

Subject: GLA Pay Award 2024-25

Report to:	GLA Oversight Committee
Report of:	Chief Officer
Date:	28 February 2024
Public Access:	This report will be considered in public

1. Summary

- 1.1 This report consults the Greater London Authority (GLA) Oversight Committee on the proposed pay award for GLA staff for 2024-25, effective from 1 April 2024.

2. Recommendation

- 2.1 **That the Committee responds to the Chief Officer's consultation on the GLA pay award and notes the considerations set out in the report.**

3. Background

- 3.1 The GLA's budget for 2024-25 is expected to be approved in March. It allows for a total of £4.7m which is equivalent to a 4.5% pay increase for all staff and office holders. This is an increase of £3.3m on the planned provision for the year, of which £2.3m was made available from the reduction in employer contribution rates.
- 3.2 In line with the approach for the 2023-24 annual pay award, Unison again asked the GLA to make the first offer in our negotiations for the 2024-25 pay award.
- 3.3 It was the clear view of the GLA from the beginning of negotiations that an undifferentiated pay award for 2024-25 would be preferable, in order not to exacerbate existing anomalies within our pay structure – where in some cases the pay in one grade overlaps with the pay in another. It was also the view of the Chief Officer that this approach should apply to all staff, regardless of their grade.

- 3.4 The GLA made an offer of a 4% pay increase to all posts at Grades 1- 15 and spot rates on 13 November 2023, in line with the resources identified for the annual pay award in the GLA's draft budget, 2024-25. Unison balloted their members on this offer, but it was rejected.
- 3.5 Affordability constraints were a key factor in shaping any further offer that the Chief Officer could provide. In considering how to fund any increased offer, underspends in directorates, related to ongoing vacancies, were identified as a source of additional funding in order for the Chief Officer to provide an increased offer of 4.5%. The Chief Officer was not willing to draw on directorate budgets beyond this due to the workforce implications it would have.
- 3.6 On 26 January 2024, the Chief Officer made a revised offer of a 4.5% increase to all posts at Grades 1-15 and spot rates.
- 3.7 Unison balloted their members on this offer from 30 January 2024 to 22 February 2024 and their members accepted this offer.
- 3.8 The Mayor and the Assembly, acting jointly, are responsible for determining the pay award for the GLA's three Statutory Officers: the Chief Officer (Head of Paid Service); the Interim Chief Finance Officer; and the Monitoring Officer. Once the pay award for the GLA staff has been confirmed, this decision will be progressed in the usual way.
- 3.9 The Mayor determines the pay award for the Mayoral appointees (i.e. those appointed under s67(1)(a) and (b) of the GLA Act 1999 (as amended); the "11+2"). Again, once the pay award for the GLA staff has been confirmed, this decision will be progressed in the normal way.

4. Issues for Consideration

- 4.1 The Chief Officer is grateful to Unison for their commitment to productive and constructive discussions during the negotiation process.
- 4.2 The Chief Officer's first formal offer, of a 2024-25 pay award of 4% to all eligible staff, is set out in Appendix 1. The Chief Officer's second and final offer of 4.5% to all eligible staff is set out at Appendix 2.

5. Consultation

- 5.1 In accordance with the GLA Head of Paid Service Staffing Protocol and Scheme of Delegation (the "Staffing Protocol"), formal consultation with Unison is required for this proposal as it relates to changing the terms and conditions of employment of existing employees. Formal consultation with Unison has taken place as set out above and Unison has now agreed to the proposed changes.
- 5.2 Furthermore, in accordance with paragraph 7.4 of the Staffing Protocol, a report must be sent to the Chief of Staff (on behalf of the Mayor) and to the Assembly's staffing committee, currently the GLA Oversight Committee (on behalf of the Assembly) containing the proposed changes and appropriate background information. This paper is the report referred to at paragraph 7.4 of the Staffing Protocol and the Chief Officer is also consulting the Mayor and the London Assembly, the latter through the GLA Oversight Committee by virtue of this paper on the proposal for the pay award for 2024-25.

6. Legal Implications

- 6.1 Under the Greater London Authority Act 1999 (as amended), the Head of Paid Service (the “HoPS”) may, after consultation with the Mayor and the Assembly and having regard to the resources available and priorities of the Authority:
- Appoint such staff as the HoPS considers necessary for the proper discharge of the functions of the Authority (section 67(2)); and
 - Make such appointments on such terms and conditions as the HoPS thinks fit (section 70(2)).
- 6.2 The Assembly has delegated its powers of consultation on staffing matters to the Assembly’s staffing committee, currently the GLA Oversight Committee.
- 6.3 After consultation with the Mayor and the Assembly, the Staffing Protocol was adopted by the HoPS in November 2009 and revised in July 2018. The Staffing Protocol sets out the Authority’s agreed approach as to how the HoPS will discharge the staffing powers contained in sections 67(2) and 70(2) of the Greater London Authority Act 1999 (as amended).
- 6.4 Paragraph 7.2 of the Staffing Protocol says that: *“The HOPS is responsible for determining terms and conditions for GLA staff (outside of the statutory officers and the Mayoral appointees) with the exclusion of staff transferred under a statutory transfer.”* Paragraph 7.1 of the Staffing Protocol says that *“Terms and conditions for the purposes of this Protocol means terms and conditions of employment that apply to all GLA staff appointed by the HoPS and includes all employment policies and procedures (whether contractual or not).”*
- 6.5 Paragraph 7.3 of the Staffing Protocol sets out the steps that need to be taken before seeking HoPS approval to change terms and conditions of existing employees (which include formulating initial draft proposals, discussing these with the HoPS, setting out the initial draft proposals in writing, sending them to Unison for consultation and seeking Unison’s agreement to the proposed changes). Paragraph 7.4 of the Staffing Protocol also says that: *“a report should be sent to the Chief of Staff (on behalf of the Mayor) and to the Assembly’s staffing committee (on behalf of the Assembly) containing the proposed changes and appropriate background information”*.
- 6.6 This is the report for the Assembly’s staffing committee (i.e. the GLA Oversight Committee) that is required to be sent under paragraph 7.4 of the Staffing Protocol containing the proposed changes and appropriate background information.

7. Financial Implications

- 7.1 The GLA’s 2024-25 budget, which is expected to be approved next month, provides £4.7 million for a potential pay uplift, which equates to the equivalent of a 4.5% increase for all staff. The proposed pay uplift is affordable within this financial envelope.
- 7.2 The provision for the pay award 2024-25 has been budgeted centrally. Once a pay award is agreed, the detailed GLA budget will be updated accordingly, and this will include a transfer of the relevant sum into the Assembly budget.
- 7.3 The pay award will be processed in the 15 May 2024 payroll and backdated to 1 April 2024.

List of appendices to this report:

Appendix 1 – First Formal Pay Award 2024-25 offer issued to Unison, 13 November 2023

Appendix 2 – Second Formal Pay Award 2024-25 offer issued to Unison, 26 January 2024

Local Government (Access to Information) Act 1985

List of Background Papers: None

Contact Information

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02079834000

UNISON
Greater London Authority Branch
169 Union Street
London SE1 0LL

Sent via email

13 November 2023

Dear UNISON

GLA's offer for the 2024-25 Pay Award

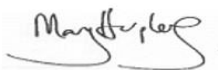
The GLA's draft budget for 2024-25 will be published today with the agenda for the London Assembly's Budget & Performance Committee on 21 November. I am pleased to tell you that it sets out provision for the equivalent of an award of 4 per cent to all staff in 2024-25, in a draft budget where there is very limited headroom for the allocation of new, recurrent funding. The plan for 2024-25, published in March with this year's final GLA budget, allowed for only a 2 per cent increase.

I propose that the GLA deploys these funds to apply a 4 per cent increase to all posts at Grades 1- 15 and spot rates. As in previous years, employees aligned to the London Living Wage are not included and will receive the London Living Wage increase as determined by the Resolution Foundation.

I know we agree that we should do all we can to pay out the 2024-25 award in the 17 April 2024 payroll. In order to achieve this, we will need to conclude our negotiations by 19 January 2024 at the latest, so I can complete the consultation I must undertake with the Mayor and the Assembly, and for us and TfL to have sufficient time to process the award. As you already know, if we miss the April payroll, we risk having to wait for the completion of the payroll system upgrade before we can make the high volume of detailed changes that a pay award can require.

We are meeting this coming Friday for our first formal meeting on the 2024-25 pay award. I do not expect a formal response to this offer on Friday. However, full negotiation meetings will commence on 22 November and the GLA will require a first response to this offer at that meeting, if not before.

Yours sincerely



Mary Harpley
Chief Officer

Chief Officer
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02079834000

UNISON
Greater London Authority Branch
169 Union Street
London SE1 0LL

Sent via email

26 January 2024

Dear UNISON

I write in response to your members' rejection of my offer of a 4 per cent pay award to all staff for 2024-25. I have reconsidered my position as you asked me to.

While our settlement for this year (2023-24) was higher than 4 per cent for all staff in recognition of extraordinary inflationary pressures, inflation has now fallen and continues to fall. By the new financial year it is expected to be below 4 per cent, which is why I felt that my original offer was a fair and reasonable one.

In reconsidering my position, I am constrained by affordability. I remain clear that the GLA will not be given any additional funding for an increased pay award above what I have already offered for 2024-25. Consequently, the GLA will have to fund any increase to our offer from our own resources.

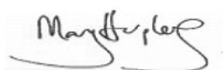
Having looked again at our position, I confirm that I can make a revised offer of a 4.5 per cent pay award to all staff for 2024-25. I will fund this from underspends in directorates, related in the main to gaps in staffing while vacancies are filled. I can do this without any impact on current staffing levels. If I was to seek any more funding from this source, it would have implications for staffing.

This revised offer of 4.5 per cent is for all eligible staff. I have worked hard to produce a revised offer which remains an increase to base salaries and to avoid introducing an unconsolidated element, which I hope is helpful. I think this is in our staff's best interests.

We started our negotiations hoping to pay out an agreed award in the April payroll. We are now past the point to be able to do this. However, having discussed this with payroll colleagues, we will be able to pay this award, backdated to 1 April, with the 15 May payroll if we have reached agreement by 26 February. This will give us the time we need for adequate preparation, including testing and data verification, to deliver an accurate set of payroll changes.

I look forward to hearing back from you.

Yours sincerely



Mary Harpley
Chief Officer

Email: mary.harpley@london.gov.uk

Request for Head of Paid Service Decision CO 600

CO number to be allocated via the 'Decisions' inbox (Decisions@london.gov.uk)

Once approved, this form will be published on london.gov.uk

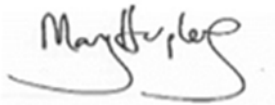
Decision Required

That the Head of Paid Service agrees a 4.5 per cent 2024-25 pay award for GLA staff at Grades 1-15 and spot rates.

Head of Paid Service

The above proposal has my approval.

Signature



Date 28/02/2024

1. Pay proposals

- 1.1 Unison asked the GLA's Chief Officer to make the first offer in the negotiations for the 2024-25 annual pay award.
- 1.2 It was the clear view of the GLA from the beginning of negotiations that an undifferentiated pay award would be preferable, in order not to exacerbate existing anomalies within our pay structure – where in some cases the pay in one grade overlaps with the pay in another. It was also the view of the Chief Officer that this approach should apply to all staff, regardless of their grade.
- 1.3 The GLA made an offer of a 4 per cent pay increase to all posts at Grades 1-15 and spot rates on 13 November 2023, in line with the resources identified for the annual pay award in the GLA's draft budget, 2024-25. Unison balloted their members on this offer, but it was rejected.
- 1.4 Affordability constraints were a key factor in shaping any further offer that the Chief Officer could provide. In considering how to fund any increased offer, underspends in directorates, related to ongoing vacancies, were identified as a source of additional funding in order for the Chief Officer to provide an increased offer of 4.5 per cent. The Chief Officer was not willing to draw on directorate budgets beyond this due to the workforce implications it would have.
- 1.5 On 26 January 2024, the Chief Officer made a revised offer of a 4.5 per cent increase to all posts at Grades 1-15 and spot rates.
- 1.6 Unison balloted their members on this offer from 30 January 2024 to 22 February 2024 and informed the GLA on 26 February 2024 that their members had accepted this offer.
- 1.7 The Chief Officer has confirmed the pay award will be implemented in the 15 May 2024 payroll and back dated to 1 April 2024.
- 1.8 The Mayor and the Assembly, acting jointly, are responsible for determining the pay award for the GLA's three Statutory Officers: the Chief Officer (Head of Paid Service); the Interim Chief Finance Officer; and the Monitoring Officer. Now that the pay award for the GLA staff has been confirmed, this decision will be progressed in the usual way.
- 1.9 The Mayor determines the pay award for the Mayoral Appointees (i.e. those appointed under s67(1)(a) and (b) of the GLA Act 1999 (as amended); the "11+2"). Again, now that the pay award for the GLA staff has been confirmed, this decision will be progressed in the normal way.

2. Consultation

- 2.1 In accordance with the GLA Head of Paid Service Staffing Protocol and Scheme of Delegation (the "Staffing Protocol"), formal consultation with Unison is required for this proposal as it relates to changing the terms and conditions of employment of existing employees.
- 2.2 The Chief Officer provided a formal offer to Unison in November 2023. This was followed by productive and constructive discussions with Unison which took place from November 2023 to February 2024. Following that process, the Chief Officer made a revised formal offer to Unison on 26 January 2024, which was accepted by their members.

- 2.3 In accordance with paragraph 7.4 of the Staffing Protocol, a report has been sent to the Chief of Staff (on behalf of the Mayor) and to the Assembly’s staffing committee, currently the GLA Oversight Committee (on behalf of the Assembly), containing the proposed changes and appropriate background information. The Chief Officer updated the GLA Oversight Committee at its meeting on 28 February 2024 and has also consulted the Mayor on the intended pay award through the Mayor’s Chief of Staff.
- 2.4 The paper submitted to the GLA Oversight Committee on 28 February 2024 and shared with the Mayor’s Chief of Staff, outlining the considerations, proposals and rationale for the pay award 2024-25, is attached.

3. Table of changes

2024-25 pay award	Affected grades
4.5 per cent	Grades 1-15 and spot rates

- 3.1 The percentage increase does not apply to GLA staff on the London Living Wage as their salary is reviewed annually by the Living Wage Foundation. These staff received a 10 per cent increase effective from October 2023.

4. Financial comments

What is expected start date? 1 April 2024 Expected end date? 31 March 2025

- 4.1 £4.7m has been provided for in the GLA’s 2024-25 budget for a potential pay uplift, which equates to the equivalent of a 4.5 per cent increase for all staff. The proposed pay uplift is contained within this financial envelope.
- 4.2 The provision for the pay award 2024-25 has been budgeted centrally. The detailed GLA budget will be updated accordingly in due course and this will include a transfer of the relevant sum into the Assembly budget.
- 4.3 The pay award will be processed in the 15 May 2024 payroll and backdated to 1 April 2024.

5. Legal comments

- 5.1 Under the Greater London Authority Act 1999 (as amended), the Head of Paid Service (the “HoPS”) may, after consultation with the Mayor and the Assembly and having regard to the resources available and priorities of the Authority:

- appoint such staff as the HoPS considers necessary for the proper discharge of the functions of the Authority (section 67(2)); and
 - make such appointments on such terms and conditions as the HoPS thinks fit (section 70(2)).
- 5.2 The Assembly has delegated its powers of consultation on staffing matters to the Assembly's staffing committee, currently the GLA Oversight Committee.
- 5.3 After consultation with the Mayor and the Assembly, the Staffing Protocol was adopted by the HoPS in November 2009 and revised in July 2018. The Staffing Protocol sets out the Authority's agreed approach as to how the HoPS will discharge the staffing powers contained in sections 67(2) and 70(2) of the Greater London Authority Act 1999 (as amended).
- 5.4 Paragraph 7.2 of the Staffing Protocol says that: *"The HOPS is responsible for determining terms and conditions for GLA staff (outside of the statutory officers and the Mayoral appointees) with the exclusion of staff transferred under a statutory transfer."* Paragraph 7.1 of the Staffing Protocol says that: *"Terms and conditions for the purposes of this Protocol means terms and conditions of employment that apply to all GLA staff appointed by the HoPS and includes all employment policies and procedures (whether contractual or not)."*
- 5.5 Paragraph 7.3 of the Staffing Protocol sets out the steps that need to be taken before seeking HoPS approval to change terms and conditions of existing employees (which include formulating initial draft proposals, discussing these with the HoPS, setting out the initial draft proposals in writing, sending them to Unison for consultation and seeking Unison's agreement to the proposed changes). Paragraph 7.4 of the Staffing Protocol also says that: *"a report should be sent to the Chief of Staff (on behalf of the Mayor) and to the Assembly's staffing committee (on behalf of the Assembly) containing the proposed changes and appropriate background information"*.
- 5.6 The proposals set out in this Chief Officer Form fall within the definition of 'determining terms and conditions' contained within the Staffing Protocol so require approval from the HoPS. Paragraph 2 confirms that Unison has been consulted and the HoPS has taken its views into consideration when making this decision. Paragraph 2 also confirms that a report has been sent to the Chief of Staff (on behalf of the Mayor) and to the Assembly's staffing committee, currently the GLA Oversight Committee, (on behalf of the Assembly) containing the proposed changes and appropriate background information.
- 5.7 The HoPS has considered all the information in this Chief Officer Form and is satisfied that the proposals are appropriate, taking into account the:
- i. Priorities of the Authority;
 - ii. Need for the Authority to properly discharge its functions;
 - iii. Available resources of the Authority; and
 - iv. Need to comply with legislative changes/ statutory requirements.
- 5.8 The HoPS has the power to make this decision.

6. Appendices

Appendix 1: GLA Oversight Committee paper

7. Approval

	<i>Tick to indicate approval</i>
	✓
Executive Director <u>Niran Mothada</u> has reviewed and commented on this proposal.	✓
Assistant Director <u>Beth Cushion</u> has reviewed and commented on this proposal.	✓
Head of Reward <u>Ian Dunlop</u> has reviewed and commented on this proposal.	✓
Finance and Legal Finance and Legal have reviewed and commented on this proposal.	✓
Corporate Management Team (CMT) N/A	