



**PAY POLICY SUB-COMMITTEE
29 JANUARY 2019**

PRESENT: COUNCILLOR M J HILL OBE (CHAIRMAN)

Councillors Mrs P A Bradwell OBE (Vice-Chairman), Mrs A M Newton, R B Parker, B Young and M A Whittington

Officers in attendance:-

Vicki Sharpe (HR Services Manager), Fiona Thompson (Head of Human Resources) and Rachel Wilson (Democratic Services Officer)

1 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

Apologies for absence were received from Councillor Mrs S Woolley.

It was noted that the Chief Executive, having received notice under Regulation 13 of the Local Government (Committees and Political Groups) Regulations 1990, had appointed Councillor M A Whittington to the Sub-Committee as a replacement for the vacancy for this meeting only.

2 DECLARATION OF MEMBERS' INTERESTS

There were no declarations of interest at this point in the meeting.

3 MINUTES OF THE MEETING HELD ON 6 FEBRUARY 2018

RESOLVED

That the minutes of the meeting held on 6 February 2018 be signed by the Chairman as a correct record.

4 CONSIDERATION OF EXEMPT INFORMATION

RESOLVED

That under Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following items of business, on the grounds that it involved the likely disclosure of exempt information as defined in paragraphs 1, 2 and 3 of Part 1 of Schedule 12A of the act, as amended.

5 CHIEF OFFICERS PAY REVIEW

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An exempt report was received which provided the Sub-Committee with information in relation to the Chief Officer salary levels. Members were guided through and the report and officers responded to a number of questions.

RESOLVED

That the Committee confirmed that the base salaries for the Chief Executive and Executive Directors continued at the current level of single spot salary points.

RESOLVED

That the exempt session be closed and the meeting resume in public.

6 PAY POLICY STATEMENT 2019 - 20 AND GENDER PAY GAP ANALYSIS

Consideration was given to a report by the Head of Paid Service which set out the Pay Policy Statement and the gender pay gap analysis. The report advised that the Localism Act 2011 required all local authorities to agree on an annual basis, Pay Policy Statements which were compliant with the provisions of the Act and would then subsequently be published. It was noted that there had been some very straightforward updates to the Policy which included updating the job titles in the senior officer structure, and on the pay spine, that the pay award had been applied as previously agreed to the Council's local scheme and maintaining the anchor points which were been linked to the NJC scheme. It was noted that grade 1 had been deleted from the national pay spine but Lincolnshire had decided to retain it for apprenticeships. It was noted that this had been helpful in attracting more apprentices.

Members were also advised that in relation to the Gender Pay Gap analysis, which was now required to be published by March each year, 67% of the workforce was female. The mean gender pay gap was now 7.6% which was an improvement of 3.5%. It was highlighted that the median gender pay gap was now 2.1% which was a massive improvement of 11.2% on the previous year. In comparison, it was noted that the national median figure for 2018 was 8.6%.

It was believed that there were a number of actions which had contributed to this improvement which were set out in the report. It was specifically highlighted that secondments and acting up opportunities, particularly in children's services and adult services, had played a role in the progression of women into more senior roles. There had also been an increase in the retention and return rate from maternity leave.

Members were provided with the opportunity to ask questions to the officers present in relation to the information contained within the report and some of the points raised during discussion included the following:

- The new appraisal process was summarised for members and it was noted that incremental progression would no longer be automatic under the new process which would be in use from April 2019. Members were advised that

only a small percentage of staff were expected to not be successful in attaining the increment. It was also noted that the data from appraisals would also highlight outstanding performance. The Committee confirmed that they would like to see this data after it had been reported to CMB.

- Managers were required to set suitable objectives for staff, and if staff achieved these objectives then they would retain their increment.
- It was queried whether there was an inference that all staff would achieve these targets. It was hoped that all staff would achieve at least level 3 performance (minimum level for the increment award), it was not expected that a majority would also achieve level 4 and 5.
- It was noted that many staff were already at the top of their scale, due to the length of time they had worked for the Council, therefore it would not be an issue in terms of large numbers of additional increments being paid.
- The appraisal data would give an opportunity for the data to be used for other benefits, such as being able to identify high performance for succession planning. It was hoped that this would show an even proportion of men and women achieving high levels of performance. It was confirmed that this would be monitored.
- Concerns were raised regarding the facility for staff to be able to purchase additional annual leave, as it was queried whether there was a risk of service areas being left with gaps in terms of staff levels and expertise, particularly in smaller teams. It was confirmed that there was discretion for managers in approving when leave was taken. It was also highlighted that being able to purchase annual leave had benefits in other areas, such as reducing sick leave levels, increasing staff retention and increasing returns from maternity.
- There was a need to look at the wider issue of resilience of teams, and shared skills so that services were able to continue as normal in the event of people being on leave or off sick for extended periods.
- It was noted that the ability to purchase annual leave was included in the terms and conditions of many other authorities against whom the council competed for many professional skills.
- It was requested that there was closer monitoring by managers to ensure that there were no gaps in service areas.
- It was noted that in 2018, 513 employees purchased additional leave, which lead to a salary sacrifice of £240,000 as well as savings on employer contributions of national insurance and pension contributions of £72,000.
- In terms of the review of HR policies, it was reported that every policy was updated on a rolling programme, but a fundamental review had not been carried out for a number of years.
- It was queried whether the objectives for staff appraisals were set based on job descriptions and priorities for the department, and if the appraisal was unsatisfactory, the employee would remain on their current increment. It was confirmed that this was correct with both work and behavioural performance assessed, and if the result was unsatisfactory a development plan would be put in place to help the employee improve their performance. It was highlighted that this process demonstrated that the authority was performance managing staff. It was acknowledged that there could be mitigating factors in why a member of staff was under performing, such as health or personal

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issues and these would be taken into account when deciding which course of action to take. In those circumstances where an employee genuinely needed help, support would be put in place.

- It was noted that if someone was on long term sick or maternity leave, it would be marked as a non-appraisal and the review would be rescheduled for a suitable alternative date following their return.
- In some cases if employees had not had their appraisal arranged by their manager they would automatically receive their increment. However, reports of non-appraisals would be reported to DMT so that managers who were not carrying them out could be identified and the reasons behind this understood.

RESOLVED

1. That the Pay Policy Statement be agreed.
2. That the outcome of the gender pay gap analysis be noted.

The meeting closed at 2.40 pm