April Unison submitted a pay claim for GLA staff for the financial year 2020-21. In response, mindful of financial constraints within the GLA and across the GLA Group, the Chief Officer's offer to Unison was a consolidated increase of 2% for grades 1 to 7 with a 0% increase for grades 8 and above. Unison accepted the offer on behalf of their members on 15 September 2020. Where changes applied i.e. for staff in grades 1 – 7, they were implemented in the October payroll, and backdated to 1 April 2020.

The Mayor had earlier this year decided to reduce his personal salary by 10 per cent. In addition, the pay of his personal appointees – i.e. the 13 staff appointed by the Mayor under section 67(1) of the GLA Act 1999 (as amended) – is being frozen for 2020-21. This is line with MD2067 and the pay award to relevant staff appointed by the Chief Officer.

The pay of two of the GLA's statutory officers – the Chief Officer (as Head of Paid Service) and the Executive Director of Resources (as Chief Finance Officer) – and the Monitoring Officer's allowance currently awarded to the Assistant Director for External Relations, is set by the Mayor and Assembly jointly. This Mayoral Decision form asks the Mayor to agree no increase for 2020-21 for the Chief Officer and the Executive Director of Resources and for the Monitoring Officer's allowance currently awarded to the Assistant Director for External Relations. The recommendation, therefore, is that the pay of the three Statutory Officers remains unaltered for 2020-21. The Assembly is due to consider this proposal at its meeting on 3 December 2020.

Decision

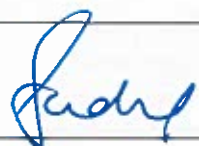
That the Mayor, noting that it is a joint decision with the Assembly, confirms that a pay award of 0% for 2020-21 should be made to the GLA's Chief Officer and Executive Director of Resources, and that the Monitoring Officer allowance awarded to the Assistant Director for External Relations also remains unaltered for 2020-21.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date:

1/12/20

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Background

1.1 On 16 April 2020, Unison submitted a pay claim for GLA staff for the financial year 2020-21. The claim contained several elements as follows:

- *an increase of 2% for all GLA staff on Grade 1 and above;*
- *an additional £500 payment for all staff, pro-rated for part time staff; and*
- *a day of compulsory closure on 24 December, or on the closest weekday.*

In addition, Unison have requested that a GLA and GLA Unison pay working group be established and tasked with formulating a two or three-year pay deal to be finalised at the start of the delayed new Mayoral term in May 2021.

1.2 Even though provision was made in the current 2020/21 GLA budget for a 2% pay award to all staff, the COVID-19 pandemic has put considerable strain on the GLA's short and medium-term financial position. Therefore, the Chief Officer has had to consider alternative options in respect of pay negotiations for 2020/21, given the imperative to protect as many jobs as possible in the GLA despite needing to make considerable savings this year and next.

1.3 After due consideration it was the Chief Officer's view that Unison's claim was not affordable in the present climate, given the need to make savings while protecting jobs. The Chief Officer took account of the desirability of weighting the pay award towards the lowest grades, including a comparison with local government, central government and functional body pay settlements, and affordability.

1.4 The Chief Officer's counter-offer (which was accepted by Unison on behalf of their members on 15 September 2020) was:

- a 2% increase for staff on Grades 1 – 7 only;
- a 0% increase for staff on Grades 8 and above;
- no additional £500 payment for any staff; and
- no additional closure day on 24 December.

1.5 The Chief Officer's rationale was that:

- The increase of 2% for staff at Grades 1-7 ensures that our lowest paid staff, including our security and other FM staff who have been attending City Hall and Union Street throughout the pandemic and will continue to do so, will receive, in part, the award which Unison has proposed. The Chief Officer also considered the average London public sector salary. This is £41,800 (ONS – Earnings and hours worked, UK region by public and private sector: ASHE Table 25) which maps broadly on to the GLA's Grade 7 salary band (£40-44,000). This will not apply to our staff on the London Living Wage whose pay is determined independently. There are c360 staff across Grades 1 – 7, representing 31% of the GLA's current headcount. Salary levels for staff in these grades range from £22k to £44.4k at the 2019/20 rate. Making this award alone equates to approximately £335k and means that the balance of the funds originally budgeted for a pay award – c£1.3m – can contribute to meeting the GLA saving target in 2020/21 and beyond.
- The GLA's annual leave entitlement is already generous and the several progressive policies brought in over the last twelve months have increased the entitlements for paid leave for staff in a range of circumstances – including the additional paid leave which is now provided for in the Carers and Dependency Leave, Bereavement Leave, and Domestic and Gender Based Violence and Abuse policies.

- 1.6 The Chief Officer met Unison on 2 June and 20 August to discuss the claim and to advise them of the pay offer. Final agreement on the staff pay award has been authorised via CO 211.
- 1.7 The Mayor and Assembly were also consulted on the Chief Officer's proposal. The Assembly considered its response at the 9 September 2020 meeting of its GLA Oversight Committee.
- 1.8 The pay award was implemented in the October payroll and back dated to 1 April 2020.
- 1.9 The Mayor is entitled to appoint 13 members of staff under section 67(1) of the GLA Act 1999 (as amended) on such terms and conditions, including pay, as the Mayor thinks appropriate. The Mayor decided to freeze the pay for this group of staff and their salaries will therefore remain unaltered for 2020-21.
- 1.10 In light of the decision on staff pay, the current financial pressures facing the GLA and the fact the three Statutory Officers' salaries are considerably higher than the staff in scope for a salary increase for 2020, it is proposed the pay for the Chief Officer and Executive Director of Resources remains unaltered for 2020. Further, it is proposed that the additional allowance paid to the substantive post holder carrying out the Monitoring Officer's functions should also remain unchanged for 2020.

2. Issues for consideration

- 2.1 The Mayor and Assembly, acting jointly, must determine the pay award for the GLA's statutory officers in line with Sections 72, 73 and 127A of the GLA Act 1999 (as amended), noting that the Monitoring Officer role is being carried out by a postholder in addition to their existing substantive role. The pay for that postholder's existing substantive role is being settled through the staff pay award in the normal way. This decision therefore relates solely to the Chief Officer (the statutory Head of Paid Service function is intrinsic to that role) and the Executive Director of Resources (the statutory Chief Finance Officer function is intrinsic to that role), and the additional allowance awarded to the postholder of an existing substantive role for carrying out the duties of Monitoring Officer.
- 2.2 The table immediately below sets out GLA pay awards to GLA staff since 2011-12.

Year	GLA	Comment	National Joint Council (NJC)	Mayoral appointments
2019/20	2.5% for grades 1 – 6 and 2% for grades 7 and above, including Executive Directors.	In response to a tapered pay claim from Unison	2% with higher increases for those on lower pay – year 2 of a 2-year deal	2%
2018/ 19	2% for all grades 1 to 15 and Executive Directors; and a further 1% for GLA grades 1 to 6.	In response to a tapered claim from Unison.	2% with higher increases for those on lower pay – year 1 of a two-year deal.	2%
2017/18	<ul style="list-style-type: none"> • 3% for grades 1-5 • 2% for grades 6-10 • 1% for grades 11 + 	In response to tapered claim from Unison.	1%	1%
2016/17	2% for grade 1-5 1.5% for grade 6-8 1% for grade 9-15	In response to tapered claim from Unison.	1%	1%

2014/15 & 2015/16	2.2%	15-month award covering 1 January 2015 to 31 March 2016.	2.2% (1 January 2015 – 31 March 2016)	2.2%
2013/14	1% plus non-consolidated amounts.	2.5% grades 1-4 2% grades 5-7 1.5% grades 8-10 & 1% grades 11. Only 1% added to pay scales the remainder paid as a one-off payment.	1%	1%
2012/13	Nil		Nil	Nil
2011/12	4% for grade 1-3, 0% for all other grades.		Nil	Nil

- 2.3 The Sponsoring Director for this decision is the Assistant Director of Financial Services as the Chief Officer and the Executive Director of Resources have a conflict of interest.

3. Legal implications

- 3.1 The Mayor and the Assembly, acting jointly, have the power to determine remuneration for the three statutory officers, as part of their contractual terms and conditions, in accordance with sections 72(1C), 73(1C) and 127A(3) of the GLA Act 1999 (as amended) and section 5.1 of the Statutory Officer Protocol. Their pay awards are therefore a joint decision.
- 3.2 The Mayor's approval must be given via a Mayoral Decision Form. The full Assembly must decide any changes to the statutory officers' terms and conditions (including as to remuneration).
- 3.3 By adopting the Statutory Officer Protocol, the Mayor and Assembly jointly agreed that, as a matter of principle, the standard terms and conditions that apply to all staff appointed by the Head of Paid Service (the "HoPS"), should normally also apply to the three statutory officers.
- 3.4 This Mayoral Decision Form seeks the Mayor's confirmation that a pay award of 0% for 2020-2021 should be made to the GLA's Chief Officer and Executive Director of Resources and an increase of 0% should be made to the allowance paid to the Monitoring Officer, as the three statutory officers.

4. Financial implications

- 4.1 The budget for 2020/21 was built including a pay inflation factor of 2%. As previously reported, the agreement of an award below that will lead to an underspend within the available budget. The inflation provision totalled £1.3m, with the agreed increase for staff at grades 1-7 costing around £335k, indicating a saving against budget of around £965k. This calculation already includes the effect of a nil pay award for statutory officers, as the posts are graded above grade 7. Therefore there are no further financial implications arising from this proposal.

Appendices

None.

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FOI Act) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after approval or on the defer date.

Part 1 Deferral:

Is the publication of Part 1 of this approval to be deferred? NO

Part 2 Confidentiality: Only the facts or advice considered to be exempt from disclosure under the FOI Act should be in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form? NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting Officer:

Patrick Alleyne has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Anna Casbolt has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

David Bellamy has been consulted about the proposal and agrees the recommendations.

✓

Advice:

The Finance and Legal teams have commented on this proposal.

✓

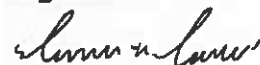
Corporate Investment Board

This decision was agreed by the Corporate Investment Board on 23 November 2020.

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature



Date

25 November 2020

Enver Enver on behalf of David Gallie

CHIEF OF STAFF:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature



Date

23 November 2020

