

## **Corporate Policy Committee**

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| <b>Date of Meeting:</b>     | 9 <sup>th</sup> February 2023                        |
| <b>Report Title:</b>        | Pay Policy Statement 2023/24                         |
| <b>Report of:</b>           | Jane Burns, Executive Director of Corporate Services |
| <b>Report Reference No:</b> | CP/33/22-23  |
| <b>Ward(s) Affected:</b>    | Not applicable                                       |

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| <b>Corporate Plan Priorities</b> | <b>Open</b>  | An open and enabling organisation               | X |
|                                  | <b>Fair</b>  | A council which empowers and cares about people |   |
|                                  | <b>Green</b> | A thriving and sustainable place                |   |
|                                  |              |   |   |

### **1. Purpose of Report**

- 1.1. The purpose of this report is to outline the changes to the Pay Policy Statement for 2023/24 and for the Corporate Policy Committee to recommend the policy to Council.

### **2. Executive Summary**

- 2.1. Section 38 of the Localism Act (2011) requires Local Authorities to produce a Pay Policy Statement by 31 March on an annual basis. Regard continues to be given to any guidance from the Secretary of State in producing this statement and the Local Government Transparency Code (2015).
- 2.2. The Pay Policy Statement for 2023/2024 which reflects the expected position at 1 April 2023 is attached as Appendix 1. Changes since last year's Statement are outlined in section 7.4 of this report.

### **3. Recommendations**

- 3.1. That the changes since the 2022/23 Pay Policy Statement be noted as outlined in section 7.4 of this report.

- 3.2. That the attached Pay Policy Statement for 2023/24 be recommended by the Corporate Policy Committee to Council for approval and published accordingly.
- 3.3. That the agreed Pay Policy Statement for 2023/24 is reviewed in-year and any further changes are approved by the Monitoring Officer and published accordingly.

#### **4. Reasons for Recommendations**

- 4.1. A Pay Policy Statement has been required to be produced annually since 2012/13 under Section 38 of the Localism Act (2011). Local Authorities must have their Pay Policy Statement approved by full Council and published on their website no later than the 31 March prior to the financial year to which it relates.

#### **5. Other Options Considered**

- 5.1. Not applicable.

#### **6. Background**

- 6.1. The purpose of the Pay Policy Statement is to increase accountability, transparency and fairness with regard to the Council's approach to pay with particular focus on its Chief Officers.

#### **7. Key Updates to the Pay Policy Statement**

- 7.1. The Pay Policy Statement 2023/24 follows the style and format of the Statement published in 2022/23. The Statement focuses on the broad principles and policies regarding pay and has links to further information and statistical data available on the Council's website and associated policies.
- 7.2. The Statement has again been designed to be user friendly for public consumption and should require minimal updates each subsequent year.
- 7.3. The links to further information will be updated as appropriate through the coming year.
- 7.4. Changes since the last Pay Policy Statement are as follows:
  - 7.4.1. Included cover sheet to the PPS which also includes the Council's external website address (see page 1).
  - 7.4.2. Referenced specific employment legislation, i.e. Employment Rights Act 1996, Equality Act 2010, The Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000 and where relevant, the Transfer of Undertakings (Protection of Employment) Regulations 2006 and the National Minimum Wage Regulations 2015 (see page 2).
  - 7.4.3. Changed the title of section 3 from 'Pay Structure Senior Management' to 'Senior Management ('Chief Officers') Remuneration' (see page 3).

- 7.4.4.** Removed any references throughout the Statement which advised that Performance Related Pay (PRP) for senior management has been removed.
- 7.4.5.** The Statement explains that Grades 13 and 14 contain three increments in each with annual incremental progression on the anniversary of the appointment (see page 3).
- 7.4.6.** The Statement links to the Council's website for further details about benefits: [Employee benefits \(cheshireeast.gov.uk\)](https://www.cheshireeast.gov.uk) (see page 3).
- 7.4.7.** Removed any references throughout the Statement which advised that a new JNC pay structure has been introduced – this was implemented in 2021.
- 7.4.8.** Updated salary information for Tier 1 to Tier 3 to reflect recently agreed April 2022 rates (see page 4).
- 7.4.9.** Included specific section on 'NJC Employees' which confirms that from 1 April 2023, Spinal Column Point 1 will be permanently deleted from the NJC pay spine; the April 2023 NJC pay framework will comprise of 44 salary points (see page 4).
- 7.4.10.** Removed section on the 'Living Wage' – the Local Living Wage supplement has not been paid for number of years; any future pay awards agreed nationally will take into account National Living Wage requirements and ensure that the NJC minimum spinal column point is higher than the National Living Wage.
- 7.4.11.** In November 2022, the Council was accredited as a Hidden Disabilities Sunflower Scheme Employer, so this has been included in the Statement (see page 4).
- 7.4.12.** Changed title of 'Local Government Pension Scheme (LGPS)' section to 'Pension Contributions' and included more information about the scheme (see page 5).
- 7.4.13.** Updated the 'Redundancy Payments and Payments on Termination' section to state that the Council will take into consideration the Government's [statutory guidance on the making and disclosure of Special Severance Payments by local authorities in England - GOV.UK \(www.gov.uk\)](https://www.gov.uk) and will implement any government changes to exit payments when they become law (see page 6).
- 7.4.14.** The above statutory guidance is also referred to in section 9: Early Retirement and Severance on the Grounds of Business Efficiency (see pages 6 and 7) and section 10: Mutually Agreed Resignation Scheme (see page 7).
- 7.4.15.** The pay multiples (Link 4) will be updated before 1 April 2023.

## **8. Consultation and Engagement**

8.1. The Pay Policy Statement 2023/24 will be shared with Trade Unions.

## **9. Implications**

### **9.1. Legal**

9.1.1. The Council is required to produce and publish a Pay Policy Statement agreed by full Council each year, under Section 38 of the Localism Act (2011).

9.1.2. In addition, the Local Government Transparency Code (2015) requires information on organisational structure, senior salaries and pay multiples to be published annually each year.

9.1.3. This report and the accompanying Pay Policy Statement, with associated links in Annex 1, once approved and adopted ensures that Cheshire East Council complies with these requirements.

### **9.2. Finance**

9.2.1. There are no direct financial implications associated with approving the updated Pay Policy Statement 2023/24 and no budgetary adjustments are proposed in relation to this report.

### **9.3. Policy**

9.3.1. Any decisions relating to the pay and remuneration of Chief Officers must comply with the Pay Policy Statement in place at the time for that financial year. Whilst the Statement can be amended during the year should the need arise, in-year changes will be subject to the approval of the Monitoring Officer.

### **9.4. Equality**

9.4.1. There are no direct equality implications associated with approving the updated Pay Policy Statement 2023/24, any potential implications relating to pay are addressed within the relevant pay policies.

### **9.5. Human Resources**

9.5.1. Associated pay policies and HR support must comply with the Pay Policy Statement. Updates on the Workforce Strategy and workforce data are provided to the Corporate Policy Committee on a regular basis.

### **9.6. Risk Management**

9.6.1. If the Council does not follow specific aspects of the guidance issued by DCLG and therefore does not achieve appropriate levels of openness and accountability, the Department for Levelling Up, Housing and Communities (DLUHC) (formerly the Ministry for Housing, Communities and Local Government) can take steps to require the Council to adapt particular policies.

**9.7. Rural Communities**

9.7.1. There are not direct implications for rural communities.

**9.8. Children and Young People/Cared for Children**

9.8.1. There are no direct implications for children and young people.

**9.9. Public Health**

9.9.1. There are no direct implications for public health.

**9.10. Climate Change**

9.10.1. There are not direct implications on climate change.

| <b>Access to Information</b> |   |
|------------------------------|---|
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| Appendices:                  | Appendix 1 – Draft Pay Policy Statement 2023/24   |
| Background Papers:           | None  |