



Northumberland County Council

Committee Name: Staff and Appointments Committee

Meeting date: 8th February 2024

Pay Policy Statement 2024/ 2025

Report of Councillor(s) N/A

Responsible Officer(s): Sarah Farrell, Director of Workforce and OD.

Link to Key Priorities of the Corporate Plan

Achieving Value for Money – Pay represents a significant part of overall expenditure of the council. Designing appropriate pay strategies is essential in driving productivity and organisational performance. The pay strategy needs to be effective in engaging and motivating staff, together with delivering value for money.

Tackling Inequalities - The Hutton report on fair pay made several recommendations, one of which included tackling disparities between the lowest and highest paid employees in public sector organisations.

1. Purpose of report

1.1 The Localism Act 2011 requires the County Council to prepare and publish a Pay Policy Statement.

1.2 When developing our approaches to pay and reward, we are guided by the following principles;

- Shaping policies which will enable the Council to recruit and retain high calibre employees to provide high quality services.
- Maintaining levels of pay which are in line with the Council's financial policies and provide value for money.
- Adopting an approach which is open, transparent and accountable
- Ensuring we apply our policies fairly and consistently, complying with all relevant employment legislation, including the Equality Act 2010.

1.3 This policy statement applies to the 2024-25 financial year. It will be reviewed annually and is in accordance with new or proposed legislation to ensure that it remains relevant and effective.

2. Recommendations

2.1 The committee is requested to note the contents of the report.

3. Background

3.1 The structure and style of report has been amended to improve the flow of information and to provide additional clarity in some areas by removing unnecessary information.

3.2 The proposed amended Pay Policy statement for 2024/25 is attached as appendix 1. Advice from Leading Counsel has been taken in the drafting of the policy.

3.3 Appendices 2a and 2b detail the pay structures referred to within the Policy Statement for Chief Officers and all other staff.

3.4 All amendments to the policy statement approved by Council on 30 March 2023 are documented, along with reasons for such amendments in the table in Appendix 3.

3.5 A copy of the original published 23/24 Pay Policy statement has been included and attached at Appendix 4 for reference.

3.6 An Equality Impact Assessment has been completed and detailed in Appendix 5.

3.7 Under section 39 of the Localism Act the Pay Policy must be agreed by 31 March. The proposed policy is the revised document and is intended to replace the current published Pay Policy (2023/24).

4. Legal Due Diligence

4.1 In the light of the previous issues that have been identified with the interpretation and application of previous pay policies, the Director of Law and Governance has had the proposed policy reviewed by Leading Counsel to ensure full compliance with appropriate regulatory requirements. Counsel's suggestions have been adopted in full and are reflected in the proposed policy (appendix 1).

4.2 All changes have been made to ensure full transparency and appropriate public and political oversight of the Council's pay and reward arrangements.

4.3 The most significant change is a proposal that in future all appointments to posts attracting a salary of £100k or more will be subject to final approval by Full Council following a recommendation from STAC. This will further enhance political oversight of arrangements.

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| Policy | The purpose of such a statement is to articulate the Council's policies towards a range of issues relating to the pay of its workforce, particularly its Chief Officers and its lowest paid employees. The Council wishes to ensure that it operates on the principles of equal pay for work of equal value, and also within the various other legislative requirements, including the Equality Act 2010. |
| Finance and value for money | Pay represents a significant part of overall expenditure of the council and appropriate budgeting is in place to ensure salaries are managed in line with the financial plan. The pay strategy needs to be effective in engaging and motivating staff, together with delivering value for money. |
| Legal | Section 38-43 of the Localism Act 2011 sets out the requirement for local authorities to prepare and publish a Pay Policy Statement. Section 38 specifies that the Pay Policy Statement must be prepared for each financial year and must be approved by Full Council. |
| Procurement | None identified. |
| Human resources | Human Resources will continue to oversee job evaluation process, ensuring roles are evaluated fairly and in line with relevant process. HR will monitor the application of the pay policy, ensure relevant reports are prepared in line with the pay policy statement and submitted to staff and appointments committee. |
| Property | None Identified. |
| The Equalities Act: is a full impact assessment required and attached? | Yes - required and attached EIA completed and appended to report (appendix 5) |
| Risk assessment | Risks relating to pay and conditions are managed locally and both Strategic and Operational Risk registers are in operation |
| Crime and disorder | None Identified. |

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| Customer considerations | None Identified. |
| Carbon reduction | None Identified. |
| Health and wellbeing | Effective pay strategies and appropriate application of pay arrangements will support positive health and wellbeing of employees. |
| Wards | Wards |

5. Links to other key reports already published

Appendix 1 – Proposed Pay policy statement 2024/25.
Appendix 2a – Chief Officer pay structure
Appendix 2b – General pay structure
Appendix 3 – Table of amendments and changes
Appendix 4 – Current Pay policy statement 2023/24
Appendix 5 – Equality Impact Assessment

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