

REPORT TO:	Appointments Committee 17 February 2022 Full Council 7 March 2022
SUBJECT:	Croydon Council Pay Policy Statement 2022/3
LEAD OFFICER:	Dean Shoesmith, Chief People Officer
CABINET MEMBER:	Cllr Callton Young, Cabinet Member for Resources and Financial Governance
WARDS:	All
PUBLIC/EXEMPT:	Public

SUMMARY OF REPORT:

The Council aims to ensure that its remuneration packages are fair, equitable and transparent and offer suitable reward for the employment of high quality staff with the necessary skills and experience to deliver high quality services. . The Localism Act 2011 requires the Council to have considered, approved and published a Pay Policy Statement for each financial year. The Croydon Council Pay Policy Statement 2022-2023 (Pay Policy Statement) (attached) sets out the Council's policy relating to the pay of its workforce as required under the Localism Act 2011.

COUNCIL PRIORITIES 2020-2024

- *We will live within our means, balance the books and provide value for money for our residents, including the pay for senior managers which has been benchmarked and independently evaluated*

FINANCIAL IMPACT:

The salaries set out within the annual Pay Policy Statement are budgeted for year 2022/23.

RECOMMENDATIONS:

Members of the Appointments Committee are recommended to:-

- Note the annual Pay Policy Statement and to recommend this to Council as part of the annual budget papers to be presented in consideration of the budget for 2022/2023.
- Note that the Restriction of Public Sector Exit Payments Regulations 2020 were revoked removing the £95,000 cap on exit payments in the public sector.
- Note that amendments to the Pay Policy Statement in 2022/2023 may be required should any further changes to the law regarding exit payments be made.

1. DETAIL OF YOUR REPORT

- 1.1. The detail is attached in the Croydon Council Pay Policy Statement 2022/2023 including detailed appendices relating to pay structure, pay and grading, car allowance and mileage rates, relocation scheme, and the early retirement and redundancy scheme. The areas to be covered in the Pay Policy Statement are salary, expenses, bonuses, performance related pay, severance payments, how election fees are paid and the pay policy on re-engagement of ex- employees. The policy includes setting out the remuneration and appointment of Chief Officers. Notably this year the policy includes new JNC pay scales for Chief Officers (excluding the Chief Executive) which were adopted in line with the new senior management structure proposals that were implemented on 1st November 2021.

2. CONSULTATION

- 2.1. This report is a statement of fact regarding the pay of senior staff in the Council. Senior pay is carefully consulted on with lead members.

3. FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 3.1. All salaries are accounted for in the 2022/23 budget and beyond this there are no financial considerations arising from the report. Approved by: *Matt Davis Interim Director of Finance*

4. LEGAL CONSIDERATIONS

- 4.1 The Head of Litigation and Corporate Law comments on behalf of the Interim Director of Legal Services that the Council has to comply with the requirements of the Localism Act 2011, which requires the Council to approve a Pay Policy Statement for the financial year 2022/2023 and in future years and must have regard to any guidance issued or approved by the Secretary of State. The Council must also comply with its obligations under the Accounts and Audit (England) Regulations 2015 and the Local Government Transparency Code. The Pay Policy Statement sets out the Council's policy relating to the pay of its workforce (excluding school-based employees) as required under the Localism Act 2011. .
- 4.2 The proposed statement complies with the statutory requirements for Pay Policy Statements. Under section 112 of the Local Government Act 1972, the Council has the "power to appoint officers on such reasonable terms and conditions as the authority thinks fit". The Localism Act 2011, contains a definition of 'Chief Officer' which is set out in the proposed policy. The Localism Act 2011 also requires that the Council must decide on a definition of 'lowest paid employees' and set out the reasons for that decision. In

accordance with Section 38 of the Localism Act, this Pay Policy Statement sets out the Council's policy for 2022/23 on:

- The remuneration of its senior staff designated Chief Officers
- The remuneration of its lowest paid employees
- The relationship between the remuneration of its Chief Officers and the remuneration of staff who are not Chief Officers

- 4.3. It should be noted that on 12th February 2021, the Government issued a HM Treasury Direction dis-applying the Restriction of Public Sector Exit Payments Regulations 2020, which capped exit payments in the public sector to a maximum of £95,000. On 19th March 2021, the Restriction of Public Sector Exit Payments (Revocation) Regulations 2021 formally revoked the Restriction of Public Sector Exit Payments Regulations 2020. The Government also issued Guidance which states at paragraph 1.5 that *“HM Treasury will bring forward proposals at pace to tackle unjustified exit payments”*. Therefore it may be necessary to amend the Pay Policy Statement in 2022/2023 should any further changes to the law be made.

Approved by Sandra Herbert, Head of Litigation and Corporate Law and Deputy Monitoring Officer on behalf of the Interim Director of Legal Services.

5. HUMAN RESOURCES IMPACT

- 5.1. The human resource impacts are included in the main body of the Pay Policy Statement 2022/23, including the new JNC Chief Officers' pay scales which were implemented on 1st November 2021.

6. EQUALITIES IMPACT

- 6.1. The Council will continue to monitor carefully equalities issues associated with pay, including the pay ratio, gender pay gap, ethnicity pay gap, and disability pay gap. New appointments to senior roles will be reviewed, including the appointment of senior staff by protected characteristics as a key equality performance indicator
- 6.2. Denise McCausland, Equalities Manager

7. ENVIRONMENTAL IMPACT

- 7.1. There are no environmental impacts arising

8. CRIME AND DISORDER REDUCTION IMPACT

- 8.1. There are no crime and disorder implications arising

9. DATA PROTECTION IMPLICATIONS

9.1. WILL THE SUBJECT OF THE REPORT INVOLVE THE PROCESSING OF 'PERSONAL DATA'?

No

9.2. HAS A DATA PROTECTION IMPACT ASSESSMENT (DPIA) BEEN COMPLETED?

No – not required for the purposes of this report

CONTACT OFFICER: Dean Shoesmith, Chief People Officer

APPENDICES TO THIS REPORT

Appendix 1 - Croydon Council Pay Policy Statement 2022/23
Appendix 1a – Pay structures for Croydon Council Chief Officers
Appendix 1b – Croydon Chief Officer pay
Appendix 1c – Car allowances and mileage rates
Appendix 1d – Relocation scheme
Appendix 1e – Early Retirement and Redundancy scheme
Appendix 1f – Redundancy payment ready reckoner

BACKGROUND DOCUMENTS:

Senior management pay and grading structures