

CABINET

16 December 2014

Title: Addendum to Budget Monitoring 2014/15 - April to October 2014 (Month 7) Report

(The Chair will be asked to decide if this addendum can be considered at the meeting under the provisions of Section 100B(4)(b) of the Local Government Act 1972 as a matter of urgency in order for revised staff pay arrangements to be implemented from 1 January 2015.)

2.15 Pay Award Arrangements

2.15.1 There have been two important announcements recently in relation to staff pay.

2.15.2 Firstly, there has been a nationally negotiated agreement on a pay award of 2.2% from 1 January 2015 for NJC staff, in addition to one-off payments for staff on lower grades (to cover the period to April 2016).

2.15.3 Secondly, the Mayor of London confirmed an increase to the London Living Wage (LLW) to £9.15 per hour. In January 2011, the Council agreed that no-one would be paid below the LLW and, in January 2013, that no-one should be paid less than £9 per hour, which was considerably above the LLW at that time. There is a need to find a balance between paying lower graded roles an appropriate 'fair' wage, with what is affordable and what ensures the Council remains competitive where services are traded.

2.15.4 Considering that balance, it is recommended to increase the LBBB Living Wage to £9.20 per hour from 1 January 2015 – a rate higher than that announced by the Mayor of London. It is also recommended that we commit to reviewing the LBBB Living Wage as part of the Council's budget each year and apply any increase in January of each year. Adecco will also be required to ensure that all agency staff working for the Council receive at least £9.20 an hour.

Recommendations:

The Cabinet is recommended to:

- (vii) Agree that all permanent Council staff and agency staff working on Council assignments be paid the equivalent of at least £9.20 per hour with effect from 1 January 2015; and
- (viii) Agree to review the minimum hourly rate for all Council staff in December each year with any increase applying from the following January.