

Subject: GLA Pay Award

Report to: GLA Oversight Committee

Report of: Head of Paid Service

Date: 18 July 2013

This report will be considered in public

Summary

1.1 This report consults the GLA Oversight Committee on the pay award for 2013-14.

2. Recommendation

2.1 **That the Committee notes the report and responds to Head of Paid Service consultation on the pay award for 2013-14.**

3. Background

3.1 In recent years the GLA's annual pay settlements have mirrored those agreed by the National Joint Council for Local Authorities (NJC) even when local negotiations have taken place. The GLA and NJC settlements are set out below.

Table 1 Comparative pay settlements

Year	GLA	London local authorities
2012-13	Nil	Nil
2011-12	4% for grade 1-3 Nil for all other grades	Nil
2010-11	Nil	Nil
2009-10	1% (except Executive Directors and Mayoral appointees)	1% (except Chief Officers)
2008-09	2.75%	2.75%

3.2 In addition, except for those staff at the top of their pay scale and those on spot salaries, GLA staff have continued to receive incremental pay rises as normal, in line with contractual provisions.

4. Issues for Consideration

4.1 As can be seen from the table in paragraph 3.1 above, most staff have not received an annual pay award increase since 2009.

4.2 Unison has submitted a pay claim for 2013-14. This is attached as **Appendix 1** but in summary requests:

- 2.5% for Grade 1 -4
- 2% for Grade 5-7
- 1.5% for Grade 8-10
- 1% for Grade 11-13

4.3 If Unison’s claim were to be agreed then being a consolidated tapered claim it would reduce some of the differentials in the current pay scales. For example, the top of Grade 4 would be more than one point up the Grade 5 scale.

4.4 Central government have generally applied a 1% limit on budget uplifts for 2013-14 pay awards and encouraged departments to include the contractual incremental uplifts within this amount. However performance related pay pots are outside of this limit.

4.5 The NJC Employer’s Side which determines local authorities’ pay has agreed a 1% pay award for all staff except Chief Officers.

4.6 Within the GLA annual pay settlements fall to be decided as follows:

Pay settlements in respect of:	Approver:
The Mayor and Assembly Members	The Mayor and Assembly jointly
Statutory officers (Head of Paid Service, Chief Finance Officer and Monitoring Officer)	The Mayor and Assembly jointly
Staff appointed by the Mayor	The Mayor
Staff appointed by the Head of Paid Service	The Head of Paid Services after consultation with the Mayor and Assembly

4.7 The Head of Paid Service is seeking to conclude consultation by the end of July in order to enable implementation in August.

5. Legal Implications

5.1 Under section 70(2) of the GLA Act 1999 (as amended) the Head of Paid Service may employ staff appointed under section 67(2) on such terms and conditions (including as to remuneration) as he, after consultation with the Mayor and the Assembly, thinks fit.

5.2 The Mayor and the Assembly acting jointly have the power to determine the terms and conditions (including as to remuneration) of the Authority’s statutory officers.

5.3 The Mayor has the power to determine the terms and conditions (including as to remuneration) of staff appointed by him under section 67(1) of the GLA Act (as amended).

6. Financial Implications

- 6.1 The cost of the Unison pay claim on the pay bill would be approximately £610,600 which equates to 1.3% of the pay bill.
- 6.2 The proposal to award a 1% pay increase to all staff would cost the Authority an estimated £454,230 a year.
- 6.3 It is envisaged that any of these costs could be met from the current budget allocation. In the event of an under-spend not becoming apparent at year-end, the Authority's reserves could be utilised to cover the expense.
- 6.4 The additional budgetary cost to the Authority of any agreed pay increase for 2013-14 will be reviewed as part of the 2014-15 budget setting process.

Table 2 – Costs to the pay bill of the proposed tapered Unison pay claim

Cost of Grade 1-4 increase	£64,000
Cost of Grade 5 -7 increase	£206,600
Cost of Grade 8-10 increase	£ 213,600
Cost of Grade 11 – 13 increase	£ 81,000
Vacant posts at 1%	£ 45,400
Total increase	£610,600
Cost of all senior staff above G14 (1% increase including mayoral appointments, staff on G14 and 15 and Executive Directors)	£48,800 (£16,543 for mayoral appointments)
Unison tapered increase plus 1% for the remaining senior staff, including mayoral appointees, staff at Grade 14 and 15, and Executive Directors	£ 659,400

List of appendices to this report:

Appendix 1 Unison Pay Claim

Appendix 2 GLA Salary Bands

Local Government (Access to Information) Act 1985 List of Background Papers: None	
Contact Officer:	Juliette Carter, Assistant Director HR and OD
Telephone:	0207 983 4194
E-mail:	Juliette.carter@london.gov.uk