

REPORT OF THE EMPLOYMENT COMMITTEE

A. PAY POLICY STATEMENT 2026/27

Introduction

1. The purpose of this report is to seek approval for the Council's Pay Policy Statement for 2026/27, appended to this report.

Background

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 2026/27 on or before 1st April 2026.

Key Points

6. 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 1:6.82;
 - (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.
7. The most recently revised pay structure took effect from 1 April 2019, which ensured that the provisions set out by the National Joint Council (NJC) pay award for 2019/20 were met.

8. At the time of writing, the 2025/26 pay structure is in place for employees on National Joint Council (NJC) terms and conditions, Chief Executive's terms and conditions and Joint Negotiating Committee for Chief Officer (JNC) terms and conditions. This pay structure incorporates the respective, nationally agreed pay awards of 3.2% which were applied to grades 2 to 22 inclusive in August 2025, following consultation with the Chairman and Spokesmen of the Employment Committee.

Resource Implications

9. It is estimated that this will increase the pay bill by around 3.5%, which is within the forecasted budget for 2025/26.

Equality Implications

10. An Equal Pay Audit was presented to the Employment Committee in May 2024.

Human Rights Implications

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

Consideration by the Employment Committee

12. The Employment Committee at its meeting on 4 December 2025 considered the Pay Policy Statement for 2026/27. Questions were asked regarding the approval process and timing for the next revision of the pay structure. Members noted that the County Council had adopted a local pay and grading structure, but that it was similar to the national Local Government Pay and Grading Structure and the Council remained part of the national pay bargaining machinery. Members also queried the last time that Council employees had not received an annual salary increase. The decision of the Employment Committee is reflected in the motion below.

(Motion to be moved: -

That the County Council's Pay Policy Statement 2026/27, as set out in the Appendix to the report of the Employment Committee, be approved.)

4 December 2025

**Miss H Butler CC
Chairman of the
Employment Committee**

Background Papers

Report to the Employment Committee on 4 December 2025 – Pay Policy Statement

<https://democracy.leics.gov.uk/ieListDocuments.aspx?CId=212&MId=7899&Ver=4>

Appendix

Pay Policy Statement

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