

BABERGH DISTRICT COUNCIL

TO: Council	REPORT NUMBER: BC/23/46
FROM: Cllr John Ward – Acting Leader of the Council	DATE OF MEETING: 19 March 2024
KEY DECISION REF NO. N/A	

REVISED PAY POLICY STATEMENT

1. PURPOSE OF REPORT

- 1.1 The Councils are required to produce a Pay Policy Statement for each financial year under Section 38(1) of the Localism Act 2011. **The Pay Policy Statement being recommended for adoption is attached at Appendix A.** Babergh and Mid Suffolk District Councils have a single organisational structure with harmonised pay, grades, terms and conditions of service and have a single pay policy statement which covers both Councils. This report contains details of the Councils' 2024/25 pay policy statement for Councillors to consider and approve.

Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, the Councils are required to report on their gender pay gap. The report based on data as of 31st March 2023 has been prepared, and this, with accompanying narrative, will be published on both the Councils' websites under the transparency requirements. The date for reporting is 31st March 2024. As the two Councils are sovereign bodies, a report must be published for each Council; but the combined data is more relevant due to the workforce being fully integrated. This report does not have to be approved by Council.

OPTIONS CONSIDERED

- 1.2 Approving the Councils' annual pay policy statement is a statutory requirement; therefore, no other options are appropriate in respect of this.
- 1.3 Publishing the Councils' gender pay gap is a statutory requirement; therefore, no other options are appropriate in respect of this.

2. RECOMMENDATIONS TO COUNCIL
2.1 That the pay policy statement as set out in Appendix A be approved.
2.2 That publication of the Council's gender pay gap, as of 31 st March 2023, be noted.
2.3 That the payment rates for carrying out election duties as set out in Appendix C be noted.
REASON FOR DECISION
2.3 To bring together all the relevant information to enable Councillors to approve the Council's pay policy statement. This must be formally approved by Full Council.

3. KEY INFORMATION

- 3.1 The Localism Act 2011 and supporting guidance provides information and detail on the matters that must be included within this statutory pay policy. However, they also emphasise that each local authority has the autonomy to take its own decisions on pay and pay policies. The Pay Policy Statement must be formally approved by Full Council. The statement must be published on the Councils' websites, and when setting the terms and conditions of those in chief officer posts, the policy must be complied with.
- 3.2 In the context of managing scarce public resources, remuneration at all levels needs to be adequate to secure and retain high quality employees, but at the same time needs to recognise that it is public money.
- 3.3 This Pay Policy Statement includes a policy on:
- Level and elements of remuneration for each chief officer.
 - The remuneration of the Councils' lowest paid employees.
 - The relationship between the remuneration of the Councils' chief officers and other officers.
 - Other specific aspects of chief officers' remuneration, use of performance related pay and bonuses, termination payments and transparency.
- 3.4 The draft Pay Policy Statement at Appendix A has been amended as follows:
- following the pay and reward review completed during 2023, and changes to the national living wage, the Councils' lowest paid employees are now paid at Grade 2 and the previous Grade 1 has been deleted.
 - following the chief officer pay review conducted by East of England Local Government Association in 2021, and national and regional benchmarking of shared Chief Executive roles in 2023 (see Appendix B) the salary range for the joint Chief Executive role has been updated.
- 3.5 Also, under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, the Councils are required to report on their gender pay gap. The report based on data as of 31st March 2023 has been prepared, and this, with accompanying narrative, will be published on both the Councils' websites under the transparency requirements by 31st March 2024.

As the two Councils are sovereign bodies, it is a requirement to publish a report for each council, but the combined data is more relevant due to the workforce being fully integrated. This report does not have to be approved by Council, but when published will be available on the Council's website.

4. Payments for those carrying out election duties

- 4.1 The Elections Rates of Pay is attached as Appendix C.

- 4.2 The Government have devised a set of pay bands that apply to all polls across Great Britain paid for by them. These pay bands have been calculated based on data provided by the national Elections Funding Working Group and in turn uplifted and updated to reflect additional responsibilities introduced by the Elections Act 2022 as well as changes to average public sector pay and national minimum wage.
- 4.3 The pay bands set out a range of daytime hourly rates for each role that can be reimbursed by central Government.
- 4.4 It is proposed to adopt these same pay bands for local elections and link them to the nationally negotiated annual increase for inflation.

5. LINKS TO THE STRATEGIC PLAN

- 5.1 The Pay Policy Statement is one of a range of factors that support the attraction and retention of employees with the right skills, knowledge and experience to deliver the outcomes and outputs in the Councils' new Strategic Plans that were adopted in January 2024.

6. FINANCIAL IMPLICATIONS

- 6.1 The amended Joint Chief Executive salary range in the Pay Policy Statement is based upon the average salary range for such roles in the Eastern region. The additional cost to each Council at 2023/24 pay levels, including oncosts of 37%, is £3034 per Council. This figure includes backdating to 01.04.23 in line with the principles applied to the wider staff pay and reward review. As with all officer roles, progression up the spinal column points in future years is subject to an annual performance review.
- 6.2 The Chief Executive recently reviewed the structure of the Senior Leadership Team, reducing from 9 Directors to 7 and increasing from 1 to 2 Strategic Directors (Deputy Chief Executive and soon to be recruited Chief Operating Officer). These changes result in an overall saving of up to £118,000 across both Councils (£59,000 each) in the costs of the Senior Leadership Team (based on full year effect and 2023/24 pay levels). It should also be noted that 50% of one of the 7 remaining Director posts is funded by the Integrated Care Board (the health system).

7. LEGAL IMPLICATIONS

- 7.1 Under Section 38(1) of the Localism Act councils are required to produce an annual Pay Policy Statement that is approved by Council and published. It should set out:
- The remuneration of its chief officers;
 - The remuneration of its lowest paid employees; and
 - The relationship between the remuneration of the Councils' chief officers and others.
- 7.2 Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, the Councils are required to report on their gender pay gap.

8. RISK MANAGEMENT

- 8.1 This report is not directly linked with the Councils' Corporate / Significant Business Risks but the key risks are set out below:

Risk Description	Likelihood	Impact	Mitigation Measures
If the salary ranges for the chief officers are set too low to attract suitable candidates or too high, then it could result in failure to recruit, or attract adverse publicity	Probable - 3	Bad - 3	Implement the review of salary ranges for all chief officers based upon the EELGA review and national benchmarking.
If the pay policy legal framework is not complied with, then it could make any appointments null and void.	Unlikely - 2	Bad - 3	Formal approval required and through annual reviews.
If the pay policy is not applied fairly to all staff, then this could lead to equal pay claims which could also result in successful tribunal claims, leading to reputational damage and costs to the organisation.	Unlikely - 2	Bad - 3	HR involvement to ensure that policy is applied equally.

9. CONSULTATIONS

- 9.1 The trade unions have been informed of the contents of the pay policy, but as there are no significant changes there is no requirement to formally consult.

10. EQUALITY ANALYSIS

- 10.1 An Equality Impact Assessment is not required for the pay policy as it is substantively the same as in previous years. An Equality Impact Assessment will be carried out on any new pay and reward policy or process that is proposed.
- 10.2 The publication of the pay policy statement supports the Councils in delivering its equality duty and links closely with the duty to publish workforce data such as the gender pay gap.

11. ENVIRONMENTAL IMPLICATIONS

- 11.1 None.

12. APPENDICES

Title	Location
Appendix A – Babergh and Mid Suffolk District Councils' Revised Pay Policy Statement	Attached
Appendix B – Babergh and Mid Suffolk District Councils Pay Report 2021 (East of England Local Government Association) and National Benchmarking of Joint Chief Executive salary ranges for 2023/24.	Attached
Appendix C – Elections Rates of Pay	Attached

1. REVISED PAY POLICY STATEMENT

Requirements

- 1.1 Councils are required to produce a Pay Policy Statement for each financial year under Section 38 of the Localism Act 2011.
- 1.2 Babergh and Mid Suffolk District Councils ('the Councils') have a single organisational structure with harmonised pay, grades, terms and conditions of service and have a single pay policy statement that covers both Councils.
- 1.3 The Localism Act 2011 and supporting guidance provides information and detail on the matters that must be included within this statutory pay policy. However, they also emphasise that each local authority has the autonomy to take its own decisions on pay and pay policies. The Pay Policy Statement must be formally approved by both Full Councils. The statement must be published on the Councils' websites, and when setting the terms and conditions of those in chief officer posts, the policy must be complied with.
- 1.4 In the context of managing scarce public resources, remuneration at all levels needs to be adequate to secure and retain high quality employees, but at the same time needs to recognise that this is public money.
- 1.5 The Pay Policy Statement must include a policy on:
 - Level and elements of remuneration for each chief officer (for the Councils this is defined as the Senior Leadership Team).
 - The remuneration of the Councils' lowest paid employees.
 - The relationship between the remuneration of the Councils' chief officers and other officers.
 - Other specific aspects of chief officers' remuneration, use of performance related pay and bonuses, termination payments and transparency.

Remuneration of employees who are not chief officers

- 1.6 For employees subject to the National Agreement on Pay and Conditions of Service of the National Joint Councils for Local Government Services (commonly known as the 'Green Book'), the Councils use 7 pay grades. Posts have been allocated to a pay band through a process of job evaluation.
- 1.7 Each grade has between 5 and 8 increments. The value of the pay increments (known as the 'Spinal Column Points') increases when the Councils are notified of pay awards by the National Joint Council (NJC) for Local Government Services. In addition, the Councils review all pay levels every April to determine who is eligible for incremental progression.
- 1.8 There is also a group of staff on the 'National Agreement on Pay and Conditions of Services for Local Authority Craft and Associated Employees (commonly known as the 'Red Book'). The Councils use a spot salary payment for this staff group which as of 31st March 2024 is £32,715.

- 1.9 For the purposes of this Policy Statement, employees on the lowest increment within the Grade 2 pay band are defined as our lowest paid employees. This is because no employee of the Councils is paid at an hourly salary level that is lower than this grade. As at 31st March 2024, the full time equivalent (FTE) annual value of the lowest increment used within Grade 2 is £23,500. This rate exceeds the National Minimum Wage and the Living Wage set by the Living Wage Foundation. Apprentices are paid £11.41 per hour which is significantly higher than the National Minimum Wage rates for apprentices. This enables the Councils to attract and retain more apprentices.

Remuneration of chief officers

- 1.10 The Councils share the following posts, which fall within the definition of 'Chief Officer' for the purposes of this Pay Policy:
- Chief Executive (the Councils' Head of Paid Service) x 1
 - Deputy Chief Executive x 1
 - Directors x 7
- 1.11 The Chief Executive recently reviewed the structure of the Senior Leadership Team, reducing from 9 Directors to 7 and increasing from 1 to 2 Strategic Directors (Deputy Chief Executive and soon to be recruited Chief Operating Officer). These changes result in an overall saving of up to £118,000 across both Councils (£59,000 each) in the costs of the Senior Leadership Team. It should also be noted that 50% of one of the 7 remaining Director posts is funded by Health.
- 1.12 The Chief Executive post was previously evaluated in 2016 and so re-evaluated again in 2023 as part of the all staff pay & reward review.
- 1.13 The remaining chief officer posts were evaluated in 2021 using the Local Government Senior Managers' evaluation scheme. The pay grades for these posts were established and adopted in April 2022 following recommendations by East of England Local Government Association (EELGA) who carried out benchmarking on salary levels within the sector.
- 1.14 The value of the incremental points (Spinal Column Points) within each of the pay grades will be increased by the pay awards notified from time to time by the Joint Negotiating Committees for Local Authorities.
- 1.15 Chief Executive
- The Chief Executive is the Councils' Head of Paid Service. The annual full time equivalent (FTE) salary range for the grade of this post is £145,935 - £170,775. There are five incremental points in the grade.
 - It is the Councils' policy that the FTE salary range for the post of Chief Executive will normally be no greater than 8 times the FTE salary range of a Grade 2 'Green Book' employee. This is well within the nationally recommended multiplier of no more than 12 times the lowest paid employee. The FTE salary for the Chief Executive is 7 times that of a grade 2 salary and does not exceed the Councils' policy.
 - The Chief Executive also receives a Returning Officer fee in respect of District and Parish Council Elections, and a Deputy Returning Officer fee for County

Council elections. Each Council has agreed a scale of fees for this function dependent upon the number of contests at any given election. Fees for conducting UK Parliamentary Elections, Police & Crime Commissioner Elections and national referenda are determined by way of a Statutory Instrument. An updated schedule of fees for those carrying out election duties are included at section C of this report.

1.16 Strategic Directors (Deputy Chief Executive & Chief Operating Officer)

- The Deputy Chief Executive reports to the Chief Executive as will the soon to be recruited Chief Operating Officer. As of 31 March 2024, the annual FTE range for the Deputy Chief Executive is £105,880 to £126,656. There are five incremental points in the grade. The Chief Operating Officer will also be paid within this salary range.
- It is the Councils' policy that the FTE salary range for the Deputy Chief Executive & Chief Operating Officer will normally be no greater than 7 times FTE salary range of a Grade 2 'Green Book' employee. The FTE salary for these Strategic Directors is 5 times that of grade 2 and therefore does not exceed the Councils' policy.

1.17 Directors

- The Directors report to the Strategic Director(s) and Chief Executive. As of 31 March 2024, the annual FTE salary range for the Director grade is £83,026.00 to £95,492.00. There are five incremental points in this grade.
- It is the Councils' policy that the FTE salary range for the Director posts will normally be no greater than 5 x the FTE salary range of a Grade 2 'Green Book' employee. The FTE salary for Directors is 4 times a grade 2 and therefore does not exceed the Councils' policy.
- The Councils' Monitoring Officer and Section 151 Officer are shared between both Councils. There is no additional allowance paid for the Councils' Monitoring Officer or for the Section 151 Officer for undertaking statutory officer roles across two councils as this is built into their salary.

General principles applying to remuneration of chief officers and employees

1.18 Recruitment

- On recruitment individuals (including chief officers) will be placed on an appropriate pay increment within the pay grade for the post that they are appointed to. Access to appropriate elements of the Councils' Relocation Scheme may also be granted in certain cases when new starters need to move to the area.

1.19 Pay Increases

- The value of pay increments within the grades may increase because of the Joint Negotiating Committee for Local Authorities negotiating pay rises. Individuals (including chief officers) may also progress within their pay grade. Individuals cannot progress beyond the top increment within their pay grade. Progression arrangements within the grade will be dependent upon competency and performance.

1.20 Termination of Office/Employment

- On ceasing to hold office or be employed by the Councils, individuals (including chief officers) will only receive compensation:
 - in circumstances that are relevant (e.g., redundancy);
 - that is in accordance with council policies on how to exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS); and/or
 - that complies with the specific term(s) of a settlement agreement.

1.21 Additional Remuneration

- The Councils pay market forces supplements to some posts. A policy has been agreed to ensure that these are relevant, appropriate, and regularly reviewed.
- The Councils do not pay honoraria awards.
- The Councils pay Essential and Casual Car User allowances in accordance with agreed policy. Following a review in 2019/20 Essential Car User allowances are now only paid to grades 7 and below. The rates for essential car user mileage are based on the rates set by the National Joint Consultative Council for Local Government Services. The Councils only apply the rates up to a 1199cc engine size; and do not pay the 1200cc to 1450cc (i.e. the top band). The rates for casual car user mileage are based on the rates set by HMRC. There are also rates in force for individuals who use their bicycle or motorcycle which are also based on the rates set by HMRC.
- Subsistence allowances that are paid are in accordance with our subsistence policy.
- None of the Councils' employees are paid a bonus or any other performance-related pay.

Gender Pay Gap

1.22 Under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, the Councils are required to report on their gender pay gap. The report based on data as of 31 March 2023 has been prepared, and this, with accompanying narrative, will be published on both the Councils' websites under the transparency requirements. The date for reporting is 31 March 2024.

1.23 As the two Councils are sovereign bodies, a report must be published for each Council, but the combined data is more relevant due to the workforce being fully integrated. This report does not have to be approved by Council, but when published will be available on each Council's website.

APPENDIX B

Babergh and Mid Suffolk District Councils Pay Report 2021 (EELGA)

<https://baberghmidsuffolk.moderngov.co.uk/documents/s24267/Appendix%20A.pdf>

There are 14 joint district / borough Chief Executives across England. As set out in the table below there are two other joint district / borough Chief Executives in the Eastern region, one in Essex and one in Norfolk. The salary range contained in Appendix A places Babergh and Mid Suffolk's joint Chief Executive role's starting salary range 6th out of 14; and 4th out of 14 in terms of the top of the salary range.

All District & Borough Councils with joint Chief Executives	Chief Executive (or equivalent) salary range for 2023/24
Adur and Worthing	£140,760 - £162,831
Boston, East Lindsey and South Holland	£122,443 - £150,053
Broadland and South Norfolk District Councils	£144,900 - £173,880
Brentwood Borough Council and Rochford District Council	£146,892 - £167,592
Bromsgrove and Redditch	£142,830 - £148,056
Cannock Chase District Council and Stafford Borough Council	£143,950
Chorley Council and South Ribble Borough Council	£154,319
Eastbourne Borough Council and Lewes District Council	£145,191 - £156,647
Guildford Borough Council and Waverley Borough Council	£161,072
Malvern Hills District Council and Wychavon District Council	£141,933 - £152,816
South Oxfordshire and Vale of White Horse	£173,880
Staffordshire Moorlands District Council and High Peak Borough Council	£168,660 - £182,729
South Hams District Council and West Devon Borough Council	£139,725 - £150,075

Appendix C - Elections Rates of Pay

Pay Band A £11.44 - £15.12		
Roles	Rate of Pay	SCP
Casual admin support	£14.91	17
Polling Station - ballot box/equipment issuing assistants	£14.91	17
Postal vote - opening and checking assistant	£14.91	17
Poll Clerks	£14.91	17
Ballot Box receipt assistant	£14.91	17
Count setup/take down assistant	£14.91	17
Count and verification assistants	£14.91	17
Count Security	£14.91	17
Postal vote security	£14.91	17
Reception Staff	£14.91	17
Printing co-ordinator (e.g. printing of letters)	£14.91	17

Pay Band B £13.44 - £17.92		
Roles	Rate of Pay	SCP
Polling station ballot box/equipment issuing supervisors	£17.60	25
Postal vote - opening and checking supervisor	£17.60	25
Postal vote - opening and checking supervisor (Saturday and night)	£26.40	25
Postal vote - opening and checking supervisor (Sun)	£35.20	25
Ballot box receipt supervisor	£26.40	25
Count staff - IT support	£14.91	17
Postal vote - IT support (signature verification)	£14.91	17
Count setup/take down supervisor	£17.60	25
Count and verification team leader	£17.60	25
Count and verification team leader (Night)	£26.40	25
Collection and prep of equipment	£14.91	17

Pay Band C £15.68 - £19.60		
Roles	Rate of Pay	SCP
Presiding Officer	£19.00	28
Count and verification supervisor	£19.00	28
Count and verification supervisor (Night)	£28.50	28
Staff payment/payroll	£17.12	24
Poll card, postal votes and ballot papers - running data, checking and proofing	£17.60	25
Postal vote - signature adjudicators	£17.60	25
Postal vote - signature adjudicators (Saturday & Night)	£26.40	25
Postal vote - signature adjudicators (Sunday)	£35.20	25
Top table assistants/data officer	£17.60	25
Top table assistants/data officer (night)	£26.40	25
Media handling/comms	£17.60	25

Pay Band D £16.80 - £29.12		
Roles	Rate of Pay	SCP
Count Manager	£29.11	46
Polling Station Inspector	£18.06	26
Postal Vote - opening session manager	£26.71	43