

# Harborough District Council

## Report to Council Meeting 26<sup>th</sup> February 2024



<b>Title:</b>	<b>Pay Policy Statement 2024/25</b>
<b>Status:</b>	Public
<b>Key Decision:</b>	N/A
<b>Report Author:</b>	Rebecca Jenner, Head of HR
<b>Portfolio Holder:</b>	Strategy – Councillor Phil Knowles
<b>Appendices:</b>	A - Pay Policy Statement 2024/25 B – Current Pay Scales with effect from 1 <sup>st</sup> April 2023

### Executive Summary

- i. The Localism Act 2011 requires all local authorities to produce a Pay Policy Statement in relation to transparency which is to be published on the Council website annually.
- ii. The Pay Policy Statement must articulate the Council's approach to a range of issues relating to the pay of its workforce.
- iii. The policy is essentially a collection of statements reflecting Harborough District Council's practices on pay for Chief Officers as defined in the Localism Act 2011 and under Section 2(6) of the Local Government and Housing Act 1989.
- iv. It is a legal requirement to produce and publish a Pay Policy Statement under the Localism Act 2011, therefore there are no alternative options to consider.

### Recommendations

**That Council:**

- 1. Note and adopt the Pay Policy Statement for 2024/25 as attached at Appendix A.**

### Reasons for Recommendations

- i. This Pay Policy Statement is a statement of fact and is a legal requirement to produce and publish a Pay Policy Statement which is published on the Council website annually.
- ii. The Pay Policy Statement reflects the factual position in respect of payments to those employed by the council.

## Purpose of Report

1. For Council to adopt the 2024/25 Annual Pay Policy Statement which is required to meet the requirement of the Localism Act 2011.
2. To provide transparency on the salaries of Chief Officers of Harborough District Council.

## Background

1. Under Section 38 of the Localism Act 2011, the Council is required to produce a Pay Policy Statement for each financial year, which must be approved by the Council before the beginning of the financial year to which it relates.
2. The Statement must set out the Council's policies in relation to:
  - a. Senior Officers;
  - b. Its lowest paid employees; and
  - c. The relationship between the pay of Senior Officers and the pay of other employees.

## Details

3. The Pay Policy Statement, (a statement of a council's pay practices for Chief Officers as defined in the Localism Act 2011 and under Section 2(6) of the Local Government and Housing Act 1989), creates transparency for staff and the public about the pay of the Council's most senior staff. It also raises awareness of pay differences between lower paid members of staff and those at the very top of the organisation.
4. In accordance with the requirements of the Localism Act 2011, the Pay Policy Statement details the Council's pay multiple, which is the relationship between the median average pay of the Council's workforce compared to the salary of the most Senior Officer (the Chief Executive).
5. The following have happened since the last Pay Policy Statement was published:
  - a. The Joint Negotiating Committees (JNC) for Chief Executives reached an agreement with a pay award of 3.50%, this was effective from 1st April 2023.
  - b. Application of the centrally negotiated pay award for staff on National Joint Council (NJC) terms and conditions. Effective from April 2023, this was agreed in November 2023 at a fixed annual rate of £1925 for grades up to 10, 3.88% for grades 11 to 14. In the 2022/23 budget, this was budgeted for at 4% across all grades.
  - c. The appointment of a permanent Chief Executive (Head of Paid Service), although this post is not new to the establishment.
6. Pay negotiations in relation to the 2023/2024 pay awards for JNC and NJC have not yet commenced.

## 7. Implications of Decisions

### Corporate Priorities

8. The council is required to publish a Pay Policy Statement to comply with its legal obligations. Publishing this information also helps the council to be transparent about pay with the public, communities and staff. It therefore underpins all of the council's corporate priorities.

### Financial

9. As detailed above, for 2023/24, the pay-award was a flat £1,925 for grades 1 to 10, 3.88% for grades 11 to 14 and 3.50% for the Chief Executive. In respect of next year it was recommended to Cabinet on 15<sup>th</sup> January 2024 and is being recommended to Council on the 26<sup>th</sup> February 2024 that for 2024/25 an increase of 3.5% is applied in respect of pay inflation giving an annual cost of £349k (see para 3.9, link [here](#), to the Draft 2024/25 Budget & the MTFS (2025/26 to 2028/29) that was reported to Cabinet in January 2024)
10. As required by accounts and audit regulations, the Council discloses senior officer pay in its statutory accounts. The 2021/22 statement of accounts are the latest published and were approved by the [Audit & Standards Committee on the 26 July 2023](#). This:
  - [link](#) is to the covering report,
  - [link](#) is to the external auditors audit completion report, where in the Executive Summary the auditors state that they anticipate issuing an unqualified opinion, and this
  - [link](#) to the statement of accounts 2021-22 where at Note 33 (page 66) officers' remuneration is disclosed.

### Legal

11. All authorities are required to produce and publish a Pay Policy Statement to meet the statutory requirements as required by the Localism Act 2011.
12. In determining the pay and remuneration of council employees, the council complies with all relevant employment legislation. This includes the Equality Act 2010, Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, the Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Employment) Regulations 2006. With regard to the Equal Pay requirements contained within the Equality Act, the council ensures that all pay arrangements can be objectively justified through the use of Job Evaluation methods.

### Policy

13. This pay policy statement will be reviewed annually and presented to full Council for consideration in order to ensure that a policy is in place for the council for the beginning of each financial year.
14. The Council will publish the Pay Policy Statement on its website as soon as is reasonably practicable after it has been approved by Council. Any subsequent amendments to the statement made during the financial year to which it relates will also be similarly published.

## **Environmental Implications including contributions to achieving a net zero carbon Council by 2030**

15. None as far as this report is concerned.

### **Risk Management**

16. None as far as this report is concerned.

### **Equalities Impact**

17. The council has undertaken an equalities impact screening assessment and is satisfied that no adverse impacts on those with protected characteristics have been identified as a consequence of the proposed pay policy.

### **Data Protection**

18. None as far as this report is concerned – the duty to publish salary bandings which may hold only one employee is provided for in primary legislation.

### **Summary of Consultation and Outcome**

19. Unison has been consulted regarding this policy and will be consulted again with any subsequent amendments.

## **Alternative Options Considered**

20. None as failing to publish the annual Pay Policy Statement would result in the council not complying with its statutory obligations.

## **Background papers**

21. Discretion Pension Policy 2009 & Pensions Discretions Addendum June 2019;
22. Other HR policies and procedures - HDC intranet ([harborough.gov.uk](http://harborough.gov.uk))