

## SHEPTON MALLET TOWN COUNCIL

Meeting	Human Resources Committee, Item 2.7
Date	29 <sup>th</sup> September 2020
Author	Responsible Finance Officer
Subject	Financial Position of Staffing Budget at Month 5 and budget requirement for 2021/22

### 1.0 PURPOSE OF REPORT

- 1.1 To update Councillors on the financial position of the staffing budget as at 31<sup>st</sup> August 2020.

Human Resources	2020/21 Budget	Spend to Date
Gross Salaries inc Employers NI	£156,668	£62,254
Employers Pension	£25,351	£11,888
<b>Total</b>	<b>£182,019</b>	<b>£74,142</b>

### 2.0 PAY AWARDS FOR 2020/21

- 2.1 The national pay awards (that are negotiated on behalf of the sector via unions) were announced at the end of August 2020 and were confirmed as an increase of 2.75%. This is backdated to all staff to 1<sup>st</sup> April 2020. In addition, those staff who have less than 5 years of service with the council also receive an additional day of annual leave.
- 2.2 A 2% budget increase was predicted in this year's budget, but the increase was greater than this, hence a small predicted overspend at year end. Staff were also entitled to claim for a small working from home allowance (£26 per month, pro rata), set by HMRC for a duration of the pandemic when government advice was to work from home. The office opened to the public again in July and the claim ceased at that time.

### 3.0 PROPOSED BUDGET FOR 2021/22

- 3.1 Staff progress through Spinal Column Points each year and receive a small annual salary increment. In addition, there might be a national pay award, which has been assumed at 3%. Therefore, assuming that the staff base remains at it is then the required budget for 2021/22 would be as follows:

	2020/21 (this year)	2021/22 (next year)	Variance
Gross Salaries Inc NI	£156,668	£162,000	
Pension	£25,351	£28,000	
<b>Total</b>	<b>£182,019</b>	<b>£190,000</b>	<b>£7,981</b>

However, a report presented to this committee makes a proposal to increase the council's staff establishment with 3 new posts, in order to ensure that there are the right people employed in order to carry out the plans, projects and objectives of the council. Those posts are for a Communications Officer, Environmental Officer and a Grants Officer. Details in the following report.

### **3.0 RECOMMENDATIONS**

3.1 For Councillors to note this report.

3.2 For councillors to agree that the budget proposal as presented is the base line staff budget, and that there might be additions if the council agree to employ more staff.

3.3 For Councillors to make a recommendation to Policy and Resources Committee of its budget requirement for the financial year 2021/22.