

Report of the Director of Human Resources to the meeting of the Council to be held on 12 July 2022

Subject:

Pay Policy Statement Update for 2022/23

Summary statement:

In accordance with the Localism Act 2011 Local Authorities are required to produce and publish a Pay Policy Statement for each financial year. The Pay Policy Statement must be approved by full Council before publication. Full Council approved the 2022/23 Pay Policy Statement on 15 March 2022. Local authorities may be resolution amend their pay policy, and must then publish the amended policy. Amendments to the Council's Pay Policy are required to provide for appointments to the Children's Trust, and alterations to senior roles in the Council following job evaluation and benchmarking.

Equality & Diversity:

An Equality Impact Assessment is not required as the Pay Policy Statement does not include proposals for new or changing policies, services or functions.

Anne Lloyd
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Portfolio:

Corporate

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Overview & Scrutiny Area:

Corporate

1. SUMMARY

- 1.1 Sections 38 – 43 of the Localism Act 2011 require the Authority to produce a policy statement that covers a number of matters concerning the pay of the Authority's staff, principally its Chief Officers and the Authority's lowest paid employees.
- 1.2 This amended Pay Policy Statement for the year 1 April 2022 to 31 March 2023 has been produced taking into account the relevant requirements of the Localism Act 2011 and having regard to the statutory guidance issued by the then Department for Communities and Local Government (DCLG) in February 2012 and the supplementary guidance issued in February 2013 both entitled 'Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011' ("the Guidance") together with the Local Government Transparency Code 2015 where applicable.
- 1.3 Full Council approved the Pay Policy Statement for 2022/23 on 15 March 2022.
- 1.4 This report provides details of the proposed amendments to Pay Policy Statements for the financial year 2022/23 to reflect appointments to the Children's Trust, and senior roles in the Council following job evaluation and benchmarking.

2. BACKGROUND

- 2.1 Section 38 of the Localism Act 2011 requires local authorities to publish a Pay Policy Statement for each financial year.
- 2.2 The Pay Policy Statement must:
 - Be produced annually in time for the start of each financial year and be approved by a resolution of full Council (the power cannot be delegated). The 2022/23 Pay Policy Statement must be prepared and approved before 31 March 2022. Any amendments required to the Pay Policy Statement in year must also be considered by full Council.
 - Be published which must include publication on the Council's website, as a minimum, soon after approval or amendment.
 - Set out the Authority's policies on a range of issues particularly relating to its chief officers and lowest paid employees.
 - Be complied with.

The Guidance also states that:

- Full Council be offered the opportunity to vote on salary packages of £100k pa or more in respect of new appointments and severance packages of £100k or more.
- 2.3 The Pay Policy Statement must set out the Authority's policy relating to:
 - The level and elements of remuneration for each Chief Officer, which includes salary, any charges, fees or allowances, benefits in kind, bonuses, the use of

performance related pay, increases and additions to remuneration, remuneration on recruitment and the approach to the payment of Chief Officers ceasing to be employed by the Authority.

- The remuneration of the lowest paid employees in the workforce.
 - The relationship between the remuneration of Chief Officers and other employees.
 - The publication of and access to information relating to remuneration of Chief Officers.
- 2.4 The provisions of the Localism Act 2011 do not apply to employees of schools maintained by the Authority and therefore they are not within the scope of the Pay Policy Statement.
- 2.5 Chief Officers are defined in the Pay Policy Statement as the posts of Chief Executive, Strategic Directors, Directors, Deputy Directors and Assistant Directors.
- 2.6 The Pay Policy Statement must be approved by a resolution of the full Council before it comes into force.
- 2.7 The proposed amended **Pay Policy Statement for 2022/23** can be found at **Appendix 1**. The proposed amended Statement is based on the approved 2022/23 Statement which has been amended in relation to the following:
- 2.7.1 The pay multiple has been calculated based on the pay awards effective from 1 April 2021 that have recently been agreed. The value of the 'pay multiple' between the highest paid salary and the median earnings figure of the whole of the Council's workforce has reduced from 8.8:1 to **8.5:1**
- NB. The pay multiple is **not** based on the lowest paid employee nor the simple average salary but it is based on the median earnings figure ie the 'mid-point'.*
- 2.7.2 The national pay awards effective from 1 April 2022 have not been agreed and therefore all salaries quoted in the pay policy statement are based on salary levels at 1 April 2021.
- 2.7.3 Revised salary bandings for the application of LGPS employee pension contribution rates are from 1 April 2022 in Appendix A of the Pay Policy Statement.
- 2.8 The post of Director for Adults with Disabilities has been established on a temporary basis to transform our model and develop a long-term case management model for people with learning and/or physical disabilities that's focussed on their life aspirations. This post will act to deliver a preventative model for adults of working age with mental health problems and work across the system to deliver this. This post was approved by the Chief Executive under delegated powers in accordance with article 14.20.3 of the Council's constitution. The costs will be met from existing budget provision. The post has been included in Appendix B of the Pay Policy Statement.
- 2.9 The posts of Director West Yorkshire Pension Fund, Deputy Director West Yorkshire

Pension Fund and Director of Finance have been retitled as Managing Director West Yorkshire Pension Fund, Chief Investment Officer, and Director of Finance and IT respectively to better reflect the remit and responsibilities of the roles. Following evaluation and difficulties recruiting to the West Yorkshire Pension Fund roles these two roles have evaluated at a higher level. The role of Director of Finance has taken additional responsibility for IT and Transformation which has impacted the grade for this post.

2.10 The meeting of Executive of 7 June 2022 approved the recruitment and appointment of a number of key posts on an interim and permanent basis for the Bradford Children's Trust. This included the Chief Executive, Finance Director and a number of Non-Executive Director appointments.

2.11 The meeting of Staffing Committee on 14 June 2022 approved to appoint to the following positions:

- (a) Chief Executive for the Bradford Children's Trust
- (b) Finance Director for the Bradford Children's Trust
- (c) Strategic Director Children's Services (Statutory Council DCS)
- (d) Director of Finance and IT, (Statutory Council Section 151 Officer)

2.12 The Pay policy at Appendix A provides at paragraph 9 as follows - Flexibility to Address Recruitment Issues for Vacant Posts

"In the vast majority of circumstances, the provisions of this pay policy statement will enable the Authority to ensure that it can recruit effectively to any vacant post. There may be exceptional circumstances when there are recruitment difficulties for a particular post and where there is evidence that an element of the overall remuneration is not sufficient to secure an effective appointment. This pay policy statement recognises that this situation may arise in exceptional circumstances and therefore a departure from this policy can be implemented without having to seek full Council approval for a change of the pay policy statement. Such a departure from this pay policy statement will be expressly justified in each case and will be approved through an appropriate Authority decision making process."

In accordance with the above paragraph, members are asked to note in relation to the proposed appointments of the Chief Executive and the Finance Director of the Children's Trust, initial job evaluations have been carried out in relation to both these roles. However, the full extent and nature of the responsibilities of those two roles have not yet been fully established and there are ongoing discussions between the Council, the Department for Education, the Children's Commissioner and the recently appointed Chair of the Board. The view is that the Council's salary scales will not adequately reflect the remuneration packages that the market is likely to dictate in order to attract suitable candidates for these roles. This also applies to the role of Deputy Director Children's Social Care, which will become the Director of Children's Social Care in the Children's Trust. However, it has not yet been possible to arrive at a firm view re the appropriate remuneration package. Accordingly, it is proposed that delegated authority be given to the Chief Executive, in consultation with the Portfolio Holder for Children's Services, and also after undertaking consultation with the S151 Officer, the Department for Education and the Children's Commissioner, to authorise an appropriate remuneration package in respect of the Chief Executive and Finance

Director of the Children's Trust.

- 2.13 To bring the Authority relocation scheme in line with HMRC rates and other Authorities to a maximum of £8,000 from the rate of £5,750. The Authority relocation scheme provides assistance to all new employees including Chief Officers meeting the relocation criteria.

3. FULL COUNCIL CONSIDERATION

- 3.1 Full Council will consider this report and the proposed amended Pay Policy Statement at **Appendix 1** on Tuesday 12 July 2022.

4. OTHER CONSIDERATIONS

- 4.1 The Council may, by resolution of the full Council, amend this Pay Policy Statement during the course of the year to which it relates.

5. FINANCIAL & RESOURCE APPRAISAL

There are a few financial implications arising from the report, which are summarised below.

The amendments to the pay policy statement will be met from within existing budget provision, in accord with the usual principle for such matters, and which the Chief Executive applied when using delegated powers in agreeing the post of Director for Adults with Disabilities (see para 2.8).

The posts approved within the Children Trust will need to be funded by the Council as part of the overall budget provision allocated to the Trust. These posts are additional to the current approved establishment but are essential to enable the trust to be operationally independent in line with DfE expectations. The posts will support the overall improvement of children's services.

6. RISK MANAGEMENT & GOVERNANCE ISSUES

No significant implications have been identified.

7. LEGAL APPRAISAL

- 7.1 The Authority is under a statutory duty to prepare and publish a Pay Policy Statement for the financial year 2022/23 and each subsequent financial year pursuant to the requirements set out in sections 38-43 of the Localism Act 2011.

The Pay Policy Statement should be approved by a resolution of the Authority before it comes into force. The Authority must have regard to the Guidance referred to in this report in preparing and approving the Pay Policy Statement together with the provisions of the Local Government Transparency Code 2015 where applicable. Under S39(4) of the Localism Act 2011, the Council can amend its pay policy statement, including after the beginning of the financial year to which it relates.

8. OTHER IMPLICATIONS

8.1 SUSTAINABILITY IMPLICATIONS

Not applicable.

8.2 GREENHOUSE GAS EMISSIONS IMPACTS

Not applicable.

8.3 COMMUNITY SAFETY IMPLICATIONS

Not applicable.

8.4 HUMAN RIGHTS ACT

No implications arising from this report.

8.5 TRADE UNION

There is no formal requirement to consult about the Pay Policy Statement however it will be shared with the recognised Trade Unions for information.

The Pay Policy Statement brings together the Authority's existing policies which have been subject to consultation where required.

8.6 WARD IMPLICATIONS

Not applicable.

8.7 IMPLICATIONS FOR CHILDREN AND YOUNG PEOPLE

Not applicable.

8.8 ISSUES ARISING FROM PRIVACY IMPACT ASSESMENT

None.

9. NOT FOR PUBLICATION DOCUMENTS

None.

10. OPTIONS

10.1 The production and publication of a Pay Policy Statement is a statutory requirement under the Localism Act 2011 for the financial year 2022/23 and each subsequent financial year. By resolution of the full Council, the Council may amend this Pay Policy Statement during the course of the 2022/23 financial year.

11. RECOMMENDATIONS

11.1 That the amended Pay Policy Statement for the financial year 2022/23 as set out at Appendix 1 to this report, be approved.

11.2 That the Chief Executive be given authority in consultation with the Portfolio Holder for Children's Services, and also after undertaking consultation with the S151 Officer, the Department for Education and the Children's Commissioner, to authorise an appropriate remuneration package in respect of the posts of Chief Executive and Finance Director of the Children's Trust.

12. APPENDICES

Appendix 1: Proposed amended Pay Policy Statement 2022/23.

13. BACKGROUND DOCUMENTS

- Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011, February 2012. [Openness & Accountability in Local Pay - Feb 2012](#)
- Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011 (Supplementary Guidance) February 2013. [Openness and Accountability in Local Pay - Feb 2013](#)
- Local government transparency code 2015
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/408386/150227_PUBLICATION_Final_LGTC_2015.pdf