

23 November 2020

Report of	Assistant Director – Corporate and Improvement	Author	Jessica Douglas / Chris Reed ☎ 282240
Title	Officer Pay Policy Statement for 2021/22		
Wards affected	Not applicable		

1. Executive Summary

- 1.1 Local authorities must publish an officer pay policy statement each year. The statement must be approved by Full Council.
- 1.2 The statement covers all pay and benefits for all Colchester Borough Council employees.
- 1.3 The draft statement for 2021/22 is attached, with the detailed rates in the appendix.

2. Recommended Decision

- 2.1 To recommend the approval and adoption of the 2021/22 Statement by Full Council.

3. Reason for Recommended Decision

- 3.1 The Localism Act requires “authorities to prepare, approve and publish pay policy statements articulating their policies towards a range of issues relating to the pay of its workforce, which must be approved by full Council annually. An authority’s pay policy statement must be approved by a resolution of that authority before it comes into force”.

4. Alternative Options

- 4.1 The only alternative would be to not recommend the approval of the Pay Policy Statement, but that would be contrary to the requirements of the Localism Act.

5. Background Information

- 5.1 Local authorities must publish a pay policy statement for the financial year. The Officer Pay Policy for 2020/21 was approved by [Full Council on 5 December 2019](#).

The Localism Act specifies items that must be covered by the statement including the level and elements of remuneration for each chief officer, remuneration of chief officers on recruitment, increases and additions to remuneration for each chief officer, the use of performance-related pay and bonuses for chief officers, the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and the publication of and access to information relating to remuneration of chief officers.

- 5.2 The Council's pay policy statement has been extended beyond the statutory requirements relating to chief officers as shown in 5.1 above to include all officers employed by the Council, in the interests of openness and transparency.
- 5.3 Please see the attached Officer Pay Policy. Appendix 1 of the policy contains the mostly numerical data which sits behind it, and the definitions of terms such as 'chief officer'. These two documents form the Council's officer pay policy statement.
- 5.4 The statement covers all pay and benefits for every employee of Colchester Borough Council. There are no financial allowances or bonuses other than those mentioned.
- 5.5 The Colchester Commercial (Holdings) Ltd holding company (CCH) and Amphora trading companies set up in January 2018 are not covered by this statement.
- 5.6 Mandatory requirements for data publication under the [Local government transparency code 2015](#), and for the Council's [Statement of Accounts](#) under the [Accounts and Audit Regulations 2015](#) have also been taken into account when preparing this year's update of the pay policy to ensure that the published data is complete and consistent.

6. Living Wage

- 6.1 The Council has chosen to pay the [Living Wage](#) as set by the Living Wage Foundation, since 2013 as part of its commitment to being a good employer, and its approach to [Social Value](#). The Council will continue to pay the Living Wage as a minimum standard for all its employees. Around 300 permanent/casual Council staff and 50 third-party contracted employees receive the Living Wage.
- 6.2 The Living Wage is set independently and calculated according to the basic cost of living in the UK. From 9 November 2020 the Living Wage rate is now £9.50 (up 20p or 2.2% from the previous £9.30 an hour), for workers who are 18 and older (see Appendix 1 of policy for more details, annual salary rate etc).
- 6.3 This Living Wage hourly rate, paid by the Council and set by the Living Wage Foundation, is higher than the statutory [National Living Wage](#) brought in by central government in April 2016 for workers who are 25 years or over (currently £8.72) or the [National Minimum Wage](#) (£8.20 if 21-24, £6.45 if 18-20, £4.55 if under 18).
- 6.4 The Council signed a 'Living Wage Employer' licence with the Living Wage Foundation in February 2016. This means that as well as paying the Living Wage Foundation's recommended hourly rate to staff, this requirement has been included in new third-party contracts from that date for contracted staff and suppliers working on Council business.

7. Changes last year and looking ahead to 2021/22

- 7.1 In 2019 the Council completed the implementation of its phased plan to enable third-party contracted staff to also receive the Living Wage. This phase plan was rolled out as contracts come up for renewal.
- 7.2 The £95,000 cap on public sector exit payments was signed off into law on 14 October 2020 and came into force on 4 November. Consideration of any impacts will follow once the guidance and directions that accompany those regulations are published, and following the results of the Government's [consultation](#) which ends 9 November.

8. Strategic Plan References

- 8.1 The performance, remuneration and motivation of employees are key to delivering effective, efficient public services and the Strategic Plan's aspirations and priorities.

9. Publicity Considerations

- 9.1 The statistical data within the Officer Pay Policy is publicly available on the Council's [Datashare](#) web resource so that it is all in one place, helping to improve openness and transparency. Employee benefits including pay scales are also published on the website [here](#), with gender pay gap information [here](#) (our narrative along with a link to the national GOV.UK statistics).

10. Financial implications

- 10.1 The pay policy statement provides transparency about the Council's pay and benefits.

11. Equality, Diversity and Human Rights implications

- 11.1 The Equality Impact Assessment is on the Council's website [here](#) or by following the path: www.colchester.gov.uk > Your Council > How the Council Works > Equality and Diversity > Equality Impact Assessments

12. Other Implications

- 12.1 There are no particular consultation; health, wellbeing and community safety; risk management or environmental and sustainability implications.