

Report to: Governance Committee
Date of meeting: 12 July 2016
By: Chief Operating Officer
Title: LMG Managers' Pay 2016/17
Purpose: To agree the pay award for LMG Managers for 2016/17

RECOMMENDATIONS

The Governance Committee is recommended to agree the pay award for LMG Managers for the financial year 2016/17 as being 1% (in line with the recent national NJC award)

1 Background

1.1 At its meeting on 3 June 2016, the Governance Committee received a report with regards to the 2016/17 pay offer for LMG Managers to be negotiated with Unison. Following due consideration the Committee agreed the offer to be made as 1%, in line with the recent national NJC award.

2 Supporting information

2.1 The annual Consumer Prices Index (CPI) inflation measures changes in the price level of consumer goods and services purchased by households. The CPI 12 month rate (the amount prices changed over the year between May 2015 and May 2016) stood at 0.3%. CPI is the inflation measure used in the Government's target for inflation and for purposes such as uprating pensions, wages and benefits.

2.2 For the three months ending 31 May 2016 the median pay settlement for the whole economy was 1.7%. The median pay settlement for the private sector was 1%, whereas in the public sector it was 2%.

2.3 Across the whole economy, between February to April 2015 and February to April 2016, in nominal terms, i.e. not adjusted for CPI, total pay (average weekly earnings including bonuses) increased by 2.0%. Comparing the 3 months to April 2016 with the same period in 2015, real average weekly earnings (total pay), adjusted for CPI, grew by 1.6%. (ONS, June 2016)

2.4 Total pay in the public sector (average weekly earnings including bonuses) grew by 1.7% when compared with a year earlier over the three months to April 2016. In contrast, total pay in the private sector rose by 2.1% over this period. (LGA June 2016)

2.5 The wastage figure for voluntary leavers among LMG Managers (e.g. resignations) for the half year period April to September 2015 is 3.6%. For comparison purposes, for the period April to September 2014 it was 3.58% and for April to September 2013, 4.87%.

Pay Negotiations 2015/16

2.5 Following the Governance Committee's decision on 3 June 2016 negotiations with UNISON have taken place and local managers have indicated their acceptance of the 1% pay offer, equivalent to the national pay offer for 2016/17.

2.6 Attached at Appendix A is a copy of the current LMG salary scales along with the impact of a 1% uplift.

3. Conclusion and reasons for recommendations

3.1 The Governance Committee is recommended to agree the pay award for LMG Managers for the financial year 2016/17 as being 1% (in line with the recent national NJC award)

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