

# Local Government Pay Deal 2018 - 2020

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# **NJC Pay & Grading Structures**

- **The NJC pay spine – pay points from SCPs 6-49**
  - **Used by councils and schools to construct their local pay grades – many variations**
  - **London and a few other councils have their own pay spines**
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# **NJC pay award 2018-2020**

- **Two-year award from 1 April 2018 – 31 March 2020**
  - **Incorporates joint review of NJC pay spine**
  - **Increase on lowest scale point (SCP) 6 = 15.65%**
  - **Increase on SCP 29 and above = 4.04%**
  - **4.04% increase also on scale points above SCP 49**
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# Key features

## Designed to:

- **Give 'headroom' above NLW**
  - **End compression at bottom of pay spine**
  - **Create even 2% gaps between SCPs...**
  - **...though only up to new SCP 22 (old SCP 28)**
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# The award - year 1

- **SCP 6 : Increase from £7.78 to £8.50 = 9.19%**
  - **SCP 12 : From £8.36 to £8.90 = 6.51%**
  - **SCP 19 : From £9.72 to £10.08 = 3.73%**
  - **SCP 20 and above : 2%**
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# The award - year 2

- **New pay spine kicks in**
  - **Bottom rate of £9 per hour on new SCP 1**
  - **Old SCPs 6-17 'paired off' to create new SCPs 1-6 incl.**
  - **2% gaps between new SCPs 1–22 incl.**
  - **New equal steps mean new SCPs 10, 13, 16, 18 and 21**
  - **2% on new SCPs 23 and above**
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# NJC pay spine review

- **Agreed as part of 2016-18 NJC pay settlement**
  - **Triggered by introduction of NLW**
  - **Both have led to compression at the lower end of the pay spine**
  - **NJC working group agreed review principles**
  - **Employers included new pay spine in pay offer**
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# Implications

- **Outcome of modelling:**
    - **No more than 2 old SCPs into 1 new SCP**
    - **2% even incremental differences**
  - **Pay offer was modelled against typical NJC 12 grade structure and provides stability and smoother structure**
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# Impact of pay offer on typical 12 grade pay and grading structure

Old Grade	Old SCP	Old No. Increments	New Grade	New SCP	New No. Increments
1	6-9	4	<b>1</b>	<b>1-2</b>	<b>2</b>
2	10-13	4	<b>2</b>	<b>3-4</b>	<b>2</b>
3	14-17	4	<b>3</b>	<b>5-6</b>	<b>2</b>
4	18-21	4	<b>4</b>	<b>7-11</b>	<b>5</b>
5	22-25	4	<b>5</b>	<b>12-17</b>	<b>6</b>
6	26-28	3	<b>6</b>	<b>19-22</b>	<b>4</b>
7	29-31	3	7	23-25	3
8	32-34	3	8	26-28	3
9	33-36	4	9	27-30	4
10	37-40	4	10	31-34	4
11	41-45	5	11	35-39	5
12	46-49	4	12	40-43	4

# Advantages of the NJC pay spine

- **Transparent pay spine**
  - **Brings employer in line with other NJC organisations**
  - **Easier to apply future NJC pay awards**
  - **Future proofed against National Living Wage increases and provides stability**
  - **Provides a sound basis for future pay and grading exercise**
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