

Pay Policy Statement 2022/23

Strategy & Resources Committee - Tuesday, 1st February 2022

Report of: Chief Executive

Purpose: For decision

Publication status: Open

Wards affected: All

Executive summary:

The draft Pay Policy Statement provides the framework for decision making on pay and in particular, senior pay. Preparing and publishing this statement is a requirement under the Localism Act 2011.

The Council ('TDC') is required to publish an annual statement which is to be ratified by Full Council. Pay Policy Statements must be published by 31 March each year to apply to pay decisions during the next financial year.

The information is set out under headings which have been prescribed by the Localism Act 2011 and relates to the 2022/23 financial year unless otherwise stated.

This report supports the Council's priority of: 'Building a better Council'

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Recommendation to Committee:

That the Committee notes the annual Pay Policy Statement for 2022/23, attached at Appendix A, and recommends this to Council for adoption from 1st April 2022.

Introduction and background

1. The requirement for local authorities to produce Pay Policy Statements was introduced under the section 38(1) of the Localism Act 2011 ('the Act'). This stated that "A relevant authority must prepare a pay policy statement for the financial year 2012-2013 and each subsequent financial year".
2. The Council (TDC) is required to publish an annual statement which has been considered and approved by Full Council. The information is set out under headings which have been prescribed by the Localism Act and relates to the 2021/22 financial year unless otherwise stated.
3. Key background information:
 - 3.1 The Council has opted out of the terms and conditions of employment operated by the National Joint Council (NJC) for Local Government Services and has local terms and conditions of employment.
 - 3.2 The local pay scales cover all employees of the Council, including Chief Officers as follows:
 - Head of Paid Service (Chief Executive Officer)
 - Statutory Officer, Monitoring Officer (Head of Legal Services)
 - Statutory Officer, Section 151 Officer (Chief Finance Officer)
 - Non-Statutory Officer, reporting to Head of Paid Service (Executive Head of Communities)
 - Non-Statutory Officer, reporting to Head of Paid Service (Chief Planning Officer)
 - Non-Statutory Officer, reporting to Head of Paid Service (Executive Head of Corporate Resources)
4. As required by law, the Council auto-enrols all eligible employees into a pension scheme - the Local Government Pension Scheme (LGPS).
5. Relative to most other parts of the country, the District is expensive to move to and live in.
6. Competition for some specialist posts remains high nationally with our neighbouring local authorities competing for the same skills and experience.
7. The proposed Pay Policy Statement at Appendix has been updated as follows (shown in tracked changes within the appendix):

Para 3.2 - removal of references to the Senior Leadership Team

Para 3.3.1 - updated salary for TC2 grade

Para 4.2 – deletion of reference to 'business mobility allowance' – this no longer exists

Para 10.1 - updated salary for TC2 grade

Para 12 – revised text for election fees and removal of the 'election fee annexe' to mirror the content of neighbouring authorities' pay policy statements

Previous Para 18 - deletion of reference to an 'exit cap' as these proposals have since been rescinded by the government. The Government issued Treasury Directions, the Exit Payment Cap Directions 2021, which came into force on 12th February 2021, to suspend the Restriction of Public Sector Exit Payments Regulations 2020.

8. To meet the requirements of the Localism Act 2011, the Council must agree and publish a Pay Policy Statement before each financial year. This report sets out why the Council's Statement is set out in the way it is and contains the information it does. However, it may be necessary to amend this Pay Policy Statement at a later date to reflect any decisions made by this Committee and in particular, to reflect any budget savings made by Members.
9. It is proposed that any revised Pay Policy Statement for 2022/23, incorporating any changes, be presented to the Committee at its next meeting.

Key implications

Comments of the Chief Finance Officer

The draft Pay Policy Statement sets out staffing/pay related terms and conditions for 2022/23. There are a number of pay related savings as part of the 2022/23 final budget report on the same agenda and, if agreed, will require approval by Full Council on 10th February, prior to the policy being finalised. These savings include:

- Reduce the provision of Health Insurance provided to TDC employees (£7.5k)
- Stop the current purchase of My Staff Shop (£350)
- Review of staff increments, terms and conditions and reward policy (£25k 22/23, £100k Full year impact in 23/24). These currently reside in corporate items and are due for distribution to committees in June, as part of Tranche 3 allocation of savings.

Comments of the Head of Legal Services

Local Authorities are required, by Section 38 (1) of the Act, to set out a written statement each financial year relating to the:

- remuneration of Chief Officers
- remuneration of its lowest paid employees
- relationship between the remuneration of its Chief Officers and the remuneration of its employees who are not Chief Officers

In line with statutory requirements, the Council's draft Pay Policy Statement has been reviewed and updated for 2022/23 for approval by Full Council prior to publishing on the Council's website.

The Council will need to adhere to the policy statement when making determination on senior officer pay, although the statement may be amended at any time by further resolution of Full Council.

Equality

The proposed pay policy statement would comply with sections 38 to 43 of the Localism Act 2011 which requires such statements to identify:

- the remuneration of the Council's chief officers relative to that of its lowest paid employees; and
- the Council's policies relating to the remuneration of its chief officers.

The Act also requires annual pay policy statements to be ratified by full Council prior to 31st March of each preceding year.

Climate change

There are no significant environmental/sustainability implications associated with this report.

Appendices

Appendix A – Tandridge District Council – Pay Policy Statement 2022/23 (amendments from the current Statement shown in tracked changes)

Background papers

None.

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