

**16 November 2022**

<b>Report of</b>	<b>Assistant Director – Corporate and Improvement</b>	<b>Author</b>	<b>Jessica Douglas / Chris Reed ☎ 282240</b>
<b>Title</b>	<b>Officer Pay Policy Statement for 2023/24</b>		
<b>Wards affected</b>	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 2023/24 is attached, with the detailed rates in the appendix.

## **2. Recommended Decision**

- 2.1 To recommend the approval and adoption of the 2023/24 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 2022/23 was approved by [Full Council on 2 December 2021](#).

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 extends 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](#), set independently 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 calculated annually according to the basic cost of living in the UK. The new Living Wage rate is usually announced each November but was brought forward this year due to the cost-of-living situation. The increase from £9.90 an hour to £10.90 (10.1%) was announced by the Living Wage Foundation on 22 September 2022. The Council implemented the new rate from 1 October 2022, which is significantly earlier than the LWF's deadline of [14 May 2023](#). For staff on spinal column points SCP 4 to 16 the new rate means £1 an hour/£160.77 a month/£1,929.29 a year more if full-time. Updated pay scales are shown in the policy's appendix, and on the [Council's website](#).
- 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](#) set by central government for workers who are 23 years or over (currently £9.50) or the [National Minimum Wage](#) (£9.18 if 21-22, £6.83 if 18-20, £4.81 if under 18 or an apprentice).
- 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 since the last report and looking ahead to 2023/24**

### **7.1 Changes since the last report are Living Wage uplifts and the 2022/23 pay award:**

- Annual Living Wage uplifts: the Council implemented the £9.90 Living Wage rate, when announced in November 2021, to those previously on £9.50 an hour. The £10.90 Living Wage rate announced in September 2022 was implemented from 1 October 2022.
- The [2022/23 pay award](#) from 1 April 2022 incorporated a differentiated percentage pay increase that offered a higher percentage increase of 3% to lower paid staff on spinal column point (SCP) 13-18. The increase for staff on SCP19 and above was 2.5%.

### **7.2 Looking ahead to 2023/24:**

- It is becoming increasingly challenging to recruit specific 'hard-to-fill' posts where the salary attached to the grade is lower than elsewhere and where there are local or national shortages of skilled employees. To address this, the ability to pay market supplements has been included in this Officer Pay Policy at paragraph 4.5 (attached).
- New Senior Management arrangements will be in place from December subject to Cabinet agreement at its 16 November meeting. The pay for the senior management team may be reviewed but will be within the current grading system.
- Consideration of impacts which result from any future changes to regulations or legislation will take place if or when necessary.

## **8. Equality, Diversity and Human Rights implications**

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

## **9. Strategic Plan References**

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

## **10. Publicity Considerations**

- 10.1 The statistical data within the Officer Pay Policy is publicly available on the Council's [Council Data](#) 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](#). Gender pay gap information is published [here](#), including our supporting narrative and a link to the Government's [gender pay gap portal](#) where the results can be compared with those of other organisations.

## **11. Financial implications**

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

## **12. Other Implications**

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