

## CABINET

20 February 2023

<b>Title:</b> Pay Policy Statement 2023/24	
<b>Report of the Cabinet Member for Finance, Growth and Core Services</b>	
<b>Open Report</b>	<b>For Decision</b>
<b>Wards Affected:</b> None	<b>Key Decision:</b> No
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<b>Accountable Strategic Leadership Director:</b> Fiona Taylor, Acting Chief Executive	
<b>Summary</b>  Under the terms of the Localism Act 2011 the Council must agree, before the start of the new financial year, a pay policy statement relating to the remuneration of its chief officers and the remuneration of its other employees. The Act also sets out the matters which must be covered in the statement.  The Council's draft Pay Policy Statement for 2023/24, attached at Appendix A, sets out the expected position at 1 April 2023.	
<b>Recommendation(s)</b>  The Cabinet is asked to recommend the Assembly to approve the Pay Policy Statement for the London Borough of Barking and Dagenham for 2023/24 as set out at Appendix A to the report, for publication on the Council's website with effect from April 2023.	
<b>Reason(s)</b> Under the terms of the Localism Act 2011 the Council must agree a pay policy statement in advance of the start of each financial year	

### 1. Introduction and Background

- 1.1 Section 38(1) of The Localism Act 2011 requires English and Welsh local authorities to produce a pay policy statement for senior officers (Chief Officers) to be agreed by all councillors at an Assembly meeting before the beginning of each financial year. This policy is timetabled to go to the Assembly on 1 March 2023.
- 1.2 The Council produced its first Pay Policy Statement for the 2012/13 financial year in accordance with the Localism Act 2011. The definition of Chief Officer covers the Chief Executive, Strategic Leadership Directors, Commissioning and Operational Directors. The matters that must be included in the pay policy statement are as follows:

- The level and elements of remuneration for each Chief Officer.
- The remuneration of its lowest paid employees (together with its definition of 'lowest paid employee' and the reasons for adopting that definition).
- The relationship between the remuneration of its Chief Officers and other officers.
- Other specific aspects of chief officer's remuneration: remuneration on recruitment, increase and additions to remuneration, use of performance related pay and bonuses, termination payments and transparency.
- The Localism Act defines remuneration widely to include not just pay but also charges, fees, allowances, benefits in kind.
- Enhancements of pension entitlement and termination payments.

### 1.3 The Pay Policy statement:

- Must be approved by the full council (Assembly).
- Must be approved by the end of March each year.
- Can be amended in-year.
- Must be published on the Council's website (and in any other way the Council chooses).
- Must be complied with when the Council sets the terms and conditions for a chief officer

## 2. Proposal and Issues

2.1 Attached at Appendix A is the draft Pay Policy Statement which reflects the expected position at 1 April 2023.

## 3. Options Appraisal

3.1 The Council is required to publish its pay policy and there is no alternative option to be appraised.

## 4. Consultation

4.1 The proposals in this report were considered by the Workforce Board at its meeting on 11 January 2023.

## 5. Financial Implications

Implications completed by: Katherine Heffernan, Head of Service Finance

5.1 There are no financial implication arising from this report which simply sets out the Council's pay policy. Staffing costs are a significant part of the Council's budget and ensuring that there are sufficient resources to meet them is dealt with through our Medium Term Financial Plan and budget strategy.

## 6. Legal Implications

Implications completed by Mehzabeen Patel, Employment Lawyer

6.1 The Pay Policy Statement sets out clearly and concisely the Authority's approach to Pay. There are no legal implications in publishing the same, as this is a statutory

requirement as detailed in 1.1 of this report. In the interest of openness and accountability, the approach taken in the statement is both clear and transparent.

## **7. Other Implications**

7.1 **Contractual Issues** – This makes no changes to employee’s contractual position.

7.2 **Staffing Issues** - The staffing issues are fully explored within the main body of the report. There is no requirement to consult with the trade unions on this policy.

7.3 **Corporate Policy and Equality Impact** – The Council’s approach to pay is based on the use of established job evaluation processes to determine the salary for individual roles, eliminating the potential for bias in the process.

**Public Background Papers Used in the Preparation of the Report:** None

### **List of appendices:**

- **Appendix A** – Pay Policy Statement 2023/24