

**EMPLOYMENT COMMITTEE: 10 SEPTEMBER 2026****PAY POLICY STATEMENT 2027/28****REPORT OF THE DIRECTOR OF CORPORATE RESOURCES****Purpose**

1. The purpose of this report is to seek the approval of the Employment Committee to the Council's Pay Policy Statement for 2027/28, attached as Appendix A to this report, for submission to the full County Council at its meeting on 18 February 2026. The Pay Policy Statement is appended to this report. The Statement explains, in a single public document, how the Council determines pay for its employees, including its lowest paid employees and chief officers.

Background

2. Section 38 of the Localism Act 2011 requires local authorities in England and Wales to produce a Pay Policy Statement for each financial year. The Statement must be approved by the Full County Council and published on the Council's website before the start of the financial year to which it relates.
3. The main purpose of a Statement is to provide public transparency and accountability regarding the Council's approach to employee pay. It enables elected members and the public to understand how public funds are used to pay the Council's workforce and demonstrates that decisions are made in a fair, consistent and proportionate way.
4. The Statement records pay and reward arrangements that have already been agreed and are applied by the Council. It does not determine or amend employees' terms and conditions.
5. The Statement must set out the Council's policies in relation to:
 - (a) The remuneration of its chief officers;
 - (b) The remuneration of its lowest-paid employees; and
 - (c) The relationship between the remuneration of its chief officers and the remuneration of its employees who are not chief officers.
6. For the purposes of the Statement, remuneration includes basic salary, bonuses and other allowances or entitlements related to employment.

7. The Council is required to publish its Pay Policy Statement for 2027/28 on or before 1st April 2027.

Key Points

8. The proposed Pay Policy Statement attached as Appendix A sets out:
 - a. The Council's approach to job evaluation and the grading of posts;
 - b. The relevant terms and conditions relating to additional payments that employees may be eligible to receive, such as night enhancement and overtime;
 - c. The Council's 'pay multiple' which compares the pay of the highest paid employee with the median average salary of the Council's workforce, (excluding schools but including ESPO). This means that the highest salary was 5.99 times the median salary as at 31st March 2026.
 - d. That there is no distinction between chief officers and other employees in relation to pension entitlements and severance payments;
 - e. The Council's approach to the re-engagement of former employees.

How Local Government Pay Arrangements Work

9. Local Government pay arrangements involve both local decisions and national negotiations. The Council introduced its own locally agreed pay structure in 2002 following implementation of the Hay job evaluation scheme. Job evaluation is a structured method of comparing the responsibilities and demands of different jobs so that posts can be placed within an appropriate grade.
10. Although the Council determines its own grades and pay points, its employment contracts explicitly reference nationally agreed terms and conditions commonly known as the 'Green Book'. These nationally agreed terms negotiated through the National Joint Council for Local Government Services. The Council is also contractually bound to the annual national pay award negotiated through the NJC) bargaining arrangements for employees on Green Book terms.
11. The NJC brings together representatives of local government employers and recognised trade unions to negotiate national pay awards and other core terms and conditions for most local government employees. When a national pay award is agreed, the Council is therefore contractually required to apply it to employees covered by Green Book terms. The Employment Committee must approve its implementation within the Council's local pay structure.
12. Separate national negotiating arrangements apply to senior employees:

- employees on Grades 18 to 21 are covered by the Joint Negotiating Committee for Chief Officers of Local Authorities; and
 - the Chief Executive, on Grade 22, is covered by the Joint Negotiating Committee for Local Authority Chief Executives.
- These bodies negotiate national pay arrangements for chief officers and chief executives separately from the NJC arrangements outlined above.

2026/27 Pay Awards

13. A national pay award of 3.3% was agreed for 2026/27. The award applies from 1 April 2026. The 3.3% pay award applies to:
- Employees up to grade 17 who are covered by NJC Green Book terms;
 - Chief Officers on grades 18 to 21;
 - the Chief Executive.
14. The Chief Officer award for Grades 18 to 21 was implemented in July 2026 following national agreement and consultation with the Chairman and Spokespersons of the Employment Committee.
15. The pay awards for employees on Grades up to grade 17 and for the Chief Executive are subject to approval by the Employment Committee. Once approved, the revised pay structure will reflect the nationally agreed 3.3% increase from 1 April 2026.

Recommendations

16. The Committee is asked to approve the Pay Policy Statement for 2027/28 for submission to Full County Council.

Equalities implications

17. There are no equalities implications arising from the recommendations of this report.

Human Rights implications

18. There are no human rights implications arising from the recommendations of this report.

Background Papers

19. None.

Circulation under the Local Issues Alert Procedure

20. None

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