

# Pay Policy 2020

CLlr Andy Smith, Cabinet member for Innovation, Commercialisation and Corporate Services



Date:	14 July 2020
Agenda Item:	18
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Key Decision	NO
Local Ward Members	None

**FULL COUNCIL**

## 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 2020/2021.
- 1.2 To approve publication of the updated Pay Policy Statement for 2020.

## 2. Recommendations

- 2.1 It is recommended that Full Council approves the contents of the updated Pay Policy Statement as set out in **Appendix A**.
- 2.2 That authority is given to the Head of Governance & Performance in consultation with the Chairman of Employment Committee, to update and republish the pay policy once the national pay negotiations for 2020 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;
  - the most recent gender pay gap figures available.
- 3.3 This statement is reserved 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 Legislative Framework

In determining the pay and remuneration of all of our employees, we will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations.

### 3.5 Pay Structure

The basis for the Council's pay structure is on having a job evaluation system in place which ensures that all employees are rewarded according to the demands and responsibilities of their job and that there are no discriminatory elements.

3.6 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**. The revised senior management structure discussed earlier in the meeting is at **Appendix 2 within the Pay Policy Statement**

3.7 The detailed information regarding pay and conditions is set out in the statement attached at **Appendix A** (Pay Policy Statement). This will be updated at least annually in accordance with the legislative requirements and will be subject to change once the national pay negotiations for 2020 are concluded and agreement reached.

3.8 Pay negotiations for all Lichfield District Council employees (below Chief Executive) 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.

Alternative Options	None
Consultation	<p>Employee Representatives have been consulted with regard to this report requirement and national bargaining on the 2020 settlement is underway.</p> <p>Employment Committee have received and approved the policy statement to recommend to Full Council for adoption with minor updates to the apprenticeship and pay relationship sections for clarity.</p>
Financial Implications	This report sets out the existing financial obligations regarding pay policy which have been built in to the MTFS.
Contribution to the Delivery of the Strategic Plan	The 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	There are no implications for anyone with protected characteristics as this policy applies to all employees equally. Reviews of our pay are undertaken and an equal pay audit undertaken every 4 years.
Crime & Safety Issues	There are no implications.
Environmental issues	There are no implications.

	Risk Description	How We Manage It	Severity of Risk (RYG)
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
B	Failure to adopt new settlement	Delegation has been sought to reflect the agreed settlement once it is confirmed.	Green

Background documents Previous pay policy statements