

HUMAN RESOURCES AND COUNCIL TAX COMMITTEE

25 FEBRUARY 2021

REPORT OF ASSISTANT DIRECTOR (PARTNERSHIPS)

A.2 PAY POLICY STATEMENT 2021/22

(Report prepared by Katie Wilkins)

PART 1 – KEY INFORMATION

PURPOSE OF THE REPORT
To present the Pay Policy Statement for 2021/22.
EXECUTIVE SUMMARY
<p>The Localism Act 2011 Section 38 (1) requires the District Council to prepare a pay policy statement each year. The pay policy statement must articulate the Council's approach to a range of issues relating to the pay of its workforce, particularly its senior staff (or 'chief officers') and its lowest paid employees.</p> <p>The matters that must be included in the statutory Pay Policy Statement are as follows:</p> <ul style="list-style-type: none">• A local authority's policy on the level and elements of remuneration for each Chief Officer;• A local authority's policy on the remuneration of its lowest-paid employees (together with its definition of "lowest-paid employees" and its reasons for adopting that definition);• A local authority's policy on the relationship between the remuneration of its Chief Officers and other Officers;• A local authority's policy on other aspects of Chief Officers' remuneration: remuneration on recruitment increases and additions to remuneration, use of performance related pay and bonuses, termination payments and transparency. <p>This statement will be published on the Council's website following each review and approval by Full Council.</p> <p>The Pay Policy Statement 2021/22 has been designed to give an overview of the Council's framework regarding pay and rewards for staff within the Council. This framework is based on the principle of fairness and that rewards should be proportional to the weight of each role and each individual's performance. The framework aims to ensure the ability of the Council to recruit talented individuals whilst ensuring value for money for the residents of Tendring.</p>
RECOMMENDATION(S)
<p>That the Human Resources & Council Tax Committee recommends to Full Council:-</p> <p>That the Pay Policy Statement 2021/22, as set out in the Appendix to item A.2 of the Report of the Assistant Director (Partnerships), be adopted.</p>

PART 2 – IMPLICATIONS OF THE DECISION

DELIVERING PRIORITIES
The Council's annual consideration and formal approval of a Pay Policy Statement is part of the Council's governance arrangements and provides transparency for the residents of Tendring.
FINANCE, OTHER RESOURCES AND RISK
The Council has a statutory and contractual obligation to adopt the NJC pay spine. Inflationary Pay Award Following negotiations with National Employers and National Unions, the inflationary pay award for 2020/21 was agreed at 2.75% across the pay spine. Pay negotiations for 2021/22 have commenced. Local Government are not currently subject to Government national arrangements and therefore the Government's pay freeze in the public sector does not necessarily apply. National Employers are currently gathering information to determine what percentage pay award has been assumed by other authorities across the region. Tendring has assumed a 1.5% budget requirement. Reform of Local Government Exit Payments The statutory provisions governing exit payments to local government workers are in the process of reform.
LEGAL
The Council has an obligation to implement the NJC pay spine alongside the approval and publication of an annual Pay Policy Statement in accordance with the provisions of the Localism Act 2011 (Section 38).
OTHER IMPLICATIONS
Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below. Crime and Disorder / Equality and Diversity / Health Inequalities / Area or Ward affected / Consultation / Public Engagement. The Council has a statutory duty to produce and publish an updated annual Pay Policy with effect from the 1 st April each year.

PART 3 – SUPPORTING INFORMATION

PAY POLICY STATEMENT 2021/22 - BACKGROUND
The Conditions of Employment with Tendring District Council in the main conform to those established for Local Government generally by the NJC, commonly known as the 'Green Book'. Agreements reached by the NJC are 'collective agreements' and if they are incorporated into employees' contracts of employment, then the changes take effect automatically.

The Pay Policy for 2021/22 provides information on the Council's pay spine and remuneration arrangements. Namely, those outlined as part of the Senior Management Review undertaken in 2020, Off-Payroll Working Regulations (IR35) and Allowances.

The Pay Policy 2021/22 also includes Gender Pay Gap Reporting figures, in line with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017.

To meet the requirements of the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017, the Council has a statutory duty to publish a snapshot of data including the following:

- The mean gender pay gap;
- The median gender pay gap;
- The mean bonus gender pay gap;
- The median bonus gender pay gap;
- The proportion of males and females receiving a bonus payment;
- The proportion of males and females in each quartile band.

Three of the above requirements will not be applicable, as the Council does not operate bonus schemes for Officers.

The challenge within Tendring District Council and nationally is to eliminate any gender pay gap. If any gaps are determined, as the Council interprets data, an action plan will be prepared.

The Gender Pay Gap Reporting Figures included in the 2021/22 Pay Policy are as follows:

Mean difference across Gender

The difference between the male and female mean hourly rate is £0.34. The male mean hourly rate is 2.55% higher than the female mean hourly rate.

Median difference across Gender

The difference between the male and female median hourly rate is £0.45. The female median hourly rate is 4.07% higher than the male median hourly rate.

The difference in median is likely because there is a minor over-representation of females in quartiles three and four, with a slight over-representation of males in quartile two. Any disparity in each quartile band is to the value of 1%.

UNISON has been consulted on these proposals.

BACKGROUND PAPERS FOR THE DECISION

None

APPENDICES

APPENDIX - PAY POLICY STATEMENT 2021/22