

LONDON BOROUGH OF CAMDEN	WARDS: All
REPORT TITLE: Revised Pay Policy Statement 2023/24	
REPORT OF: Director of People and Inclusion	
FOR SUBMISSION TO: Full Council	DATE 17 July 2023
<p>SUMMARY OF REPORT: This report sets out updates to the pay policy statement as a result of changes to the Camden Pay Schemes which were agreed by Audit and Corporate Governance Committee on 15 June 2023.</p> <p>Local Government Act 1972 – Access to Information No documents were used in the preparation of this report which are required to be listed.</p> <p>Contact Officer: Joanna Brown Director of People and Inclusion Strategy and Organisation Development 5 Pancras Square London N1C 4AG Tel: 020 7974 6302 E-mail: joanna.brown@camden.gov.uk</p>	
<p>RECOMMENDATIONS</p> <p>Council is asked to agree the amendments to the pay policy statement for 2023/24 shown in track changes and attached at Appendix 1.</p>	

Signed:



Date: 6 July 2023

1. Introduction

- 1.1. The revised Pay Policy set out at Appendix 1 has been updated to reflect changes to pay, terms and conditions agreed by the Audit and Corporate Governance Committee (The Committee) on 15 June 2023. At that meeting, the Committee resolved to recommend to Council to agree certain proposed amendments to the pay policy statement for 2023/24 so as to update it to reflect the agreed changes to the pay, terms and conditions.
- 1.2. There were some figures that needed more detailed work relating to the median pay ratio figure and the number of staff on Camden contract or other terms and conditions and in respect of these the Committee delegated authority to the Director of People and Inclusion to make the final updates to the pay policy statement (as set out in paragraph 1.2 and 1.3 of the Addendum) in consultation with the Chair of the Committee and thereafter to take a report to Council for approval of all of the proposed amendments to the pay policy statement.
- 1.3. The Chair of the Committee was consulted on the final updates and on 6 July 2023 confirmed their agreement with the content of the revised Pay Policy set out at Appendix 1.
- 1.4. Council is asked to agree the proposed amendments to the Pay Policy statement shown in track and attached at Appendix 1. These amendments are essentially updates to reflect the recent decisions taken by the Committee

2. Background

- 2.1. The pay policy statement is prepared for the start of each financial year and approved by Council as has happened since the Localism Act was introduced in 2012. The pay policy statement for 2023/2024 was approved by Full Council on 27 February 2023.
- 2.2. As a minimum, the statement must include the Council's policies on:
 - the remuneration of its chief officers;
 - the remuneration of chief officers on appointment;
 - the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the council;
 - the remuneration of its lowest paid employees, along with the authority's definition of 'lowest paid' and the rationale for adopting that definition;
 - the relationship between the remuneration of chief officers and employees that are not chief officers.
- 2.3. The proposed pay policy statement for 2023/24 was developed with reference to the guidance published by the Department for Communities and Local Government¹ in February 2012 and supplementary guidance published in February 2013.

¹ Now the Ministry of Housing, Communities and Local Government

- 2.4. There have been no changes to the Act or further guidance since the pay policy statement for 2023/24 was published.
- 2.5. The key amendments to the pay Policy Statement, which follow on from the changes to pay, terms and conditions agreed by the Committee, are:
- Chief Officers Pay Scheme – reducing the maximum annual variable payment award from 10% to 5% and updating the Target pay ranges to re-align these with the upper quartile
 - Officers Pay Scheme – uplifting the minimum salary from £24,771 to £25,841 to establish a new Minimum Earnings Guarantee
 - Updates to the ‘minimum to maximum’ and ‘median to maximum’ pay ratio figures as a result of these changes
 - Updated figure for the number of staff on Camden contract or other terms so this accurately reflects the position as at June 2023 when the revised Pay Policy was prepared
- 2.6. Agreement has not yet been reached nationally on the 2023/24 national pay awards. Once these are confirmed the Camden pay points will be updated and backdated to be effective from the relevant date (1 April 2023 or 1 September 2023 depending on terms and conditions). The Minimum Earnings Guarantee will also be reviewed as this time.

3. Decisions for Council

- 3.1. The purpose of this report is to ask the Council agree the amendments to the pay policy statement for 2023/24 as shown in track in Appendix 1. The Act sets out that the agreement of the statement cannot be delegated by Council to a committee, hence the need for the Committee to recommend the amendments for adoption to Council.
- 3.2. Once approved by Council the updated pay policy statement for 2023/24 will be published on the Council’s website.

4. Legal Comments of the Borough Solicitor

- 4.1. The Localism Act makes it a mandatory requirement on all councils to before the end of the financial year publish a pay policy statement for the next financial year which complies with the obligatory requirements of the Act. In preparing the statement, the Council must have regard to the statutory guidance from the Secretary of State. The Council may by resolution amend its pay policy statement (including after the beginning of the financial year to which it relates) and as soon as is reasonably practicable thereafter it must publish the amended statement in such manner as it thinks fit (which must include publication on the authority’s website).

5. Finance Comments of the Executive Director Corporate Services

- 5.1 The proposals in this report will, in some cases, increase salary costs to the Council. The costs will be across the General Fund and Housing Revenue Account with approximately 25% of the costs falling on the Housing Revenue

Account. The expected costs of the implementation of the proposals relating to uplifting the minimum salary are expected to increase costs by between £300,000 and £400,000 per year. These costs will be met from the Council's existing budgets.

- 5.2 The cost proposals relating to Chief Officer pay are not expected to have any immediate budgetary impact. The proposals involve the Target Base Pay ranges increasing by 5% with a corresponding reduction in performance related variable pay from 10% to 5% of base salary. There may be a small impact in future years as the increase in Target Base salary will be included in any future percentage uplifts in salary as part of future pay awards.

6. Appendices

Appendix 1: Proposed Pay Policy Statement 2023/2