

COST OF LIVING INCREASE TO SALARIES 2021-22

Background

Unusually for Town and Parish Councils employees of The Ivers Parish Council are employed on locally negotiated terms and conditions and not on National Joint Council for Local Government Services (NJC) terms and conditions.

It seems that, by convention, any decision related to the payment of an annual cost of living increase has been linked to the locally negotiated increases for staff at the former South Bucks District Council and there has been an assumption that, in future, cost of living increases would be linked to those for staff at Buckinghamshire Council.

In July 2021 when it considered staffing structure and remuneration Council was informed that a cost of living increase (estimated at 2%) would be in addition to any pay increases agreed at that time. The report considered in July 2021 is circulated as a confidential annexe to the agenda (as Appendix 15.2) and the relevant paragraphs are highlighted in yellow.

Staff were also informed of this and have spent the remainder of 2021 and 2022 expecting a cost of living increase that has not been forthcoming. Staff are aware that budget provision was made for a 2% increase. With the current cost of living crisis the absence of a cost of living increase is quite keenly felt by the parish council's staff. Matters came to a head when the NJC settled at 1.75% in March 2022 backdated to 1 April 2021 and certain members of staff approached the Locum Clerk in April 2022.

It appears that there has been an omission in respect of a cost of living increase for 2021/22. Firm information from Buckinghamshire Council is difficult to locate on its website but anecdotally the Locum Clerk is informed that Buckinghamshire staff received a 2% award as a one-off payment (not compounded into payscales) as part of a package of provisions to harmonise pay and conditions for staff who have come from a number of different councils when the unitary authority was formed.

The Way Forward

The Locum Clerk advises that a cost of living increase should be implemented across all the Council's staff as soon as possible and back dated to 1 April 2021 because in her view the staff have a legitimate expectation of an annual cost of living increase and that all the evidence points to this having being omitted through confusion in the year 2021/22.

It is for Council to decide the level of that award – 1.75% (matching the NJC rate) or 2% (matching Buckinghamshire) are the obvious choices. At 1.75% the total full year cost for all posts (excluding the vacant Clerk post) would be approximately £4.935; at 2% the figure would be £5,640 approximately. Both sums can be contained within the sum budgeted for in 2021/22 (and now part of the general reserve being part of the 2021/22 underspend) and the ongoing effect is budgeted for in the current year.

Decisions Required

- To decide whether or not to pay a cost of living increase in respect of 2021/22
- To decide, if paid, whether that increase should be 1.75% or 2%
- To agree, if paid, to backdate the award to 1 April 2021