



Leicester  
City Council

Democratic and Civic  
Support  
City Hall  
115 Charles Street  
Leicester  
LE1 1FZ

13 March 2019

Sir or Madam

I hereby summon you to a meeting of the LEICESTER CITY COUNCIL to be held at the Town Hall, on THURSDAY, 21 MARCH 2019 at FIVE O'CLOCK in the afternoon, for the business hereunder mentioned.

**Monitoring Officer**

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**AGENDA**  
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- 1. LORD MAYOR'S ANNOUNCEMENTS**
- 2. DECLARATIONS OF INTEREST**
- 3. MINUTES OF PREVIOUS MEETINGS**

The minutes of the meetings held on 24 January and 20 February 2019 are available to view at:

24 January 2019

<http://www.cabinet.leicester.gov.uk:8071/ieListDocuments.aspx?CId=81&MId=8708&Ver=4>

20 February 2019

<http://www.cabinet.leicester.gov.uk:8071/ieListDocuments.aspx?CId=81&MId=8710&Ver=4>

Copies are also available from Democratic Support on (0116) 454 6350 or [committees@leicester.gov.uk](mailto:committees@leicester.gov.uk)

**4. STATEMENTS BY THE CITY MAYOR/EXECUTIVE**

**5. PETITIONS**

- Presented by Members of the Public
- Presented by Councillors

**6. QUESTIONS**

- From Members of the Public
- From Councillors

**7. MATTERS RESERVED TO COUNCIL**

7.1 Pay Policy Statement 2019/20 and Gender Pay Gap Report 2018.

**8. EXECUTIVE AND COMMITTEES**

- To note any changes to the Executive
- To vary the composition and fill any vacancies of any Committee of the Council
  - To confirm the appointment of the parent governor co-optee on the Children, Young People and Schools Scrutiny Commission.

**9. ANY OTHER URGENT BUSINESS**

**Fire & Emergency Evacuation Procedure**

- The Council Chamber Fire Exits are the two entrances either side of the top bench or under the balcony in the far left corner of the room.
- In the event of an emergency alarm sounding make your way to Town Hall Square and assemble on the far side of the fountain.
- Anyone who is unable to evacuate using stairs should speak to any of the Town Hall staff at the beginning of the meeting who will offer advice on evacuation arrangements.
- From the public gallery, exit via the way you came in, or via the Chamber as directed by Town Hall staff.

## **Meeting Arrangements**

- Please ensure that all mobile phones are either switched off or put on silent mode for the duration of the Council Meeting.
- Please do not take food into the Council Chamber.
- Please note that Council meetings are web cast live and also recorded for later viewing via the Council's web site. Tweeting in formal Council meetings is fine as long as it does not disrupt the meeting. Will all Members please ensure they use their microphones to assist in the clarity of the web-cast.
- The Council is committed to transparency and supports efforts to record and share reports of proceedings of public meetings through a variety of means, including social media. In accordance with government regulations and the Council's policy, persons and press attending any meeting of the Council open to the public (except Licensing Sub Committees and where the public have been formally excluded) are allowed to record and/or report all or part of that meeting. Details of the Council's policy are available at [www.leicester.gov.uk](http://www.leicester.gov.uk) or from Democratic Support. If Members of the public intend to film or make an audio recording of a meeting they are asked to notify the relevant Democratic Support Officer in advance of the meeting to ensure that participants can be notified in advance and consideration given to practicalities such as allocating appropriate space in the public gallery etc.

The aim of the Regulations and of the Council's policy is to encourage public interest and engagement so in recording or reporting on proceedings members of the public are asked:

- ✓ to respect the right of others to view and hear debates without interruption;
- ✓ to ensure that the sound on any device is fully muted and intrusive lighting avoided;
- ✓ where filming, to only focus on those people actively participating in the meeting;
- ✓ where filming, to (via the Chair of the meeting) ensure that those present are aware that they may be filmed and respect any requests to not be filmed.



MATTERS RESERVED TO COUNCIL

**7.1 PAY POLICY STATEMENT 2019/20 GENDER PAY GAP REPORT 2018**

A report is submitted that seeks approval of the Council's Pay Policy Statement for 2019/20, as required by Section 38 of the Localism Act 2011 and to note the Gender Pay Gap Report 2018 as required by the Equalities Act 2010.

Council is asked to approve the Pay Policy Statement for 2019/20 and to note the Gender Pay Gap Report 2018.

**Sir Peter Soulsby  
City Mayor**



# 7.1

# Executive Report

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**Pay Policy Statement 2019/20**

**Gender Pay Gap Report 2018**

Decision to be taken by: Full Council on 21 March 2019

Lead director: Miranda Cannon

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**City Mayor**

## Useful information

- Ward(s) affected: None
- Report author: Miranda Cannon, Director of Delivery, Communications and Political Governance
- Author contact details: 37 0102
- Report version number: 1

### 1. Summary:

Section 38 of the Localism Act 2011 places a requirement on all local authorities to prepare and publish a Pay Policy Statement for each financial year in order to achieve public accountability, transparency and fairness in the setting of local pay. The Statement must be approved by Full Council and published by 1 April each year.

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 require public sector employers, as part of their public sector equality duty, to publish specific details of their gender pay as at 31 March each year.

This report seeks approval of the Council's Pay Policy Statement for 2019/20 and asks Council to note the Gender Pay Gap Report for 2018.

### 2. Recommendations:

- a) That Council approves the Pay Policy Statement for 2019/20 (Appendix A).
- b) That Council notes the Gender Pay Gap Report for 2018 (Appendix B).

### 3. Supporting information including options considered:

#### Pay Policy Statement

The Pay Policy Statement is required to focus on the pay of senior staff and to set this in the context of the pay of the wider workforce. The Statement must cover the Council's approach to a number of elements of pay for senior staff including salary scales, any performance related pay, bonuses or additional elements of pay, termination payments and approach to pensions. Similar information must be included in relation to the wider workforce and the remuneration of the lowest paid employees must be specified.

After approval by Full Council in March each year, the Pay Policy Statement must be published on the Council's website for public scrutiny. The intention is to ensure that Members consider how they pay their senior staff and can justify their policy on senior pay in the light of potential public scrutiny.

The Statement includes the ratio between the top earner's salary and the median salary which is 5.6:1, a marginal increase on last year when it was 5.38:1. This is the first year there has been an increase since the council started reporting the pay ratio in 2013 and it remains significantly lower than our neighbouring councils – Nottingham



City Council, Derby City Council and Coventry City Council – who all had ratios of more than 6.5:1.

The new pay structure, to be implemented for Local Government Services employees from 1 April 2019 following a restructure of the national pay spine, will likely have a positive impact on the pay ratio and will also result in no longer needing to pay a supplement to bring the pay of some employees to the level of the UK Living Wage as the minimum of the pay scale will equate to the current UK Living Wage rate.

### Gender Pay Gap Report

This is the Council's second Gender Pay Gap Report. It is important to note that gender pay gap reporting is not about men and women being paid differently for the same job but about the differences between the overall average pay of men and women within an organisation. The key figures to be published are the median and mean gender pay gaps, i.e. the percentage difference between the median and mean hourly rates for men and women.

The council's median gender pay gap at 31 March 2018 was 0% - i.e. median pay was the same for both men and women (£13.28 per hour) which can be regarded as the ideal situation. At 31 March 2017 the median gender pay gap was 3.1%, meaning that our position has improved since then when median pay was slightly higher for men than women.

The council's mean gender pay gap at 31 March 2018 was -0.99%, i.e. mean pay was slightly higher for women (£14.39 per hour) than men (£14.25 per hour). At 31 March 2017 the mean gender pay gap was 0.5%, meaning that mean pay was slightly higher for men than women.

The council's figures compare very positively against median and mean gender pay gaps of 19% and 17.5% respectively for the public sector as a whole – i.e. average pay for men being significantly higher than for women.

At 31 March 2017, compared to other local authorities in the same employee headcount band (5000 – 19,999) the council's mean pay gap was the closest to zero – i.e. we had the smallest difference in average pay between men and women. The median difference was the third smallest. It is not yet possible to compare 2018 figures with other local authorities as data does not need to be published until 31 March 2019.

## **4. Details of Scrutiny**

The Pay Policy Statement is essentially a statement of existing policy. Pay Policy Statements from previous years remain available for public scrutiny on the Council's website.

The Gender Pay Gap Report is a statement of fact. Reports must remain on the Council's website for a minimum of three years for public scrutiny. Data must also be uploaded to a Government portal, where the public can access the data.

## **5. Financial, Legal and Other Implications**

### 5.1 Financial Implications

The Pay Policy Statement sets out the framework for the Council's employees' pay with a particular focus on senior staff (Head of Paid Service and Directors) in the context of the wider workforce. The Council's budget for 2019/20 includes an estimate of pay costs which will be incurred.

There are no financial implications associated with the gender gap report.

Colin Sharpe  
Head of Finance

Ext: 374081

## 5.2 Legal Implications

The Localism Act 2011 requires local authorities to prepare a Pay Policy Statement each year. This document must set out the Council's approach to the remuneration of chief officers, the remuneration of its lowest paid employees and the relationship between the remuneration of chief officers and employees who are not chief officers. In preparing a Pay Policy Statement, local authorities must have regard to any guidance issued or approved by the Secretary of State. Guidance was issued by the Department for Communities and Local Government initially in November 2011 and supplementary guidance was issued in February 2013. Each year's Pay Policy Statement must be approved by Full Council before it comes into force.

The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 place a duty on public authorities with more than 250 employees to publish their gender pay gap statistics by no later than 31 March every year.

The statistics that must be published are the mean and median differences in the hourly full pay between male and female employees; the mean and median differences in bonus pay between male and female employees; the proportion of male and female employees who have received bonus pay and finally the proportion of male and female employees in the lower quartile, lower middle quartile, upper middle quartile and upper quartile of the pay scales.

Paul Atreides  
Principal Solicitor, Employment Law  
Ext 29 6368

## 5.3 Climate Change and Carbon Reduction Implications

No climate change implications.

## 5.4 Equality Impact Assessment

No equality impact assessment has been carried out on the Pay Policy Statement itself as it is a statement of existing policy.

No equality impact assessment has been carried out on the Gender Pay Gap Report

as it is a statement of actual pay at a specific date.

5.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply.)

No other implications.

**6. Background information and other papers:**

'Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act'  
'Localism Act: Pay Policy Statements – Guidance for Local Authority Chief Executives'  
'Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act – Supplementary Guidance'  
The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017  
The Public Sector Equality Duty – Section 149 of the Equality Act 2010

**7. Summary of appendices:**

Appendix A: Proposed Pay Policy Statement 2019/20 and supporting documents (1 – 4).  
Appendix B: Gender Pay Gap Report 2018.

**8. Is this a confidential report? (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)**

No.

**9. Is this a “key decision”?**

No.



# Leicester City Council

## Pay Policy Statement 2019/20

### 1 Introduction and Purpose

- 1.1 Section 38(1) of the Localism Act 2011 requires all local authorities in England and Wales to produce and publish a Pay Policy Statement for each financial year. The principle behind this requirement is to ensure transparency and accountability in local approaches to public sector pay, particularly in respect of senior staff, by enabling public scrutiny.
- 1.2 As specified in the Act this requirement does not extend to schools and, therefore, the Statement does not include school based employees. Leicester City Council's Pay Policy Statement is set out in accordance with the mandatory requirements of the Localism Act and also takes account of The Local Government Transparency Code 2015<sup>1</sup>. It sets out information on the council's pay and conditions of service for its chief officers and the wider workforce.
- 1.3 The Pay Policy Statement is designed to enable communities to access the information they need to determine whether remuneration, particularly senior remuneration, is appropriate and commensurate with responsibility. In addition, it helps to ensure that policies on pay and reward for the most senior staff are set clearly within the context of the pay of the wider workforce.
- 1.4 The Act recognises that each local authority has the right to determine its own policy towards pay in order to address local priorities, the local market place and its own economic circumstances. There is a requirement for the Pay Policy Statement to be approved by Full Council. Councils are encouraged to set up Remuneration Committees to oversee pay policy; councillors are also encouraged to have a significant role in determining pay. At Leicester City Council, decisions on terms and conditions are made by Employees Committee or the Executive. The Employees Committee serves as the Remuneration Committee.

### 2 Context

- 2.1 Leicester City Council is a unitary authority serving the largest city in the East Midlands region with a population of 353,500<sup>1</sup> in 2017. It is one of the largest employers in the city with a current workforce headcount of 5,812 and a full time equivalent workforce of 5,111 excluding schools.
- 2.2 The Council operates under a Mayoral model of governance and provides a comprehensive set of local authority services to the population of the city encompassing education, social services, environmental services, highways, economic regeneration, planning, libraries, museums, revenues and benefits,

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<sup>1</sup> Source: Office of National Statistics - <http://www.nomisweb.co.uk/reports/lmp/la/1946157130/report.aspx?town=leicester#tabrespop>

housing, parks and open spaces amongst others.

- 2.3 The local government finance settlement is the annual determination of funding to local government approved by the House of Commons. The Local Government Association's key message in response to the provisional settlement included: "next year will continue to be hugely challenging for all councils, who still face an overall funding gap of £3.2 billion in 2019/20" and "Councils will be forced to take tough decisions about which services have to be scaled back or stopped altogether"<sup>2</sup>.
- 2.4 The Council is in the ninth year of the most severe period of spending cuts we have ever experienced. The budget for this year is made more difficult because we do not know the extent of cuts required beyond 2019/20. The Council's budget, on a like for like basis, will have fallen from £358m in 2010/11 to an estimated £291m by 2019/20. These figures, however, mask the fact that additional funding has been required to manage pressures in statutory social care (both for adults and children). The amount available for all other services has consequently fallen by around 60% in real terms over the same period.
- 2.5 There are a number of employees who are on terms and conditions from their previous employer, which they have retained under the Transfer of Undertakings (Protection of Employment) Regulations. For this reason, some or all of this Pay Policy Statement may not apply to those employees.
- 2.6 Although the Leicester and Leicestershire Enterprise Partnership (LLEP) is a separate legal entity, Leicester City Council is the employing body on behalf of that entity. The Director of the LLEP is employed by the Council on the same conditions of service as its Strategic and Divisional Directors, and the LLEP Director and its staff are covered by this Pay Policy Statement.
- 2.7 A key requirement of the Act is to set senior pay in the context of pay of the wider workforce, and specifically its lowest paid staff. The pay of most staff covered by this Pay Policy Statement is governed primarily by a pay structure and associated terms and conditions of service which were implemented in March 2011 for all staff covered by the National Joint Council for Local Government Services. A revised local pay structure will be implemented from 1 April 2019, as the Local Government Services (LGS) national pay spine has been restructured.

### **3 Scope and Definitions**

- 3.1 This Pay Policy Statement covers all Leicester City Council employees except those employed in schools, apprentices, casual workers, and those employed on terms and conditions from a previous employer (see paragraph 2.5).
- 3.2 The Statement includes policies on:
  - a) The level and elements of remuneration for Chief Officers
  - b) The remuneration of lowest paid employees

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<sup>2</sup> <https://www.local.gov.uk/parliament/briefings-and-responses/provisional-local-government-finance-settlement-201920-day>

- c) The relationship between the remuneration of Chief Officers and other officers.
- 3.3 Remuneration in the context of the Localism Act is defined widely to include salary, bonuses, performance related pay, allowances, fees, benefits in kind and contractual arrangements relating to any possible future severance payments.
- 3.4 The definition of Chief Officer includes Head of Paid Service<sup>3</sup>, Strategic Directors, and Divisional Directors.
- 3.5 In line with the Local Government Transparency Code 2015, the Council publishes an organisation chart showing the top three tiers on its website: <http://www.leicester.gov.uk/your-council/how-we-work/data-protection-and-foia/transparency-and-open-data>

#### **4. Senior Pay**

- 4.1 Under the mayoral model, the Council retains a statutory role of Head of Paid Service, who is also the Chief Operating Officer. The overall purpose of this post is to support the City Mayor, and work with the Corporate Management Team, Council and Executive to deliver the Council's vision and strategic aims and objectives. The salary range for this post is £137,075 - £141,501 pa. There are no additional performance, bonus or ex gratia payments applicable to this role.
- 4.2 The number of Strategic Director posts reduced from three to two with the combining of the Strategic Director posts for Children's Services and Adult Social Care and Health to create a post of Strategic Director Social Care and Education. The salary scales for the top two tiers were adjusted in June 2018 to reflect this change which resulted in additional responsibilities for those roles.
- 4.3 Appendix one details each Chief Officer's substantive salary range and current salary. The pay scale for Chief Officers increased by 2% on 1<sup>st</sup> April 2018 and will increase by a further 2% on 1<sup>st</sup> April 2019.
- 4.4 The conditions of service for Chief Officers are in accordance with the Joint Negotiating Committee for Chief Officers agreement and the local terms and conditions which apply to other staff. Directors do not receive additional performance, bonus or ex gratia payments.
- 4.5 Officers at this level are expected to work those hours necessary to fulfil their duties without additional pay. They receive no additional payments for overtime, standby etc.

#### Placing on Grades and Incremental Progression

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<sup>3</sup> The Council does not have a post of Chief Executive but is still legally required to have a Head of Paid Service.

- 4.6 Appointments to both Strategic and Divisional Director grades are normally made on the minimum point of the salary range, unless an appointee is already on a higher salary in which case placing on the grade will reflect this. The only other factor normally taken into account is market forces where necessary. However, market supplements above the grade of the post are not normally awarded at this level. Decisions on placement within the grade are normally taken by the most senior manager involved in the selection process, who may consult the relevant member of the Executive if required.
- 4.7 Progression through the grade is by one increment on 1 April each year, subject to satisfactory performance, until the maximum of the grade is reached.

#### Fees

- 4.8 The only Chief Officer who receives fees is the Returning Officer who receives payment in line with the guidelines supplied by the Electoral Commission. The Returning Officer is the Director of Delivery, Communications and Political Governance.

#### Termination Payments

- 4.9 Redundancy payments are based on the number of weeks' pay staff are entitled to in accordance with statute, with reference to their age and length of service, using an actual week's pay. The Council does not pay enhanced redundancy payments for any staff under the discretionary payments regulations.
- 4.10 In terms of early retirement, the Council's normal position is not to top up pension benefits, but it will consider requests to do so on a case by case basis. This approach applies to all staff – there are no special arrangements for senior staff. However, the Council reserves the right to enter into settlement agreements for staff in exceptional circumstances.
- 4.11 Where the cost of redundancy pay plus the capital cost associated with the early release of pension, is £60k or more, early retirement is subject to approval by the Head of Paid Service and the Director of Delivery, Communications and Political Governance in consultation with the City Mayor.
- 4.12 The Council has provisions for flexible retirement and for early retirement on compassionate grounds where the employee needs to provide care for a family member for two years or more. The Council does not award additional membership under regulation 31.
- 4.13 The government announced in 2015 that it is their intention to cap public sector exit payments to a maximum of £95,000. They also intend to recover exit payments for those who receive remuneration in excess of £80,000 in the last 12 months of service and re-join a public sector employer within 12 months. At the time of writing this statement these proposals have not been finalised. However, the Council has had in place a policy on re-engagement after redundancy or early retirement since 2016. This sets out the circumstances in which an employee who has left the council on the grounds of redundancy



and/or early retirement may, or may not, be re-engaged by the council.

#### Comparison of Senior Pay with Similar Authorities

- 4.14 Geographically, the nearest unitary councils are Derby, Nottingham and Coventry City Councils. A comparison of Leicester's Chief Officer salary ranges against the salary ranges for similar posts in these authorities is shown in the table below. It should be noted that actual posts and structures vary between authorities and none of these other City Councils is a Mayoral authority. One key difference is that Leicester does not have a Chief Executive and the Head of Paid Service is undertaken by the Chief Operating Officer (who, in effect, also acts as the Strategic Director for Corporate Resources and Support). The most senior role in the other three Councils (as their Head of Paid Service) is the Chief Executive.

<b>Authority</b>	<b>Most senior role Head of Paid Service</b>	<b>Top tier - Strategic Directors</b>	<b>Second tier - Divisional Directors</b>
<b>Leicester</b>	£137,075 - £141,501	£123,803 - £132,649	£81,431 - £93,952
<b>Coventry</b>	£178,518 - £188,719	£103,813 - £126,793	£78,575 - £102,009
<b>Derby</b>	£166,480	£120,892 - £132,144	£71,839 - £84,887
<b>Nottingham</b>	£163,216	£122,412 - £147,561	£96,767 - £107,060

- 4.15 The comparison table shows Leicester's most senior role, the Head of Paid Service, is paid considerably less than the three nearest unitary authorities, reflecting the fact that we do not have a Chief Executive and have instead combined the Head of Paid Service with our Chief Operating Officer role. Leicester's Strategic and Divisional Directors have comparable salaries to post holders in two of the surrounding unitary authorities, and one pays significantly higher.

#### Value for Money

- 4.16 One of the key issues underlying the requirement to produce a Pay Policy Statement is consideration of whether senior pay levels represent value for money.
- 4.17 Both Strategic and Divisional Directors have significant responsibilities for the delivery of the services under their control using the workforces and budgets they are responsible for. They advise the City Mayor and elected members on Council decisions and on the future direction of the authority, guide major projects, plan and deliver a wide range of council services, are responsible for the effective performance of their service areas, lead on complex changes, make tough day to day decisions on 'doing more with less' in an extremely challenging economic environment of cut-backs, and commission services from others.
- 4.18 Most Directors are responsible for large numbers of staff or manage highly complex technical areas with smaller staff complements. The numbers of staff managed are included in appendix 1. Some senior roles hold statutory responsibilities, such as the Head of Paid Service, Section 151 Officer role (in charge of the Council's finances), Electoral Registration Officer, Local

Returning Officer and the Monitoring Officer role, or responsibilities for safeguarding vulnerable adults or children.

- 4.19 The Chief Operating Officer and the two Strategic Directors, with the City Mayor and the Executive, are responsible for setting out a strategic vision for the way forward for the service areas under their control and providing clear leadership to the organisation. They also provide effective management for their departments. Some senior roles focus around partnership working and relationship management with external partners to integrate strategy, maximise effective use of resources or to facilitate or deliver shared agenda.
- 4.20 Strategic Directors are responsible for overseeing large departments and Divisional Directors manage the divisions within departments. The size of budgets varies according to the nature of the service. Details of divisional budgets are attached at appendix 2.
- 4.21 The job descriptions for all these roles are available on the Council's website: <http://www.leicester.gov.uk/your-council/how-we-work/performance-and-spending/senior-salaries-and-job-descriptions/>
- 4.22 The leadership framework is set out in appendix 3.

## **5 The Wider Workforce**

- 5.1 Senior pay needs to be set in the context of the pay policy in relation to the rest of the workforce. The Council's current pay structure for all staff covered by the National Joint Council for Local Government Services and the Joint Negotiating Committee for Local Authorities Craft and Associated Employees results from a pay and grading review which was implemented in March 2011, with effect from 1 July 2010. The grading of jobs is determined through job evaluation, using a scheme which is compliant in terms of equal pay for work of equal value principles.
- 5.2 The current structure, which covers the majority of non-schools staff including most Heads of Service<sup>4</sup>, has 15 grades, each of four increments. The overall salary range is £16,394 - £65,673 per annum. The new structure, to be implemented on 1 April 2019, will also have 15 grades; the bottom three grades will have two increments and the remainder will continue to have four increments (appendix 4). The overall salary range will be £17,364 - £66,985 per annum.
- 5.3 Employees are normally appointed to the minimum point of the grade and progress through the grade by one increment on 1 April each year, subject to satisfactory performance, until the maximum of the grade is reached. Sometimes, for market reasons, employees are appointed above the minimum point. Accelerated increments may also be awarded for exceptional performance.

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<sup>4</sup> There are nine senior officers paid on 'city officer' grade, which sits outside of this structure. Pay for the city officer grade is between £67,867 and £75,678 at 1 April 2018 and pay awards are determined in line with the Joint Negotiating Committee for Chief Officers Agreement.

- 5.4 The Council has made a positive commitment to support lower paid staff and their families. As such the Council has adopted the 'UK Living Wage', to provide a better standard of living for lower paid employees. This is paid via a supplement to 418 employees on points 3 to 7 of the pay scale, as at 1 January 2019. The need to pay the supplement will cease from 1 April 2019 with the implementation of the new pay structure as the minimum point will equate to the current UK Living Wage rate.
- 5.5 The following local provisions for staff are in place for certain posts:
- Overtime payment at plain time or time and a third
  - Payment at time and a third for work at night, on Saturday, Sunday or Bank Holiday
  - Standby allowance of £106.35 per week.
- 5.6 Employee career development is encouraged and the Council offers apprenticeships and training to assist staff to progress in their careers. Managers are encouraged to develop career ladders linked to achieving relevant competencies; work of the relevant level and financial provision being available. A framework is also in place for appraising employees.
- 5.7 In addition to those staff covered by the pay and conditions described above, a small proportion of the non-schools workforce is covered by national pay scales for teachers, educational improvement professionals, educational psychologists, young people's/community service managers and youth and community workers.

### Market Pay

- 5.8 Sometimes job evaluation results in a salary range which is below the market rate for a particular role. Where there is significant difficulty with recruitment and retention because of this the manager may put forward a business case to the Market Pay Panel which considers both this, and independent market pay data in determining whether it is appropriate to award a market supplement. Market supplements are based on lower, median or upper quartile market pay data figures (or a level between these values) depending on the evidence and are reviewed every two years.
- 5.9 The use of market pay is subject to robust governance and control procedures. The number of posts in receipt of market pay, and the associated cost, has reduced significantly since 2013.

## **6 Relationship of Senior Pay to the Pay of the Wider Workforce**

- 6.1 The Hutton Report on fair pay recommended that local authorities should publish the ratio of top earner to the median earner in the authority (excluding schools staff and apprentices). At Leicester City Council the ratio, based on the top earner's salary of £137,075 and a median full time equivalent salary of £24,657, is 5.6:1. The ratio has increased slightly from last year (5.38:1) which may partly be explained by the revised pay structure for the Head of Paid

Service. However, the ratio is still significantly lower compared to our neighbouring unitary councils, Nottingham City Council and Coventry City Council, which both had a ratio of more than 7:1 in 2018/19, whilst Derby's pay ratio including school support staff is 6.5:1.

## 7 Pension

- 7.1 All staff belonging to the Local Government Pension Scheme (LGPS) make contributions to the scheme based on their salary level as follows:

Contribution Band	Salary Range	Contribution Rate
1	Up to £14,100	5.5%
2	£14,101 to £22,000	5.8%
3	£22,001 to £35,700	6.5%
4	£35,701 to £45,200	6.8%
5	£45,201 to £63,100	8.5%
6	£63,101 to £89,400	9.9%
7	£89,401 to £105,200	10.5%
8	£105,201 to £157,800	11.4%
9	More than £157,800	12.5%

- 7.2 As at January 2019 the Council makes employer's contributions to the scheme at a rate of 23.7%.
- 7.3 The Council's approach to termination payments is set out in paragraphs 4.9 to 4.13 and is the same for staff at all levels.
- 7.4 If a former employee in receipt of a pension re-joins the council, their pension is not normally abated. The only exception is when added years were awarded when the member previously retired. In this case, if new earnings plus existing pension exceed previous salary, then abatement applies.

## 8 Review

- 8.1 The Pay Policy Statement will be updated annually as required by the Localism Act.

Appendix 1

Name	Post Title	Employees (FTE)		Salary Range		Salary at 01/02/19
		Central	Schools	Minimum	Maximum	
<b>Head of Paid Service</b>						
Andrew Keeling	Chief Operating Officer (COO)	5111	4414	137,075	141,501	137,075
<b>Strategic Directors</b>						
Philip Coyne	Strategic Director City Dev & Neighbourhoods	2282		123,803	132,649	128,223
Steven Forbes	Strategic Director Social Care & Education	1669		123,803	132,649	128,223
<b>Divisional Directors</b>						
Tracie Rees	Director for Adult Social Care & Commissioning	325		81,431	93,952	93,952
Ruth Lake	Director of Adult Social Care & Safeguarding	309		81,431	93,952	93,952
Richard Sword	Director of Capital Programmes	24		81,431	93,952	93,952
Caroline Tote	Director Social Care & Early Help	635		81,431	93,952	90,823
Kamal Adatia*	City Barrister & Head of Standards	101		81,431	93,952	76,176
Miranda Cannon	Director Delivery Comms & Political Governance	174		81,431	93,952	93,952
Matthew Wallace	Director Estates & Building Services	190		81,431	93,952	93,952
Alison Greenhill	Director of Finance	525		81,431	93,952	93,952
Christopher Burgin	Director of Housing	940		81,431	93,952	93,952
Paul Tinsley	Director of Learning & Inclusion	401		81,431	93,952	93,952
Mandip Rai**	Director of LLEP	24		81,431	93,952	87,693
John Leach	Director Neighbourhood & Environmental Services	587		81,431	93,952	93,952
Andrew Smith	Director Planning, Development & Transportation	352		81,431	93,952	93,952
Mike Dalzell	Director Tourism, Culture & Inward Investment	164		81,431	93,952	90,823
Ivan Browne	Director of Public Health	204		90,823	93,952	90,823

\* 0.8 fte

\*\*The Leicester and Leicestershire Enterprise Partnership (LLEP) is a separate legal entity, however, Leicester City Council is the employing body on behalf of that entity. The Director of the LLEP is employed by the Council on the same conditions of service as its Strategic and Divisional Directors.



## DEPARTMENTAL BUDGET CEILINGS 2019/20

<b>City Development &amp; Neighbourhoods</b>	<b>(£'000s)</b>
Neighbourhood & Environmental Services	32,290.8
Tourism, Culture & Inward Investment	5,693.5
Planning, Development & Transportation	15,967.8
Estates & Building Services	3,505.3
Housing Services	2,951.3
Departmental Overheads	802.0
<b>DEPARTMENT TOTAL</b>	<b>61,210.7</b>
<b>Social Care and Education</b>	
Adult Social Care & Safeguarding	109,295.2
Adult Social Care & Commissioning	661.2
Health and Wellbeing	18,615.6
Strategic Commissioning & Business Support	582.4
Learning Quality & Performance	10,796.5
Children, Young People and Families	61,787.3
Departmental Resources	(6,564.3)
<b>DEPARTMENT TOTAL</b>	<b>195,173.9</b>
<b>Corporate Resources and Support</b>	
Delivery, Communications & Political Governance	5,547.7
Financial Services	10,935.3
Human Resources	4,351.7
Information Services	9,505.1
Legal Services	2,727.0
<b>DEPARTMENT TOTAL</b>	<b>33,066.8</b>
<b>Total Service Budget Ceilings</b>	<b>289,451.4</b>
<i>less public health grant income</i>	<i>(26,104)</i>
<b>Total Service Budget Ceilings</b>	<b>263,347.4</b>





# Enabling our best work

## Leadership qualities



Leicester City Council's Leadership Qualities outline the behaviours we expect our leaders to demonstrate in the workplace. These behaviours are what our people say enables and inspires them to do their best work.

### Achieve

*Outcome focus*

Agrees clear outcomes / objectives and holds the individuals and team to account

Involves team in creating a shared purpose to help them develop and achieve results

### People Centred

*Putting people at the centre of what we do*

Takes time to understand individual's views and feelings and adapts their own behaviour and style as appropriate

Shows respect for the views of others and gives recognition for their contributions; valuing diversity

### Connected

*Building impactful relationships*

Has regular quality conversations, speaks honestly and challenges constructively

Proactively develops positive trusting relationships within the team

### Reflect

*Making time to reflect, analyse and develop*

Encourages and enables team to reflect and act on evaluation and feedback

Creates a culture of continuous improvement: sees successes and setbacks as opportunities to learn and develop

### Inspire

*Igniting creativity, supporting development and role modelling*

Creates space and time for the team to be innovative and creative

Supports team development and encourages autonomy and freedom to enable team to do their best work

*Leicester City Council will operate with creativity and drive for the benefit of Leicester and its people*

Be confident | Be clear | Be respectful | Be fair | Be accountable



Pay Scales

Grade	1 April 2018		1 April 2019	
	LCC spinal point	Salary	LCC spinal point	Salary
1	3	£16,394	1	£17,364
	4	£16,495		
	5	£16,626	2	£17,711
	6	£16,755		
2	7	£16,863	3	£18,065
	8	£17,007		
	9	£17,173	4	£18,426
	10	£17,391		
3	11	£17,681	5	£18,795
	12	£17,972		
	13	£18,319	6	£19,171
	14	£18,672		
4	15	£18,870	7	£19,554
	16	£19,446	8	£19,945
	17	£19,819	9	£20,344
	18	£20,541	10	£21,166
5	19	£21,074	11	£21,589
	20	£21,693	12	£22,462
	21	£22,401	13	£22,911
	22	£23,111	14	£23,836
6	23	£23,866	15	£24,799
	24	£24,657	16	£25,295
	25	£25,463	17	£26,317
	26	£26,470	18	£26,999
7	27	£27,358	19	£27,905
	28	£28,221	20	£28,785
	29	£29,055	21	£29,636
	30	£29,909	22	£30,507
8	31	£30,756	23	£31,371
	32	£31,401	24	£32,029
	33	£32,233	25	£32,878
	34	£33,136	26	£33,799
9	35	£34,106	27	£34,788
	36	£35,229	28	£35,934
	37	£36,153	29	£36,876
	38	£37,107	30	£37,849
10	39	£38,052	31	£38,813
	40	£39,002	32	£39,782
	41	£39,961	33	£40,760
	42	£40,858	34	£41,675
11	43	£41,846	35	£42,683
	44	£42,806	36	£43,662
	45	£43,757	37	£44,632
	46	£44,697	38	£45,591
12	47	£45,835	39	£46,752
	48	£46,973	40	£47,912
	49	£48,106	41	£49,068
	50	£49,248	42	£50,233
13	51	£50,488	43	£51,498
	52	£51,734	44	£52,769
	53	£52,972	45	£54,031
	54	£54,217	46	£55,301
14	55	£55,576	47	£56,688
	56	£56,945	48	£58,084
	57	£58,315	49	£59,481
	58	£59,677	50	£60,871
15	59	£61,110	51	£62,332
	60	£62,595	52	£63,847
	61	£64,115	53	£65,397
	62	£65,673	54	£66,985



# Leicester City Council

## Gender Pay Gap Report 2018



# About this report

This report is based on The Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which came into force on 31 March 2017 and which require public sector employers to publish specific details of their gender pay.

## Scope

This report covers all employees of Leicester City Council except those based in schools. (Under the Regulations the governing body of a maintained school is treated as the employer.) Included are all staff permanently and temporarily employed on the reporting 'snapshot date' (31 March 2018). This includes those on casual contracts that worked during the pay period ending 31 March 2018. For comparison purposes 'full-time' employees are considered as those who worked 30 or more hours per week on average within the pay period.

## Definition of Pay

Under the Regulations, and therefore in this report, 'pay' includes: basic pay, paid leave (including annual leave, sick leave, maternity, paternity, adoption and parental leave (except where an employee is paid less than usual because of being on leave)), allowances, shift premium pay and bonus pay. 'Pay' does not include: overtime pay, expenses, the value of salary sacrifice schemes (however the reduction to salary is included), benefits in kind, redundancy pay and tax credits.

## Gender pay gap and equal pay

The gender pay gap is defined as the difference between the pay of men and women. While there are many ways of presenting this data, under the Regulations, and in this report, there are only two measures: median hourly pay and mean hourly pay. Each is represented as the percentage of the difference with men's pay being the divisor. Therefore, where men are paid more than women, the pay gap will be 'positive' (i.e. with a 3% pay gap women earn 97p for every £1 a man earns). Negative pay gaps are represented as minus percentages (i.e. with a negative pay gap of minus 3% women earn £1.03 for every £1 a man earns). Gender pay gap is not about men and women being paid differently for the same job which has been prohibited by equal pay legislation since 1975. Even with this legislation, historically certain occupations have attracted greater pay due to the value placed on typical masculine and feminine skills.

To comply with equal pay legislation, as well as to mitigate unconscious gender-biased skill appraisal, we operate a recognised job evaluation scheme which covers the majority of posts within the council. This is supported by periodic equal pay audits to ensure that our pay structure remains transparent and free from gender bias. An equal pay audit was completed in 2014. The overall finding of the audit was that there were no significant areas of concern, the independent author of the report found that 'the JE scheme used by the council, and the method of operation, should provide reliable and consistent job evaluation results.' There were no concerns raised about the operation of our scheme and there were no recommendations for any changes.

The following summary has been prepared in line with the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017. This page covers all aspects of the mandatory reporting requirements under these regulations.

**The difference between the average (mean and median) hourly rate of pay for male and female employees**

1. The mean pay for women is £14.39 per hour, and mean pay for men is £14.25 per hour. Therefore the mean gender pay gap is -0.99%.
2. The median pay for women is £13.28 per hour, and the median pay for men is £13.28 per hour. Therefore median gender pay gap is 0.00%.

**The difference between the average (mean and median) bonuses paid to male and female employees over the period of 12 months ending with the snapshot date of 31 March**

3. No bonuses were paid to employees during this period.

**The proportion of male employees, and of female employees, who were paid bonuses during the period of 12 months ending with the snapshot date of 31 March**

4. No bonuses were paid to employees during this period.

**The proportions of male and female employees in each quartile of the pay distribution**

			% in Quartile		% of Group	
	Women	Men	Women	Men	Women	Men
Quartile 1	858	668	56%	44%	24%	26%
Quartile 2	880	646	58%	42%	25%	26%
Quartile 3	902	624	59%	41%	25%	25%
Quartile 4	938	589	61%	39%	26%	23%

## Comparison of gender pay gap (median and mean) by sector: Full-time and part-time

	Median			Mean		
	Women	Men	Gender Pay gap	Women	Men	Gender Pay gap
2017 <i>Leicester City Council 2017</i>	£ 11.63	£ 12.01	3.12%	£ 13.29	£ 13.35	0.46%
Leicester City Council	£ 13.28	£ 13.28	0.00%	£ 14.39	£ 14.25	-0.99%
2018 Public Sector	£ 14.36	£ 17.72	18.96%	£ 16.54	£ 20.05	17.51%
Private sector	£ 10.02	£ 13.14	23.74%	£ 14.11	£ 17.71	20.33%
Non-profit	£ 12.58	£ 16.33	22.96%	£ 15.56	£ 19.19	18.92%

The Council’s median gender pay gap has changed from a small positive one in 2017, the first year of reporting, to zero. The mean gender pay gap has changed from a negligible positive one to a negligible negative one. The council is noticeably ahead of both private and public sector organisations.<sup>1</sup>

## Full-time employees - comparison of gender pay gap (median and mean) by sector

	Median			Mean		
	Women	Men	Gender Pay gap	Women	Men	Gender Pay gap
2017 <i>Leicester City Council 2017</i>	£ 13.32	£ 13.32	0.00%	£ 14.59	£ 13.97	-4.47%
Leicester City Council	£ 13.28	£ 12.78	-3.36%	£ 14.84	£ 14.42	-2.87%
2018 Public Sector	£ 15.63	£ 17.91	12.73%	£ 17.18	£ 19.96	13.93%
Private sector	£ 11.97	£ 14.04	14.74%	£ 15.16	£ 18.12	16.34%
Non-profit	£ 14.67	£ 17.46	15.98%	£ 16.47	£ 19.68	16.31%

For all sectors the gender pay gap reduces for full-time employees, however for LCC this reduction becomes a negative pay gap for both median and mean.

## Part-time employees - comparison of gender pay gap (median and mean) by sector

	Median			Mean		
	Women	Men	Gender Pay gap	Women	Men	Gender Pay gap
2017 <i>Leicester City Council 2017</i>	£ 10.33	£ 9.55	-8.15%	£ 11.88	£ 11.17	-6.30%
Leicester City Council	£ 13.28	£ 12.78	-3.94%	£ 13.75	£ 13.42	-2.43%
2018 Public Sector	£ 11.42	£ 15.54	26.51%	£ 14.69	£ 21.42	31.42%
Private sector	£ 8.70	£ 8.55	-1.75%	£ 11.12	£ 11.94	6.87%
Non-profit	£ 10.39	£ 11.33	8.30%	£ 13.03	£ 15.16	14.05%

Both median and mean gender pay gaps for part-time employees in the council are negative. Both gaps have reduced since 2017. The mean gap compares favourably with all sectors whilst the private sector median pay gap is closer to zero than the council’s.

<sup>1</sup> Annual Survey of Hours and Earnings: 2017 provisional results