

Lichfield District Council

Pay Policy Statement 2023

Introduction and purpose

Under section 112 of the Local Government Act 1972, Lichfield District Council (LDC) has the 'power to appoint officers on such reasonable terms and conditions as the authority thinks fit'.

This Pay Policy Statement (the 'statement') sets out LDC's approach to its pay, terms and conditions and other related matters in accordance with the requirements of Section 38 of the Localism Act 2011.

Once approved by full Council, this Pay Policy Statement will come into immediate effect and will be subject to review on an annual basis, in accordance with the relevant legislation prevailing at that time.

Lichfield District Council

Lichfield District Council employs 313 staff (as at 05/01/2023), excluding casual workers, contractors, and agency workers) and provides a wide range of services managed through the Chief Executive's, a Chief Operating Officer, and three Assistant Directors; these AD roles are now permanent within the new Target Operating Model structure that is now in place as of the 1st of October 2022. **See Appendix 2 Target Operating Model**

The Chief Executive

The Chief Executive leads the organisation by translating members' aspirations into practical solutions and delivery. They also:

- Act as lead advisor to Elected Members on all matters
- Undertake the statutory role of Head of Paid Service ensuring all staff support delivery of the Strategic Plan.
- Undertake the statutory role of Returning Officer and management the electoral register.

Chief Operating Officer

This role takes the strategic lead on

- Lead and support LDC's governance arrangements
- Manage direct reports from the Leadership team and key service areas in the core including:
- Governance, civic, legal and member services.
- Corporate lead on equalities.
- Organisational development and performance management. (HR will sit under Regulation and Enforcement)
- Customer complaints, ombudsman investigations, Data Protection, Freedom of Information, RIPA and MP enquiries and Licensing.
- Corporate ICT Service provision.
- Ecology, Biodiversity, Arboriculture, Climate Change
- Supporting strategic partnerships focusing on green matters including Cannock Chase AONB and managing the council's countryside assets, arboriculture services, countryside, biodiversity, rural strategy and planning
- Sustainable development, planning policy, development plans and implementation, urban design and conservation, building control and land charges.
- Corporate Communications, consultation and marketing
- People - Housing & Health Community & Active Lives including community lottery and safeguarding
- Prosperity - Economic Development Visitor Economy – Events
- Place - Spatial planning, Conservation
- Lead on older people, children and young people and safeguarding policy.
- Sustainable economic development, city and town centre regeneration and development including management of

leisure centre and theatre contracts.

Assistant Director Operations Regulation and Enforcement

This role takes the strategic lead on

- The Joint Waste service, with Chief Executive of Tamworth Borough Council in respect of waste collection and recycling, sustainable waste management, including partnership support, environmental education and awareness.
- Environmental Health - including food safety, occupational health and safety, infectious disease.
- Environmental Protection, Planning Enforcement - including contaminated land, pollution, nuisance, air quality.
- Parking, CCTV and Community Safety
- Safer and Stronger communities including the Community Safety Partnership
- Emergency planning, with business continuity in conjunction with Staffordshire Civil Contingencies Unit.
- Street scene
- Parks & Open Spaces
- Human Resources, health and safety, insurance and payroll
- Building Control and Land Charges Partnership

Assistant Director Residents and Business

Services - This role takes the strategic lead on

- Customer Services
- Administration and collection of local taxation, including council tax and business rates (NNDR), housing benefits and council tax reductions, arrears collection for council tax, business rates, benefits over payments and sundry debts.
- Housing Options and homelessness
- Development control
- Digitisation and transformation projects including web and digital channels, data analysis and RPA for Being a Better Council.

Assistant Director Finance and Commissioning (\$151)

This role takes the strategic lead on

- Anti-fraud policy and awareness
- Internal/ External audit and risk management
- Financial probity, strategic financial management, treasury and investment funds, and revenue and capital strategy.
- Management of accounts and reconciliation and the management of external funding.
- Procurement strategy, policy and implementation
- Assets, premises, facilities management through (LWMTS).
- Commissioning

2. Legislative framework

In determining the pay and remuneration of its employees, LDC will comply with all relevant employment legislation. This includes the Employment Act 2002, Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, Fixed-Term Employees Regulations (Prevention of Less Favourable Treatment) 2002, The Agency Workers Regulations 2010, [National Living Wage](#) and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations 2006 (TUPE), and the Employment Rights Act 1996.

With regard to the Equal Pay requirements contained within the Equality Act, the council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality proofed job evaluation mechanisms, which directly relate salaries to the requirements, demands and responsibilities of the role.

LDC also complies with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which require public sector employers with 250 or more employees to publish their gender pay gap information.

3. Pay structure

The underpinning mechanism in delivering LDC's pay structure is LDC's job evaluation system and the Single Status Agreement for all staff covered by the [National Joint Council](#) negotiations. This ensures all employees (except Chief Officers) are rewarded according to the demands and responsibilities of their job and that there are no discriminatory elements.

The posts of the majority of employees have been assessed using a National Joint Council for Local Government Services job evaluation scheme and which is supported by both the national trade unions and LDC employees.

The Single Status Agreement ensures that there is consistency and fairness in its terms and conditions, including pay that the council offers to its employees. The grades of Chief Officers in the new structure have been evaluated through the Hay Job evaluation process and are subject to the terms agreed by the [Joint Negotiating Council](#).

Any changes to jobs or new jobs go through a job evaluation process to ensure that there is consistency and fairness in place. Based on the application of the job evaluation process, the council uses the nationally negotiated pay scale as the basis for its local grading structure. **Appendix 1** shows the Lichfield District Council NJC pay grades applicable from April 2022 (as agreed in November 2022). The pay award for April 2023 is yet to be negotiated and settled.

The Local Government Association (LGA) represents LDC in national pay negotiations with trade unions and the government over pay and conditions.

In determining its grading structure and setting remuneration levels for all posts, LDC also takes into account the need to ensure value for money in respect of the use of public funds and affordability balanced against the need to recruit and retain employees who are able to meet the requirements of their respective roles, and provide timely high quality services to the community, delivered effectively and efficiently.

New appointments will be made at the relevant rate to ensure the best candidate is secured and wherever possible this should be the lowest scale point within the grade. If an internal candidate is appointed on promotion then as a point of principle, they should be offered the next available rate within the grade as a minimum and where a grade overlaps they should be offered the role on a point on the scale which ensures remuneration for the additional responsibility of the new role.

From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, LDC will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector. This is known as a 'market supplement'.

Where appropriate a shared service payment may also be made to an officer who is managing a service on behalf of another council.

Local and Dangerous Building Allowances are paid as a contractual obligation following a TUPE transfer. Other TUPE rates are paid as a result of TUPE transfers.

In addition we have an *Acting up Recognition Policy* (payment of an Honorarium), where a lower graded employee may be asked to take on the duties of a higher graded post, due to vacancy or other absence, where the employee possesses the appropriate skills and is agreeable to do so. At the time of writing this report there are currently 2 honorarium payments in place.

Payments for the *Deputy Monitoring Officer* and *Deputy Section 151 Officer* are also paid as a supplement to officers who sit outside of the senior leadership team or interim roles for their additional responsibilities in carrying out statutory functions.

All other pay related allowances are the subject to either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by council policy. This includes a *telephone allowance*, payable to officers who are required to use their home phone for work purposes.

Essential user car allowance is £80.25 or £70.50 per month dependent on the size of vehicle. These rates are applicable to all employees who are essential car users. There are currently 75 employees receiving an essential car user's allowance. This allowance will be subject to review for existing employee's and is not part of any terms and conditions for new starters unless the role commands an essential car user allowance. This due to the councils approach to hybrid work where many meetings now are conducted via digital means.

Current details of 'additional pay' which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfilment of duties, are set out below:

Table 1 - Additional Payments

2002 Pay Protection	386.28	3624.96	5
2017 Acting Up Allowance	2556.72	2556.72	1
2027 Essential User Lump Sum	846.00	1239.00	75
2047 LDC Shared Service Honorarium	3528.00	3528.00	1
2060 Market Supplement	2000.00	7800.00	6
2106 Honoraria (Pensionable)	444.12	832.92	2
2162 LDC Telephone Allowance	117.00	124.32	8
2163 LDC First Aid	96.48	96.48	2
2164 LDC Deputy Section 151 Officer	3091.20	3091.20	1
2165 LDC Dangerous Building Allowance	2979.96	2979.96	1
2166 LDC Local Allowance	3000.00	3000.00	1
2167 LDC Monitoring Officer Allowance	3200.00	3200.00	1
2168 LDC Protected Annual Allowance	5666.76	6926.88	2
2169 LDC Contractual Overtime	610.08	662.04	3

Apprenticeships

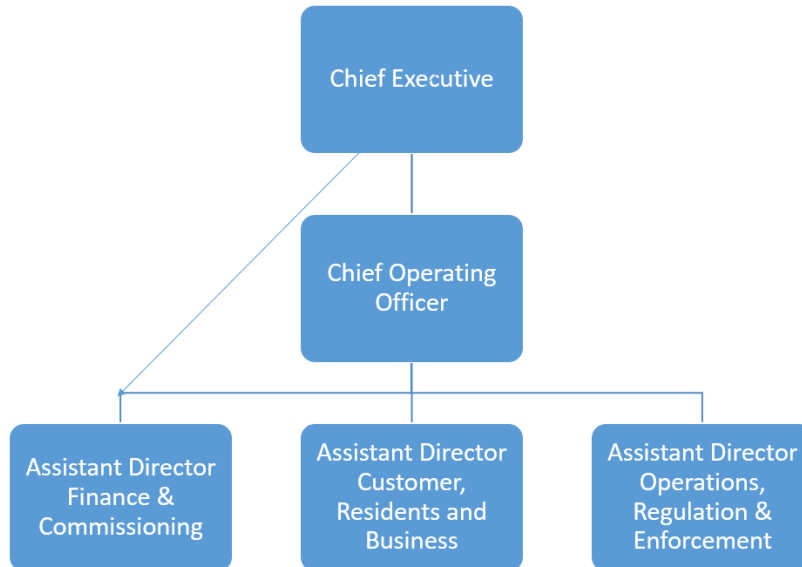
Under the Enterprise Act 2016, <https://www.gov.uk/government/news/enterprise-act-becomes-law> we are encouraged to appoint apprentices and public sector bodies are required to have up to 2.3% of their workforce in an apprenticeship annually. Our original aim was to recruit 8 new apprentices during 2022/23, we have exceeded that target and currently have 12 positions accessing the apprenticeship levy funding.

A one-off reserve has been used to fund these apprentices and any additional apprentices in targeted areas. All vacancies will be considered by relevant Chief Officers to ensure that opportunities for different ways of working are explored, that we have considered if the vacant post can be filled by an apprentice, and that appointments are made on the most appropriate basis and only when essential to ongoing service delivery. Many of our employees undertaking apprenticeships are paid within our normal pay scales but where appropriate we pay new recruits to an apprenticeship in line with the [National Apprenticeship rates](#)

4. Definition of a Chief Officer

Section 43 of the Localism Act 2011 defines the meaning of a Chief Officer and refers to the Local Government and Housing Act 1989. Statutorily the Chief Officer at LDC is currently the Chief Executive and locally LDC has extended the definition of a Chief Officer to include the Chief Executive, Chief Operating Officer and Assistant Directors.

The Chief Officers' Structure, (Target Operating Model) is as follows:



Under transparency regulations we also publish data of any officer where a full-time equivalent salary is at least £50,000 even though they do not fall within the definition of Chief Officer.

5. Chief Officers' remuneration

Chief Executive

The Chief Executive salary falls within a range between £115, 393, rising to a maximum of £122, 272 not inclusive of any payment for Returning Officer duties, with the exception of District and Parish elections, payment for which is included in the salary.

Chief Operating Officer/ Director

This sits within the banding previously set out for Directors within the structure with five incremental points ranging from £85,480 to £90,412. The current post also attracts a Market Supplement.

Assistant Directors (ADs)

Following the implementation of the Target Operating Model the new bandings for Assistant Directors range from £72,063 to £79,230.

Senior Managers

Within the Target Operating Model structure there exists a number of post that attract a salary range that sits above Band L – this was the highest band that sat underneath HOS in the previous structure. These posts (some are still vacant) have a range of salary from £50,487 to £56,648 and are Band M post and these directly report into Chief Officers along with some band L roles.

They are -

Operations Manager – Operations Regulation and Enforcement salary range - £50,487 to £56,648 (vacant)

This role manages the Joint Waste Service, Streetscene, Parks and Open Space and Car Parking.

Regulation and Enforcement Manager – Operations Regulation and Enforcement salary range - £50,487 to £56,648 (vacant)

This role is responsible for Environmental Health, Environmental Protection, Community Safety and Planning Enforcement.

Finance Manager – Finance and Commissioning - salary range - £50,487 to £56,648 (vacant)

The finance manager will deputise for the Assistant Director for finance and procurement they will be responsible for Treasury, Annual Statement of Accounts and Returns. Assists in the production of the Medium-Term Financial Strategy.

Policy and Strategy Manager - salary range - £50,487 to £56,648

Lead Policy and Strategy Officer for the Council including - Place (Spatial Policy) Housing Strategy, Prosperity (economic development), Active lives, conservation and ecology.

Building Control Partnership Manager salary range - £45,495 to £49,590

Partnership manager for building control and land charges. Deliver the statutory requirements on behalf of 6 councils and act as the central building control host.

Procurement Manager – Finance and Commissioning - salary range - £45,495 to £49,590

Responsible for the e-tendering process and councils contract register. Principal negotiator and procurement adviser/specialist for the council for contracts compliance and agreements.

Governance Manager - salary range - Salary Range £45,495 to £49,590

Lead for the governance team. Provides support for the executive functions of the Council. Provides a full range of governance, democratic, civic and legal services. This role also acts as the councils Monitoring Officer and senior legal advisor.

ICT Manager – Core Services - salary range – £45,495 to £49,590

Responsible for IT Governance, data management and service delivery.

Performance and Programmes Manager Salary Range £45,495 to £49,590

Planning and delivering the Council's key programme of City Centre development projects and other key Council-led development projects within Lichfield District, including Council's Strategic Plan, Local Plan and other key strategies and plans.

Other pay additions

In addition to basic salary, described below are details of other elements of 'additional pay' which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfilment of duties:

Fees paid for Returning Officer duties where identified and paid separately. This applies solely to the Chief Executive and their deputies and relates to fees, which are set by the Government for Parliamentary elections and through agreement with Staffordshire County Council, for County Council elections, using a pence per elector for the calculation. Fees for the district and parish local elections are included in the Chief Executive salary level.

6. Payments on termination

LDC's approach to statutory and discretionary payments on termination of employment of chief officers, prior to reaching normal retirement age, is set out within its policy statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment), (Discretionary Compensation) Regulations 2006 and Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007.

The details of payments are set out in LDC's Discretionary Payment Policy and the recently developed Voluntary Severance Scheme. These policies apply equally to all LDC employees on development of a business case and in

compliance with Exit Payment regulations.

7. Lowest paid employees

The lowest paid people employed under a contract of employment with LDC would be employed on a full time [37 hours] equivalent salary, set at the minimum pay point currently in use within LDC's grading structure (see **Appendix 1**) £10.60 per hour from 1 April 2023 (as SCP1 will be deleted from the pay spine on 1 April 2023). This provides at least 18p headroom above the announced National Living Wage amount of £10.42.

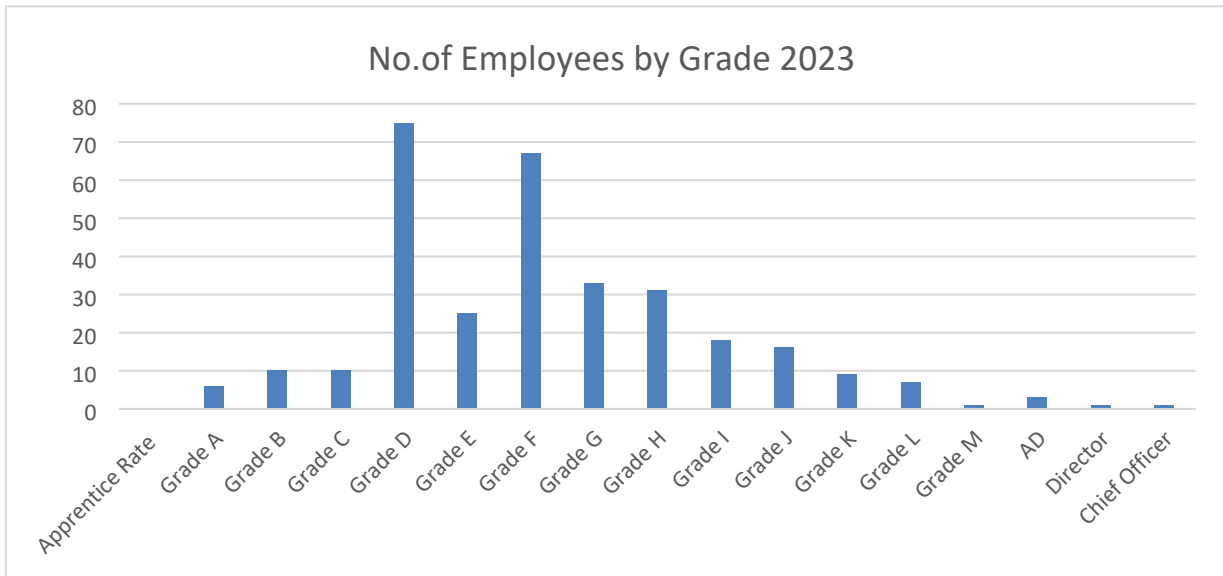
LDC employs apprentices who are not included in the definition of 'lowest paid employees' as the terms and conditions are determined by the National Apprenticeship Services.

8. Pay relationship

The relationship between the rate of pay for the lowest paid and chief officers is determined by the processes used for determining pay and grading structures as set out earlier in this policy statement.

The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce, and that of senior managers. This is detailed in the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton Report explored the case for a fixed limit on dispersion of pay through a requirement that **no public sector manager can earn more than 20 times the salary of the lowest paid person** in the organisation. The report concluded that the relationship to median earnings was a more relevant measure, and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the authority's workforce.

The graph below shows the relationship numbers of staff on the different pay grades within LDC:



The current pay levels within LDC define the multiple between:

- the lowest paid (full time equivalent) employee and the Chief Executive ratio is **1 to 6.03**
- the lowest paid employee and median average chief officer is **1 to 3.76**.
- the median average full time equivalent earnings and the Chief Executive is **1 to 4.65**
- the median average full time equivalent earnings and median average chief officer is **1 to 2.73**

All companies employing more than 250 staff must publish their pay relationship from this year <https://www.gov.uk/government/news/uks-biggest-firms-will-have-to-justify-pay-gap-between-bosses-and-their-workers>.

As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, LDC uses available benchmark information as appropriate.

9. Publication

Upon approval by Full Council, this statement will be published on LDC's website. In addition, for posts where the full time equivalent salary is at least £50,000, LDC'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 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.

This policy and (Appendix 1) will be updated and republished once a final settlement to the 2023 Pay Negotiations is agreed later in the year.

10. Accountability and decision making

In accordance with the constitution of LDC, the Employment Committee is responsible to LDC for functions relating to employment matters including establishing the overall framework for remuneration and terms and conditions of employment.

Appendix 1

Lichfield District Council - Pay Rates

April 2022 - March 2023

* National Joint Council for Local Government Services - All annual grades increased by £1925

* Locally Agreed Coaching Rates - All annual grades increased by £1925

* National Minimum & Living Wage Rates - rates effective from 01/04/2022

BAND A			BAND G		
	Annual	Hourly Rate		Annual	Hourly Rate
1	20258	10.50	19	27852	14.44
BAND B			20	28371	14.71
1	20258	10.50	21	28900	14.98
2	20441	10.60	22	29439	15.26
3	20812	10.79	23	30151	15.63
BAND C			24	31099	16.12
3	20812	10.79	BAND H		
4	21189	10.98	24	31099	16.12
5	21575	11.18	25	32020	16.60
BAND D			26	32909	17.06
5	21575	11.18	27	33820	17.53
6	21968	11.39	28	34723	18.00
7	22369	11.59	BAND I		
BAND E			28	34723	18.00
7	22369	11.59	29	35411	18.35
8	22777	11.81	30	36298	18.81
9	23194	12.02	31	37261	19.31
10	23620	12.24	32	38296	19.85
11	24054	12.47	BAND J		
12	24496	12.70	32	38296	19.85
BAND F			33	39493	20.47
14	25409	13.17	34	40478	20.98
15	25878	13.41	35	41496	21.51
16	26357	13.66	BAND K		
17	26845	13.91	35	41496	21.51
18	27344	14.17	36	42503	22.03
19	27852	14.44	37	43516	22.56
National Living Wage and National Minimum Wage			38	44539	23.09
Age Range		01-Apr-22	39	45495	23.58
23+		9.50	BAND L		
21 - 22		9.18	39	45495	23.58
18 - 20		6.83	40	46549	24.13
under 18		4.81	41	47573	24.66
Apprentice *		4.81	42	48587	25.18
* Apprentice Rate - <u>under 19 or 19 and over and in</u>			43	49590	25.70
<u>the first year of their apprenticeship :</u>			BAND M		
COACH			44	50487	26.17
Level 1	Asst Coach (UnQ)	10.50	45	51502	26.69
Level 2	Coach (Qu)	13.62	46	52538	27.23
Level 3	Senior Coach	16.06	47	53463	27.71
Level 4	Advanced Coach	19.08	48	54516	28.26
Z:Payscale:NJC:Payaward Files			49	55578	28.81
LJW 09/11/2022			50	56648	29.36

Senior Pay Band

Descriptor	Code	SCP	£ - salary	£- hourly
MANAGING OFFICER	HOS	HOS1	60423	32.32
MANAGING OFFICER	HOS	HOS2	61796	33.03
MANAGING OFFICER	HOS	HOS3	63168	33.74
MANAGING OFFICER	HOS	HOS4	64542	34.45
MANAGING OFFICER	HOS	HOS5	65916	35.17
ASSISTANT DIRECTOR	AD	AD1	72063	37.44
ASSISTANT DIRECTOR	AD	AD2	73704	38.30
ASSISTANT DIRECTOR	AD	AD3	75543	39.25
ASSISTANT DIRECTOR	AD	AD4	77386	40.21
ASSISTANT DIRECTOR	AD	AD5	79230	41.17
DIRECTOR	DD	DIR1	85480	44.42
DIRECTOR	DCOO	DCOO	86236	44.70
DIRECTOR	DD	DIR2	87124	45.27
DIRECTOR	DD	DIR2	88768	46.12
DIRECTOR	DD	DIR4	90412	46.98
CHIEF EXECUTIVE	CE	CEX1	113469	58.96
CHIEF EXECUTIVE	CE	CEX2	115767	60.15
CHIEF EXECUTIVE	CE	CEX3	118062	61.35
CHIEF EXECUTIVE	CE	CEX4	120347	62.53