

**COUNCIL
23 MARCH 2022**

***PART 1 – PUBLIC DOCUMENT**

PAY POLICY STATEMENT 2022/23

REPORT OF: SERVICE DIRECTOR - RESOURCES

EXECUTIVE MEMBER: COUNCILLOR ELIZABETH DENNIS-HARBURG

COUNCIL PRIORITY: ENABLE AN ENTERPRISING AND CO-OPERATIVE ECONOMY

1. EXECUTIVE SUMMARY

- 1.1 This report sets out a draft Pay Policy Statement 2022/3 (Appendix 1) for Council's consideration and approval in accordance with the requirements of Section 38 of the Localism Act 2011 (the Act), associated guidance issued under Section 40 of the Act, the Local Government Transparency Code 2015 and any other relevant legislation. The Statement incorporates elements of existing policy and practice and is required to be agreed annually.

2. RECOMMENDATIONS

- 2.1. That Council approves the 2022/23 Pay Policy Statement attached at Appendix 1.
- 2.2. That Council delegates authority for revisions made in year to the Pay Policy Statement, to the Service Director - Resources, in consultation with the Leader of the Council. Revisions which might arise in the year include changes in structure, changes to employment benefits, subsequent pay awards agreed nationally and new legislative requirements.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To comply with the requirements of Section 38 of the Localism Act 2011, Statutory Guidance issued under s40 and the Local Government Transparency Code 2015.

4. ALTERNATIVE OPTIONS CONSIDERED

- 4.1. The Pay Policy Statement reflects current adopted policies and associated statutory reporting arrangements.

5. CONSULTATION WITH RELEVANT MEMBERS AND EXTERNAL ORGANISATIONS

- 5.1 Initial consultation on the Draft Pay Policy Statement has taken place with the Leader of the Council.

6. FORWARD PLAN

- 6.1 This report does not contain a recommendation on a key Executive decision and has therefore not been referred to in the Forward Plan.

7. BACKGROUND

- 7.1 The Localism Act 2011 requires Council to approve, on an annual basis, a Pay Policy Statement. The suggested contents of the statement are set out in guidance issued under Section 40 of the Act, the Local Government Transparency Code 2015 and the Enterprise Act 2016.

8. RELEVANT CONSIDERATIONS

Pay Policy Statement 2022/23

- 8.1 The draft Pay Policy Statement 2022/23 is attached as Appendix 1. This details:

- Background
- Grading Arrangements
- Future Appointments
- Pay Multiples
- Car Allowances
- Other Payments
- Pension Contributions
- Publication Requirements

- 8.2 The main changes from the 2021/22 Pay Policy Statement are:

- Details of the pay agreement for 2021/2 (Appendix 1 Paras 2.2)
- Updated pay rates and multiples (Appendix 1 Para 5.2)
- Update on the national pay bargaining progress for 2022 (Appendix 1 Para 2.3)
- An update on the Public Sector Exit Payment Regulations 2016 (Appendix 1, Para 3.10)

9. LEGAL IMPLICATIONS

- 9.1 Under section 38 of the Localism Act 2011, the Council must prepare a Pay Policy Statement for each financial year and policies for the financial year relating to the remuneration of its chief officers and its lowest-paid employees and the relationship between the remuneration of its chief officers and its employees who are not chief officers.
- 9.2 The Council must have regard to any guidance issued or approved by the Secretary of State under Section 40 of the Act.
- 9.3 Under section 39 of the Localism Act, the Council's Pay Policy Statement must be approved by resolution of the authority, before it comes into force.
- 9.4 Council is asked to note paragraph in 3.10 of the Pay Policy Statement and in particular, the current conflicts between the new Exit Pay Cap legislation and the existing regulations within the Local Government Pension Scheme (LGPS). Also to note that the legislation is subject to legal challenge.
- 9.5 Section 4.4 (aa) of the Constitution states that Full Council will "agree any award which would exceed the financial limits set out in the Council's Pay Policy Statement". Therefore, the Pay Policy Statement needs to set what this level will be.

10. FINANCIAL IMPLICATIONS

- 10.1 There are no direct financial implications arising from this report.

11. RISK IMPLICATIONS

- 11.1 There are no direct risk implications arising from this report.

12. EQUALITIES IMPLICATIONS

- 12.1 In line with the Public Sector Equality Duty, public bodies must, in the exercise of its functions, give due regard to the need to eliminate discrimination, harassment, victimisation, to advance equality of opportunity and foster good relations between those who share a protected characteristic and those who do not.
- 12.2 The Pay Policy Statement reflects the practical arrangements that are in place to ensure all employees are remunerated in accordance with the requirements of the Equality Act and Public Sector Equality Duty and, in particular, through the application of a universal grading, flexible retirement scheme, and salary structure for all staff. The pay policy ensures consistency in regard to pay and remuneration in regard to individual roles, and therefore with no direct adverse impact on any single group with protected characteristics.

13. SOCIAL VALUE IMPLICATIONS

- 13.1 As the recommendations made in this report do not constitute a public service contract, the measurement of 'social value' as required by the Public Services (Social Value) Act

2012 need not be applied, although equalities implications and opportunities are identified in the relevant section at Paragraph 12.

14. ENVIRONMENTAL IMPLICATIONS

- 14.1. There are no known Environmental impacts or requirements that apply to this report.

15. HUMAN RESOURCE IMPLICATIONS

- 15.1 The Pay Statement meets the requirements of the Localism Act 2011.

16. APPENDICES

- 16.1 Appendix 1 - North Herts District Council Draft Pay Policy Statement 2022/23

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