

Updated Pay Policy 2023

Date: 28 February 2023
Contact Officer: Christie Tims, Assistant Director Operations Regulation and Enforcement and Sam Mills, Strategic HR Manager



FULL COUNCIL

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Key Decision? **NO**

Local Ward Members N/A

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 2023.
- 1.2 To approve publication of the updated Pay Policy Statement, subject to Full Council approval.

2. Recommendations

- 2.1 It is recommended Council approves the contents of the updated Pay Policy Statement as set out in **Appendix A**.
- 2.2 The committee delegate authority to the Assistant Director operations, Regulation & Enforcement 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 2023 are concluded.
- 2.3 That the benchmark for the living wage foundation rate to be built into the ongoing pay policy structure to ensure that level of pay is always met for all Grades.

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.

Alternative Options	None, this report is required to produced and approved annually under Section 38 of the Localism Act 2011
Consultation	This report has been considered and updated by the Employment Committee for approval by Full Council. Employee Representatives have been consulted with regard to this report requirement and national bargaining on the 2022 settlement is now settled. Consultation on 2023 settlement has begun and a pay claim has been submitted by the Unions. It is unlikely that this would be settled before the Summer.
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. A fair and transparent Pay policy provides some assurance regarding equal pay and fair and consistent pay practices in line with collective bargaining agreements.
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 (RYG)	How We Manage It	Current Score (RYG)
A	Non - compliance with	Yellow	Through the publication of an annual pay policy	Green

	legislation or challenges on equal pay	Likelihood (Green) and Impact (Yellow)	statement and maintaining a consistent approach to conducting Job Evaluation.	Likelihood (Green) and Impact (Green)
B	Failure to adopt the new settlement for 2023 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				

	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/publication/whitehall-monitor-2022/civil-service
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