

**Lancashire County Council**

**Employment Committee**

**Thursday 25th January 2024 at 2.00 pm in Committee Room 'B' - The Diamond  
Jubilee Room, County Hall, Preston**

**Agenda**

**Part I (Open to Press and Public)**

**No. Item**

**1. Apologies**

**2. Disclosure of Pecuniary and Non-Pecuniary  
Interests**

Members are asked to consider any pecuniary and non-pecuniary interests they may have to disclose to the meeting in relation to matters under consideration on the agenda.

**3. Minutes of the Meeting held on 30 November 2023 (Pages 1 - 2)**

To be confirmed and signed by the Chair.

**4. The Localism Act 2011 – Pay Policy Statement (Pages 3 - 42)  
2024/25**

**5. Foundation Living Wage Payment Method and (Pages 43 - 46)  
Apprentice Pay Rate**

**6. Matters Arising under Urgent Business since the (Pages 47 - 48)  
Last Meeting**

**7. Urgent Business**

An item of urgent business may only be considered under this heading where, by reason of special circumstances to be recorded in the minutes, the Chair of the meeting is of the opinion that the item should be considered at the meeting as a matter of urgency. Wherever possible, the Chief Executive should be given advance warning of any member's intention to raise a matter under this heading.



**8. Date of Next Meeting**

The next meeting of the committee will be held on Tuesday 12 March 2024 at 1.00 pm at County Hall, Preston.

County Hall  
Preston

H MacAndrew  
Director of Law and Governance



**Lancashire County Council**

**Employment Committee**

**Minutes of the Meeting held on Thursday 30th November 2023 at 2.00 pm in Committee Room 'B' - The Diamond Jubilee Room, County Hall, Preston**

**Present:**

County Councillor Philippa Williamson (Chair)

**County Councillors**

A Vincent	D O'Toole
A Ali OBE	A Riggott
N Khan	

County Councillor Nweeda Khan replaced County Councillor Jennifer Mein for this meeting.

**1. Apologies**

Apologies were received from County Councillor Lorraine Beavers and County Councillor Peter Buckley.

**2. Disclosure of Pecuniary and Non-Pecuniary Interests**

None.

**3. Minutes of the Meeting held on 11 July 2023**

**Resolved:** That the minutes of the Employment Committee meeting held on 11 July 2023 be confirmed as an accurate record.

**4. Review of Coroner Salaries and Fees 2023/24**

Ann Edwards, Coroner Services Manager presented a report on proposed salary increases for the Senior, Area and Assistant Coroners and to request an extension to the casual Case Examiner post.

It was highlighted that coroners' pay was agreed locally but with regard to the recommendations of the Joint Negotiating Committee for Coroners.

The committee noted that the Lancashire and Blackburn with Darwen Coroner Area covered all of Lancashire except Blackpool and Fylde. The possibility of joining with



the Blackpool and Fylde Coroner Area in future would be welcomed in order to deliver a pan-Lancashire Coroner Service. Ultimately this would be a matter for Blackpool Council and HM Coroner for Blackpool and Fylde to consider.

**Resolved:** That

- i) The salaries and fees paid to the Senior, Area and Assistant Coroners be increased by 3.5%, with effect from 1 April 2023;
- ii) The Area Coroners' salaries be increased as set out in the report, with effect from 1 April 2023; and
- iii) The extension of the casual Case Examiner role be approved as set out in the report, until the end of 2024.

**5. Urgent Business**

None.

**6. Date of Next Meeting**

It was noted that the next meeting of the Employment Committee would be held on Thursday 25 January 2024 at 2.00 pm at County Hall, Preston.

H MacAndrew  
Director of Law and Governance

County Hall  
Preston



**Employment Committee**

Meeting to be held on Thursday, 25 January 2024

Electoral Division affected:  
None;

**The Localism Act 2011 – Pay Policy Statement 2024/25**  
(Appendix 'A' refers)

Contact for further information:

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**Brief Summary**

This report sets out the council's proposed 2024/25 Pay Policy Statement as required by the Localism Act 2011.

The Pay Policy Statement must be approved by Full Council before it is published.

**Recommendation**

The Employment Committee is asked to:

- i) Consider the proposed Pay Policy Statement for 2024/25, as set out at Appendix 'A', and recommend approval of the statement to Full Council; and
- ii) Agree that the Pay Policy Statement and annexes, once approved, be updated to incorporate the uplifts to pay when the 2024/25 Local Government Services pay award is agreed, and increases to pension contributions, allowances, expenses and payable enhancements when this information is available for the 2024/25 financial year.

**Detail**

The Localism Act 2011 requires local authorities to prepare a Pay Policy Statement each year. The Pay Policy Statement must articulate the council's approach to the remuneration of chief officers on appointment, subsequent progression and any use of bonus or performance related pay. In preparing Pay Policy Statements, local authorities must have regard to any guidance issued or approved by the Secretary of State. In preparing this statement, regard has also been given to guidance issued by the former Department for Communities and Local Government.

The purpose of the statement is to provide transparency with regard to the council's approach to setting pay for its employees (except staff in schools), in particular its

chief officers. The Pay Policy Statement must be approved by a resolution of Full Council before it comes into force on 1 April each year and must then comply with the statement for the financial year to which it relates (although amendments may be made to the statement after the beginning of the financial year to which it relates). Once approved, the statement (or an amended statement) must be published in such manner as the local authority sees fit, which must include publication on the local authority's website.

The Pay Policy Statement must set out the local authority's policies for the financial year 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 employees who are not chief officers.

The statement must set out:

- The definition of 'lowest-paid employees' adopted by the authority for the purposes of the statement; and
- The authority's reasons for adopting that definition.

The statement must include the local authority's policies relating to:

- The level and elements of remuneration for each chief officer;
- The remuneration of chief officers on recruitment;
- The increases and additions to remuneration for each chief officer;
- The use of performance-related pay for chief officers;
- The use of bonuses for chief officers;
- The approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority; and
- The publication of and access to information relating to remuneration of chief officers.

A Pay Policy Statement for a financial year may also set out the local authority's policies for the financial year relating to the other terms and conditions applying to the authority's chief officers.

### **Updated Pay Policy Statement**

A proposed Pay Policy Statement for the financial year 2024/25 is provided at Appendix 'A' to this report. Rates effective from 1 April 2024 have been provided where these are known. Allowances and expenses, payable enhancements and pension contribution rates will need updating, as will the pay information in the Pay Policy Statement and pay scale at Annex 1, when the Local Government Services pay award for 2024/25 has been agreed. The committee is asked to agree that the Pay Policy Statement and annexes are updated when this information is available to provide an accurate position for the financial year.

The Pay Policy Statement also takes account of the recommendations within the Hutton Review of Fair Pay in the Public Sector (March 2011) that "government should not cap pay across public services, but should require that from 2011/12 all public service organisations publish their top to median pay multiples each year to allow the public to hold them to account." The statement therefore sets out the council's aim that the pay multiple between the median full-time equivalent (FTE) salary and that of the Chief Executive will not exceed 1:16.

The pay multiple between the 2023 median FTE salary and that of the Chief Executive is 1:9.26, which represents a decrease from the figure (1:10.37) reported in the last Pay Policy Statement. This multiple is based on current salaries, pay award pending, and has reduced due to higher Local Government Services pay awards over two consecutive years.

The guidance also provides that Full Council should be offered the opportunity to consider salary packages in excess of £100,000 before any new appointment is made. In this regard the Pay Policy Statement sets out the grading structure for all posts at Director 1 and above. All appointments are currently made in line with this grading structure and any proposal to make a new appointment, otherwise than in accordance with it, would first be referred to Full Council to consider.

### **Foundation Living Wage**

Full Council is asked to approve that the uplifted Foundation Living Wage rate of £12.00 per hour be applied, from 1 April 2024, to ensure that the council adjusts its Foundation Living Wage rate within six months of the national rate being updated.

### **Appendices**

Appendix 'A' and Annexes 1 to 4 are attached to this report. For clarification they are summarised below and referenced at relevant points within this report.

<b>Appendix</b>	<b>Title</b>
Appendix A	Annual Pay Policy Statement 2024/25
Annex 1	Lancashire Pay Spine
Annex 2	Payable Enhancements
Annex 3	Allowances and Expenses Table
Annex 4	Chief Officer Structure

### **Consultations**

The proposed Pay Policy Statement for 2024/25 will be shared with the recognised trade unions at the Joint Negotiating and Consultative Forum on 11 January 2024, and any comments will be reported orally to the Employment Committee.

### **Implications:**

This item has the following implications, as indicated:

### **Risk management**



The Full Council is under a statutory duty to agree an annual Pay Policy Statement and this function cannot be delegated.

## **Financial**

There are no direct financial implications arising from the adoption of the Pay Policy Statement.

## **Local Government (Access to Information) Act 1985 List of Background Papers**

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A





# Annual Pay Policy Statement 2024/25

**(The Localism Act 2011)**



## Introduction

The Localism Act 2011 (the Act) requires the council to prepare a Pay Policy Statement each year. The pay policy statement must articulate the council's approach to a range of issues relating to the pay of its workforce, particularly its senior staff (or 'chief officers') and its lowest paid employees.

The following Pay Policy Statement has been approved by Full Council and will come into effect from 1 April 2023. This annual Pay Policy Statement will be subject to annual review and approval by Full Council by 31 March each year. In exceptional circumstances the statement may be reviewed/amended mid-year by the Full Council.

This statement will be published on the council's website following each review and approval by Full Council.

The purpose of this statement is to provide transparency with regard to the council's approach to setting the pay of its employees (excluding staff working in local authority schools) by identifying:

- the methods by which salaries of all employees are determined;
- the detail and level of remuneration of the council's most senior staff;
- the remuneration of the council's lowest-paid employees, and
- the relationship between the remuneration of chief officers and those employees who are not chief officers.

This Pay Policy Statement sets out the council's approach to pay policy in accordance with the requirements of Section 38 of the Act. Section 40(1) of the Act requires local authorities to have regard to guidance issued by the Secretary of State in performing their functions and approving Pay Policy Statements. In preparing this Pay Policy Statement regard has been given to the guidance issued by the Department for Communities and Local Government in February 2012 alongside the supplementary guidance issued in February 2013.

### 1. The Council's Pay and Grading Structure

- 1.1 Section 112 of the Local Government Act 1972 provides that a local authority shall appoint such officers as they think fit for the proper discharge of their functions. Officers so appointed shall hold office on such reasonable terms and conditions, including conditions as to remuneration, as the local authority thinks fit.
- 1.2 In determining the pay and remuneration of all of its employees, the council will comply with all relevant employment legislation. The council will ensure that there is no pay discrimination within its pay and grading structures and that all pay differentials can be objectively justified through the use of job evaluation mechanisms, which directly establish the relative levels of posts in grades according to the requirements, demands and responsibilities of the role.



- 1.3 The remuneration of the vast majority of employees of the council, other than those employee groups set out below, is in accordance with an objectively evaluated grade profile or job description as determined under the council's job evaluation scheme. The evaluated score for the grade profile/job description will determine the grading level paid within a locally agreed pay spine (the Lancashire Pay Spine (see Annex 1)). The council presently uses the Local Government Single Status Job Evaluation Scheme (the NJC scheme) to evaluate posts up to Grade 6 on the Lancashire Pay Spine and the Hay Group Job Evaluation Scheme for other managerial and professional grades.
- 1.4 The following employee groups are not presently paid in accordance with an evaluated grade profile/job description determined by the council, unless employees have subsequently been appointed to a post that is paid in accordance with the Lancashire Pay Spine, and instead nationally or locally determined rates apply:
- Employees whose pay and conditions are determined by the Soulbury Committee;
  - Employees whose pay and conditions of service are determined by the Joint Negotiating Committee for Youth and Community Workers;
  - Employees who have transferred from the NHS to the council following a TUPE or statutory transfer;
  - Employees who have retained terms and conditions of employment from other employers following a Transfer of Undertakings (Protection of Employment) regulations (TUPE) transfer to the council.
- 1.5 The council presently adopts the national pay bargaining arrangements in respect of the revision of pay spines through any agreed annual pay increases negotiated with joint trade unions.
- 1.6 All other pay related enhancements and payable allowances/expenses are the subject of either nationally or locally negotiated and/or determined rates. The enhancements to pay and allowances/expenses payable as determined from time to time are provided at Annex 2 (Payable Enhancements) and Annex 3 (Allowances and Expenses) respectively.
- 1.7 New appointments will normally be made at the minimum of the relevant pay scale for the grade, although recruiting managers have discretion to offer a higher scale point to secure the best candidate.
- 1.8 Progression within each grade will normally be by annual increment at 1 April each year subject to the maximum of the grade. However, heads of service have discretion to advance an individual employee's incremental progression

within the grade on the grounds of special merit or ability to assist in the retention of able professional or other staff.

- 1.9 Any temporary supplement to the salary scale for the grade for taking on additional duties or responsibilities must be approved in accordance with the council's agreed policy relating to honoraria and acting up payments.
- 1.10 From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate.

## **2. Chief Officer Remuneration**

- 2.1 The Act defines chief officers as the following (the post titles in brackets identify the relevant posts within the council's senior management structure):
  - The Head of the Paid Service (the Chief Executive);
  - The Monitoring Officer (the Director of Law and Governance);
  - A statutory chief officer (the Executive Director of Education and Children's Services, the Executive Director of Adult Services, the Executive Director Resources, and the Director of Public Health, Wellbeing and Communities).
  - A non-statutory chief officer (the Executive Director of Growth, Environment, Transport and Health, and any other postholder reporting directly to the Chief Executive or a statutory chief officer);
  - A deputy chief officer (all other director grade posts, and any other postholder reporting directly to a non-statutory chief officer).
- 2.2 The terms and conditions of employment applicable to officers on director grades and above are as determined by the NJC for Local Government Services ('Green Book') as amended, supplemented or superseded by decisions on conditions of service made by the council from time to time. This also applies to the Chief Executive with the exception of an additional provision relating to remuneration in relation to acting as returning officer (see below) and a time limited restriction on re-employment.
- 2.3 The council's pay and grading structure is as approved by Full Council. The grade profile/job description of each chief officer post has been objectively evaluated using a recognised job evaluation scheme (the Hay Group Job Evaluation Scheme). The evaluated score of the grade profile/job description will determine the grading level paid within the Lancashire Pay Spine. Salary packages take account of such factors as the requirements of the job, the

relative size of the organisation, local and national market rates and the relationship with other posts within the grading structure.

- 2.4 Details of chief officers' basic salaries are set out below (salaries are as applicable at 1 April 2023, as a national pay agreement for 2024-25 for Local Government Services has not yet been reached). A structure chart identifying all posts covered by the statutory definition of chief officer posts is provided at Annex 4.

### **Chief Executive**

The current basic salary package of the post of Chief Executive is £231,180 per annum, a single, spot salary (SCP 90).

The Chief Executive also acts as Returning Officer for all county council elections for which an additional allowance is payable in relation to the overall supervision and ultimate responsibility for the conduct of council elections.

The fee payable is calculated in accordance with a formula approved by Full Council, currently 15% of the total fees payable to Deputy Returning Officers employed by district councils (which are based on a set amount for each councillor to be elected, currently £71.25). In a contested election, the council presently has 84 elected members. Elections take place on a 4 year cycle although by-elections may take place at other times.

### **Executive Directors**

The current basic salary package for posts designated as Executive Director fall within a range of five incremental points between £139,030 (SCP 85) rising to a maximum of £150,922 (SCP 89).

The post of Executive Director of Education and Children's Services attracts a market supplement of £17,201 per annum, which is paid in addition to the salary for an Executive Director graded post.

The post of Executive Director Resources attracts a market supplement of £12,254 per annum, which is paid in addition to the salary for an Executive Director graded post.

The post of Executive Director of Adult Services attracts an additional payment of £14,655 per annum, which is paid in addition to the salary for an Executive Director graded role. This additional payment is a salary uplift due to the postholder being seconded to Lancashire and South Cumbria Integrated Care Board (LSC ICB) as Director of Health and Care Integration until 4 December 2025. This additional payment brings the overall package for the Executive Director/Director of Health and Care Integration in line with the NHS VSM grade. The postholder is working 80% of their time for the LSC ICB and 20% of their time with the council for the period of the secondment. They continue to hold the statutory Director of Adult Services role in relation to their council post. The LSC ICB are paying 80% of the salary costs, superannuation costs and national insurance contributions, in addition to the full

additional payment (salary uplift) for the duration of the secondment. A Deputy Executive Director of Adult Services post has been created, to deputise for the Executive Director of Adult Services. The salary grade for this post is Director 3 and further information about the salary package is set out below.

## Director Grades

The current basic salary package of posts within the director grades fall within a range of three levels each comprising of five incremental points as set out below:

- Director Grade 1 (D1) - £92,011 (SCP 70) rising to £100,801 (SCP 74)
- Director Grade 2 (D2) - £102,757 (SCP 75) rising to £111,550 (SCP 79)
- Director Grade 3 (D3) - £123,028 (SCP 80) rising to £134,554 (SCP 84)

The post of Director of Investment attracts a market supplement of £26,688 per annum, which is paid in addition to the salary for a Director Grade 3 (D3) post.

The post of Director of People attracts a market supplement of £7,600 per annum, which is paid in addition to the salary for a Director Grade 2 (D2) post.

## Officers Reporting Direct to the Chief Executive, Statutory and Non-statutory Chief Officers

There are currently a number of officers at head of service level who meet the statutory definition of non-statutory chief officer, or deputy chief officer, but who are not employed on director grades or chief officer terms and conditions. These posts are identified on the structure chart provided at Annex 4.

2.5 Progression through the grade is by annual increment, which normally happens on 1 April each year.

2.6 Salary levels are increased in accordance with any nationally agreed pay settlement negotiated through the NJC for Local Government Services.

### 2.7 Other Remuneration Elements

2.7.1 In addition to basic salary, all chief officer posts are entitled to:

- A lease car. The current maximum contribution by the council, based on the annual rental payable for any vehicle, is £6,000 (£6,500 for the Chief Executive); or,
- As an alternative to a lease car, or where engaged on a contract for less than three years, a chief officer may opt to receive a cash equivalent sum of £5,300 per annum (as at 1 April 2024) (this sum is subject to annual review);
- The council operates a policy of reimbursing the membership fees incurred by a chief officer in relation to membership of a professional body;



- Official business mileage undertaken by chief officers is reimbursed at the prevailing advisory rate set by HMRC in relation to company cars. This rate is calculated on the basis that it does not include any taxable profit and no national insurance contribution liability as the rate is intended to reflect actual fuel costs.
- Other allowances and expenses that chief officers may claim are as set out within the list provided at Annex 3 (Allowances and Expenses). The allowances and expenses that may be claimed are as applicable to other employees of the council.
- Chief officers are not permitted to claim any payable enhancements as documented at Annex 2 (for example, planned overtime payments or enhancements for weekend working).

2.7.2 To meet specific operational requirements it may be necessary in exceptional circumstances for an individual to temporarily take on additional duties or responsibilities. Where this is necessary and justified a temporary supplement to the salary scale for the grade must be approved in accordance with the council's agreed policy relating to honoraria and acting up payments.

## 2.8 Performance Related Pay/Bonus Scheme

With the exception of progression through the incremental scale of the relevant grade, the level of remuneration is not variable or dependent upon the achievement of defined targets.

The council does not operate a performance related pay scheme in relation to its chief officers nor does it pay bonuses or any other cash incentive.

## 2.9 Recruitment of Chief Officers

2.9.1 The council has delegated the appointment and dismissal of the Chief Executive (Head of the Paid Service), Executive Directors, the Monitoring Officer and the Chief Financial Officer (s.151 Officer), collectively referred to as 'senior officers', to the Employment Committee. The committee is also responsible for the appointment of Directors who hold the statutory responsibilities for Children's Services (the Executive Director of Education and Children's Services), Adult Services (the Executive Director of Adult Services) and Public Health (the Director of Public Health, Wellbeing and Communities).

2.9.2 When recruiting to all chief officer posts the council is required to comply with the statutory requirement that no appointment or dismissal (including dismissal by reason of redundancy) may proceed until all Cabinet Members have been notified of the proposed appointment or dismissal to allow them the opportunity to object. Where the committee is appointing or dismissing the





Head of the Paid Service, the Monitoring Officer or the Chief Financial Officer, the Full Council must also approve the appointment or dismissal before an offer of appointment is made or notice of dismissal is given.

2.9.3 Remuneration on appointment is determined by the committee at a scale point within the evaluated grade for the post, having regard to the qualifications and experience of the successful candidate. The committee has further discretion to agree the payment of an additional market supplement, where appropriate.

2.9.4 Relocation allowances paid to chief officers are in accordance with the council's relocation allowances scheme, which applies to permanent employees (and fixed term appointments of two years or more) who are appointed as a result of external advertisement, and who are obliged to relocate their place of residence as a direct result of taking up their initial appointment with the council.

The maximum amount payable under the relocation scheme is £9,364 net of VAT (as at 1 April 2023) plus an additional discretionary element of £2,000 is payable in exceptional circumstances. The Employment Committee has further discretion to agree to relocation allowances outside the provisions of the relocation scheme where they consider this to be reasonable and appropriate.

2.9.5 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'. These will be sourced through an appropriate procurement process ensuring that the council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. In making such assessments it should be noted that in respect of such engagements the council is not required to make either pension or national insurance contributions for such individuals. A Public Health Consultant post is being covered by an interim. If an interim worker uses an intermediary personal service company the council is responsible for assessing their tax and national insurance liability under the IR35 rules, alongside deducting and paying the correct tax.

## 2.10 Payments on Termination of Employment

2.10.1 The council's policies in relation to redundancy payments and early retirement are set out respectively within its Employer Discretions Policy, Redundancy Payments Scheme, Early Retirement and Business Efficiency (Early Retirement) Policies. These policies are subject to review in light of possible future reforms to exit payments. The council's policy in relation to payments on termination is as summarised below:

Redundancy payments, for both voluntary and compulsory redundancy, are based upon the statutory redundancy payments scale. Under the Local Government (Early Termination of Employment) (Discretionary





Compensation) (England and Wales) Regulations 2006, the council does not apply its discretion under Regulation 5 to base any redundancy payments on an employee's actual week's pay where this exceeds the statutory week's pay limit, nor does it apply its discretion under Regulation 6 to award lump sum compensation over and above that which is set out under the statutory redundancy payments scale. A week's pay does not include other payments (unless these are deemed to be contractual) nor does it include employer pension contributions.

Under Regulation 31 of the Local Government Pension Scheme Regulations 2013, the council may award additional pension of not more than £7,579 a year (as at 1 April 2023) in exceptional and justifiable circumstances.

- 2.10.2 The council does not operate a policy of making any specific or general payment to its chief officers on their ceasing to hold office or to be employed by the council but it may, where appropriate, agree to waive or pay contractual notice.
- 2.10.3 Any other forms of severance payment falling outside these provisions must be authorised by or on behalf of the Full Council.

### 2.11 Tax Avoidance Measures

All chief officers are remunerated via monthly salary payments. Appropriate tax and national insurance deductions are made in accordance with HMRC regulations and there are no arrangements in place for the purpose of minimising tax payments.

## 3. **Lowest Paid Employees**

- 3.1 The lowest paid persons employed under a contract of employment with the council are employed on full time equivalent (37 hours) salaries in accordance with the minimum spinal column point currently in use within the council's grading structure (the Lancashire Pay Spine).
- 3.2 With effect from 1 April 2014 the council became a Foundation Living Wage employer. From 1 April 2024 all employees, with the exception of apprentices, will be paid a minimum of £12.00 per hour, which is the equivalent of £23,152 per annum. (This excludes staff in schools, as the decision as to whether to adopt the Foundation Living Wage sits with the individual Governing Body of each school). The council has committed to adjusting its Foundation Living Wage rate within six months of the national rate being updated, subject to Full Council approval.
- 3.3 As at 1 April 2024, the lowest pay level is an apprentice rate of £22,366 per annum. This applies to entry level apprentice posts and is currently aligned to Spinal Column Point 2 on the National Joint Council for Local Government Services' National Pay Spine, pending an alternative pay rate. The council's apprentice rate will be increased in line with the upper limit of the National Living Wage from 1 April 2024 onwards but as this rate is currently higher



than the new government rate, effective from 1 April, this will be "red circled" for this year and increased in line with the National Living Wage from April 2025 onwards.

#### **4. The relationship between the remuneration of Chief Officers and those employees who are not Chief Officers**

4.1 The relationship between the rate of pay for the lowest paid and chief officers is determined by the job evaluation process used for establishing the grading of posts and grade profiles/job descriptions as set out earlier in this policy statement.

4.2 Local authorities are recommended to publish the pay multiple between the highest paid employee and the median average earnings across the organisation. The current pay levels within the council define the multiple between the average full time equivalent salary (excluding chief officer posts) and the Chief Executive as being:

Median average 1:9.26 (figures based upon 2023 median average FTE salary of £25,545 and Chief Executive salary of £231,180 plus the £5,300 lease car cash equivalent sum).

4.3 As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the council will use available benchmark information as appropriate.

In addition, upon the annual review of this statement, the council will also monitor any changes in the relevant 'pay multiples' and benchmark against other comparable local authorities.

The council's policy aim is for the multiple between the median salary and that of the highest paid officer to not exceed 1:16 (currently 1:9.26 based on 2023 salary data).

#### **5. Accountability and Decision Making**

The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 prescribe certain functions that may not be exercised by a local authority's executive (Cabinet or Cabinet Member) and includes the power to appoint staff and to determine the terms and conditions on which they hold office, including procedures for their dismissal. These functions must therefore be exercised by the Full Council or delegated by the Full Council to a committee or officer.

The Local Authorities (Standing Orders) (England) Regulations 2001 and Local Authorities (Standing Orders) (England) (Amendment) Regulations 2015 provide that the functions of dismissal of, and taking disciplinary action against, a member of staff must be discharged by the Head of the Paid Service (the Chief Executive) or an officer nominated by him/her. However, this provision does not apply to the posts identified in paragraph 2.1 above (chief officers) and the council's constitution currently provides that these



functions in relation to the Chief Executive and some other senior posts are discharged on behalf of the Full Council by the Employment Committee (subject to the requirements set out in paragraph 2.9.1 and 2.9.2 above).

The Employment Committee was established by Full Council to discharge all functions in relation to the terms and conditions of employment of all staff, including chief officers.

Section 42 of the Localism Act 2011 provides that the function of approving an annual Pay Policy Statement may not be delegated to a committee, therefore the function of the Employment Committee in this regard is to recommend a Pay Policy Statement to Full Council for approval.

## **6. Re-employment / Re-engagement of former Chief Officers**

- 6.1 The council in its role as administrator of the Lancashire Pension Fund has adopted a policy for scheme employers participating in the Lancashire Pension Fund regarding re-employment within local government or by an employer who offers membership of the Local Government Pension Scheme (LGPS). Under the policy only members in receipt of ill health pensions will be subject to abatement where, accounting for the effect of index linking, the aggregate of the pension and the earnings in the new employment exceed the rate of pay on leaving the first employment. However, any benefits built up from 1 April 2014 within the LGPS are unaffected by the effect of any re-employment.

The benefits are adjusted where the aggregate of the pension and the earnings in the new employment exceed the rate of pay on leaving the first employment.

- 6.2 In addition to the policy highlighted above, re-employed pensioners who have previously retired on redundancy or efficiency grounds before October 2006 and been awarded compensatory added years, are also subject to abatement. This abatement applies only to the benefits which are payable in relation to the added years awarded.

There is no discretion for the council as administrator of the Lancashire Pension Fund on whether or not they apply this particular abatement in respect of benefits payable as a result of the previous award of compensatory added years.

- 6.3 It is a condition of the council's redundancy procedure that employees wishing to apply for voluntary redundancy must agree in writing that they will not apply for future employment with the council for a period of three years following the date of the termination of their former employment.
- 6.4 The council will not re-engage as a chief officer under a contract for services any former employee of the council who, on ceasing employment with the council, was in receipt of a severance payment, a redundancy payment or a

pension from the council for a period of three years following the date of the termination of their former employment.

## 7. Pension Contributions

- 7.1 Where employees become members of the Local Government Pension Scheme, the council is required to make a contribution to the scheme representing a percentage of the pensionable remuneration due under the contract of employment of that employee. The rate of contribution is set by Actuaries advising the Lancashire Pension Fund and reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The rate effective from 1 April 2023 (set at 31 March 2023) is 16.3% and this rate is applicable for the full valuation period up to 31 March 2026. Although this is the certified rate, the council has exercised an option to pre-pay this contribution as a lump sum payment (there are no deficit payments for this valuation period).
- 7.2 The employee contribution rates for members of the Local Government Pension Scheme are reviewed on 1 April each year. The rates as effective from 1 April 2023 are as set out below:

<b>Actual pensionable pay</b>	<b>Employee contribution rate</b>
Up to £16,500	5.5%
£16,501 to £25,900	5.8%
£25,901 to £42,100	6.5%
£42,101 to £53,300	6.8%
£53,301 to £74,700	8.5%
£74,701 to £105,900	9.9%
£105,901 to £124,800	10.5%
£124,801 to £187,200	11.4%
£187,201 or more	12.5%

**Teachers' Pension Scheme (applicable to those employees whose pay and conditions of service are determined by the Joint Negotiating Committee for Youth and Community Workers) – rates effective from 1 April 2023**

<b>Annual salary rate</b>	<b>Employee contribution rate</b>
Up to £32,135.99	7.4%
£32,136 to £43,259.99	8.6%
£43,260 to £51,292.99	9.6%
£51,293 to £67,979.99	10.2%
£67,980 to £92,697.99	11.3%
£92,698 and above	11.7%

The current employer contribution rate, effective from 1 September 2019, is 23.68% of contributory pay (this includes the administration levy of 0.08%).



**NHS Pension Scheme (applicable to those employees who are able to retain membership of the NHS Pension Scheme) – rates from 1 April 2023. The Department of Health and Social Care (DHSC) has introduced changes to the amounts that members pay towards their NHS pension. These are being phased in in two stages that started on 1 October 2022, with further changes planned for a future date.**

<b>Pensionable salary range from 1 April 2023</b>	<b>Contribution rates from 1 April 2023</b>	<b>Future planned contribution rates (based on actual pensionable pay)</b>
Up to £13,246	5.1%	5.2%
£13,247 to £17,673	5.7%	6.5%
£17,674 to £24,022	6.1%	6.5%
£24,023 to £25,146	6.8%	6.5%
£25,147 to £29,635	7.7%	8.3%
£29,636 to £30,638	8.8%	8.3%
£30,639 to £45,996	9.8%	9.8%
£45,997 to £51,708	10%	10.7%
£51,709 to £58,972	11.6%	10.7%
£58,973 to £75,632	12.5%	12.5%
£75,633 and above	13.5%	12.5%

The current employer contribution rate is 20.6% (plus the employer levy of 0.08%), though employers in the scheme have continued to pay 14.38% (plus 0.08% employer levy) under a transitional arrangement in place for 2019/20 that continued in 2020/21, 2021/22 and 2022/23, and will continue again in 2023/24.





Grades		Spinal Column Point	Annual Salary	Monthly Salary	Hourly Salary	Notes
Apprentice rate			£22,366	£1,864	£11.59	Rate to be uplifted in line with the upper limit of the National Living Wage from 01/04/2024 onwards, with initial "red circling" for 2024.
Foundation Living Wage (FLW)*		FLW	£21,030	£1,753	£10.90	* current FLW rate from 01/04/2023. Rate to be uplifted to £12.00 per hour from 01/04/2024.
Grade 3 255 - 299 NJC points	Grade 4 300 - 359 NJC points	SCP 3	£22,737	£1,895	£11.79	
		SCP 4	£23,114	£1,926	£11.98	
Grade 5 360 - 419 NJC points 158 - 186 Hay points		SCP 5	£23,500	£1,958	£12.18	
		SCP 6	£23,893	£1,991	£12.38	
		SCP 7	£24,294	£2,025	£12.59	
		SCP 8	£24,702	£2,059	£12.80	
		SCP 9	£25,119	£2,093	£13.02	
		SCP 10	£25,545	£2,129	£13.24	
Grade 6 420 - 479 NJC points 187 - 222 Hay points		SCP 11	£25,979	£2,165	£13.47	
		SCP 12	£26,421	£2,202	£13.69	
		SCP 13				
		SCP 14	£27,334	£2,278	£14.17	
		SCP 15	£27,803	£2,317	£14.41	
		SCP 16				
		SCP 17	£28,770	£2,398	£14.91	
		SCP 18				
Grade 7 480 - 539 NJC points 223 - 264 Hay points		SCP 19	£29,777	£2,481	£15.43	
		SCP 20	£30,296	£2,525	£15.70	
		SCP 21				
		SCP 22	£31,364	£2,614	£16.26	
		SCP 23	£32,076	£2,673	£16.63	
		SCP 24	£33,024	£2,752	£17.12	
Grade 8 540 - 599 NJC points 265 - 313 Hay points		SCP 25	£33,945	£2,829	£17.59	
		SCP 26	£34,834	£2,903	£18.06	
		SCP 27	£35,745	£2,979	£18.53	
		SCP 28	£36,648	£3,054	£19.00	
		SCP 29	£37,336	£3,111	£19.35	
Grade 9 600 - 659 NJC points 314 - 373 Hay points		SCP 30	£38,223	£3,185	£19.81	
		SCP 31	£39,186	£3,266	£20.31	
		SCP 32	£40,221	£3,352	£20.85	
		SCP 33	£41,418	£3,452	£21.47	
		SCP 34	£42,403	£3,534	£21.98	
		SCP 35	£43,421	£3,618	£22.51	
Grade 10 660 - 719 NJC points 374 - 443 Hay points		SCP 36	£44,428	£3,702	£23.03	
		SCP 37	£45,441	£3,787	£23.55	
		SCP 38	£46,464	£3,872	£24.08	
		SCP 39	£47,420	£3,952	£24.58	
Grade 11 720 - 779 NJC points		SCP 40	£48,474	£4,040	£25.13	
		SCP 41	£49,498	£4,125	£25.66	
		SCP 42	£50,512	£4,209	£26.18	

444 - 526 Hay points	Grade 12 780 - 849 NJC points 527 - 645 Hay points	SCP 43	£51,515	£4,293	£26.70
		SCP 44	£52,573	£4,381	£27.25
		SCP 45	£53,668	£4,472	£27.82
		SCP 46	£54,707	£4,559	£28.36
		SCP 47	£55,780	£4,648	£28.91
		SCP 48	£56,860	£4,738	£29.47
Currently Inactive		SCP 49			
		SCP 50			
		SCP 51			
Grade 13 850 - 909 NJC points 646 - 765 Hay points		SCP 52	£62,711	£5,226	£32.50
		SCP 53	£63,853	£5,321	£33.10
		SCP 54	£65,000	£5,417	£33.69
		SCP 55	£65,709	£5,476	£34.06
		SCP 56	£66,958	£5,580	£34.71
		SCP 57	£68,207	£5,684	£35.35
Currently Inactive		SCP 58			
		SCP 59			
		SCP 60			
	Grade 14 910 - 969 NJC points 766 - 909 Hay points	SCP 61	£73,580	£6,132	£38.14
		SCP 62	£74,957	£6,246	£38.85
		SCP 63	£76,328	£6,361	£39.56
		SCP 64	£77,442	£6,453	£40.14
		SCP 65	£78,958	£6,580	£40.93
		SCP 66	£80,468	£6,706	£41.71
Currently Inactive		SCP 67			
		SCP 68			
		SCP 69			
D1 910 - 1065 Hay points		SCP 70	£92,011	£7,668	£47.69
		SCP 71	£94,206	£7,850	£48.83
		SCP 72	£96,405	£8,034	£49.97
		SCP 73	£98,603	£8,217	£51.11
		SCP 74	£100,801	£8,400	£52.25
	D2 1066 - 1194 Hay points	SCP 75	£102,757	£8,563	£53.26
		SCP 76	£104,957	£8,746	£54.40
		SCP 77	£107,156	£8,930	£55.54
		SCP 78	£109,356	£9,113	£56.68
		SCP 79	£111,550	£9,296	£57.82
D3 1195 - 1339 Hay points		SCP 80	£123,028	£10,252	£63.77
		SCP 81	£125,910	£10,492	£65.26
		SCP 82	£128,789	£10,732	£66.75
		SCP 83	£131,671	£10,973	£68.25
		SCP 84	£134,554	£11,213	£69.74
		SCP 85	£139,030	£11,586	£72.06
	ED 1340 - 2060 Hay points	SCP 86	£142,006	£11,834	£73.61
		SCP 87	£144,977	£12,081	£75.15
		SCP 88	£147,951	£12,329	£76.69
		SCP 89	£150,922	£12,577	£78.23
CE		SCP 90	£231,180	£19,265	£119.83



# Payable Enhancements

(Updated 1 November 2023)

The following pay elements replace those contained within national agreements relating to the NJC for Local Government Services (Part 3, Section 2 'Working Arrangements').

<b>Element</b>	<b>Rate Payable</b>	<b>Additional information</b>
Extra Duty - additional hours (below 37hpw)	Plain time	
Overtime - additional hours (above 37hpw)	Time + 25% Time + 33% (contractual overtime rate)	Employees graded above Scp 19 will be granted TOIL.  In exceptional circumstances, see 'Planned Overtime' below.  Where employees are called upon to return to work, see arrangements below.
Night Work	Time + 25%	Payable between the hours 11pm and 8am subject to start time being before 6am.  See definition below.
Weekend Work	Time + 25% Time + 33% (contractual weekend rate)	Payable where required to work Saturday and Sunday as part of normal working week (i.e. not where this is overtime).
Bank Holidays and Extra Statutory Days	Time + 50%  In addition, at a later date, time off with pay shall be allowed as follows:  Time worked less than half the normal working hours on that day - Half Day.  Time worked more than half the normal Working hours on that day - Full Day	Payable for hours worked from midnight until 23.59 hours.  See arrangements below for bank holidays that fall on a Saturday or Sunday over the Christmas and New Year period.
Shift Work – rotating shift/alternating	Time + 10%	Criteria to be met to qualify for payment set out below.



shift		
Split daily shifts (Split Duty)	Additional 5.404p per hour	Rate with effect from 1 April 2023. See definition below.
Standby payments	<p>Full week outside normal working hours – 20% enhancement on basic weekly pay subject to a minimum payment of £162.12.</p> <p>For periods of less than one week:</p> <p>Mon/Fri – enhancement based on 2% of a week's basic pay or a minimum payment of £18.01 whichever is the greater.</p> <p>Sat/Sun – enhancement based on 2% of a week's basic pay or a minimum payment of £18.01 whichever is the greater for each 12 hour period of duty.</p> <p>50% enhancement on rates outlined above for work on a bank holiday or extra statutory days.</p>	<p>Rates with effect from 1 April 2023.</p> <p>Where task undertaken has been evaluated then 20% of rate for the job is payable subject to a minimum payment of £162.12 per week.</p> <p>If called out, contractual overtime rates apply (see above).</p> <p>Employees graded above Scp 48 (or equivalent) will not be eligible to receive standby payments.</p> <p><b>Payment for Rostered Emergency Duty Scheme</b></p> <p>Employees who are designated by services to provide a guaranteed level of emergency cover in order to meet the requirements of the national standards for the Emergency Planning function will receive standby payments where they are required to provide a full week of emergency contact duty outside normal working hours.</p>
Emergency Call Out	Overtime rates payable (see above). Minimum 2 hours' payment will apply.	
First Aid payment	<p>Designated First Aider - £104 per annum.</p> <p>Designated deputy First Aider - £52 per annum.</p>	Not payable where requirement to provide first aid forms a part of core duties as this accounted for in the grade for the job.
Sleeping-in Duty	£40.76	NJC rates apply.



Payment		Rate with effect from 1 April 2023.
Tool Allowance	£8.52 per week	Lancashire agreed term and condition, increased in line with NJC for Local Government Services pay awards.  Rate with effect from 1 April 2023.

**Planned Overtime:**

A Head of Service may approve in advance, and in exceptional recorded circumstances, the working of planned overtime for a period not exceeding six months in any financial year in respect of specified groups of employees who do not qualify for overtime payments, subject to the availability of sufficient budgetary resource.

Remuneration for planned overtime will be at the rate of time + 25% related to Scp 19, or at plain time rates relative to the employee's personal salary, whichever is the greater.

If, exceptionally, an employee is required to work planned overtime on a Statutory or Extra Statutory Holiday, remuneration will be at the rate of time + 50% related to Scp 19 or at plain time rates relative to the employee's personal salary, whichever is the greater.

**Employees Called Upon to Return to Work:**

Employees graded Scp 19 and below who are called upon to return to work outside their normal working hours in certain prescribed emergency situations, including the activation of intruder alarm systems, will receive a minimum payment of 2 hours at the overtime rate appropriate to the particular day, together with the payment of appropriate travelling expenses (including taxi fares, where necessary).

In non-emergency situations, normal overtime or time off arrangements will apply.

Employees paid above Scp 19 who are called upon to return to work in certain prescribed emergency situations, including the activation of intruder alarm systems, would receive a minimum payment per occasion of 2 hours at planned overtime rates. Appropriate travelling expenses are payable, with time in excess of 2 hours being calculated on the basis of the elapsed period between departure from home and arrival back home.

**Night Work:**

Employees who work at night as part of their working week are entitled to receive an enhancement of 25% for all hours worked between 11pm and 8am subject to the start time being before 6am.

The night work enhancement shall be payable, where appropriate, in addition to the enhanced rates of pay, for work, as part of the normal working week, on Saturday and on Sunday. The night work allowance does not apply to shift workers.



### Shift Working:

'Shift Worker' means an employee who works on rotating shifts in immediate succession normally covering a period of twenty four hours or on alternating shifts either in immediate succession or overlapping but covering a portion of twenty four hours only. In both cases, the enhancement is only payable where an employee covers all shifts.

A rotating shift enhancement of 10% will be payable where:

- The total period covered by the shift is 18 hours or more;
- At least four hours are worked between 8pm and 6am;

An alternating shift enhancement of 10% will be payable where:

- The total period covered by the shifts is 11 hours or more;
- There are at least four hours between the starting time of the earliest and latest shifts;
- The number of 'normal office hour' shifts does not exceed one half (i.e. 1 in 2) of the total number of shifts. Normal office hours will be as determined by the Service concerned.
- The shift pattern must vary by at least 33.3% (i.e. 1 in 3 shifts must vary).

### Split Duty:

Employees, whose normal daily duty necessitates more than one attendance with a continuous break between attendances of not less than two hours, including the normal break, shall be paid an additional 5p per hour for all hours worked during such spread over duty. The payment shall not be taken into account in calculating payments in respect of overtime and shall not apply to employees called upon to return to work or employees engaged on night work.

### Bank Holidays Falling on a Saturday or Sunday over the Christmas and New Year Period:

The following arrangements will apply where a bank holiday falls on a Saturday or Sunday over the Christmas and New Year period:

- Where employees are required to work on **either** the bank holiday as it falls or on the substitute public holiday they will receive bank holiday pay and time off with pay at a later date (in line with the arrangements above) for working on the actual bank holiday, and no bank holiday pay but time off with pay at a later date for working on the substitute day.
- Where employees are required to work on **both** the bank holiday as it falls and on the substitute public holiday they will receive bank holiday pay and time off with pay at a later date (in line with the arrangements above) for working on the actual bank holiday, and no bank holiday pay or time off with pay at a later date for working on the substitute day.





# Allowances and Expenses

(Updated 1 December 2023)

Type of Allowance or Expense	Amount or Rate Payable	Effective Date	Additional Information
Subsistence allowances	The maximum amounts that can be claimed are as follows:  Breakfast - £9.78  Lunch - £10.07  Dinner/Evening Meal - £16.66	1 April 2023  <u>Note:</u> These allowances will be increased as from 1 April each year by the annual increase in the Retail Price Index (RPI) published in the preceding November.	See Travel and Expenses Policy and Procedure for further details.
Meal charges for residential and allied staff (resident and non-resident staff)	Breakfast - £1.23 Dinner/Main Meals - £2.11 Tea - £0.58 Snack Supper - £0.96 ----- <b>Total - £4.88</b>  For ease of administration, these rates may be used on the following basis:  Weekly - £34.52 Monthly - £149.66 Per Annum - £1,795.92	1 April 2023  <u>Note:</u> These charges are reviewed annually in line with movements in the appropriate sectors of the RPI.	The Green Book (Part 3 Paragraph 8) provides that arrangements in the former APT & C and Manual national agreements in relation to (i) free meals and (ii) accommodation and meal charges will remain in place unless and until alternative arrangements are agreed locally.
Overnight allowance	In exceptional circumstances, where it is not possible for the County Council to make a direct booking, the actual <u>receipted cost</u> of accommodation, including breakfast, will be reimbursed subject to the following maximum limits:	1 April 2023  <u>Note:</u> These allowances are linked to the Members' Allowance Scheme agreed by the County Council and will be updated in line with that scheme.	See Travel and Expenses Policy and Procedure for further details.





	<p>On business in London - £179.70</p> <p>On business elsewhere in the UK - £156.47</p>		
Expenses where employees are travelling outside Great Britain	<p>See Travel and Expenses Policy and Procedure for further details in respect of claiming for accommodation, travel (to/from the country) and hospitality.</p> <p>For all other expenses, including travel whilst abroad and subsistence expenses, a flat rate of £109 per day should be claimed and invoices/receipts need not be produced.</p>	<p>Flat rate amount effective from 1 April 2023</p> <p><u>Note:</u> The flat rate amount will be increased from 1 April each year by the annual increase in the RPI published in the preceding November.</p>	See Travel and Expenses Policy and Procedure for further details.
Relocation allowances	<p>Up to a maximum of £9,364 (net of VAT).</p> <p>The maximum allowance payable to any appointed employee will be the maximum allowance operating at the date of their appointment.</p>	<p>1 April 2023</p> <p><u>Note:</u> The revised allowance will operate from 1 April each year and will be based on the annual percentage increase in the RPI as at the preceding January.</p>	<p>Heads of Service may authorise the payment of relocation allowances.</p> <p>See Relocation Allowance Scheme for further details.</p>
<p>Mileage allowances</p> <p><b><u>Business mileage</u></b></p>	<p><b><u>Car Users</u></b></p> <p>45.0p per mile for the first 10,000 business miles in the tax year. 25.0p per mile for each business mile over 10,000 in the tax year.</p> <p><b><u>Motorcycles</u></b> 24.0p per mile.</p>	<p>1 July 2012</p> <p><u>Note:</u> These rates will be updated in line with any changes to the HMRC rates.</p>	<p><b><u>Car, Motorcycle and Bicycle Users</u></b> Business mileage is reimbursed at the HMRC approved mileage rates.</p>



	<p><b><u>Bicycles</u></b> 20.0p per mile.</p> <p><b><u>Car Contract Hire Users</u></b> Variable. See 'Additional Information' (opposite).</p>	<p>1 April 2012</p> <p><b><u>Note:</u></b> The County Council will apply any new rates at the beginning of each calendar quarter – on 1 March, 1 June, 1 September and 1 December – in line with HMRC timescales.</p>	<p><b><u>Car Contract Hire Users</u></b> Business mileage for car contract hire users (including all employees graded Director 1 and above on the Lancashire Pay Spine in receipt of a lease car or cash equivalent sum) is reimbursed at the HMRC advisory fuel rates for company cars, details of which can be found at <a href="https://www.gov.uk/government/publications/advisory-fuel-rates">https://www.gov.uk/government/publications/advisory-fuel-rates</a>.</p> <p>This mileage rate will apply to all mileage undertaken by car contract hire users.</p>
<p><b><u>Training mileage</u></b></p>	<p><b><u>Car Users</u></b> 14.0p per mile.</p> <p><b><u>Motorcycles</u></b> 14.0p per mile.</p>	<p>1 December 2023</p> <p><b><u>Note:</u></b> The County Council will apply any new rates at the beginning of each calendar quarter – on 1 March, 1 June, 1 September and 1 December – in line with HMRC timescales.</p>	<p><b><u>Training Mileage</u></b> The training mileage rate is in line with the minimum HMRC advisory fuel rate for a petrol engine car, details of which can be found at <a href="https://www.gov.uk/government/publications/advisory-fuel-rates">https://www.gov.uk/government/publications/advisory-fuel-rates</a>.</p>
<p><b><u>Excess travel mileage</u></b></p>	<p><b><u>Car Users</u></b> 14.0p per mile.</p> <p><b><u>Motorcycles</u></b> 14.0p per mile.</p>	<p>1 December 2023</p> <p><b><u>Note:</u></b> The County Council will apply any new rates at the beginning of each calendar quarter – on 1 March, 1 June, 1 September and 1 December – in line with HMRC timescales.</p>	<p><b><u>Excess Travel Mileage</u></b> Excess travel mileage is the difference in mileage between home and current workbase and home to new workbase. See Compensation Payments Policy for further details.</p> <p>The excess travel mileage rate is in line with the minimum HMRC advisory fuel rate for a petrol engine car, details of which can be found at <a href="http://www.gov.uk/government/publications/advisory-fuel-rates">http://www.gov.uk/government/publications/advisory-fuel-rates</a>.</p> <p>Excess travel will not be included in the calculation of the business</p>



			mileage threshold for car users.
Travelling expenses for medical examinations	See 'Excess Travel Mileage Rate' (above)	1 July 2012	When employees have travelled to attend medical examinations at the Authority's request reimbursement will, depending upon the mode of travel, either be at the appropriate public transport rate or at the prevailing mileage rate applicable for excess travel.
DSE users – reimbursement of cost of eyesight tests and spectacles	The maximum amount of reimbursement is:  For eyesight tests - £25.00 For spectacles - £49.00	1 May 2022	See DSE Guidance on Eye and Eyesight Tests.
Allowances for first aid qualifications	For designated first aid representatives - £104 per annum  For designated deputy first aid representatives - £52 per annum  This allowance will not be payable where the requirement to hold a first aid qualification forms part of an employee's core duties and responsibilities.	N/A	Heads of Service have delegated authority to approve the number of first aiders and the payment of the appropriate First Aid allowance.  See Guidance on the Health and Safety (First Aid) Provision.
Payment of prescription charges for inoculation against Hepatitis 'B'	Cost of prescription/Hepatitis 'B' inoculation.	N/A	Reimbursement of prescription charges is available for inoculation against Hepatitis 'B', on the recommendation of a General Practitioner following medical assessment, for employees whose work brings them into contact with Hepatitis 'B'.
Laundry expenses – tax relief	Tax relief – claim to be submitted to HM Revenue and Customs.	N/A	Where employees are issued with items of uniform/protective clothing that the County Council expects the employee to launder at regular intervals for reasons of cleanliness, hygiene, safety or appearance, they can make a claim to HM Revenue and Customs for tax relief. Further information can be found at <a href="https://www.gov.uk/tax-relief-for-employees">https://www.gov.uk/tax-relief-for-employees</a> .
Long service award	Up to a maximum of £380.00	1 July 2023	See Recognition of Long Service Policy for further details.



	(excluding VAT)	<u>Note:</u> This amount will be increased in value every two years in line with inflation.	
Professional body membership fees	<p>For employees graded Director 1 and above on the Lancashire Pay Spine:</p> <p>Cost of professional body membership fee, expenses and paid leave of absence in connection with membership and attendance at meetings of one professional body (not a trade union or an organisation that has the objectives of a trade union).</p> <p>In addition, the Chief Executive may approve the payment of one additional fee to a separate body where it is considered to be in the interest of the County Council for membership to be maintained. In the case of the Chief Executive, the payment of an additional fee would be at the discretion of the Leader of the Council.</p>	N/A	<p>This is a former Chief Officer term and condition of employment and as such only applies to employees graded Director 1 and above on the Lancashire Pay Spine.</p> <p>Membership of the professional body and attendance at the meetings must be seen as being beneficial to the County Council.</p>
Returning officer fee	<p>Applies to the Chief Executive only:</p> <p>The fee payable is calculated in accordance with a formula approved by Full Council, currently 15% of the total fees payable to Deputy Returning Officers employed by District</p>	N/A	The Chief Executive acts as Returning Officer for all Council elections. This additional allowance is payable in relation to the overall supervision and ultimate responsibility for the conduct of Council elections.



	Councils (which are based on a set amount for each councillor to be elected, currently £71.25).		
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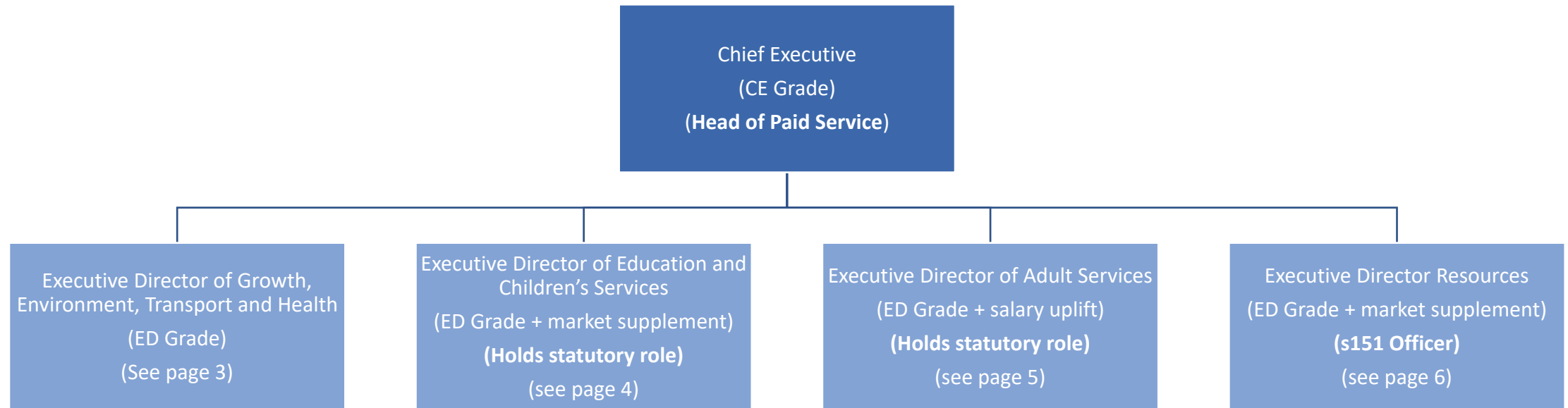




# Chief Officer Structure with Grades

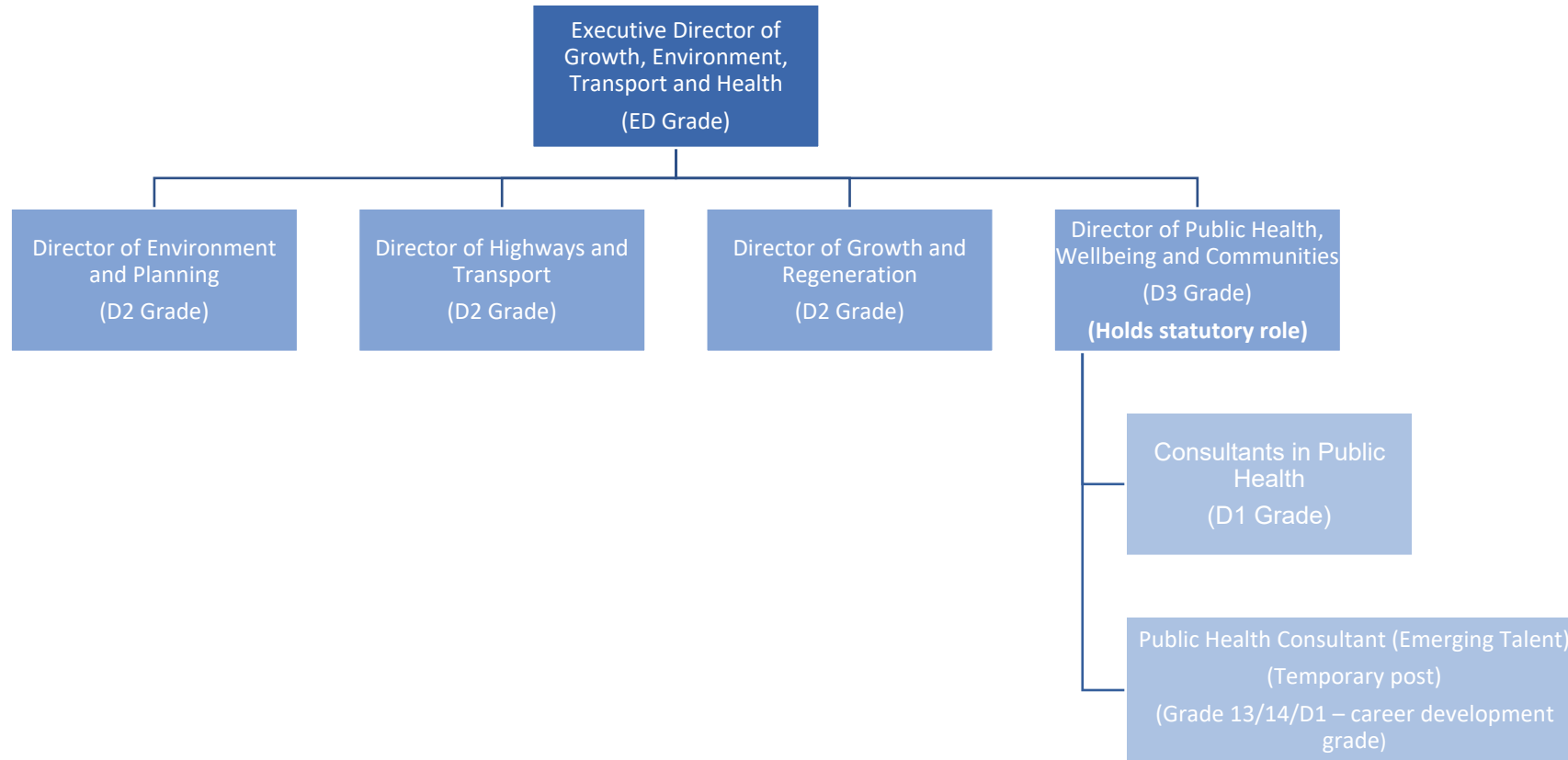
1 December 2023

# Chief Executive and Executive Directors

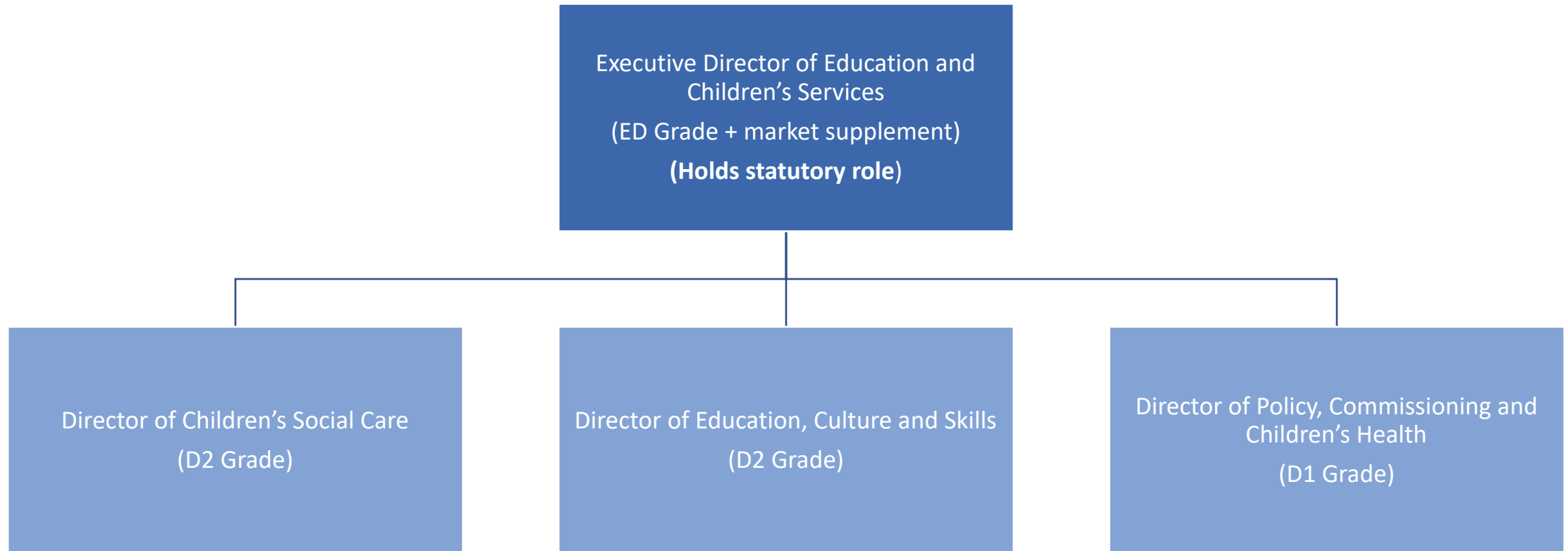




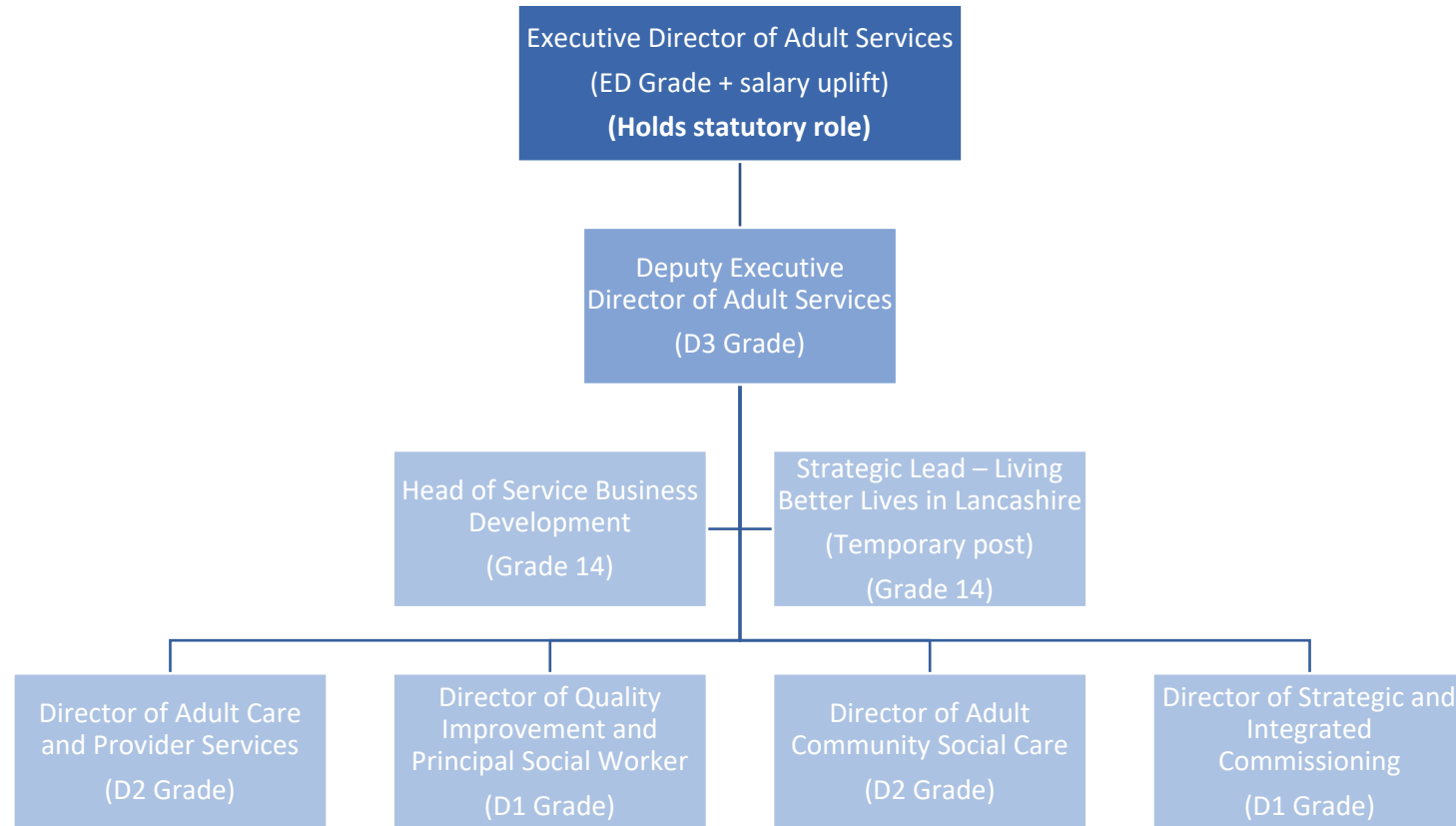
# Growth, Environment, Transport and Health Directorate



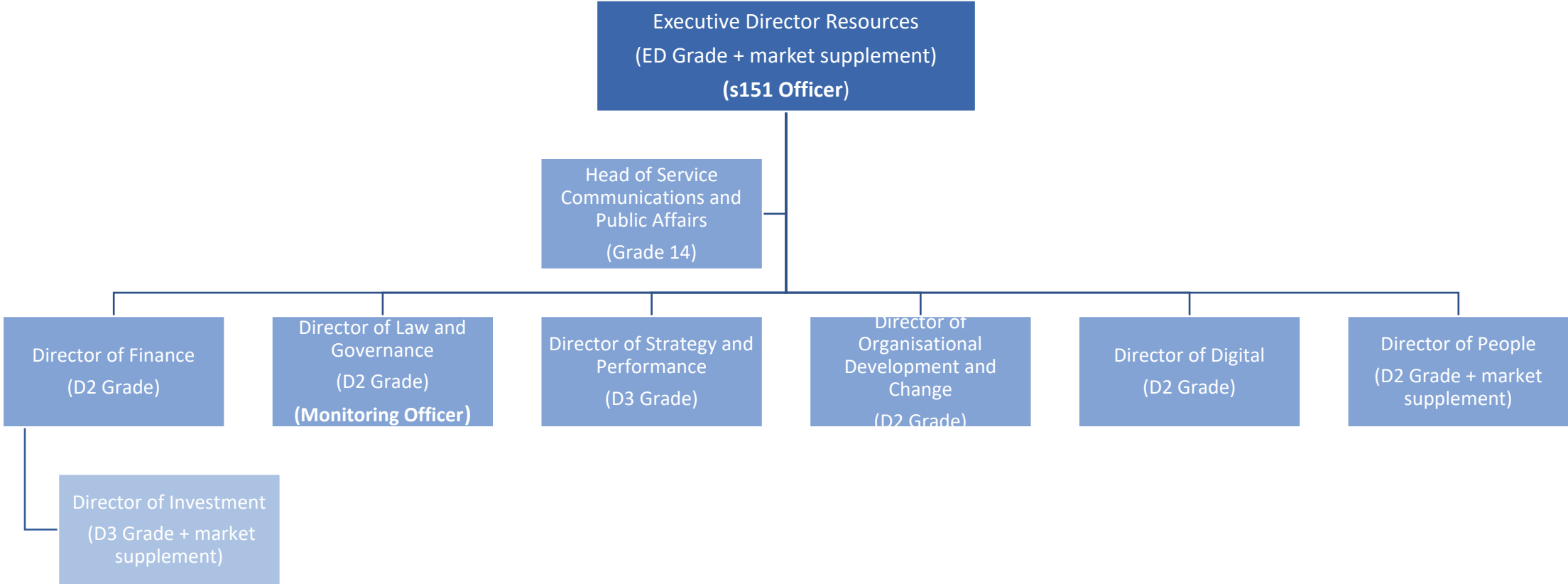
# Education and Children's Services Directorate



# Adult Services Directorate



# Resources Directorate



**Employment Committee**

Meeting to be held on Thursday, 25 January 2024

Electoral Division affected:  
N/A;

**Foundation Living Wage Payment Method and Apprentice Pay Rate**

Contact for further information:

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**Brief Summary**

The report sets out the outcome of a review of the financial impacts of changing the Foundation Living Wage (FLW) payment method and an alternative Apprentice pay rate.

**Recommendation**

The Employment Committee is asked to:

- i) Approve to change the payment of the Foundation Living Wage rate to a hybrid model, rather than the supplement model, as set out in the report; and
- ii) Noting that the current entry level Apprentice pay rate is £11.59 per hour and from April 2024 the National Living Wage will be £11.44 per hour, approve to align the current entry level Apprentice pay rate at the upper rate of the National Living Wage and agree that the current entry level Apprentice pay rate be "red circled" and increased in line with the National Living Wage pay rate from April 2025 and in future years.

**Detail**

Foundation Living Wage Payment Method

In January 2022, the Employment Committee approved a change of the payment method of the Foundation Living Wage (FLW) to a supplement model. This would place staff on the Foundation Living Wage pay rate on to the National Joint Council (NJC) pay structure and a supplement (top up) would be applied each year to reflect the Foundation Living Wage pay rate, should it be higher than the National Joint Council pay rate. The approval was subject to discussions with trade unions and would be effective from April 2023.

Since that time, in part to respond to the cost-of-living pressures, for the lowest pay points the nationally negotiated National Joint Council pay increase was more than 10% in April 2022 and more than 9% in April 2023.

For the first time since the council became a Foundation Living Wage employer, these increases resulted in a greater increase in the National Joint Council pay rate than the Foundation Living Wage pay rate in April 2022. As such, the differential between the two rates has changed as illustrated below:

<b>FLW/NJC Increase and Date</b>	<b>Hourly Rate</b>	<b>Percentage</b>
FLW increase 01/04/21	£9.30 to £9.50	2.15%
FLW increase 01/04/22	£9.50 to £9.90	4.21%
FLW increase 01/04/23	£9.90 to £10.90	10.10%
FLW increase 01/04/24	£10.90 to £12.00	10.09%
NJC SCP 3 increase 01/04/21	£9.62 to £9.79	1.76%
NJC SCP 3 increase 01/04/22	£9.79 to £10.79	10.21%
NJC SCP 3 increase 01/04/23	£10.79 to £11.79	9.26%

As a consequence, the council's Executive Management Team asked for details of the financial and pay structure impacts of this change.

The financial impacts have determined that applying the supplement model (higher hourly rate) would currently result in a circa £3.3m additional financial pressure (not including vacancies or schools funded posts) than was originally envisaged when the Employment Committee took the decision in January 2022. This is entirely due to the significant National Joint Council pay increases over the last two years.

The Executive Management Team remain committed to the principles of a supplement model but with a different financially focused approach, which is to apply the greater percentage increase between the National Joint Council (Spinal Column Point 2) and Foundation Living Wage pay increases rather than the greater hourly rate increase. This approach will ensure the council continues to apply Foundation Living Wage pay rates and also provides a commitment to pay the higher percentage increase that supports the principles of a supplement model. This proposal would result in retaining a Foundation Living Wage pay rate on the council's pay structure, separate to the National Joint Council pay structure.

This proposal would apply if the percentage increase for National Joint Council Spinal Column Point 2, which is the lowest National Joint Council Spinal Column Point, was a higher percentage increase than the Foundation Living Wage percentage increase.

I.e. if National Joint Council Spinal Column Point 2 received a 10% increase for 2025 and Foundation Living Wage received a 9% increase, the council would apply an additional 1% increase on top of the Foundation Living Wage. If the percentage increase for National Joint Council Spinal Column Point 2 was the same or a lower percentage increase than the Foundation Living Wage percentage increase, there would be no additional payment on top of the Foundation Living Wage pay rate.

## Apprentice Pay Rate

The National Joint Council Pay Agreement removed the lowest national pay point (NPS 1) effective from April 2023. At that time, this pay point was used as the pay rate for around 25 entry level Apprentices. An alternative pay rate is therefore required.

Entry level Apprentices are currently paid an hourly rate of £11.59 which is aligned to the NPS 2, following the removal of NPS1 and pending an alternative proposal being approved.

The entry level Apprentice pay rate does not form part of the council's grading structure. Therefore, a proposed reasonable alternative would be to apply the upper limit of the National Living Wage pay rate effective from April 2024 onwards. As the current entry level Apprentice hourly pay rate (£11.59) is higher than the new April 2024 hourly rate (£11.44), the current Apprentice pay rate would be "red circled" and increased in line with the National Living Wage from April 2025 and future years.

## **Consultations**

The proposed approach to the Foundation Living Wage payment method has been discussed with the council's recognised trade unions and they have noted the proposals, and, if approved have proposed to consolidate the Foundation Living Wage payment method into a Collective Agreement. The alternative pay rate for entry level Apprentices has also been discussed with the trade unions and their preference would be to align them to a National Joint Council pay point rather than the National Living Wage. It has been explained that the entry level Apprentices are not part of the council's job evaluated pay structure and therefore National Living Wage is considered to be a reasonable alternative pay rate.

## **Implications:**

This item has the following implications, as indicated:

## **Risk management**

### Financial

The model detailed above does not have any financial implications for the 2024/25 budget. The Medium Term Financial Strategy includes budget for payment of £12 per hour for the Foundation Living Wage in 2024/25. Those employees on Spinal Column Point 3 and Spinal Column Point 4 will be temporarily paid at £12 per hour until the National Joint Council 2024/25 pay award is agreed. However, this will not be an additional cost. It will ensure that all employees are paid at least the Foundation Living Wage.



**Local Government (Access to Information) Act 1985  
List of Background Papers**

Paper	Date	Contact/Tel
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N/A

Reason for inclusion in Part II, if appropriate

N/A





**Employment Committee**

Meeting to be held on Thursday, 25 January 2024

Electoral Division affected:  
N/A;

**Matters Arising under Urgent Business since the Last Meeting**

Contact for further information:

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**Brief Summary**

Since the last meeting of the Employment Committee, a decision was taken by the Director of Law and Governance under the Urgent Business procedure. In consultation with the Chair and Deputy Chair of the Employment Committee, the Director of Law and Governance approved the continuation of the Winter Gritting Out of Hours Collective Agreement for a further three winter seasons, as negotiated with the trade unions.

**Recommendation**

The Employment Committee is asked to consider the matters arising under Urgent Business since the last meeting.

**Detail**

Since the last meeting of the Employment Committee on 30 November 2023 and under the committee's Urgent Business procedure, the Director of Law and Governance approved the continuation of the Winter Gritting Out of Hours Collective Agreement for a further three winter seasons, as negotiated with the trade unions.

Since the 2015/16 winter season, the council has had in place a Collective Agreement to pay a market supplement for winter maintenance out of hours duties. This agreement has been reviewable every three seasons. The Highways Service wished to continue the market supplement for a further three winter seasons (2023/24, 2024/25 and 2025/26) as detailed in the revised Collective Agreement that had been agreed with the trade unions. Following the end of the three winter seasons the market supplement will be reviewed.

The Employment Committee is responsible for determining the terms and conditions on which employees hold office including fees, allowances or payments and any collective agreements (Section B of the Employment Committee Terms of Reference, Part 2 Article 7 of the Constitution).

The previous Collective Agreement ceased in October 2023 and although a status quo had been agreed with the recognised trade unions and the Highways Service, it was important to formalise as soon as possible the proposed extension of the Collective Agreement to secure sufficient resources to operate the winter maintenance out of hours rotas. This decision was taken by the Director of Law and Governance in accordance with Paragraph 15 of Appendix C, Section D of the Constitution (Procedures for dealing with matters of Urgent Business which cannot await a Committee meeting).

Further information about the decision is available to view on the council's website here: <https://council.lancashire.gov.uk/ieDecisionDetails.aspx?ID=24744>

### **Appendices**

N/A

### **Consultations**

N/A

### **Implications:**

This item has the following implications, as indicated:

### **Risk management**

N/A

### **Local Government (Access to Information) Act 1985 List of Background Papers**

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None

Reason for inclusion in Part II, if appropriate

N/A