

LONDON BOROUGH OF CAMDEN	WARDS: All
REPORT TITLE: Pay Policy Statement 2025/26	
REPORT OF: Director of People and Inclusion	
FOR SUBMISSION TO: Audit and Corporate Governance Committee Full Council	DATE 20 February 2025 3 March 2025
<p>SUMMARY OF REPORT: The report provides a summary of the pay accountability requirements under the Localism Act 2011 and the Council's proposed pay policy statement for 2025/26 to meet these requirements.</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: Zoe Hoskin Employment & Total Reward Lead Corporate Services 5 Pancras Square London N1C 4AG Tel: 020 7974 1807 E-mail: zoe.hoskin@camden.gov.uk</p>	
<p>RECOMMENDATIONS</p> <p>The Audit and Corporate Governance Committee is asked to recommend to Council to agree the proposed pay policy statement for 2025/26 as attached at Appendix 1.</p> <p>Council is asked to agree the proposed pay policy statement for 2025/26 as attached at Appendix 1 and to delegate authority to the Director of People and Inclusion to update the policy as set out in paragraph 3.6 of the report.</p>	

Signed: 

Date: 10th February 2025

1. Introduction

- 1.1. This report provides a summary of the requirements in relation to pay accountability for local authorities arising from the Localism Act 2011 ('the Act') and proposes a pay policy statement for 2025/26 for publication.
- 1.2. The Audit and Corporate Governance Committee is asked to note the contents of the report and recommend that Council agree the proposed pay policy statement as attached at Appendix 1 in line with its terms of reference which state that it will "receive the Council's Pay Policy Statement annually and recommend to Council its adoption."
- 1.3. 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 its adoption to Council.
- 1.4. The Pay Policy Statement remains substantially unchanged from 2024/25 following a review of relevant legislation and confirmation that it remains fit for purpose. Appendix 1 has been updated with figures from the 2024/25 financial year.

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 Act was introduced in 2012.
- 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. In line with the requirements of the Act, the pay policy statement for 2025/26 must be approved by Council by 31st March 2025.
- 2.4. Once approved by Council the pay policy statement for 2025/26 will be published on the Council's website.

3. Camden's Pay Policy Statement for 2025/26

- 3.1. The proposed pay policy statement is attached as Appendix 1. It has been 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

- 3.2. There have been no changes to the Act or further guidance since the pay policy statement for 2024/25 was published.
- 3.3. The 2024/25 pay policy was updated and republished in July 2024 to reflect changes to the Target pay ranges of the Chief Officers Pay Scheme the to re-align these with the upper quartile.
- 3.4. In June 2023 the Committee also approved future changes to the Officers pay scheme to take effect from 1 April 2025. These changes deleted the lowest three pay points and restructured the lowest three pay grades to deliver a new Minimum Earnings Guarantee of £31,730 with effect from 1 April 2025.
- 3.5. There have been no significant changes to the Pay Policy Statement for 2025/26 compared to 2024/25. Key figures that have changed in the 2025/26 pay policy statement are:
- London Living Wage: increased from £13.15 to £13.85 per hour with effect from 1 November 2024
 - Camden's Minimum Earnings Guarantee: increases to £31,730 (£16.91 per hour) with effect from 1 April 2025
 - Pay Ratio: with effect from 1 April 2025 the Chief Executive's pay is 7.3 times that of the lowest paid employee compared to 7.9 in 2024 – and is currently 5.1 times that of the median salary compared to 5.3 in 2024
 - Terms & Conditions: the number and proportion of staff on the different types of terms and conditions. Staff now covered by Camden pay, terms and conditions increased from 93.49% to 94.09%, staff remaining on the old scheme reduced from 0.76% (34 staff) to 0.68% (33 staff), and staff covered by other terms and conditions decreased from 5.75% to 5.23%
- 3.6. Agreement has not yet been reached nationally on the 2025/26 pay awards. Once these are confirmed the Camden pay points will be updated and backdated to be effective from the relevant date (1 April 2025 or 1 September 2025 depending on terms and conditions). The Minimum Earnings Guarantee will also be reviewed as this time. Delegated authority is sought to the Director of People and Inclusion to make these updates.

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 to 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.

5. Finance Comments of the Executive Director Corporate Services

- 5.1. There are no significant new financial implications expected for the organisation as a result of this statutory requirement. The ongoing cost implications of the pay policies contained within this report will be incorporated within existing

revenue budgets and any future increases in expenditure will form part of the Council's medium-term financial strategy.

6. Environmental Implications

6.1. This report has no environmental implications.

7. Appendices

Appendix 1: Proposed Pay Policy Statement 2025/26