



13 November 2024

Report of Councillor Ashley Baxter,
Leader of the Council and Cabinet
Member for Finance, HR and Economic
Development

Pay Policy Statement 2025/26

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 summarises current policies and arrangements in place relating to pay. 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 2025/26 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information not for publication?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 2025/26 and these proposals will be presented to Council for approval on 30 January 2025. 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.

Completed by: Paul Sutton (Interim Head of Finance / Deputy 151)

Legal and Governance

- 1.2 Article 11 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 Statement 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.

Completed by: Graham Watts (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 2024/25 Pay Policy Statement was presented to Full Council on 25 January 2024.
- 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.
- The pay increase arrangements for our lowest grade and a number of other lower grades which are impacted by the Real Living Wage increase.
- These pay increases are an alternative to the annual cost of living pay award and not in addition to.

2.6 A review of pay and reward arrangements was completed during the year 2023/24. This included:

- The development of a career development policy
- Implementation of the 2024 real living wage rate for all eligible employees as part of our commitment to fair compensation.
- The development of a revised job evaluation procedure and market supplement procedure

2.7 A standby and call out policy was implemented during 2023/24. This policy sets out a separation of 'on-call' and 'standby' to recognise the difference and ensure a clearly defined compensation structure.

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.

4.2 Other considerations on the content for the pay policy have been considered but this version is deemed most suitable as it aligns to the Council's pay structure, local agreements and regulatory standards.

5. Consultation

5.1 Consultation has taken place with the Trade Union.

6. Background Papers

6.1 Pay Policy Statement 2024-25

https://www.southkesteven.gov.uk/sites/default/files/2024-02/Pay_Policy_Statement_2024-25%20%28Final%29.pdf

7. Appendices

7.1 Appendix A – Draft Pay Policy Statement 2025-2026