

PROPOSAL TO AMEND THE PAY SCALES FOR HAY GRADES

Purpose of the report

1. The purpose of this report is to provide Staffing Policy Committee with proposals to amend the council's pay scales for HAY grades to bring them in line with the new pay and grading model for NJC staff which was implemented on 1 April 2019.

Background

2. The current HAY grade pay scales are based on four incremental points, with progression through those pay scales annually based on performance and approval of the relevant executive director or director.
2. The new pay and grading structure implemented in April 2019 for staff on NJC terms and conditions included a change to the number of increments in each grade with all grades now containing 3 rather than 4 increments (except for grade B which contains 2 increments). For grades I and above the bottom increment was removed with the result that staff now start higher in the grade and have fewer increments to reach the maximum of the grade, resulting in higher average pay in those grades than before.
3. Incremental progression for HAY graded staff is therefore now inconsistent with the progression for NJC graded staff in terms of the time it takes to reach the grade maximum.
4. The change to the pay and grading model for NJC staff has also meant that the top of grade O overlaps with the bottom of HAY grade T3 (specialist grade) creating an inconsistent approach as overlaps have been removed for all other grades.

Main Considerations

5. The pay scales for each HAY grade are set out in the table below.

SCP	ANNUAL SALARY	LEADERSHIP	TECHNICAL SPECIALIST
4	£157,376.00	L1	
3	£152,496.00		
2	£147,625.00		
1	£142,754.00		
4	£110,084.00	L2	
3	£106,671.00		
2	£103,263.00		
1	£99,856.00		
4	£79,270.00	L3	

3	£76,813.00		
2	£74,357.00		
1	£71,903.00		
4	£66,480.00	L4	T1
3	£64,419.00		
2	£62,361.00		
1	£60,303.00		
4	£58,208.00	L5	T2
3	£56,402.00		
2	£54,601.00		
1	£52,799.00		
4	£49,971.00		T3
3	£48,422.00		
2	£46,875.00		
1	£45,327.00		

6. As outlined above the top spinal point of grade O on the NJC pay and grading model currently overlaps with the first spinal point of the T3 grade, as the range for grade O is £43,622 - £45,591.
7. The removal of the bottom spinal point of each grade would be consistent with the amendments to the NJC pay and grading model in terms of the number of incremental pay points and therefore the time it would take to reach the grade maximum and would remove the overlap between grade O and T3.
8. The potential changes are illustrated below where the bottom spinal point of each grade is shaded out:

SCP	ANNUAL SALARY	LEADERSHIP	TECHNICAL SPECIALIST
3	£157,376.00	L1	
2	£152,496.00		
1	£147,625.00		
	£142,754.00		
3	£110,084.00	L2	
2	£106,671.00		
1	£103,263.00		
	£99,856.00		
3	£79,270.00	L3	
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	£52,799.00		
3	£49,971.00		T3
2	£48,422.00		
1	£46,875.00		
	£45,327.00		

9. CLT have agreed to make these amendments to the HAY grades from 1st October 2019.
10. Staff currently on the bottom spinal point would receive an increment to the second spinal point early, in October 2019 instead of due to incremental progression in April 2020. These staff would not receive further incremental progression until April 2021. New appointments after 1st October 2019 would receive incremental progression in April 2021 in line with the council's policy on incremental progression for HAY grades.
11. The removal of the bottom increment in each of the HAY grades would not only ensure that our pay and grading models for both NJC pay and HAY pay are consistent, but it would also mean that the starting salaries would be more competitive in the marketplace when recruiting for our senior roles.

Financial considerations

12. The amendments to HAY grades would affect 24 staff who are currently on the bottom spinal point incurring an additional cost of £51,000. There will also be an additional cost of new starters appointed after 1st October 2019 who would start higher in the grade than currently expected.

Recommendation

13. It is recommended that Staffing Policy Committee agree the following:
- The removal of the bottom increment of the HAY grades to create a pay and grading model with 3 increments per grade which is consistent with the changes to the pay and grading model for NJC staff at the council. This proposal will also remove the overlap with grade O and T3 and would benefit the council in remaining competitive in the marketplace.

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