

<b>SUBJECT:</b>	<b>PAY POLICY STATEMENT 2025/2026</b>
<b>DIRECTORATE:</b>	<b>CHIEF EXECUTIVE AND TOWN CLERK</b>
<b>REPORT AUTHOR:</b>	<b>ALI THACKER - HR AND PAYROLL TEAM LEADER</b>

## **1. Purpose of Report**

- 1.1 To request that Executive recommend to Council the attached Pay Policy Statement, drafted in compliance of section 38 (1) of the Localism Act 2011.

## **2. Background**

- 2.1 Section 38 (1) of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement for each financial year. This must be approved by Council by the end of March.
- 2.2 The Government requires local authorities to produce pay policy statements which articulate an authority's own policies towards a range of issues relating to pay of its workforce, particularly its senior staff and its lowest paid employees.
- 2.3 The Government also considers that decisions on pay policies should be taken by elected members, as those directly accountable to local communities. The Act therefore requires the pay policy statement and any amendments to be considered by a meeting of Full Council and cannot be delegated to any committee.

## **3. Pay Policy 2025/26**

- 3.1 In order to comply with the Act, the pay policy statement must include the Council's policy on:
- The level and elements of remuneration for chief officers
  - The remuneration of the lowest paid employee, and the definition of 'lowest paid employee'
  - The relationship between the remuneration of chief officers and other officers
  - Specific aspects of chief officers' remuneration, including at appointment, increases, termination and any other payments.
- 3.2 The Act defines remuneration to include pay, charges, fees, allowances, benefits in kind, increase in enhancements of pension entitlements, and termination payments.

The Pay Policy Statement must be:-

- approved formally at Full Council by the end of March each year but can be amended at any time during the year
- published on the Council's website
- complied with when the Council sets its terms and conditions for chief officers

The City of Lincoln Pay Policy Statement is attached at Appendix 1.

#### **4. Strategic Priorities**

##### **4.1 Let's reduce all kinds of inequality**

By producing the pay policy statement, the Council ensures, in relation to any remuneration that it is being transparent and accountable.

#### **5. Organisational Impacts**

##### **5.1 Finance**

There are no direct financial implications arising from this report. The Council's employee cost budgets are set in accordance with the Pay Policy Statement.

##### **5.2 Legal Implications including Procurement Rules**

The legal considerations are set out in the body of the report and therefore there are no additional legal implications arising. The pay policy statement complies with the statutory requirements.

##### **5.3 Equality, Diversity and Human Rights**

The Public Sector Equality Duty means that the Council must consider all individuals when carrying out their day-to-day work, in shaping policy, delivering services and in relation to their own employees.

It requires that public bodies have due regard to the need to:

- Eliminate discrimination
- Advance equality of opportunity
- Foster good relations between different people when carrying out their activities

The requirements of the Equality Act are considered as part of the recruitment, selection and pay structure processes.

#### **6. Recommendation**

- 6.1 That the Pay Policy Statement be forwarded to Council with a recommendation to approve.

**Is this a key decision?**

No

**Do the exempt information categories apply?**

No

**Does Rule 15 of the Scrutiny Procedure Rules (call-in and urgency) apply?**

No

**How many appendices does the report contain?**

One

**List of Background Papers:**

None

**Lead Officer:**

Ali Thacker (HR and Payroll Team Leader)

Email address: [ali.thacker@lincoln.gov.uk](mailto:ali.thacker@lincoln.gov.uk)