

Pay Policy 2022

Date:	30 March 2022
Agenda Item:	
Contact Officer:	Christie Tims, Chief Operating Officer and Sam Mills, Strategic HR Manager
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Key Decision?	NO
Local Ward Members	N/A



EMPLOYMENT COMMITTEE

1. Executive Summary

- 1.1 To inform the Committee of the Council's duties under Section 38 of the Localism Act 2011 to prepare and publish an annual Pay Policy Statement for 2022/2023.
- 1.2 To approve publication of the updated Pay Policy Statement, subject to Full Council approval.

2. Recommendations

- 2.1 It is recommended that Employment Committee approves the contents of the updated Pay Policy Statement as set out in **Appendix A** and recommends the policy for approval by Full Council in April 2022.
- 2.2 The committee delegate authority to the Chief Operating Officer in consultation with the Chair of this committee, to update and republish the pay policy in respect of the pay spine set out at Appendix 1 and any ratios once the national pay negotiations for 2022 are concluded.
- 2.3 The committee delegate authority to the Chief Operating Officer in consultation with the Chair of this committee, to revise the pay policy following finalisation of the target operational model and any structural changes approved by this committee, Cabinet or Full Council as a consequence. This will be detailed within any recommendations associated with structural changes at consideration by the appropriate committee.

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 Council's pay structure is largely based on the Council's Single Status Agreement and on the National Joint Council for Local Government Services job evaluation scheme which has the support of both trade unions and employees. Any changes to jobs or new jobs go through a job evaluation process to ensure that there is consistency and fairness in place. The salaries are set according to the national pay grading scale (pay grades attached at **Appendix 1 within the Pay Policy Statement**).
- 3.5 Pay negotiations for all Lichfield District Council employees (below Chief Executive and Chief Officers) are conducted at a national level on our behalf by National Joint Council (NJC). As part of our collective agreement with Unison, we participate in national bargaining and therefore any negotiated settlement reached at a national level is mandatory and must be applied to our employees. Pay awards for Chief Officers are also determined at a national level by the Joint National Council (JNC) a separate machinery exists for Chief Executives.
- 3.6 Due to changes anticipated this year as part of being a Better Council the Pay Policy is likely to require several updates in respect of structural changes at the most senior level of the organisation.

Alternative Options	None, this report is required to produced and approved annually under Section 38 of the Localism Act 2011
Consultation	Employee Representatives have been consulted with regard to this report requirement and national bargaining on the 2022 settlement is underway.
Financial Implications	This report sets out the existing financial obligations regarding pay policy which have been built in to the revised MTFS.
Approved by Section 151 Officer	Yes
Legal Implications	We have a statutory duty to report these figures annually.
Approved by Monitoring Officer	Yes
Contribution to the Delivery of the Strategic Plan	The revised Pay Policy ensures that we are a good council, by maintaining an up to date and relevant pay structure that helps to retain and attract skilled officers.
Equality, Diversity and Human Rights Implications	National job evaluation schemes and mechanisms provide assurance to manage these implications.
Crime & Safety Issues	1. None
Environmental Impact	1. None
GDPR / Privacy Impact Assessment	1. All identifying information has been removed from narrative reporting.

Risk Description & Risk Owner	Original Score	How We Manage It	Current Score
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		(RYG)		(RYG)
A	Non - compliance with legislation or challenges on equal pay	Yellow Likelihood (Green) and Impact (Yellow)	Through the publication of an annual pay policy statement and maintaining a consistent approach to conducting Job Evaluation.	Green Likelihood (Green) and Impact (Green)
B	Failure to adopt the new settlement for 2022 when agreed	Yellow Likelihood (Yellow) and Impact (Yellow)	Delegation has been sought to reflect the agreed settlement once it is confirmed.	Green Likelihood (Green) and Impact (Green)
C	Pay policy rapidly becomes out of date due to structural changes planned as part of Being a Better Council.	Yellow Likelihood (Yellow) and Impact (Yellow)	Delegation has been sought to reflect the agreed settlement once it is confirmed subject to relevant member committee controls.	Green Likelihood (Green) and Impact (Green)

	Background documents
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	Relevant web links https://www.emcouncils.gov.uk/write/Emp_Circ_update_on_2021_pay_round_02Feb22.pdf https://www.instituteforgovernment.org.uk/sites/default/files/publications/pay-reform-senior-civil-service.pdf
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