

Committee: Corporate Services Committee – For Decision	Dated: 1 st March 2023
Subject: 2023 Annual Pay Negotiations	Public
Which outcomes in the City Corporation’s Corporate Plan does this proposal aim to impact directly? We have access to the skills and talent we need.	8
Does this proposal require extra revenue and/or capital spending?	No
If so, how much?	Not applicable
What is the source of Funding?	Not applicable
Has this Funding Source been agreed with the Chamberlain’s Department?	Not applicable
Report of: Dr Marcelle Moncrieffe – Chief People Officer	For Decision
Report author: Mark Williams – Interim Assistant Director (Reward and HR Projects)	

Summary

This report seeks the committee’s approval to delegate to the Employer Side members of the Employee Joint Consultative Committee and Senior Management Joint Consultative Committee, the authority to conduct the 2023 annual pay negotiations. This committee will be provided with regular updates on the progress of the negotiations.

Recommendations

Members are asked to:-

- Delegate to the Employer Side Members of the Employee Joint Consultative Committee, the authority to negotiate and agree with the trade unions, the annual pay award due on 1 July 2023.
- Delegate to the Employer Side Members of the Senior Management Joint Consultative Committee, the authority to consult and determine the annual pay award due on 1 July 2023.
- Note that that the parameters for any pay settlement that can be agreed by this committee are that it must be affordable and not exceed the overall financial envelope for pay which has been set by the Court of Common Council for the financial year 2023/24.

- Note that the committee will receive regular reports on the progress of negotiations and consultation.

Main Report

Background and context

1. This committee is responsible for the terms and conditions of employment including pay awards for all the workforce in the Corporation employed on Grades A to J and the Senior Management Group, with Teachers Pay Award determined separately. The committee has the authority under its terms of reference to delegate to another committee some of its functions. Practice in previous years has been that the authority to negotiate with the Trade Unions on the pay awards is delegated to the Employer Side Members of the Employee Joint Consultative Committee and, in relation to senior staff, the Employer Side Members of the Senior Management Joint Consultative Committee. This report seeks Members approval to adopt the same approach for this pay round.

Scope

2. The arrangements for Annual Pay Awards for the workforce employed on Grades A to G are governed by a Collective Agreement between the Corporation and the GMB and UNITE (the two unions recognised by the Corporation for these purposes). Clearly, it is desirable that the annual pay award should be agreed between the parties where possible. The 2022 pay award after exhaustive discussion including attempts at arbitration at ACAS was not agreed between the parties so imposed without agreement.
3. In relation to employees on Grades H to J and in the Senior Management Group, the Corporation consults with employee representatives elected by the groups concerned before determining any pay award. The Corporation has historically applied the pay award that has been agreed with the Trade Unions to these work groups.

2023/24 Pay Negotiations

4. At the time of publication, the Trade Union Side Pay Claim has not yet been received. The 2023 pay negotiations will be challenging but it is recommended that an offer is made in good time with a view to implementing any pay award as near as possible to its usual effective date of 1st July. This committee will receive updates on the progress of the negotiations.
5. The review of the current pay and grading arrangements and related terms and conditions that is taking place will not automatically impact on the 2023

pay negotiations but is likely to impact on future years pay negotiations where a much wider range of reforms to terms and conditions of employment are envisaged. It may be as this progresses that there is benefit to doing a multi-year award for 2023/24+ bringing in changes to reward as a result of the review. Therefore, this option will not be discounted.

Corporate & Strategic Implications

Strategic implications – It is essential that the Corporation is able to recruit and retain talent to deliver its Corporate objectives and clearly a significant part of this is having suitable pay arrangements that facilitate effective recruitment and retention.

Financial implications – Any pay settlement must be affordable and not exceed the overall financial envelope for pay which has been set by the Court of Common Council for the financial year 2023/24 or otherwise approved by Finance Committee within the budget envelope.

Resource implications – There is a significant amount of work associated with the pay negotiations undertaken by officers in Corporate HR as in previous year. This will be met within existing resources.

Legal implications - The negotiations will be conducted in accordance with the Corporation's Collective Bargaining Arrangements.

Risk implications – If agreement cannot be reached with the Trade Unions on the pay award, there is a risk of Industrial Action taking place. Members may be aware that in the case of the GMB this was narrowly averted in relation to the 2022 award. UNITE are in the process of balloting their members in relation to last year's award which is the subject of a separate report at this meeting. It will be essential to mitigate those risks by communicating widely and comprehensively with all employees on the Corporation's proposals with clear information that explains the rationale for any pay offer. Recruitment and retention is now a Corporate Risk. Factors such as reward affect our ability to be able to successfully attract the best talent to work for the Corporation. There are also wider issues affecting the labour market which exacerbate the situation

Equalities implications – An EQIA will be undertaken on proposals made to ensure any equalities implications are understood and addressed.

Climate implications - None

Security implications – None

Conclusion

6. This report sets out the proposed arrangements for the 2023/24 pay negotiations which Members are asked to approve.

Appendices

None

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