

WEST NORTHAMPTONSHIRE COUNCIL COUNCIL

21 March 2024

Councillor Mike Hallam: Cabinet Member for HR & Corporate Services

Report Title	West Northamptonshire Council Pay Policy Statement for 2024/25 & Remuneration
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Contributors/Checkers/Approvers

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List of Appendices

Appendix A – 2024-25 Pay Policy Statement

1. Purpose of Report

- 1.1. The Pay Policy Statement, attached in Appendix One, is produced in accordance with the requirements of Section 38(1) of the Localism Act 2011. It must be updated and published annually but excludes schools as the Act does not apply to local authority schools.
- 1.2. The Pay Policy Statement covers the year 1 April 2024 to 31 March 2025.
- 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 and its relationship to the lowest paid in WNC, which is a legislative requirement.
- 1.4. The constitution confirms delegated responsibility to the Head of Paid Service (Chief Executive) or their nominee for the appointment and dismissal of officers below Chief Officer, including Deputy Chief Officer (Tier 3 Assistant Director).
- 1.5. Where any appointment, including an interim agency appointment, proposes a remuneration package that could exceed £100,000, approval will be sought from Full Council. This report seeks approval for a proposed remuneration package in excess of £100,00 for three key roles across the council as temporary agency workers.

2 Executive Summary

- 2.1 Each local authority is required to produce and publish an annual Pay Policy Statement under Section 38 (1) of The Localism Act 2011. The Act requires the pay policy statement to cover a number of aspects of remuneration policy.
- 2.2 The Pay Policy Statement sets out West 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' employeesand the relationship between:
 - (i) The remuneration of its chief officers; and
 - (ii) The remuneration of its employees who are not chief officers.
- 2.3 The financial information published to meet legislative responsibilities uses a snapshot date of January 2024 and will be updated once the 2024/25 pay award and increments have been applied.
- 2.4 The pay ratios in respect of these are provided within the Pay Statement. These have reduced since the first (interim) pay statement was published in 2021 which is positive. This is due to the fact that the council has uplifted the minimum rate of our lowest paid employees in the pay awards and invested more in the lower pay points across all the TUPE pay scales.
- 2.5 Chief Officers are both statutory and non-statutory officers:

Statutory Officers

- Chief Executive (Head of Paid Service)
- Executive Director, Finance (Chief Finance Officer, S151)
- Director of Law & Governance (Monitoring Officer)
- Executive Director, People, and Deputy Chief Executive & Director of Adults Services (DASS)
- Director of Public Health (DPH)
- Director of Children's Services (DCS)

Non-Statutory Officers

- Executive Director, Place, Economy and Environment
- Executive Director, Corporate Services
- Director, Communities and Opportunities
- Assistant Chief Executive.

2.6 'Pay' includes, in addition to basic salary, any charges, fees, allowances, benefits in kind, increases in or enhancements to pension entitlements and termination payments.

2.7 The Localism Act 2011 extends to a requirement to publish the salaries of senior officials, to support the aim of helping residents better understand how public money is spent in their area. The Council's Pay Policy Statement requires approval by Full Council for any remuneration package over £100,000.

2.8 There are areas of the council where it is difficult to recruit to roles, either because there is a shortage of suitably qualified candidate in the market or because the role requires specialist skills for a temporary period and a permanent role is not required. Agency workers are an essential resource which enables the council to continue to deliver key statutory responsibilities where it is not possible or appropriate to recruit permanent staff.

2.9 The following specific agency roles which are likely to exceed the £100k in 2023/24:

People- Education: Principal Educational Psychologist

Corporate Services – Legal: Principal Contracts Lawyer and Principal SEND Lawyer

3 Recommendations

3.1 It is recommended that the Council approves the Pay Policy Statement for 2024-25.

3.2 It is recommended that the Council approves the proposed remuneration over £100,00 for the listed roles.

4 Reason for Recommendations

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 Pay Policy Statement.
- 4.3 In respect of remuneration over £100,00 the recommendation is to comply with the requirements of the Council's pay statement.
- 4.4 To ensure that remuneration is in accordance with current market demands. The Councils uses OPUS to engage agency workers where possible to ensure value for money. Where an appointment is made outside OPUS a procurement waiver is required to ensure value for money.

5 Report Background

- 5.1 The Localism Act brought together strands of increasing accountability, transparency, and fairness in local government in the setting of local pay. This includes a requirement that the local authority pay statement is openly approved by democratically elected councillors on an annual basis.
- 5.2 The Act requires the pay statement to cover a number of disparate aspects of remuneration policy. For this reason, and in the interests of clarity and transparency, the Joint Negotiating Committee (JNC) recommends local authorities use the opportunity to set out more on the overall rewards strategy and not to limit themselves to matters specifically required by the Act and statutory guidance.
- 5.3 The first Pay Policy Statements published by WNC were interim statements, whilst further work was undertaken to design a new pay structure for the council and negotiate and consult on the full set of terms and conditions of employment. These were implemented in June 2023. The 2023/24 Pay Policy Statement was the first to incorporate the new WNC approach to pay and the job family architecture.
- 5.3 The Act extends to a requirement to publish the salaries of senior officials, to support the aim of helping residents better understand how public money is spent in their area.

There are currently a number of specific agency roles which are likely to exceed the £100k and these are:

5.3.1 **Principal Educational Psychologist – People**

This role has been advertised on three occasions but no suitable applicants were received. Educational Psychologists are critical roles and nationally they are difficult to recruit and the Council are competing in the same pool against many other authorities. The service will be restructuring imminently and as part of the service redesign the role the Council will be looking to recruit permanently to the role

5.3.2 **Principal Contracts Lawyer and Principal SEND Lawyer – Corporate Services**

The Council has created a new Legal Services team and the Principal Contracts Lawyer has been engaged via agency to lead the team. Attempts have been made on three occasions to recruit to the role but this has been unsuccessful to date. As a result the service are upskilling internal

officers to be able to step into the role in the event that the Council is unable to recruit permanently again (recruitment is about to commence).

The Principal SEND Lawyer has been in place via agency whilst recruitment has been underway. The Council has successfully recruited to this role and a permanent employee will be joining in May.

- 5.4 In each case the agency worker concerned is employed at a rate that may exceed the £100k payment. The payment of agency workers is paid to the agency and is not necessarily the payment to the worker. The payment of agency is the total cost. Staff pay is generally lower than agency pay because it includes pay for annual leave and pensions. An agency member of staff will receive no pay for any day they do not work including sickness and absence. They are not entitled to an employer contribution to pensions costs and have to meet these costs from the amount paid.

6 Issues and Choices

- 6.1 There are no direct additional resources or financial implications associated with the approval of the pay policy statement for publication under the Localism Act.
- 6.2 In respect of remuneration packages the alternative option available to Council is to end the existing contracts with these agency staff. This is not recommended because these individuals are carrying out essential roles.

7 Implications (including financial implications)

7.1 Resources and Financial

- 7.1.1 The adoption of a Pay Policy Statement has no direct additional financial implications.
- 7.1.2 There is provision within the service budgets to meet the cost of the remuneration packages and there are no additional funding requirements.

7.2 Legal

- 7.2.1 The adoption of a 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.

7.3 Risk

- 7.3.1 There are no significant risks arising from the proposed recommendations in this report in respect of publishing the pay statement.

7.4 Consultation

7.4.1 There is regular consultation (and negotiation) with our recognised Trade Unions regarding pay, terms and conditions and policies on the management of the workforce.

7.4.2 Consultation has been undertaken with Cabinet in accordance with the Executive arrangements regulations which require such consultation.

7.5 Consideration by Overview and Scrutiny

4.1.1 The Pay Policy Statement outlines the WNC's approach to remuneration. The pay and grading project is part of the WNC people strategy which has been to Overview and Scrutiny in 2022 and 16 January 2023. Workforce Skills and Capacity was last considered at Audit & Governance on 21st November 2023.

7.6 Climate Impact

7.6.1 It is not considered that there are any implications arising out of the publishing of the Pay Policy Statement.

7.7 Community Impact

7.7.1 The publication of the Pay Policy Statement increases transparency, accountability and fairness around pay to the local community.

7.8 Communications

7.8.1 Communication in respect to WNC's approach to pay is an ongoing critical focus of the Executive Leadership Team and HR, with all employees kept regularly informed and updated on these issues.

8 Background Papers

8.1.1 Local Government Association Pay Policy and Practice in Local Authorities: [guide-pay-and-rewards-mem-4b6.pdf \(local.gov.uk\)](#) [guide-pay-and-rewards-mem-4b6.pdf \(local.gov.uk\)](#)

8.1.2 Localism Act 2011 Chapter 8 Section 38 [Localism Act 2011 \(legislation.gov.uk\)](#)

Appendix One: Pay Statement 2024/25