



LATE REPORT

Council

Wednesday, 18 March 2020

The following report was marked 'to follow' on the agenda for this meeting. It is now enclosed, as follows:

Agenda Item Number	Page	Title	Reason for Late Report	Officer Responsible For Late Report
4	FIELD_PAGE_RANGE_ONLY	ITEMS OF URGENT BUSINESS		
Agenda Item Number	Page	Title	Reason for Late Report	Officer Responsible For Late Report
9	FIELD_PAGE_RANGE_ONLY	PAY POLICY STATEMENT 2020/21		
		Report of the Personnel Committee <i>(to follow after Personnel Committee meeting on 12 March 2020)</i>		

COUNCIL

URGENT BUSINESS

COVID-19 Emergency Budget 18th March 2020

PURPOSE OF REPORT

To allocate funding to the COVID-19 emergency

This report is public

RECOMMENDATIONS

- (1) That the Council allocates £2,000,000 from its reserves to help mitigate the impact of the COVID-19 emergency to residents and businesses in the District**

Introduction

1. Lancaster City Council's response to the COVID-19 Pandemic is focussed on 3 key areas-
 - Continuing to deliver our most vital services
 - Supporting local businesses
 - Supporting our most vulnerable residents

Proposal

2. It is recognised that the pandemic will have much far reaching economic and social impacts. To mitigate the very worst of these the Council is requested urgently? allocate £2,000,000 from its reserves as follows-
 - £1million to provide support to our most struggling local businesses: this will be allocated in a way that is consistent with the Council's priorities of community wealth building
 - £1million to provide support to our most vulnerable residents. This will be allocated by the Council and will support coordinated effort with our many voluntary partners and community groups
3. At this stage it is not known whether eventually the Council will be able to claim this back from the government but it is essential the Council shows

leadership in this unprecedented crisis.

LEGAL IMPLICATIONS

The Civil Contingencies Act 2004 imposes a clear set of roles and responsibilities on those organisations with a role to play in preparing for and responding to emergencies. Local authorities are a Category 1 responder under the Act, and have a key role to play in respect in discharging their duties in the legislation.

Category 1 responders are those organisations at the core of emergency response (e.g. emergency services, local authorities, NHS bodies). Category 1 responders are subject to the full set of civil protection duties. These include:

- assessing the risk of emergencies occurring and use this to inform contingency planning in the form of a Community Risk Register
- Put in place emergency plans;
- Create business continuity plans to ensure that they can continue to exercise critical functions in the event of an emergency;
- Make information available to the public about civil protection matters, and maintain arrangements to warn, inform and advise the public in the event of an emergency;
- Share information with other local responders to enhance co-ordination;
- Co-operate with other local responders to enhance coordination and efficiency;
- Provide advice and assistance to businesses and voluntary organisations about business continuity management (Local Authorities only).

FINANCIAL IMPLICATIONS

The Council currently holds £5.488m in its General Fund unallocated reserve. An annual review of the adequacy of reserves was undertaken during the recent 2020/21 budget process. The Section 151 Officer's advice was that the minimum level of balances held in the General fund should be set at £2.5m. The remaining balance of £2.988m was considered sufficient to cover risks that give rise to unanticipated expenditure or loss of income, a circumstance which is now materialising. Taking the Section 151 Officer's advice into account sufficient capacity remains to release £2.0m to support the mitigation measures

SECTION 151 OFFICER'S COMMENTS

As part of the 2020/21 budget process the minimum level of balances held in the General Fund was recommended £2.5M. The current forecast General Fund Balance 31/03/20 is £5.5M. Releasing emergency funding of £2M from the Council's unallocated balances to address the current situation and provide support within the District over the forth coming months would still allow the recommended minimum level of balances to be retained by the Council to address any further uncertainty.

However, the s151 Officer does recommend that as it is unlikely that the current situation will be resolved in the short term, a review of current and future expenditure should be undertaken in 2020/21.

MONITORING OFFICER'S COMMENTS

This change to the Budget is a function of Full Council.

BACKGROUND PAPERS

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Ref:

COUNCIL**Pay Policy Statement 2020-2021
18 March 2020****Report of the Personnel Committee****PURPOSE OF REPORT**

To ask that Full Council consider and approve to the Pay Policy Statement for 2020 – 2021 as required by the Localism Act 2011.

This report is public.

RECOMMENDATION OF PERSONNEL COMMITTEE

- (1) To consider and approve, the Pay Policy Statement 2020-21.

1.0 Introduction

- 1.1 Section 38 of the Localism Act 2011 places a requirement on local authorities to publish a Pay Policy Statement by the 31st March in each year. This includes the remuneration of its chief officers, This Statement must be approved by resolution of Council, and this function may not be delegated. The Statement sets out the Council's arrangements relating to:

- the remuneration of its Chief Officers;
- the remuneration of its lowest-paid employees, and
- the relationship between the remuneration of its Chief Officers and the remuneration of its employees who are not Chief Officers.

- 1.2 The Pay Policy Statement has been prepared in accordance with the requirements of the Localism Act 2011 and having regard to the guidance issued by the Department for Communities and Local Government (DCLG) under Section 40 of the Act.

2.0 Proposal Details

- 2.1 During the course of the year, if the Authority makes any determination relating to the remuneration or any other terms and conditions of a Chief Officer, it must comply with its Pay Policy Statement.
- 2.2 It is recommended that the revised Pay Policy Statement be effective from 1st April 2020.

3.0 Details of Consultation

There has been no consultation, but in preparing the revised Statement, regard has been had to Government guidance.

4.0 Options and Options Analysis (including risk assessment)

In order to comply with the Localism Act 2011, it is necessary for Council to approve a Pay Policy Statement.

5.0 Conclusion

Full council is requested to approve the Pay Policy Statement for 2020-2021

CONCLUSION OF IMPACT ASSESSMENT (including Health & Safety, Equality & Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing):

None directly arising from this report.

LEGAL IMPLICATIONS

The legal requirement to publish the annual Pay Policy Statement is contained within the report.

FINANCIAL IMPLICATIONS

There are no financial implications arising from approval of the Pay Policy Statement. Salaries and payments within the statement have previously been agreed at full Council, and budget provision has made in accordance with previous agreements.

OTHER RESOURCE IMPLICATIONS, such as Human Resources, Information Services, Property, Open Spaces

Human Resources:

The Pay Policy Statement 2020-2021 has been prepared by the Head of HR

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted and has no additional comments.

MONITORING OFFICER'S COMMENTS

The role of Chief Officers is critical to the performance of the Council. The Head of Paid Service, S151 Officer and Monitoring Officer are statutory post and must be maintained.

BACKGROUND PAPERS

Pay and Grading Structure
Guidance issued by the Department for Communities and Local Government (DCLG) under Section 40 of the Localism Act 2011

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Lancaster City Council Pay Policy Statement 2020-21

1. Introduction and Purpose

- 1.1 In accordance with the requirements of Section 38 of the Localism Act 2011, this Pay Policy statement has been produced to reflect the Council's approach to pay policy for the year 2020/2021
- 1.2 This statement sets out the Council's policies in relation to the remuneration of our Chief Officers and all other employees. It also clarifies the relationship between Chief Officer remuneration and the remuneration of our lowest paid employees.
- 1.3 The purpose of this statement is to demonstrate transparency with regards to setting the pay of Council employees.

2. Setting Terms and Conditions

- 2.1 The Council's Chief Officers, including the Chief Executive, are employed under the nationally agreed Joint Negotiating Committee (JNC) terms and conditions. All other employees are employed under the nationally agreed National Joint Council (NJC) terms and conditions.
- 2.2 Pay increases relating to cost of living are agreed nationally by the NJC and JNC negotiating bodies.

3. Definitions of Chief Officers within Lancaster City Council

- 3.1 Chief Officers (in senior positions) within this Council are currently defined as the Chief Executive, and:
 - Director for Economic Growth and Regeneration
 - Director for Communities and the Environment
 - Director of Corporate Services
 - Deputy Director for Communities and the Environment
 - Chief Finance Officer (S151)
 - Monitoring Officer
- 3.2 In addition to the above, the Council has a number of posts which may fall into the wider statutory definition of Chief Officer posts via reporting lines, although they are not designated as such within this Council. These other posts are as follows
 - Democratic Services Manager
 - Head of Economic Development
 - Head of HR
 - Head of ICT
 - Head of Internal Audit
 - Planning Manager
 - Service Manager Economy & Commerce
 - Service Manager Culture & Heritage
 - Head of Public Realm
 - Head of Regeneration & Investment
 - Repairs and Maintenance Manager
 - Head of Communities & Involvement
 - Head of Housing
 - Head of Public Protection
 - Head of Planning & Place
 - Senior Property Officer
 - Head of Legal Services
 - Head of Financial Services
 - Community Connector Manager
- 3.3 All the posts named at 3.2 above fall into a pay grade which currently has a maximum pay point below £64,269. The terms of service for these posts are governed by the

National Joint Council for Local Government National Agreement on Terms and Conditions of Service (the NJC Green Book) and accordance with the new pay and grading structure 2020.

- 3.4 The Head of Legal Services & Monitoring Officer post, and the Head of Finance and S151 Officer post both attract annual allowances of £6,000 to reflect the additional responsibility the statutory roles bring.

4. Remuneration of the Chief Executive

- 4.1 The post of Chief Executive (which also acts as Head of Paid Service) is paid on a fixed salary of £113,560 as at 1 April 2019, inclusive of the 2% pay award effective from that date. This currently remains the same in 2020-2021, pending any national pay award agreement.
- 4.2 The Council's Head of Paid Service as at 1 April 2019 is appointed for a defined term through to 31 October 2019. Once an appointee to the permanent role is confirmed, the Head of Paid Service will be subject to a pay band of £110,000 to £121,000, where progression through the band will be linked to the achievement of objectives.

5. Remuneration of other Chief Officers

- 5.1 The 3 Director roles are paid within a band which starts from £81,600 up to a maximum of £89,760, with the band maximum being set at 10% higher than the minimum. These amounts are inclusive of the 2% pay award effective from 1 April 2019. There has not been an agreement of pay award for 2020-2021, therefore the salary will remain the same as 2019, pending any national pay award agreement. These Chief Officers will move up the band through incremental progression, linked to the achievement of objectives, following approval from Personnel Committee.

Deputy Directors are paid within a band which starts at £66,300 and has a maximum of £72,930, which again provides for 10% progression. Deputy Directors will move up the band through incremental progression, linked to the achievement of objectives, following approval from Personnel Committee.

Statutory Chief Officers are remunerated in accordance with their technical expertise and background

Incremental progression for Chief Officer level roles will commence on 1st April 2020, at the end of the first full financial year of the new roles being in place.

6. Policy on Other Aspects of Chief Officer Remuneration

- 6.1 Aside from 'pay' there are other aspects of Chief Officer remuneration which are outlined below:
 - 6.1.1 **Travel and other expenses:** reimbursed through normal Council policies and procedures in the same way for all staff.
 - 6.1.2 **Bonuses:** The terms of employment do not provide for the payment of any bonuses.
 - 6.1.3 **Performance Related Pay:** There is an element of performance related pay applicable to Chief Officers and the Head of Paid Service, in the form of incremental progression.
 - 6.1.4 **Honoraria:** Honoraria payments do not apply to Chief Officer posts.
 - 6.1.5 **Severance arrangements (for Chief Officers ceasing to hold office):**

The Council's normal policies in relation to redundancy and early retirement apply to these posts, in line with relevant regulations. Arrangements are the same for all employees of the Council.

Any payments falling outside the provisions above or the relevant periods of notice within the contract of employment shall be subject to formal decision made by Personnel Committee.

- 6.2 There are no provisions for any other increases or additions to Chief Officer remuneration, other than as outlined in this policy.

7. Returning Officer Fees

- 7.1 Fees for Returning Officers and other electoral duties are identified and paid separately for local government elections, elections to the UK Parliament and EU Parliament and other electoral processes such as referenda. As these relate to performance and delivery of specific election duties as and when they arise, they are distinct from the process for the determination of pay for Chief Officers.

8 Other Chief Officer Conditions of Service

- 8.1 The other terms and conditions of service are set out in the relevant conditions of service handbooks, as follows:

Chief Executive: The Joint Negotiating Committee for Local Authority Chief Executives – Conditions of Service

All other Chief Officers: The Joint Negotiating Committee for Chief Officers in Local Authorities – Conditions of Service

9. Pension Contributions

- 9.1 For all employees, including Chief Officers, where employees have exercised their right to be a member of the Local Government Pension Scheme, the Council will make contributions to the Pension Fund in line with the Employer contribution rates determined by the Actuary.

10. Recruitment of Chief Officers

- 10.1 The Council's policy and procedures in relation to the recruitment of Chief Officers is set out within the Council's Constitution.
- 10.2 When recruiting for all posts, the Council will take full and proper account of all provisions of employment legislation and its own agreed policies.
- 10.3 The remuneration offered to any newly appointed Chief Officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment. New appointments for staff up to and including Chief Officers are normally made at the minimum of the grade for the post, although this can be varied if necessary, to ensure the best candidate can be appointed.
- 10.4 Where the Council is unable to recruit Chief Officers, or there is a need for interim support to provide cover for a substantive Chief Officer post, the Council will, where necessary, consider engaging individuals under a 'contract for service' (rather than them being direct employees of the Council). These will be sourced through a relevant recruitment process, under relevant Officer delegations, ensuring the Council is able to demonstrate the maximum value for money from securing the service.

11. Approval of Salary Packages in Excess of £100K

- 11.1 Before any offer of appointment is made, the Council will ensure that salary packages in excess of £100,000 will be considered by full Council. This salary package will be defined as base salary, bonuses, fees, routinely payable allowances and any benefits in kind which are due under the contract.

12. Re- Employment of Former Chief Officers

- 12.1 Former Chief Officers who were in receipt of redundancy, or other severance payments, may only be considered for re-employment with the Council (which includes engagement through a contract for services) after a period of 12 months has elapsed since their termination date.

13. Publication and Access to Information regarding Chief Officer Remuneration

- 13.1 Upon approval by Council, the Pay Policy Statement will be published on the Council's website. In addition, relevant information will be reported in the Council's annual Statement of Accounts.

14. Payment of Lower Paid Employees within the Council

- 14.1 The Council uses the NJC negotiated pay spine (i.e. a nationally agreed and defined list of salary points) as the basis for its local pay structure, which determines the salaries for most of its workforce. The Council uses the NJC pay spine SCP 3 -49. The SCP's have stayed the same, the grades have been renamed from April 2020, but have not changed the SCP's within them.
- 14.2 The Council operates a Job Evaluation Scheme to determine the pay grade for posts below Chief Officer level and uses the Willis Towers Watson Global Grading Scheme.
- 14.3 The Council ensures that all staff (aside from Apprentices) are paid at least the 'Real Living Wage' rate. Spinal Column Point (SCP) 10 automatically defaults to the Living Wage on 01 April each year and the Council uses this to define its 'lowest paid' employees.
- 14.4 Where the Council experiences a difficulty in recruiting or retaining staff to a post, a temporary market supplement may be applied to the salary grade in accordance with the Council's Market Supplement Policy.
- 14.5 The Council employs Apprentices who are not considered within the definition of 'lowest paid employees'. They are paid under the separate Apprentice Pay Rates, the highest of which equates to the real Living Wage rate. Following conclusions of National negotiations the Council will work towards a minimum wage of £10 per hour.
- 14.6 The Council does not have a policy on maintaining a specific pay ratio between its Chief Officers and its lowest paid staff, although it is conscious of the need to ensure that Chief Officer salaries are not excessive.

15. Pension Contributions

- 15.1 Where employees have exercised their right to join the Local Government Pension Scheme, the Council agrees to contribute to the Scheme at rates set by Actuaries.

16. Payments on Termination

16.1 The Council's approach to statutory and discretionary payments on termination of employment of Chief Officers, prior to retirement, is set out within its policy statement and in accordance with:

- Local Government (Early Termination of Employment Discretionary Compensation) (England and Wales) Regulations 2006.
- Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007.
- Local Government Pension Scheme (Admin) Regulations 2008 (regulation 66).
- The Local Government Pension Scheme Regulations 2013.
- The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014.

17. Changes to Pay Policy

17.1 Should any amendments be required to this policy during the year, then matters will be reported to the Personnel Committee for consideration, for subsequent referral to Council.

18. Accountability and Decision Making

18.1 In accordance with the Constitution of the Council, the Personnel Committee is responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the Council.

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LCC NEW Grades (GGS)		Annual £	New SCP	Developmental Points	
	Grade 5	18065	3		
	Grade 6	18426	4	Grade 5-6	
		18795	5		
		19171	6		
Grade 7		19554	7		Grade 6-7 A
		19945	8	Grade 6-7 B	
		20344	9		
		21166	11		
		21589	12		
		22462	14		
	22911	15			
	Grade 8	23836	17		
		24799	19	Grade 7-8 A	
		25295	20	Grade 7-8 B	
		26317	22		
		26999	23		
27905		24			
28785		25			
Grade 9			29636	26	
	30507		27	Grade 8-9 B	
	31371		28		
	32029		29		
Grade 10		32878	30		Grade 9-10 A
		33799	31		Grade 9-10 B
		34788	32		
		35934	33		
		36876	34		
		37849	35		
Grade 11		38813	36	Grade 10-11 A	
		39782	37	Grade 10-11 B	
Grade 12		40760	38		
		41675	39		Grade 11-12 A
		42683	40		Grade 11-12 B
		43662	41		
		44632	42		
		45591	43		
Grade 13		46557	44	Grade 12-13 A	
		47536	45	Grade 12-13 B	
		48534	46		
		49414	47		
Grade 14		51300	48		Grade 13-14 A
		52338	49		Grade 13-14 B
		53908	50		
		55525	51		
		57191	52		
		58907	53		
		60674	54		
		62494	55		
		64369	56		

No change from 2019

Posts		Annual £
Deputy Director	1	66300
	2	66963
	3	67626
	4	68289
	5	68952
	6	69615
	7	70278
	8	70941
	9	71604
	10	72267
	11	72930
Director	1	81600
	2	82416
	3	83232
	4	84048
	5	84864
	6	85680
	7	86496
	8	87312
	9	88128
	10	88944
	11	89760
Chief Executive		113560

Note: No pay awards agreed, figures are the same as 2019