



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**



Committee/Council


Date 18 January 2023

Report of Councillor Annie Mason,
Cabinet Member for People & Safer
Communities

Pay Policy Statement

Report Author

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Purpose of Report

It is a requirement of the Localism Act 2011 that the Council produces an annual pay policy statement. This statement summarises current policies and arrangements already in place relating to pay – as such the Pay Policy Statement is one of fact. The Pay Policy Statement is approved each year by Council as part of the budget setting and approval process.

Recommendations

That the Committee:

- 1. Recommends that the Pay Policy Statement 2023/24 be submitted to Full Council for approval.**

Decision Information

Does the report contain any exempt or confidential information not for publication?	No
What are the relevant corporate priorities?	High performing Council
Which wards are impacted?	All wards

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The financial considerations of the Pay Policy Statement are incorporated into the budget setting proposals for 2023/24 and these proposals will be presented to Council for approval on 1 March 2023. Employee costs are the largest financial element of the budget and it is important that salary budgets and staffing resourcing requirements are kept under regular review.

Richard Wyles Chief Financial Officer

Legal and Governance

- 1.2 Article 13.4.4(vi) of the Council's Constitution, which sets out the remit of the Employment Committee states one of its functions is the review of the annual Pay Policy and recommending it to Council for approval in order that it can be published. The Council is required to produce and publish a pay policy statement for each financial year under Sections 38-39 of the Localism Act 2011. The Council must have regard to guidance issued by the Secretary of State under Section 40 of the Localism Act 2011.

Graham Watts, Assistant Director of Governance and Deputy Monitoring Officer

2. Background to the Report

- 2.1 The Council's Pay Policy Statement is reviewed annually to ensure that it accurately reflects the Council's position and is aligned with the outcomes and objectives of the Council's Corporate Plan. The 2022/23 pay policy statement was presented to Full Council on 3 March 2022.
- 2.2 A review of the Pay Policy Statement has been carried out to ensure compliance with the requirements of the Localism Act 2011.
- 2.3 The key changes include the updating of the posts in scope under the definition of officers covered by the Pay Policy Statement (paragraph 3).
- 2.4 The Pay Policy Statement refers to the collective agreement that the Council has in place for local cost of living pay awards and the fact that we determine these pay awards locally for all staff, based on this agreement.
- 2.5 The Pay Policy Statement details the Council's decision to adopt the Real Living Wage in March 2021 and sets out the pay increase arrangements for our lowest grade and a number of other lower grades which are impacted by the Real Living Wage increase. It also sets out that these pay increases are an alternative to the annual cost of living pay award and not in addition to.
- 2.6 The Pay Policy Statement makes reference under paragraph 7.11 to a review of pay and reward arrangements that is taking place. This review is ongoing and focuses on the following key areas:
- The use of career grades to attract talent to the organisation and provide development opportunities and progression to develop and retain rising stars.
 - A review of the lower range of pay grades to ensure that there is clear differentiation between the grades, based on the 2022 Real Living Wage rate.
 - Analysis of similar roles across the organisation to identify any inconsistencies between pay grades
 - Develop a consistent process for the benchmarking of roles, particularly those which are hard to recruit to.
- 2.7 The purpose of the review is to ensure that our approach to pay and reward supports the objectives of the People Strategy to ensure that we can deliver "a flexible, innovative organisation" that has the "skills, resilience and motivation to deliver and achieve the Council's objectives".

3. Key Considerations

- 3.1 It is a legal requirement that the Council publishes an annual Pay Policy Statement and no other options have been considered.

4. Reasons for the Recommendations

- 4.1 The reason for the recommendation is to satisfy a legislative requirement.

5. Background Papers

- 5.1 Pay Policy Statement 2021-22:

<http://www.southkesteven.gov.uk/CHttpHandler.ashx?id=26281&p=0>

Employee Handbook Secondment Factsheet

<http://www.southkesteven.gov.uk/CHttpHandler.ashx?id=24541&p=0>

6. Appendices

- 6.1 Appendix A – Draft Pay Policy Statement 2023-2024