Item no:

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NORTH NORTHAMPTONSHIRE SHADOW AUTHORITY SHADOW AUTHORITY MEETING

Thursday 25th February 2021 Report of the HR Portfolio Holder, Cllr. Tom Beattie

Report Title	North Northamptonshire Council Pay Policy Statement
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Appendix 1 - Pay Policy Statement

1. Purpose of Report

- 1.1. The Pay Policy Statement, attached in Annex 1, is a requirement in accordance with Section 38(1) of the Localism Act 2011 and must be updated annually and sets out pay for the directly employed workforce (excludes schools) for the year 1 April 2021 to 31 March 2022.
- 1.2. This is an interim Pay Policy Statement, setting out North Northamptonshire Councils approach to pay for the Chief Executive and Chief Officers. At the time of report submission, a package of new pay, terms and conditions of employment and associated pay and employment policies are still to be agreed.
- 1.3. This report does not seek agreement to the terms and conditions of senior officers; it is a statement about senior officer pay policy, which is a legislative requirement.
- 1.4. An updated Pay Policy Statement for 2021-22 will be brought to full council for approval in the summer of 2021.

2. Executive Summary

- 2.1 Annually, a local authority is required to produce and publish a Pay Policy Statement. The pay policy statement will set out the Councils policies relating to the pay of its directly employed workforce. The Pay Policy Statement covers all employees, including those employees from District, Borough and County Councils who TUPE transfer into North Northamptonshire Council on 1 April 2021 on their current terms and conditions of employment.
- 2.2 The Interim Pay Policy Statement sets out North Northamptonshire Council's approach to setting the pay of the directly employed workforce, in particular the remuneration of:
 - a) The Chief Officers
 - b) The 'lowest paid employees

- and the relationship between:
- (i) The remuneration of its chief officers; and
- (ii) The remuneration of its employees who are not chief officers.
- 2.3 Chief Officers are both statutory and non-statutory officers.
- 2.4 'Pay', includes, in addition to basic salary, any charges, fees, allowances, benefits in kind, increases in or enhancements to pension entitlements and termination payments.
- 2.5 Statutory Officers
 - Chief Executive (Head of Paid Service)
 - Executive Director, Finance (Section 151 Officer)
 - Director of Legal & Democratic (Monitoring Officer)
 - Executive Director, Children's Services (DCS)
 - Executive Director for Adult Social Services (DASS)
 - Director of Public Health (DPH)
- 2.6 Non-Statutory Officers
 - Executive Director, Place and Economy (Deputy Chief Executive)
 - Director, Transformation

3. Recommendations

3.1 It is recommended that the Shadow Authority approve the Interim Pay Policy Statement.

4. Reasons for recommendation

- 4.1 It is a statutory requirement under the Localism Act 2011 for the Authority to approve and publish a Pay Policy Statement.
- 4.2 Due regard has been given to the requirements of the Localism Act 2011 and associated guidance issued or approved by the Secretary of State, in setting out this interim Pay Policy Statement.

5. Report Background

- 5.1 The Localism Act aims to increase transparency in local government. This includes a requirement that local authority pay policy is openly approved by democratically elected councillors on an annual basis.
- 5.2 This extends to a requirement to publish the salaries of senior officials, to support the aim of helping local residents better understand how public money is spent in their area.

6. Issues and Choices

6.1 Please see **Appendix 1** for the interim Pay Policy Statement

7. Implications (including financial implications)

7.1 Resources and Financial

- 7.1.1 On 1 April 2021 the following five councils (Borough Council of Wellingborough, Kettering Borough Council, Corby Borough Council, East Northamptonshire District Council and a proportion of Northamptonshire County Council) will come together to become North Northamptonshire Council. In advance of this, recruitment to the senior leadership team at Tiers 1 and 2 (Chief Officers) has been completed; and recruitment to Tier 3 posts (Assistant Directors) is underway and all appointments are expected to be made by March 2021. The new senior leadership team structure is expected to deliver paybill savings of £2m for the new authority.
- 7.1.2 There are no direct additional resources or financial implications associated with the pay policy.

7.2 Legal

- 7.2.1 The adoption of an annual Pay Policy Statement is required of all relevant authorities pursuant to the Localism Act 2011. The Statement must reflect the requirements of the Act and have regard to any guidance issued or approved by the Secretary of State.
- 7.2.2 The scope of information covered in this <u>interim</u> pay policy statement is limited until a final package of new pay terms and conditions of employment and associated pay and employment policies have been approved.
- 7.2.3 This Pay Policy Statement (and subsequent full statement) will be published on the Councils website alongside other data, relating to senior salaries and organisational structure (Local Government Transparency Code 2015), Gender Pay Gap (Equality Act 2010; 2017 regulations) and Trade Union Facility Time (Trade Union (Facility Time Publication Requirements) Regulations 2017).

7.3 **Risk**

7.3.1 There are no significant risks arising from the proposed recommendations in this report.

7.4 Consultation

- 7.4.1 Not applicable
- 7.5 Consideration by Overview and Scrutiny
- 7.5.1 Not applicable

7.6 **Environmental Impact**

7.6.1 Not applicable

7.7 Community Impact

- 7.7.1 Not applicable
- 7.8 Equalities
- 7.8.1 Not required. A neutral impact is expected.

8. Background Papers

8.1 Not applicable

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