

# Pay Policy Statement

Report of Cabinet member for Innovation, Commercialisation and Corporate Services

Date: 20 April 2021  
Agenda item: 15  
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Key Decision NO  
Local Ward None  
Members

Lichfield  
district council

**FULL COUNCIL**

## 1. Executive Summary

- 1.1 To approve publication of the updated Pay Policy Statement.

## 2. Recommendations

- 2.1 Full Council approves the contents of the updated Pay Policy Statement as set out in **APPENDIX 1** for publication.
- 2.2 That Full Council grant delegated approval to the Head of Governance and Performance in consultation with the Chair of Employment Committee to update the Pay Policy Statement as matters in 3.4 and 3.5 are concluded.

## 3. Background

- 3.1 Under section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”.
- 3.2 The Pay Policy Statement (attached at **APPENDIX A**) sets out the Council’s approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. The purpose of the statement is to provide transparency with regard to the Council’s approach to setting the pay of its employees by identifying;
- the methods by which salaries of all employees are determined;
  - the detail and level of remuneration of its senior managers i.e. ‘chief officers’, as defined by the relevant legislation;
  - the relationship between the remuneration of its chief officers, those who are not chief officers and the lowest paid;
- 3.3 This statement is required to be submitted to Full Council for approval and will then be published on the Council’s website. In addition, for posts where the full time equivalent salary is £50,000 p.a. or more, the Council’s Annual Statement of Accounts will include a note setting out the total amount of :-
- salary, fees or allowances paid to or receivable by the person in the current and previous year;
  - any bonuses so paid or receivable by the person in the current and previous year;
  - any sums payable by way of expenses allowance that are chargeable to UK income tax;
  - any compensation for loss of employment and any other payments connected with termination;
  - any benefits received that do not fall within the above
- 3.4 The statement will be updated annually in accordance with the legislative requirements. This year the Pay Policy Statement will need to be updated once the National Joint Council – NJC (all employees) and Joint National Council - JNC (Chief Officer) Pay awards for 2021/22 are agreed. The pay claim has been received but it may be some months before this pay round is settled. Delegation is sought to update the nationally negotiated NJC pay rates and JNC figures within the statement once a settlement is agree.

3.5 The Statement also includes the relationship between the remuneration of its chief officers including the Chief Executive, those who are not chief officers and the lowest paid. This ratio will be directly affected by the appointment salary of the new Chief Executive if it differs from the pay of the current Chief Executive. As the appointment of the new Chief Executive will be a salary above £100k it will require Full Council approval. It is therefore requested that delegation be granted to the Head of Governance & Performance to update this figure once the salary package and final appointment decision is made by Full Council.

<b>Alternative Options</b>	None, a statement is required to be published.
<b>Consultation</b>	Employee Representatives and Employment Committee have been consulted with regard to this report requirement.
<b>Financial Implications</b>	This report sets out the existing financial obligations regarding pay policy.
<b>Contribution to the Delivery of the Strategic Plan</b>	An effective pay policy supports delivery of a good council. Publishing such a policy allows for transparency.
<b>Equality, Diversity and Human Rights Implications</b>	There are no implications for anyone with protected characteristics as this policy applies to all employees equally.
<b>Environmental Impact</b>	There are no implications.
<b>Crime &amp; Safety Issues</b>	There are no implications.
<b>GDPR and Privacy Issues</b>	The publishing of this policy statement and other transparency data identified under the Localism Act does mean that salary information for identifiable persons is available in the public domain, however this is a statutory requirement and cannot be avoided.

	<b>Risk Description</b>	<b>How We Manage It</b>	<b>Severity of Risk (RYG)</b>
A	Non - compliance with legislation or challenges on equal pay	Through the publication of an annual pay policy statement and maintaining a consistent approach to conducting Job Evaluation.	Green Likelihood – green Impact - yellow
<b>Background documents</b> <a href="https://democracy.lichfielddc.gov.uk/documents/s8801/Item%2018%20-%20Pay%20policy%20statement%20report%20July%202020.pdf">https://democracy.lichfielddc.gov.uk/documents/s8801/Item%2018%20-%20Pay%20policy%20statement%20report%20July%202020.pdf</a>			