

East Herts Council Report

Human Resources Committee

Date of Meeting: 16 February 2021

Report by: Head of Human Resources and Organisational Development

Report title: Pay Policy Statement 2021/22

Ward(s) affected: N/A

Summary

RECOMMENDATION FOR HUMAN RESOURCES COMMITTEE:

- a) **That the Pay Policy Statement 2021/22 be recommended for approval by Council.**

1.0 Proposal

- 1.1 It is proposed that the council's existing Pay Policy Statement, which was last reviewed and approved by HRC in February 2002 and then full council in March 2020, be revised and updated.
- 1.2 The Pay Policy Statement 2021/22 contained at Appendix A should be reviewed by members, with suggested amendments, additions, deletions and/or clarifications raised for consideration by the Head of Human Resources and Organisational Development prior to the final proposed version, and accompanying report, be recommended for adoption by Council on 02 March 2021.
- 1.3 Members are therefore invited to approve the Pay Policy Statement 2021/22, taking into account any amendments which

may be deemed appropriate.

2.0 Background

2.1 A pay policy statement is required to be produced annually under sections 38 of the Localism Act. Regard is to be had to guidance section 40 from the Secretary of State in producing this statement.

2.2 A pay policy statement for a financial year must set out the Authority's policies for the financial year relating to:

- the remuneration of chief officers
- the remuneration of the lowest paid employees
- the relationship between chief officers remuneration and that of other officers

2.3 "Remuneration" for the purposes of this statement includes three elements:

- basic salary
- pension
- all other allowances arising from employment

2.4 The objectives of the report are to:

- a) ensure a capable and high performing workforce;
- b) ensure simplicity, clarity and fairness between employees and between the council and the community;
- c) differentiate between remuneration and other employee related expenses.

3.0 Report

3.1 The Pay Policy Statement 2021/22 can be found at Appendix A.

- 3.2 The Pay Policy Statement framework for East Herts Council has been updated in line with the pay award last year in terms of reference to salary scales, salary levels and multipliers.
- 3.3 No significant changes to the overall framework it provides have been made, except that the section on Honorariums has been strengthened. This is to ensure a clearer definition and understanding of when an Honorarium may be appropriate. It also clarifies that an employee in receipt of an Honorarium cannot also accrue flexi time in relation to the work for the Honorarium is being paid. This is in line with authority set in the constitution in relation to Heads of Service and the Head of HR and OD. Extract from the revised section is below:

Honorarium payments (Responsibility Allowances) can be made where an employee is required to complete an important project or produce major work output to a high standard that is significantly above and beyond the scope of their normal duties or responsibilities, or for significant additional duties or responsibilities not commensurate with the employee's current job description/grade or for work which is exceptionally onerous (e.g. difficult and/or demanding situations or working to extremely tight timescales).

Where an Honorarium payment is determined to be appropriate for additional work, any additional work time spent on the additional duties/responsibilities for which the honorarium is being awarded should not be accounted for on the flexi-time sheet.

Permanent changes to job roles should be dealt with through the job evaluation process.

The Head of Service in consultation with the Head of HR and OD have the responsibility for implementing and monitoring these arrangements.

4.0 Options

N/A - publishing the Pay Policy Statement on an annual basis is a statutory requirement. The statement will be published on the Council Website once it is approved and will be formatted into an accessible document before publication.

5.0 Risks

N/A

6.0 Implications/Consultations

Community Safety

No

Data Protection

No

Equalities

No

Environmental Sustainability

No

Financial

Yes – The Pay Policy Statement has been shared with the Head of Strategic Finance and Property and budgets set have been based on the pay changes agreed.

Health and Safety

No

Human Resources

Yes – Policy Statement produced by Head of HR&OD

Human Rights

No

Legal

Yes – Head of Legal and Democratic Service has confirmed that statutory requirements have been met.

Specific Wards

No

7.0 Background papers, appendices and other relevant material

7.1 Appendix A – Pay Policy Statement 2021/22

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