

Extraordinary Council

Elaine Speed

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20 March 2024

To All Members of the Council,
Internal and External Circulation and
Press

Dear Councillor,

Re: Extraordinary Council Agenda - Wednesday, 27th March, 2024

Further to the compilation of the above Extraordinary Council Agenda, please find enclosed the following report which was detailed to follow on your Agenda:

Agenda Item 3. Updated Pay Policy Statement for 2023/2024 and Pay Policy Statement for 2024/2025: (Pages 1 - 28)

To consider an updated Pay Policy Statement for 2023/24 and proposed Pay Policy Statement for 2024/25 for East Lindsey District Council as required under Part 1, Chapter 8 (Section 38) of the Localism Act 2011.

Please accept my apologies for any inconvenience caused.

Yours sincerely,



Senior Democratic Services Officer

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REPORT TO:	Council
DATE:	27 March 2024
SUBJECT:	Updated Pay Policy Statement for 2023/2024 and Pay Policy Statement for 2024/2025
PURPOSE:	To seek approval for the updated Pay Policy Statement for 2023/2024 and approval of the Pay Policy Statement for 2024/2025
PORTFOLIO HOLDER:	Councillor Craig Leyland, Leader of the Council
REPORT OF:	Rob Barlow, Chief Executive
REPORT AUTHOR:	Aileen Whatmore – Head of HR & OD, PSPS
WARD(S) AFFECTED:	n/a
EXEMPT REPORT	No

SUMMARY

Under section 38 of the Localism Act 2011, a Pay Policy Statement is required to be produced annually and must be approved by Council. This has been a requirement since 2012/13.

The Pay Policy Statement, once approved, must be published on the Council's website by 31 March 2024.

This report presents an updated Pay Policy Statement for 2023/2024 and the policy for 2024/2025.

RECOMMENDATIONS

- That the updated Pay Policy Statement 2023/2024, at Appendix A, be approved.
- That the Pay Policy Statement 2024/2025, at Appendix B, be approved.

REASONS FOR RECOMMENDATIONS

To comply with the Localism Act 2011 requirements.

OTHER OPTIONS CONSIDERED

None – this is a legal requirement.

1. REPORT

- 1.1. Under Section 38 of the Localism Act 2011, a Pay Policy Statement is required to be produced annually by the Council. This has been a requirement since 2012/13.
- 1.2. The Pay Policy Statement includes the information that is identified within the Localism Act 2011 as being required.
- 1.3. A Pay Policy Statement for a financial year must set out the Authority's policies for the financial year relating to;
 - The remuneration of Chief Officers
 - The remuneration of the lowest paid employees
 - The relationship between the Chief Officers remuneration and that of other officers.
- 1.4. A Pay Policy Statement for a financial year may also set the Authority's policies for the financial year relating to the other Terms and Conditions applying to the authority's Chief Officers.
- 1.5. The Pay Policy Statement at Appendix A is updated policy for the financial year 2023/2024.
- 1.6. The Pay Policy Statement at Appendix B is for the financial year 2024/2025.
- 1.7. The Pay Policy Statement must be approved by Council at least annually and the Council may update the policy during the period the policy covers.
- 1.8. Both Pay Policy Statements, the updated 2023/2024 Policy and the 2024/2025 Policy, once approved, will be published on the Council's website.
- 1.9. The Pay Policy Statement includes details of the South & East Lincolnshire Councils Partnership and includes the remuneration information for the Chief Executive and Chief Officers shared across the Partnership, including those who are not directly employed by this Council.
- 1.10. The Pay Policy Statements accurately reflect the pay policy framework of the Councils. This has been done across the Partnership so there is shared benefit and a direction of travel which supports the further alignment of Terms and Conditions.
- 1.11. The current Pay Policy Statement agreed by Council in March 2023 is backward looking and appears to apply to the 2022/2023 year. This is confusing and to remedy this an updated Pay Policy Statement for 2023/2024 is attached to this report for approval by Council (Appendix A).
- 1.12. The Pay Policy Statement for 2024/2025 includes councils agreed approach to automatically applying the NJC pay awards at all levels. The updated 2023/2024 Pay Policy

Statement includes details of the NJC Pay award applied at December 2023 and backdated to 1 April 2023.

1.13. With the advent of the Partnership, and the focus on aligning Terms and Conditions of employment, there have been several other changes for inclusion in the revised Pay Policy Statement for 2023/2024 and the new Policy for 2024/2025 up to date.

- Updated definition of Lowest pay worker in line with the Regulations.
- The employer Pension contribution rate following tri-annual evaluation has been adjusted and the amended report reflects the change.
- During the year, each Council has amended its Essential Car User Policy. This was agreed by Council at South Holland District Council and through a delegated decision at Boston Borough Council and East Lindsey District Council. This change is reflected within the Pay Policy Statements.
- During October 2023, the Council considered and approved a pay review for the Chief Executive (the officer responsible for this report for transparency). This resulted in a revised pay band and the introduction of performance related pay which removes automatic pay progression. This change is captured in the revised Pay Policy Statement 2023/2024. The Pay Policy Statements appended to this report reflects this, noting that East Lindsey District Council is the employing Council of the Chief Executive, but he is a shared Officer across Boston Borough Council and South Holland District Council under Section 113 of the Local Government Act 1972
- The Chief Executive's pay review was dealt with by the Council in order that the Head of Paid Service would be able to undertake the Chief Officer pay review, which was a contractual commitment made to those officers in October 2021. The pay review was agreed by Council in its 2023/24 Pay Policy Statement. This review has been concluded and the outcomes captured within the 2024/2025 Pay Policy Statement.

1.14. The alignment of pay for Shared Officers and alignment of Terms and Conditions for the wider workforce is expected to develop during 2024/2025. Both these matters were approved in principle by Council when it approved the Alignment and Delivery Plan for 2024/2025 at the last meeting of Council. The timeframe of these reviews will span more than 12 months, however, the Pay Policy Statement should reflect the intent for full disclosure and allow Officers to proceed with the work.

2. CONCLUSION

2.1. To ensure compliance with the Localism Act 2011 the Council must approve and publish its Pay Policy Statements by 31 March 2024. The Statements at Appendix A & B meet the requirements of the Localism Act 2011.

EXPECTED BENEFITS TO THE PARTNERSHIP

It is a legal requirement for a Local Authority to have a published Pay Policy Statement.

IMPLICATIONS

SOUTH AND EAST LINCOLNSHIRE COUNCILS PARTNERSHIP

Chief Officer salaries across the Partnership have been included in the Pay Policy Statement, including those who are not directly employed by the Council.

CORPORATE PRIORITIES

The pay decisions are made with the intention of supporting the Council's corporate priority of providing the right services at the right time in the right way by ensuring the recruitment of high calibre individuals to help deliver the corporate vision.

STAFFING

This report is a statement of facts with regards to matters relating to Pay.

WORKFORCE CAPACITY IMPLICATIONS

None

CONSTITUTIONAL AND LEGAL IMPLICATIONS

It is a legal requirement to ensure that the Council has a pay Policy Statement and that it is approved by 31 March each year.

DATA PROTECTION

All remuneration information is published in accordance with the Local Government Transparency Code 2015 and the Localism Act 2011.

FINANCIAL

None

RISK MANAGEMENT

It is a legal requirement to ensure that the Council has a Pay Policy Statement and that it is published by 31 March each year.

STAKEHOLDER / CONSULTATION / TIMESCALES

No consultation undertaken.

REPUTATION

None

CONTRACTS

None

CRIME AND DISORDER

None

EQUALITY AND DIVERSITY/ HUMAN RIGHTS/ SAFEGUARDING

The pay decisions made are fair, equitable and transparent.

HEALTH AND WELL BEING

None

CLIMATE CHANGE AND ENVIRONMENTAL IMPLICATIONS

None

LINKS TO 12 MISSIONS IN THE LEVELLING UP WHITE PAPER

None

ACRONYMS

None

APPENDICES	
<i>APPENDIX A</i>	<i>Pay Policy Statement ELDC 2023/2024</i>
<i>APPENDIX B</i>	<i>Pay Policy Statement ELDC 2024/2025</i>

BACKGROUND PAPERS
N/a

CHRONOLOGICAL HISTORY OF THIS REPORT
N/a

REPORT APPROVAL	
Report author:	Aileen Whatmore, Head of OD, PSPS
Signed off by:	Rob Barlow, Chief Executive
Approved for publication:	Councillor Craig Leyland, Leader of the Council

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Appendix A**East Lindsey District Council****PAY POLICY STATEMENT 2023 - 2024****Introduction**

Under section 38 of the Localism Act, each local authority must produce a pay policy statement annually to be approved by the Council and published externally.

This updated Pay Policy Statement will be published on the Council's website as soon as possible following Council approval.

This Statement will be reviewed annually and amended as necessary to reflect the prevailing legislation at the time. The information and data in this Statement is current as of 31 December 2023.

This Pay Policy Statement sets the Council's pay policies for the financial year of 2023/2024 and including existing arrangements for the period up to 31 March 2024.

Any changes to this statement or policies contained within the statement must be approved by Council.

Any decision under powers delegated in the Council's constitution with regard to remuneration to be taken during 2023/24 must comply with this Statement.

Summary

Each local authority has the autonomy to take its own decisions on pay and pay policies. This statement reflects current practice and existing policies at the Council.

The Localism Act refers to posts of Chief Executive, Chief Officer and Deputy Chief Officer (those that report to a Chief Officer). Whilst the Council does not employ any post with the designation Chief Officer or Deputy Chief Officer, it is considered for the purposes of this legislation that the definition relates to the posts of Deputy Chief Executive and Assistant Director.

In August 2021 the Council implemented a strategic partnership with Boston Borough Council and South Holland District Council, forming the South & East Lincolnshire Councils Partnership (S&ELCP). Chief Executive, Deputy Chief Executive and Assistant Directors are shared posts across the Partnership.

Policy Statement

The Council is committed to delivering quality public services that provide value for money for the communities they serve.

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East Lindsey District Council

PAY POLICY STATEMENT 2023 - 2024

In order to do this we must employ high quality employees and reward them appropriately. This statement provides the framework under which the Council will reward all of its employees.

The Council aims to ensure simplicity, clarity and fairness towards employees and to be transparent on pay to its staff, prospective staff and the wider community.

The policy statement covers 3 main areas;

- The detail and level of remuneration of Council's Chief Officers (which for the purposes of this document includes Deputy Chief Officers) and the Chief Executive
- The detail and level of remuneration of the lowest paid employees
- The relationship between Chief Officers' (including the Chief Executive) remuneration and that of other officers

Joint Authority Duties

Under Section 113 of the Local Government Act 1972, the post of Chief Executive, and all Chief Officers employed by East Lindsey District Council (ELDC) are placed at the disposal of Boston Borough Council (BBC) and South Holland District Council (SHDC) to undertake the statutory, strategic and operational duties designated by their role.

The proportion of time undertaking duties for each individual Council in the S&ELCP is:

SHDC – 31%

ELDC – 46%

BBC – 23%

Where an officer's post is shared with one or more authority under Section 113 of the Local Government Act 1972 the salary costs (including on-costs) are to be shared with each authority. Where the post has not been designated as a Chief Officer post in the context of this Pay Policy the share agreed will depend on each circumstance and dealt with as set out in the Memorandum of Agreement signed by the three Councils.

Recruitment of Chief Officers and the Chief Executive

The Council is responsible for determination of the appropriate remuneration for its Chief Executive / Chief Officers when a vacancy occurs. When determining salary levels relevant valid reward evidence is considered, to include other salaries at the Council, other sectors, budget constraints and external market conditions.

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PAY POLICY STATEMENT 2023 - 2024

The employing Council's constitution sets out the arrangements for the Chief Officer Employment Panel.

As the Council works in Partnership and shares a number of senior roles there are arrangements set out in the Memorandum of Agreement between the three Partnership Councils for a Joint Chief Officer Employment Panel (www.selcp.co.uk).

For the post of Chief Executive, the Council will set the starting salary by way of Full Council agreement, as per the relevant Council's constitution. Where an independent recruitment partner is contracted to deal with the recruiting of a Chief Executive, advice will be taken as to an appropriate starting salary level.

The actual salary paid to the Chief Executive and Chief Officers is published annually in the Statement of Accounts and on the employing Council's website.

Chief Executive Remuneration

The Chief Executive is employed by East Lindsey District Council and is shared in accordance with Section 113 of the Local Government Act 1972 with Boston Borough Council and South Holland District Council.

The nationally agreed terms and conditions of the Chief Executive/Head of Paid Service are determined by the Joint Negotiating Committee (JNC) for Chief Executives with variation at a local level. Any cost of living increases are paid, if agreed by the JNC, at a national level.

The Council have adopted a set of local terms and conditions for the workforce which are supplemented by those set out for Chief Executives under the Joint Negotiating Committee for Local Authority Chief Executives National Salary framework & Conditions of Service Handbook. For Chief Officers this is set out under the Joint Negotiating Committee for Local Authority Chief Officers National Salary framework & Conditions of Service Handbook.

East Lindsey District Council (the employing Council) on 11 October, 2023, approved a change to the shared Chief Executive and Head of Paid Service pay bands. This followed a review 2 years after the formation of the Partnership following the implementation plan that the Council approved as part of the business case for the Partnership in July 2021.

The salary range for the Chief Executive is £155,250 to £170,775 and includes an increase of 3.5% for Chief Executives that was agreed by the JNC and applied from 1 April 2023.

The level of remuneration set for the post of Chief Executive encompasses consideration of a number of elements including the size and complexity of

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PAY POLICY STATEMENT 2023 - 2024

the organisation, the population to which services are delivered and factors such as market conditions.

The Chief Executive will automatically progress an increment in April 2024 in line with changes agreed by Full Council at East Lindsey District Council (the employing authority).

The Chief Executive pay band (following the planned 2023 review), will include from April 2025 progression through the incremental scale of the relevant grade which will be subject to an annual assessment of performance. There are currently no provisions for bonus payments for the Chief Executive.

Chief Officer Remuneration

The Chief Officers are identified as the Deputy Chief Executives and for the purposes of this Policy - Assistant Directors.

The nationally agreed terms and conditions of Chief Officers are generally determined by the Joint Negotiating Committee (JNC) for Chief Officers with variation at a local level.

As anticipated in the Pay Policy Statement published earlier in 2023, the review of Chief Officer remuneration and terms and conditions was completed at the end of January 2024 after appropriate consultation, with remuneration and progression effective from April 2023 in accordance with that review and other terms and conditions effective from April 2024 and so full details of this review will be provided in the next Pay Policy Statement.

The salary range for the appointed Chief Officers is £81,907 to £122,442. An increase of 3.5% per annum for Chief Officers was agreed by the JNC and applied from 1 April 2023.

There are currently no provisions for bonus or performance related pay.

Chief Executive and Chief Officer Benefits

The value of allowances, car loans and private medical insurance are categorised as 'Benefits in Kind' and are subject to Tax and National Insurance via the payroll.

The Council has removed the provision of Essential Car User Allowance for Chief Executive and Chief Officers who change roles or who are newly appointed. Those with the protected provision will continue to receive an Essential Car User Allowance as part of their Remuneration package with amounts ranging from £846 to £3,300 per annum.

The value of private medical insurance available to Chief Officers across the SELCP at the time of this policy ranges from £258.60 per annum to £1,345.68 per annum and the cost is dependent on the individual's personal

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PAY POLICY STATEMENT 2023 - 2024

circumstances. The level of health care provision is consistent across all roles.

Returning Officer Fees

The fees and charges for UK Parliamentary and County Council elections are set by external bodies at each relevant election however, there are no express statutory provisions governing fees payable to Returning Officers for local government elections.

Historically, the setting of fees for the administration of District and Parish elections have therefore been set in accordance with the Lincolnshire county wide scale of fees.

The Returning Officer's fees are regarded as a special responsibility payment in relation to the independent duties carried out. They are personal to the Returning Officer and in addition to salary, for performing the duties which a Returning Officer is required to perform.

This Council's Returning Officer is the Chief Executive.

The Returning Officer fees are as follows:

- **County & District** – per contested division/ward - £200 per division/ward plus £15.00 per 1000 electors or part thereof per division/ward
- **County & District** – per uncontested division/ward - £66 per division/ward
- **Parish** – per contested parish/parish ward - £53 for the first 500 electors plus £18 for each additional 500 electors or part thereof per parish/parish ward
- **Parish** – per uncontested parish/parish ward - £21.50 per parish / parish ward
- **Parish** – where DRO full powers appointed – discretionary, recommended equivalent to a maximum of 50% of Returning officer fees.

Workforce Remuneration

Remuneration for the rest of the Council's workforce is determined and awarded by the NJC (National Joint Council). The Council's pay bands were last increased on 1 April 2023. Incremental increases are received as standard where applicable.

Any subsequent pay awards are also determined via this national body.

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Local terms and conditions exist to supplement those set nationally. Job evaluation involves assessing each job and allocating a number of points to each job.

The Council adopted and implemented the Local Government Single Status Job Evaluation Scheme (LGJES). This consists of 10 pay grades for employees other than Assistant Directors, Deputy Chief Executives and the Chief Executive. This ensures that different jobs having the same value are paid at the same rate/within the same pay band.

The "job score" determines the pay band for the post within which there is provision for progression by way of annual increments, until the top of the pay scale is reached.

The grade is set based on number of points allocated to the job. This ensures fair treatment for all employees and is recognised as a scheme that objectively evaluates jobs without any element of bias.

Starting salaries are normally at the bottom of the relevant pay grade unless market or other relevant factors such as skills and experience exist to create a business case to pay at a higher point within the grade.

Where an evaluation job score results in a reduction in the substantive salary being reduced, employees will have their current pay protected for a fixed period to reduce any impact or financial hardship the reduction may cause. More details are available in the Councils Pay Protection Policy.

Pay Multiples

The median average salary for the Council is £27,803 per annum and this figure is used to determine the pay multiplier.

The Council does not set a formula for the relationship between the lowest and highest paid employees.

The pay multiplier between the median average pay and the Chief Executive's remuneration is 5.58, an increase of 0.51 from 2022.

A pay award of £1,925 was awarded to full time employees (pro rata for part time) on SCP2 to SCP43; and an award of 3.8% per annum was awarded to those on SCP50 to SCP52 with effect from 1 April 2023.

Lowest Pay

The lowest paid employees do not include apprentices who are placed on a standard apprenticeship wage.

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PAY POLICY STATEMENT 2023 - 2024

The lowest paid workers for the purpose of this pay policy are those roles on the lowest grade on the payscale and a salary of £22,366 per annum. This definition has been adopted as it is the lowest level of remuneration attached to a post in this Authority.

The Council opted to pay the equivalent of the Voluntary Living Wage, as determined by the Living Wage Foundation (LWF), with effect from 1st April 2015 and have applied enhancements at the lower end of payscale to ensure that the lowest paid employees receive at least the Living Wage Foundation rate.

The LWF rate of £10.90 was announced in November 2022 and was implemented in line with organisational incremental increases on 1 April 2023. This was then superseded by the NJC pay award increasing the lowest substantive SCP point to £11.59 per hour, which was applied retrospectively from 1 April 2023.

In November 2023 the new LWF rate of £12.00 was announced. Subject to Council approval (as part of the budget), this increase will be applied to all employees by an enhancement, where the National Joint Council Spinal Column Point rate is below the new LWF rate of pay.

Employment of Officers and Pension Provision

Any appointment to a post at the Council is made upon merit and is subject to the normal pre-employment checks undertaken for all prospective employees.

All employees are eligible to join the Local Government Pension Scheme. The Scheme requires contributions from employees based upon their earnings and from 1st April 2014 is a career average scheme. All employees may join the Local Government Pension Scheme. The Scheme is a statutory scheme with contributions from employees and from employers. Under legislation from 1 November 2013 auto enrolment applies to all eligible employees.

The employee pension contributions paid is between 5.5% and 11.4% depending on their salary. The more an employee earns the higher their pension contribution rate.

The employer contributes a percentage of pay to the pension fund. The Council's current contribution rate is 23.8%.

The Scheme provides for the exercise of discretion that allow for retirement benefits to be enhanced. Details are available in the Council's Pension Discretions Policy.

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PAY POLICY STATEMENT 2023 - 2024

Neither the Scheme nor the Council adopt different policies with regard to benefits for any category of employee: the same terms apply to the Chief Officers and other staff.

Redundancy and Severance Payments

The Council's approach to redundancy and severance payments as set out in this Pay Policy Statement apply to all Officers including Chief Officers (employed by this Council).

Provisions relating to redundancy pay in the Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999 still applies.

Redundancy payments are based on the length of continuous local government service which is used to determine a multiplier which is then applied to actual pay. The Council uses the Statutory Redundancy Pay calculation method, but bases weekly pay on contractual pay rather than the capped statutory method. The Council applies a discretionary enhancement to the statutory calculation to multiply the statutory weeks entitlement by two. More information is available in the Council's Redundancy Policy.

The Council does not provide further payment to employees leaving the Council's employment other than in respect of accrued leave which by agreement is untaken at the date of leaving, or other contractual entitlement such as payment in lieu of notice. The Council does, however, recognise that situations may arise, and where the need for expediency is such, that it may be in the best interests of the authority to make individual payments relating to termination of employment, but will be done so in consideration to the Localism Act 2011 and guidelines on special severance payments.

Where these are outside of the budgetary framework the appropriate approval must be sought in accordance with the Council's Redundancy Policy and/or Constitution.

In line with the guidance on special severance payments any payments of £100,000 or above will be approved by full Council; between £20,000 and £100,000 by Head of Paid Service with a record of the Leader's approval. Below £20,000 can follow normal delegations.

Expenses

The Council will reimburse business travel and reasonable additional expenses incurred through undertaking duties on the role. This applies to all employees including Chief Officers and the Chief Executive.

Gender Pay Gap

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PAY POLICY STATEMENT 2023 - 2024

From 31 March, 2018, the Council has been required to publish its annual Gender Pay Gap figures if the organisation's headcount is above 250 employees.

Full details of the published Gender Pay Gap figures are available in the Council's Gender Pay Gap Report. The March 2022 Gender Pay Gap is due to be submitted to the Government's website and published on the Council's website by 31st March 2023.

Honoraria/Acting Up

Where temporary additional duties/responsibilities are given to an existing employee an honoraria/acting up payment can be made. This is delegated to the Council's Corporate Management Team.

The amount payable is based on an assessment of the additional duties/responsibilities undertaken.

These payments are only used on a temporary basis and must be reviewed regularly to ensure appropriateness.

Special responsibility payments

Additional payments may be made in addition to basic salary for statutory duties, such as Monitoring Officer.

The Chief Executive will make a recommendation to Council if such a payment is appropriate.

Pay flexibility

Where necessary the use of market supplements may be applicable to deal with pay anomalies which effect recruiting or retaining employees.

A local agreement specifies the conditions when a market supplement should be applied. The discretion to implement rests with the Chief Executive.

The use of such practices only applies where a business case has been prepared and agreed.

Any ongoing supplements should be reviewed regularly and at least every 3 years, to ensure there is still a business case to continue payment. Employment contracts should be explicit in this regard.

Contract for Services

All of the facts will be taken into account where a former employee is put forward or puts themselves forward for a contract for services. Where work is

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PAY POLICY STATEMENT 2023 - 2024

sought under a contract for service from officers in receipt of severance pay from this authority each situation will be judged upon merit, however, such a contract would only be offered in exceptional circumstances.

Other posts may be filled under a contract for services where a business case exists for doing so. Due regard should be paid to the requirements of His Majesty's Revenues & Customs and IR35 regulations and the particular requirements on public sector employers when making any such arrangements. Any appointment will be dealt with on a case by case basis. The 'recovery regulations' will need to be considered in any such decision – see the section on 'Recovery Regulations' for more information.

Aileen Whatmore
Head of HR & OD
Public Sector Partnership Services

20 March 2024

Appendix B**East Lindsey District Council****PAY POLICY STATEMENT 2024/2025****Introduction**

Under section 38 of the Localism Act, each local authority must produce a pay policy statement annually to be approved by the Council and published externally. Regard must be had to any guidance from the Secretary of State in producing this Statement.

The Policy Statement covers a number of matters concerning the pay of the Authority's staff, principally its Chief Officers and the Authority's lowest paid employees.

This updated Pay Policy Statement will be published on the Council's website as soon as possible following Council Approval and by 31 March 2024.

This Statement will be reviewed at least annually and amended as necessary to reflect the prevailing legislation at the time. The information and data in this Statement is current as of 2 February 2024.

This Pay Policy Statement sets the Council's pay policies for the forthcoming financial year of 2024/2025 and includes existing arrangement for the period up to 31 March 2024.

Any changes to this statement or policies contained within the statement must be approved by Council.

Any decision under powers delegated in the Council's constitution with regard to remuneration to be taken during 2024/2025 must comply with this statement.

Summary

Each local authority has the autonomy to take its own decisions on pay and pay policies. This statement reflects current practice and existing policies at the Council.

Whilst the Council does not employ any post with the designation Chief Officer or Deputy Chief Officer, all the posts below are collectively referred to as Chief Officer:

- Chief Executive, who is the Authority's Head of Paid service under section 4(1) Local Government and Housing Act 1989.
- Statutory Chief Officers, which in this Authority are: Deputy Chief Executive (Corporate Development) & S151 who is the Authority's Chief Finance Officer under S151 Local Government Act 1972 Section 6; Assistant Director – Governance who is the Authority's Monitoring Officer under section 5 Local Government and Housing Act 1989.

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PAY POLICY STATEMENT 2024/2025

- Non-Statutory Chief Officers (Section 2 (7) and Deputy Chief Officers (Section 2(8), which in this Authority are: all other Deputy Chief Executives; Director Economic Development and Assistant Directors

In August 2021 the Council implemented a strategic partnership with Boston Borough Council and South Holland District Council, forming the South and East Lincolnshire Council Partnership (S&ELCP). The Chief Executive, Deputy Chief Executive, Director of Economic Development and Assistant Directors are shared posts across the partnership, along with a wider cohort of officers.

Policy Statement

The Council is committed to providing quality public services that provide value for money for the communities they serve.

In order to do this the Council must employ and retain high quality employees and reward them appropriately. This statement provides the framework under which the Council will remunerate and reward its employees.

The Council aims to ensure simplicity, clarity and fairness towards employees and to be transparent on pay to its staff, prospective staff and the wider community.

The policy statement covers 3 main areas;

- The detail and level of remuneration of Council's Chief Executive and Chief Officers.
- The detail and level of remuneration of the lowest paid employees.
- The relationship between Chief Officers' remuneration and that of other officers.

Remuneration for the purposes of this statement includes:

- The Chief Officers' salary.
- Pension and enhancements in pension.
- All other benefits and allowances arising from employment.

Joint Authority Duties

Under Section 113 of the Local Government Act 1972, the post of Chief Executive, and all Chief Officers employed by East Lindsey District Council are placed at the disposal of Boston Borough Council and South Holland District Council to undertake the statutory, strategic and operational duties designated by their role.

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PAY POLICY STATEMENT 2024/2025

The proportion of time undertaking duties for each individual Council in the S&ELCP is:

SHDC – 31%

ELDC – 46%

BBC – 23%

Where an officer's post is shared with one or more authority under Section 113 of the Local Government Act 1972 the salary costs (including on-costs) are to be shared with each Council. Where the post has not been designated as a Chief Officer post in the context of this Pay Policy the share agreed will depend on each circumstance.

Recruitment of Chief Officers and the Chief Executive

The Council is responsible for determination of the appropriate remuneration for its Chief Executive and Chief Officers when a vacancy occurs. When determining salary levels relevant valid reward evidence is considered, to include other salaries at the Council, other sectors, budget constraints and external market conditions.

The Council's constitution sets out the arrangements for the recruitment of the Chief Executive and Chief Officers through the Chief Officer Employment Panel. As the Council works in Partnership and shares a number of senior roles there are arrangements set out in the Memorandum of Agreement between the three Partnership Councils for a Joint Chief Officer Employment Panel (www.selcp.co.uk). This is not a formal Committee and is advisory to the employing Council.

For the post of Chief Executive, the Council will set the starting salary by way of Full Council agreement, as per the employing Council's constitution. Where an independent recruitment partner is contracted to deal with the recruiting of a Chief Executive, advice will be taken as to an appropriate starting salary level.

The Council does not pay any fee or incentive when recruiting.

Chief Executive and Chief Officer Remuneration

The publication of, and access to, information relating to remuneration of the Chief Executive and Chief Officers will be set out as published on the website of the Council by whom they are directly employed. The actual salary paid to the Chief Executive and Chief Officers is published annually in the Statement of Accounts.

Chief Executive Pay

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PAY POLICY STATEMENT 2024/2025

The Chief Executive, who is the Head of Paid Service, is employed by East Lindsey District Council and is shared in accordance with Section 113 of the Local Government Act 1972 with Boston Borough Council and South Holland District Council.

The nationally agreed terms and conditions of the Chief Executive/Head of Paid Service are determined by the Joint Negotiating Committee (JNC) for Chief Executives with variation at a local level. Any cost of living increases agreed by the JNC at a national level are automatically applied by the Council in accordance with current contractual requirements.

The Council have adopted a set of local terms and conditions for the workforce which are supplemented by those set out for Chief Executive's under the Joint Negotiating Committee for Local Authority Chief Executive's National Salary framework & Conditions of Service Handbook.

As anticipated in the pay review referenced in the 2023 Pay Policy Statement, in October 2023, the Council approved a change to the shared Chief Executive and Head of Paid Service pay bands. This followed a review 2 years after the formation of the Partnership following the implementation plan that the Council approved as part of the business case for the partnership in July 2021.

The salary range for the Chief Executive is £155,250 to £170,775 and includes an increase of 3.5% for Chief Executives that was agreed by the JNC and applied from 1 April 2023. The scales will be subject to JNC pay award for Chief Executives for 2024/25 once agreed nationally.

The level of remuneration set for the post of Chief Executive encompasses consideration of a number of elements including the size and complexity of the organisation, the population to which services are delivered and factors such as market conditions.

The Chief Executive will automatically progress an increment in April 2024 in line with changes agreed by the Council.

The Chief Executive pay band (following the planned 2023 review), will include from April 2025 progression through the incremental scale of the relevant grade which will be subject to an annual assessment of performance, with assessment commencing April 2024. There are currently no provisions for bonus payments for the Chief Executive.

Chief Officers' Pay

The Chief Officers (in addition to the Chief Executive) for the purposes of this policy are identified as the Deputy Chief Executives, Director of Economic Development and Assistant Directors.

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The nationally agreed terms and conditions of Chief Officers are generally determined by the Joint Negotiating Committee (JNC) for Chief Officers with variation at a local level. Any cost of living increases agreed by the JNC at a national level are automatically applied by the Council in accordance with current contractual requirements.

The Council has adopted a set of local Terms and Conditions for Chief Officers which has been agreed by the Partnership Councils. This is set out under the Joint Negotiating Committee for Local Authority Chief Officers National Salary Framework & Conditions of Service Handbook.

In October 2023, in line with the commitment made at the formation of the Partnership in 2021, and as referenced in the Pay Policy Statement for 2023, Chief Officers' pay grading was reviewed. The review took into consideration comparable data on Chief Officer salaries at comparative Local Government Employers. The Council's updated Chief Officer pay bands are set out below.

The salary range for Chief Officers is set out below. These figures include an increase of 3.5% for Chief Officers which was agreed by the JNC and applied from 1 April 2023. The Chief Officer posts are shared with one or more Council under Section 113 of the Local Government Act 1972, the salary costs (including on-costs) are shared with each Council.

- ELDC employed AD's: pay range £81,907 to top of range £105,219
- BBC employed AD's: pay range £81,907 to top of range £105,219
- SHDC employed AD's: pay range £81,907 to top of range £105,219
- ELDC employed DCX's: pay range £106,007 to top of range £131,500
- BBC employed DCX's: pay range £106,007 to top of range £131,500
- SHDC employed DCX's: pay range £106,007 to top of range £131,500

The above will be subject to JNC pay award for Chief Officers for 2024/25 once agreed nationally.

There are currently no provisions for bonus for Chief Officers.

Increments for 2024 will be automatic for Chief Officers.

Where Performance Related Pay applies to an individual's contract, relevant Chief Officer posts will move to part performance related pay effective with assessment from 2024 and applied from April 2025. Half progression within a payscale is automatic and half progression is subject to performance.

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Other Chief Officers may move to performance related pay throughout the 2024/2025 period. Otherwise, incremental progression is in line with individual employment contracts.

Chief Executive and Chief Officer Benefits

The value of allowances, car loans and private medical insurance are categorised as 'Benefits in Kind' and are subject to tax and National Insurance via the payroll.

The Council has removed the provision of Essential Car User Allowance for Chief Executive and Chief Officers who change roles or who are newly appointed. Those with the protected provision will continue to receive an Essential Car User Allowance as part of their remuneration package with amounts ranging from £846 to £3,300 per annum.

The value of private medical insurance available to the Chief Executive and Chief Officers across the partnership at the time of this policy ranges from £282.15 per annum to £1,342.01 per annum. The cost is dependent on the individual's personal circumstances. The level of health care provision is consistent across all roles.

Returning Officer Fees

The fees and charges for UK Parliamentary and County Council elections are set by external bodies at each relevant election however, there are no express statutory provisions governing fees payable to Returning Officers for Local Government elections.

Historically, the setting of fees for the administration of District and Parish elections have therefore been set in accordance with the Lincolnshire county wide scale of fees.

The Returning Officer's fees are regarded as a special responsibility payment in relation to the independent duties carried out. They are personal to the Returning Officer and in addition to salary, for performing the duties which a Returning Officer is required to perform.

This Council's Returning Officer is the Chief Executive.

The Returning Officer fees are as follows:

- **County & District** – per contested division/ward - £200 per division/ward plus £15 per 1000 electors or part thereof per division/ward
- **County & District** – per uncontested division/ward - £66 per division/ward

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- **Parish** – per contested parish/parish ward - £53 for the first 500 electors plus £18 for each additional 500 electors or part thereof per parish/parish ward
- **Parish** – per uncontested parish/parish ward - £21.50 per parish / parish ward
- **Parish** – where DRO full powers appointed – discretionary, recommended equivalent to a maximum of 50% of Returning officer fees

Workforce Remuneration

Remuneration for the rest of the council's workforce is determined and awarded by the NJC (National Joint Council). The Council's pay bands were last increased on 1 April 2023. Incremental increases are received as standard where applicable.

Any cost of living increases agreed by the NJC at a national level are automatically applied by the Authority in accordance with current contractual requirements. The pay bands will be uplifted in line with NJC pay award for 2024/25 once agreed nationally.

Local terms and conditions exist to supplement those set nationally.

Job evaluation involves assessing each job and allocating a number of points to each job.

The Council adopted and implemented the Local Government Single Status Job Evaluation Scheme (LGJES). This consists of 10 pay grades for employees other than the Chief Executive and Chief Officers. This ensures that different jobs having the same value are paid at the same rate/within the same pay band.

The "job score" determines the pay band for the post within which there is provision for progression by way of annual increments, until the top of the pay scale is reached.

The grade is set based on number of points allocated to the job. This ensures fair treatment for all employees and is recognised as a scheme that objectively evaluates jobs without any element of bias.

Starting salaries are normally at the bottom of the relevant pay grade unless market or other relevant factors such as skills and experience exist to create a business case to pay at a higher point within the grade.

Where an evaluation job score results in a reduction in the substantive salary being reduced, employees will have their current pay protected for a fixed period to reduce any impact or financial hardship the reduction may cause. More details are available in the Councils Pay Protection Policy.

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Work will commence in 2024/2025 to develop an additional Job Evaluation and Pay scale for Shared Officers, who are shared across two or three Councils in the Partnership. The Council will communicate with the workforce and may consult with them, if necessary, with regard to any proposed changes that they wish to implement as a result of this review. Any review will be conducted in accordance with the Council's policies and constitution.

Officer Benefits:

Work has commenced and will continue in 2024/2025 to review the terms and conditions across the Partnership, beyond those in place for Chief Executive and Chief Officers. The Council will communicate with the workforce and may consult with them, if necessary, with regard to any proposed changes that they wish to implement as a result of this review. Any review will be conducted in accordance with the Council's policies and constitution.

The Council offer a salary sacrifice Car benefits scheme, subject to meeting eligibility criteria, to its Officers (including Chief Executive and Chief Officers).

The value of allowances, car loans and private medical insurance are categorised as 'Benefits in Kind' and are subject to Tax and National Insurance via the payroll.

Pay Multiples

The median average salary for the Council is £27,803 per annum and this figure is used to determine the pay multiplier.

The Council does not set a formula for the relationship between the lowest and highest paid employees.

The Local Government Transparency Code 2015 requires the Authority to publish its 'pay multiple', i.e. the ratio between the highest paid salary and the median average salary of the whole of the Authority's workforce. Guidance issued under the Localism Act 2011 recommends that the 'pay multiple' is included in the Authority's pay policy statement. The pay multiplier between the median average pay and the Chief Executive's remuneration is 5.58, an increase of 0.18 from 2023.

A pay award of £1,925 was awarded to full time employees (pro rata for part time) on SCP2 to SCP43; and an award of 3.8% per annum was awarded to those on SCP50 to SCP52 with effect from 1 April 2023.

Lowest Pay

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The lowest paid employees does not include apprentices who are placed on a standard apprenticeship wage.

The lowest paid workers for the purpose of this pay policy are those roles on the lowest grade on the payscale and a salary of £22,366 per annum.

The Council has since 1 April 2015; opted to pay the equivalent of the Real Living Wage, as determined by the Living Wage Foundation (LWF), and apply supplements at the lower end of payscale to ensure that the lowest paid employees receive at least the LWF rate.

The LWF rate of £10.90 was announced in November 2022 and was implemented in line with organisational incremental increases on 1 April 2023. This enhancement was then superseded by the applied NJC pay award backdated to April 2023, with the lowest SCP point falling at £11.59 per hour.

In November 2023 the new LWF rate of £12.00 was announced and agreed by Council as part of the budget setting process. This supplementary increase will be applied to all employees by an enhancement, where the National Joint Council Spinal Column Point rate is below the new LWF rate of pay.

Employees in this group are entitled to the same benefits as are available to all other officers (Chief Executive and Chief Officer benefits are set out separately) as outlined in this policy. Allowances are paid in line with Green Book or Local Agreements for Officers.

Employment of Officers and Pension Provision

Any appointment to a post at the Council is made upon merit and is subject to the normal pre-employment checks undertaken for all prospective employees.

All employees are eligible to join the Local Government Pension Scheme. The Scheme requires contributions from employees based upon their earnings and from 1st April 2014 is a career average scheme. All employees may join the local government pension scheme. The scheme is a statutory scheme with contributions from employees and from employers. Under legislation from 1 November 2013 auto enrolment applies to all eligible employees.

The employee pension contributions paid is between 5.5% and 11.4% depending on their salary. The more an employee earns the higher their pension contribution rate.

The employer contributes a percentage of pay to the pension fund. The Council's current contribution rate is 23.8%.

The scheme provides for the exercise of discretion that allow for retirement benefits to be enhanced. Details are available in the Council's Pension Discretions Policy.

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Neither the scheme nor the Council adopt different policies with regard to benefits for any category of employee: the same terms apply to the Chief Executive, Chief Officers and other staff.

Redundancy and Severance Payments

The Council's approach to redundancy and severance payments as set out in this pay policy statement apply to all Officers including the Chief Executive and Chief Officers (employed by this council).

Provisions relating to redundancy pay in the Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999 still applies.

Redundancy payments are based on the length of continuous local government service which is used to determine a multiplier which is then applied to actual pay. The Council uses the Statutory Redundancy pay calculation method but bases weekly pay on contractual pay rather than the capped statutory method. The Council applies a discretionary enhancement to the statutory calculation to multiply the statutory weeks entitlement by two. More information is available in the Council's Redundancy Policy.

The Council does not provide further payment to employees leaving the Council's employment other than in respect of accrued leave which by agreement is untaken at the date of leaving, or other contractual entitlement such as payment in lieu of notice. The Council does however recognise that situations may arise, and where the need for expediency is such, that it may be in the best interests of the authority to make individual payments relating to termination of employment but will be done so in consideration to the localism Act 2011 and guidelines on special severance payments.

Expenses

The Council will reimburse business travel and reasonable additional expenses incurred through undertaking duties on the role. This applies to all employees including Chief Officers and the Chief Executive (employed by this Council).

All officers including Chief Executive and Chief Officers, who lease a vehicle through the Salary Sacrifice Car scheme, will claim mileage rates set by HMRC for company cars. The reduced mileage rates are based on HMRC determination that these are classed as company cars and based on the vehicle omissions and type of vehicle (electric or hybrid).

Professional Body Fees

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The Council will meet the cost of employee's professional fees and/or subscriptions where this membership is essential (legal/professional) requirement for the role.

Gender Pay Gap

From 31 March 2018 the Council has been required to publish its annual Gender Pay Gap figures if the organisations headcount is above 250 employees.

Full details of the published Gender Pay gap figures are available on the Council's website. The March 2023 Gender Pay Gap is due to be submitted to the Government's website and published on the Council's website by 30th March 2024.

Honoraria/Acting Up

Where temporary additional duties/responsibilities are given to an existing employee an honoraria/acting up payment can be made. This is delegated to the Council's Corporate Management Team.

The amount payable is based on an assessment of the additional duties/responsibilities undertaken.

These payments are only used on a temporary basis and must be reviewed regularly to ensure appropriateness.

Special responsibility payments

Additional payments may be made in addition to basic salary for statutory duties such as Monitoring Officer.

The Chief Executive will make a recommendation to Council if such a payment is appropriate.

Pay flexibility

Where necessary the use of market supplements may be applicable to deal with pay anomalies which effect recruiting or retaining employees.

A local agreement specifies the conditions when a market supplement should be applied. The discretion to implement rests with the Chief Executive.

The use of such practices only applies where a business case has been prepared and signed off by the relevant Chief Officer in conjunction with finance approval.

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Any ongoing supplements should be reviewed regularly and at least every 3 years, to ensure there is still a business case to continue payment. Employment contracts should be explicit in this regard.

Contract for Services

All of the facts will be taken into account where a former employee is put forward or puts themselves forward for a contract for services. Where work is sought under a contract for service from officers in receipt of severance pay from this Council each situation will be judged upon merit however such a contract would only be offered in exceptional circumstances.

Other posts may be filled under a contract for services where a business case exists for doing so. Due regard should be paid to the requirements of His Majesty's Revenues & Customs and IR35 regulations and the particular requirements on public sector employers when making any such arrangements. Any appointment will be dealt with on a case by case basis. The 'recovery regulations' will need to be considered in any such decision – see the section on 'Recovery Regulations' for more information.

Aileen Whatmore
Head of HR & OD
Public Sector Partnership Services

20 March 2024