



EMPLOYMENT COMMITTEE – 28 SEPTEMBER 2023

PAY POLICY STATEMENT 2024/25

REPORT OF THE DIRECTOR OF CORPORATE RESOURCES

Purpose of the Report

1. The purpose of this report is to seek approval for the submission of the Council's Pay Policy Statement for 2024/25, appended to this report, to the County Council for approval on 6 December 2023.

Policy Framework and Previous Decisions

2. On 15 November 2011, the Localism Act received Royal Assent. Under Section 38 of the Act, local authorities in England and Wales are required to produce a Pay Policy Statement for each financial year which must be approved by the Full County Council.
3. This statement must set out the Council's policies in relation to:
 - i. The remuneration of its chief officers;
 - ii. The remuneration of its lowest-paid employees; and
 - iii. The relationship between the remuneration of its chief officers and the remuneration of its employees who are not chief officers.
4. For the purposes of this statement, remuneration includes basic salary, bonuses and other allowances or entitlements related to employment.
5. The Council is required to publish the Pay Policy Statement for 2024/25 on or before 1 April 2024.
6. At the time of writing, the 2022/23 pay structure remains in place for employees on National Joint Council (NJC) terms and conditions and Chief Executive's terms and conditions, as the respective pay awards have not yet been agreed. A pay award for those on Joint Negotiating Committee for Chief Officer (JNC) terms and conditions was agreed in May 2023 and has been implemented.
7. The Employment Committee will be advised of the 2023/24 pay structure, incorporating the NJC pay award once agreement between the national employers and trade unions has been reached.

Background

7. The proposed Pay Policy Statement attached sets out:
 - i. The Council's approach to job evaluation and grading of posts;
 - ii. Additional payments that employees are eligible to receive, such as night enhancement, overtime;
 - iii. The Council's pay multiple (the ratio between the highest paid employee and the median average salary of the Council's workforce, excluding schools but including ESPO) which is 1:7.26;
 - iv. That there is no distinction between chief officers and other employees in relation to pension entitlements and severance payments;
 - v. The Council's approach to the re-engagement of former employees.

8. The most recently revised pay structure took effect from 1 April 2022, which ensured that the provisions set out by the National Joint Council (NJC) pay award for 2022/23 were met. Future revisions to the 2023/24 pay structure will incorporate retrospective payments once implemented.

9. The current pay structure for all employees up to and including Grade 17, and for the Chief Executive, covers the period from 1 April 2022 to 31 March 2023. These conditions remain in place until further notice. A pay award covering 1 April 2023 to 31 March 2024 has been agreed for Chief Officers on JNC terms and conditions.

The 2023/24 Pay Award

10. The National Employers made an offer to the trade union side on 23 February 2023. The offer made was full and final. The offer was as follows:
 - With effect from 1 April 2023, an increase of £1,925 (pro rata for part-time employees) to be paid as a consolidated, permanent addition on all NJC pay points 2 to 43 inclusive. With effect from 1 April 2023, an increase of 3.88 per cent on all pay points above the maximum of the pay spine but graded below deputy chief officer (in accordance with Green Book Part 2 Paragraph 5.42);
 - With effect from 1 April 2023, an increase of 3.88 per cent on all allowances (as listed in the 2022 NJC pay agreement circular dated 1 November 2022).

11. When considering the local Leicestershire County Council Pay spine, this would necessitate the removal of the bottom point of the current pay spine to keep ahead of the National Living Wage (NLW). This would mean the pay spine would start at point 3 with an hourly rate of £11.42 (the NLW is predicted to be in the region of £11.25 as at 1 April 2024).

12. The three unions, which constitute the NJC, rejected the pay offer and have or will be balloting for industrial action. The results of the Unison ballot for Leicestershire were received on 6 July. The ballot did not reach the required 50% threshold for industrial action but of those who did vote the majority 71% were in favour of taking action.
13. The result of the Unite ballot for Leicestershire is yet to be disclosed. However, it should be noted that the Council is not on the list of those named for industrial action on Unite's website.
14. The GMB ballot opened on 12 September 2023 and closes on 24 October 2023.
15. Unison has made a statement to say that it will not be holding industrial action as it would not be effective but that it wishes to work with GMB and Unite to resolve the dispute.
16. An offer of 3.5% was accepted by the trade unions representing chief officers on 5 May 2023. This has been implemented for those employees on Chief Officer terms and conditions.
17. Similarly, an offer 3.5% has been made to chief executives, who have indicated they will accept on the proviso that the offer to those on NJC terms and conditions remains the same.

Resource Implications

18. Should the pay awards be agreed as outlined above, it is estimated that this will increase the pay bill by £1.35m as well as oncosts.

Recommendations

19. The Employment Committee is asked to:
 - a. Approve the Pay Policy Statement 2024/25 for submission to the County Council for approval at its meeting on 6 December 2023; and
 - b. Note that, following agreement of the 2023/24 pay offer at national level, the 2023/24 pay structure incorporating the NJC 2023/24 pay award will be circulated to the Committee.

Background Papers

None.

Circulation under Local Issues Alert

None.

Equality Implications

20. The grading of all posts in the Council, except Centrally Employed Teachers, is determined using the nationally recognised Hay Job Evaluation Scheme. This is to ensure that all posts are graded and therefore rewarded financially through a fair and non-discriminatory process, that there is consistency in treatment between posts and that the Council complies with equal pay legislation.

Human Rights Implications

21. There are no human rights implications arising from the recommendations in this report.

Appendix

Pay Policy Statement 2024/25

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