

Briefing Paper

A two year pay award was agreed Nationally to cover 2018/19 and 2019/20. As part of this agreement there was the introduction of a new pay spine that will take effect from April 2019.

In order to close the significant gap with the National Living Wage, scp's 6-17 inclusive have been paired off to create new spinal column points (scp's) 1-6, e.g. scp 6 & 7 are paired to produce the new scp 1; scp's 8 & 9 are paired to produce scp 2.

With effect from April 2019 scp 1 will be paid at £9.00 per hour. These changes would ensure that the bottom end of the pay spine is still relevant in the foreseeable future.

Therefore the new national pay spine has introduced 5 new spinal column points scp's. The purpose of this is to achieve a 2% increase in salary between scp's up to the new scp 22. If the new scp's were added in without changing the grade boundaries some grades would have 9 or 10 scp points contained within them and would therefore be open to challenge, particularly in respect of Age equality.

The pay spine itself is determined at national level and the pay model (grading) is determined at local level. The Council's pay model was last revised as part of the implementation of the Job Evaluation scheme in 2009.

227 employees will see an immediate pay increase
217 employees will see additional headroom progression
18 employees will see a smaller than expected increase*
0 will be negatively affected

* Whilst no employees will be negatively affected, some employee will not see the financial gain they had expected in April 2019, it may take a longer period to reach the top of the grade, due to the additional spinal column points that have been added to some grades.

Based on current costings the revised model will cost:

2019/20 £14,430
2020/21 £25,687
2021/22 £85,500
2022/23 £39,419

Or £165,036 over 4 years

There will be formal consultation with the Trade Unions with a view to reaching a Collective Agreement to implement a joint pay model across both Councils in line with the revised National Pay. In addition due to the pay models at BDC and RBC being slightly different, this revised model will mitigate any future equal pay challenges from joint employees.