

1. **Pay Policy Statement** (Pages 2-8)

BOROUGH COUNCIL OF KING'S LYNN AND WEST NORFOLK

RECORD OF DECISION TAKEN BY OFFICERS UNDER DELEGATED POWERS

This is a record of a decision taken by an officers under delegated powers and where necessary taken in consultation with members and officers.

REPORT TITLE:	Pay Policy Statement
OPEN/EXEMPT	Open
LEAD OFFICER	Debbie Gates, Executive Director
IS DECISION SUBJECT TO CALL IN?:	Yes
DATE DECISION ADVERTISED:	25/10/2023
DATE OF DECISION:	01/11/2023
DEADLINE FOR CALL IN:	08/11/2023
PRE-SCREENING EQUALITY IMPACT ASSESSMENT COMPLETED:	YES

Delegated Power

Specify the particular delegated power being exercised by reference to the Scheme of Delegation or the Council body minute and date.

Delegated authority for the Executive Director, Central and Community Services, to update the Council's Pay Policy annually to reflect changes arising from the annual pay award, thus ensuring that it remains compliant with legislation. Agreed by Cabinet October 2017.

Decision Taken

Specify precise details of the decision taken.

To update the Council's Pay Policy Statement to reflect changes for the 2023/24 year.

Reasons for the Decision

Specify all reasons for taking the decision

Section 38 of the Localism Act 2011 requires English and Welsh Local Authorities to produce a pay policy statement for each financial year.

Details of alternative options, if any, considered and rejected.

N/A – Statutory requirement to produce and publish an annual Pay Policy Statement.

Any declarations of interest and details of any dispensations granted in respect of interests (in relation to officers and any Members consulted).

N/A

List of Background papers

Localism Act 2011 and associated guidance.

Authorisation

Post Held Executive Director

Signature



Date

24/10/23.

Consultation with members/officers

If the decision is taken following consultation with the members/officers, please give details:

Name of Members/officers consulted: N/A

Signed by Member/officer as consulted: N/A

Date

Pre-Screening Equality Impact Assessment

Borough Council of
King's Lynn & West Norfolk



Name of policy/service/function	Pay Policy Statement				
Is this a new or existing policy/ service/function?	Existing				
Brief summary/description of the main aims of the policy/service/function being screened. Please state if this policy/service rigidly constrained by statutory obligations	Update to existing Pay Policy Statement to reflect changes for the 2023/24 year				
Question	Answer				
<p>1. Is there any reason to believe that the policy/service/function could have a specific impact on people from one or more of the following groups according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service?</p> <p>Please tick the relevant box for each group.</p> <p>NB. Equality neutral means no negative impact on any group.</p>		Positive	Negative	Neutral	Unsure
	Age			√	
	Disability			√	
	Gender			√	
	Gender Re-assignment			√	
	Marriage/civil partnership			√	
	Pregnancy & maternity			√	
	Race			√	
	Religion or belief			√	
	Sexual orientation			√	
	Other (eg low income)	√			
Question	Answer	Comments			
2. Is the proposed policy/service likely to affect relations between certain equality communities or to damage relations between the equality communities and the Council, for example because it is seen as favouring a particular community or denying opportunities to another?	No				
3. Could this policy/service be perceived as impacting on communities differently?	No				
4. Is the policy/service specifically designed to tackle evidence of disadvantage or potential discrimination?	No				
<p>5. Are any impacts identified above minor and if so, can these be eliminated or reduced by minor actions? If yes, please agree actions with a member of the Corporate Equalities Working Group and list agreed actions in the comments section</p>	No	Actions:			
		Actions agreed by EWG member: Name			
Assessment completed by: Name Becky Box					
Job title Assistant Director Central Services	Date 30 th August 2023				

Please Note: If there are any positive or negative impacts identified in question 1, or there any 'yes' responses to questions 2 – 4 a full impact assessment will be required.

BOROUGH COUNCIL OF KING'S LYNN AND WEST NORFOLK

PAY POLICY STATEMENT

1. Background

Section 38 of the Localism Act 2011 requires English and Welsh local authorities to produce a pay policy statement for each financial year.

Matters that must be included within the statutory pay policy are as follows:

- Policy on the level and elements of remuneration for each Chief Officer
- Policy on the remuneration of lowest paid employees (together with the definition of “lowest paid employees”).
- Policy on the relationship between the remuneration of its Chief Officers and other officers.
- Policy on other specific aspects of Chief Officers’ remuneration (remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments and transparency).

The Authority’s website includes salary information for senior Managers who earn more than £58,200 and this can be accessed at www.west-norfolk.gov.uk

Definitions

“Remuneration” for the purposes of this statement includes three elements:

- basic salary
- pension
- all other allowances arising from employment

The Council regards the following as its Chief Officers:

- Chief Executive
- Executive Directors

Employees on PG12 are defined as our lowest-paid employees. The salary band for PG12 as at 01.04.2023 is £22368 - £28752 (Mid-Point £25560). An exception will be any Apprentices who are supernumerary to the establishment and engaged on Fixed Term contracts. These employees are paid a salary linked to National Minimum Wage rates.

2. Performance Management

This Authority operates a comprehensive Performance Management system for all employees, which includes:

- Local salary scales
- A process of employee appraisal linked to objectives
- A formal process for identifying learning and development needs
- A system of performance related pay

There are 12 local grades within the Borough Council’s pay scheme all linked to formal evaluation using the PE Inbucon job evaluation system. Progression through the grades is linked to the achievement of agreed target areas each year – there is no system of automatic incremental progression. Performance ratings are given as follows:

- 1 – Partially met targets to agreed standards – No performance payment

- 2 – Consistently achieved targets to agreed standards – Performance payment equivalent to 1.5% of the grade mid-point.
- 2a – Achieved with merit - consistently achieved targets to agreed standards and exceeded performance in priority areas – Performance payment equivalent to 2% of the grade mid-point
- 3 – Consistently exceeded agreed standards across target areas – Performance payment equivalent to 2.5% of the grade mid-point.

All associated payments will be granted as progression within salary bands until the grade maximum (or any agreed qualification/experience “bars” within grades) is reached. After this a non-consolidated lump sum, equivalent to half the progression payment will be made. No other form of bonus payment is made to staff at any level within the organisation.

Cost of living pay increases are locally determined having regard to national, regional and local pay and labour market information. Increases for the last 5 years are detailed below and have applied to all staff:

2019/20	2%
2020/21	2.5% + 0.25% paid from 01.04.21
2021/22	2.25%
2022/23	£1925 or 4% (whichever is the greater)
2023/24	£1925 or 5% (whichever is the greater)

3. Remuneration of the Chief Executive

The Chief Executive is the Council's Head of Paid Service. The salary band for this post as at 01.04.2023 is SM01 £113913 - £151017 (Mid-Point £132465). Progression through the grade is linked to performance against agreed targets, with no automatic annual increments.

The mid-point of SM01 is currently 5.2 times the mid-point of PG12 on which the Council's lowest paid employees are paid.

The Chief Executive also receives Returning Officer's fees in respect of European, General, County, District and Parish Elections. The fee for undertaking County, District and Parish elections within the Borough Council of King's Lynn and West Norfolk is calculated in accordance with a formula approved annually by the Chairs of the Norfolk Local Authorities' Member Remuneration Panels, supported by the County Electoral Officers' Group. Fees for conducting Parliamentary and European Elections are determined by the relevant government department.

4. Remuneration of Executive Directors

The Council's 3 Executive Directors are paid on salary band SM02 £78822 - £113862 (Mid-Point £96342). Progression through the grade is linked to performance against agreed targets, with no automatic annual increments.

The mid-point of SM02 is currently 3.8 times the mid-point of PG12.

5. Remuneration of Assistant Directors

Assistant Directors within the Authority are paid on SM03/04 £52542 - £90495 (Mid-Point £71520).

6. Remuneration of Service Managers

Service Managers within the Authority are paid on the following grades:

PG05 £49767 - £70155 (Mid-Point £59961)

PG06 £43620 - £61089 (Mid-Point £52356)

PG07 £39579 - £54033 (Mid-Point £46806)

The Council's Monitoring Officer and Section 151 Officer are Assistant Director's included within the range SM03/04 set out above.

7. Pay Multiple

The median salary for Chief Officers for 2022/23 is £108441 and for non-Chief Officers £24232. This gives a ratio between the highest paid employees and the median average salary of the whole of the authority's workforce of 1:4.5. The Council does not have a policy on maintaining, reaching or applying a specific pay multiple. However the Council is conscious that whilst remuneration at all levels needs to be adequate and competitive to secure and retain high-quality employees, it must not be excessive.

8. Salary on Recruitment

Individuals are normally recruited between the bottom and the mid-point of the grade for their post at a salary level appropriate to their existing qualifications, skills and experience. Recruitment to Chief Executive and Executive Director posts and related salary arrangements on appointment are delegated to the Appointments Board. Access to appropriate elements of the Council's Relocation Scheme may also be granted when new starters need to move to the area.

9. Car Allowances

Essential and casual user car allowances are payable in appropriate circumstances. The Essential user lump sum allowance is paid in accordance with rates agreed by the NJC for Local Government Services, but mileage rates for both essential and casual users are paid in accordance with the HMRC's Approved Mileage Allowance Payments (currently 45 pence per mile).

The Council operates a 'contract hire' scheme for designated posts (as an alternative to Essential user allowances) with mileage rates being paid in accordance with HMRC Advisory Fuel Rates.

10. Pension Provision

All employees will join the local government pension scheme. However, new employees have the choice to opt out of the pension scheme. The scheme is a statutory scheme with contributions from employees and from employers. For more comprehensive details of the local government pension scheme see:

www.norfolkpensionfund.org.uk

Neither the scheme nor the council adopt differing policies with regard to pension benefits for any category of staff.

11. Severance Arrangements

The Authority operates a standard approach to the award of compensation for relevant staff in the event of redundancy in accordance with our published Policy Statement on how we exercise the various employer discretions provided by the Local Government Pension Scheme. No special arrangements are made for Senior Managers.

Requests for Early Retirement/Voluntary Redundancy are normally only granted when they represent net savings to the salary bill over a maximum period of 5 years.

Flexible Retirement

Flexible retirement may be offered to employees aged 55 or over who reduce their grade or hours of work (or both). It enables them to receive all or part of their Local Government Pension Scheme benefits immediately, even though they have not left the Council's employment. The Council recognises that Flexible Retirement has potential benefits for both employer and employee, but it can represent a cost for the employer. All requests are therefore normally only granted when the overall financial position is neutral for the Authority. No special arrangements are made for Senior Managers.

12. Re-employment of Senior Managers

Whilst recruitment decisions are made on merit, there are no instances over the last ten years of the Authority re-employing a Senior Manager who had previously left the organisation in receipt of a severance or redundancy payment, either directly or under a contract for services.

13. Review

The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each financial year.