



Leicester
City Council

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

14 March 2018

Sir or Madam

I hereby summon you to a meeting of the LEICESTER CITY COUNCIL to be held at the Town Hall, on THURSDAY, 22 MARCH 2018 at FIVE O'CLOCK in the afternoon, for the business hereunder mentioned.

Monitoring Officer

AGENDA

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

The minutes of the meetings held on 25 January and 21 February 2018 are available to view at:

25 January 2018

<http://www.cabinet.leicester.gov.uk:8071/ieListDocuments.aspx?CId=81&MId=8212&Ver=4>

21 February 2018

<http://www.cabinet.leicester.gov.uk:8071/ieListDocuments.aspx?CId=81&MId=8213&Ver=4>

Copies are also available from Democratic Support on (0116) 454 6350 or 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 2018/19 and Gender Pay Gap Report 2017.

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

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 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 2018/19 & GENDER PAY GAP REPORT 2017

A report is submitted that seeks approval of the Council's Pay Policy Statement for 2018/19, as required by Section 38 of the Localism Act 2011 and to note the Gender Pay Gap Report 2017 as required by the Equalities Act 2010.

Council is asked to approve the Pay Policy Statement for 2018/19 and to note the Gender Pay Gap Report 2017.

**Sir Peter Soulsby
City Mayor**

7.1

Executive Report

Pay Policy Statement 2018/19

Gender Pay Gap Report 2017

Decision to be taken by: Full Council on 22 March 2018

Lead director: Miranda Cannon



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 2018/19 and asks Council to note the Gender Pay Gap Report for 2017.

2. Recommendations:

- a) That Council approves the Pay Policy Statement for 2018/19 (Appendix 1).
- b) That Council notes the Gender Pay Gap Report for 2017 (Appendix 2).

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 clearly evidences the position on senior pay where the ratio between the top earner's salary and the median salary has reduced from 5.74:1 in the previous year to 5.38:1. The ratio is significantly lower than for our neighbouring councils: Nottingham City Council; Derby City Council and Coventry City Council, who all had

ratios of more than 7:1.

Gender Pay Gap Report

This is the Council's first 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, ie the percentage difference between the median and mean hourly rates for men and women. The council's median gender pay gap is 3.12% and the mean gender pay gap is 0.46%. These figures compare very positively against median and mean gender pay gaps of 18.31% and 17.99% respectively for the public sector as a whole (according to 2016 provisional data from the Annual Survey of Hours and Earnings). It is not yet possible to compare 2017 figures with other local authorities as data does not need to be published until 31 March 2018.

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 2018/19 includes an estimate of pay costs which will be incurred.

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

Mark Noble
Head of Finance

Ext: 374041

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 30th March 2018 and every subsequent year following.

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 1: Proposed Pay Policy Statement 2018/19 and supporting documents (1a – 1d).

Appendix 2: Gender Pay Gap Report 2017.

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 2018/19

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 from 2012/13 onwards. 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. 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 348,300¹ in 2016. It is one of the largest employers in the city with a current workforce headcount of 12,634 (6,551 within schools), and a full time equivalent workforce of 10,140 (4,831 within 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,

¹ 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 Council is in the eighth year of the most severe period of spending cuts we have ever experienced. The Local Government Association has reported “councils, which have already experienced unprecedented funding cuts since 2010, will see their central government funding further cut by £2.7 billion between 2018/19 and 2019/20 – a 54 per cent reduction”². The 10% of authorities most dependent on grant (generally, the least affluent areas) have cut spending by an average of 33% in real terms since 2009/10. The 10% least dependent on grant have cut spending by only 9%. Our own estimates, comparing cuts to the Index of Multiple Deprivation, point very strongly to the same conclusions.
- 2.4 Our government grant has fallen, on a like for like basis, from £289m in 2010/11 to an estimated £165.8m by 2019/20. The grant will have fallen by over 50%, after allowing for inflation, over ten years.
- 2.5 This has resulted in the Council’s budget, again on a like for like basis, falling from £355.7m in 2010/11 to an estimated £287.2m 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 62% in real terms over the same period.
- 2.6 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.
- 2.7 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.
- 2.8 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.

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 2.6).
- 3.2 The Statement includes policies on:

² Local Government Association <https://www.local.gov.uk/about/news/council-funding-be-further-cut-half-over-next-two-years-lga-warns>

- a) The level and elements of remuneration for Chief Officers
 - b) The remuneration of lowest paid employees
 - 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 Service³, Strategic Directors and Divisional Directors (i.e. directors employed on grade UCOC/T and the Director of Public Health).
- 3.5 In line with the Local Government Transparency Code 2015, the Council publishes a senior management structure chart on its website.

<http://www.leicester.gov.uk/your-council/how-we-work/data-protection-and-foia/transparency-and-open-data>

4. Senior Pay

Head of Paid Service

- 4.1 Under the mayoral model, the Council retains a statutory role of Head of Paid Service. The salary range for this post is £125,709 - £130,048 pa (two incremental points). There are no additional performance, bonus or ex gratia payments applicable to this role.

Strategic and Divisional Directors

- 4.2 Appendix 1A details each Chief Officer's substantive salary range and current salary. The pay scale for Chief Officers increased by 1% on 1 April 2017. At the time of writing we do not have confirmation of the 2018 pay award.
- 4.3 The conditions of service for Strategic and Divisional Directors 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. Those who so wish may have access to workplace car parking at a cost of £870 pa, paid through a salary sacrifice arrangement; this arrangement is under review.
- 4.4 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.

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

Placing on Grades and Incremental Progression

- 4.5 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.
- 4.6 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

- 4.7 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

- 4.8 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.
- 4.9 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.
- 4.10 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.
- 4.11 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 12.
- 4.12 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.

Comparison of Senior Pay with Similar Authorities

- 4.13 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 acts as the Strategic Director for Corporate Resources and Support). The most senior role in the three other Councils (as their Head of Paid Service) is the Chief Executive.

Authority	Most senior role in the Council (Head of Paid Service)	Top tier – Strategic Directors (from 1.4.2017)	Second tier – Divisional Directors (from 1.4.2017)
Leicester	£125,709 - £130,048	£112,705 - £121,375	£79,834 - £92,110
Coventry	£175,000 - £185,000	£77,797 – £125,538	
Derby	£163,216	£110,257 - £121,280	£70,430 - £83,223
Nottingham	£165,000 - £185,000	£121,200 - £146,100	£93,930 - £107,060

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

Value for Money

- 4.15 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.
- 4.16 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.

- 4.17 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 1A. 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.
- 4.18 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. Strategic Directors 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.
- 4.19 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 1B.
- 4.20 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/>
- 4.21 The management competencies for Divisional Directors are set out in Appendix 1C.

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 structure, which covers the majority of non-schools staff including most Heads of Service⁴, has 15 grades – see Appendix 1D. Each grade has four increments. 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.

⁴ There are five Heads of Service paid on 'city officer' grade, which sits outside of this structure. Pay for the city officer grade is between £66,536 and £74,194 at 1 April 2017 and pay awards are determined in line with the Joint Negotiating Committee for Chief Officers Agreement, See para 4.3.

- 5.3 All employees on the Leicester Local Government Services salary scale are due to receive an increase from 1 April 2018. At the time of writing, national negotiations are ongoing. Currently, the lowest salary is £15,014 and the highest salary is £64,385.
- 5.4 The Council has made a positive commitment to support lower paid staff and their families. As such, on 1 April 2013, the Council adopted the 'UK Living Wage'⁵, to provide a better standard of living for lower paid employees. The rate has risen each year, and is currently set at £8.75 per hour. This is paid via a supplement to employees on points 3 to 11 of the pay scale, approximately 798 by headcount at 1st January 2018.
- 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 £104.25 per week.
- 5.6 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. The staff and management competencies are attached at Appendix 1C.
- 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.

⁵ The UK living wage is an hourly rate set independently, and updated annually, by The Living Wage Foundation which Leicester City Council has signed-up to on a voluntary basis. It is different to the 'national living wage' which is set at £7.83 per hour from 1 April 2018 for workers aged 25 and over.

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 £130,048 and a median full time equivalent salary of £24,174, is 5.38:1. The ratio has reduced from last year (5.74:1) when the median salary was £22,658. The ratio is significantly lower compared to our neighbouring unitary councils, Nottingham City Council; Derby City Council and Coventry City Council, which all had a ratio of more than 7:1 in 2016/17.

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 illustrated :

LGPS Contribution Band	Salary Range	Contribution Rate
1	£0 - £13,700	5.5%
2	£13,701 - £21,400	5.8%
3	£21,401 - £34,700	6.5%
4	£34,701 - £43,900	6.8%
5	£43,091 - £61,300	8.5%
6	£61,301 - £86,800	9.9%
7	£86,801 - £102,200	10.5%
8	£102,201 - £153,300	11.4%
9	More than £153,300	12.5%

7.2 At the time of writing this statement the Council makes employer's contributions to the scheme at a rate of 22.7 percent.

7.3 The Council's approach to termination payments is set out in paragraphs 4.8 to 4.12 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 1A – Chief Officers’ Salaries

Name	Post Title	Employees (FTE)		Salary Range		Salary at 01/03/2018
		Central	Schools	Minimum	Maximum	
Head of Paid Service						
Andrew Keeling	Chief Operating Officer	5309	4831	125,709	130,048	130,048
Strategic Directors						
Vacant	Strategic Director Childrens’ Services	1267		112,705	121,375	
Philip Coyne	Strategic Director City Dev & Neighbourhoods	2262		112,705	121,375	117,042
Steven Forbes	Strategic Director Adult Social Care & Health	678		112,705	121,375	117,042
Divisional Directors						
Tracy Rees	Director for Adult Social Care & Commissioning	307		79,834	92,110	92,110
Ruth Lake	Director of Adult Social Care & Safeguarding	370		79,834	92,110	92,110
Caroline Tote	Director Social Care & Early Help	718		79,834	92,110	85,974
Kamal Adatia	City Barrister & Head of Standards	88		79,834	92,110	74,683#
Miranda Cannon	Director Delivery Comms & Political Governance	176		79,834	92,110	92,110
Matthew Wallace	Director Estates & Building Services	211		79,834	92,110	92,110
Alison Greenhill	Director of Finance	571		79,834	92,110	92,110
Christopher Burgin	Director of Housing	944		79,834	92,110	89,042
Paul Tinsley	Director of Learning Services	548		79,834	92,110	89,042
Mandip Rai	Director of LLEP*	23		79,834	92,110	82,902
John Leach	Director Neighbourhood & Environmental Services	593		79,834	92,110	89,042
Andrew Smith	Director Planning, Dev & Trans	328		79,834	92,110	92,110
Ruth Tennant	Director of Public Health	204		98,219	98,219	78,575#
Mike Dalzell	Director Tourism, Culture & Inward Investment	161		79,834	92,110	85,974

*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

#Part time

APPENDIX 1B

DEPARTMENTAL BUDGET CEILINGS 2018/19

City Development & Neighbourhoods	(£'000s)
Neighbourhood & Environmental Services	30,777.6
Tourism, Culture & Inward Investment	5,664.0
Planning, Development & Transportation	16,377.8
Estates & Building Services	5,325.2
Housing Services	3,759
Departmental Overheads	629.9
DEPARTMENT TOTAL	62,533.5
Adults	
Adult Social Care & Safeguarding	105,173.9
Adult Social Care & Commissioning	(65.3)
Health and Wellbeing	21,013.5
DEPARTMENT TOTAL	126,122.1
Education & Children's Services	
Strategic Commissioning & Business Support	565.3
Learning Quality & Performance	8,736.7
Children, Young People and Families	57,003.2
Departmental Resources	(6,746.5)
DEPARTMENT TOTAL	59,558.7
Corporate Resources Department	
Delivery, Communications & Political Governance	5,405.6
Financial Services	11,975.6
Human Resources	4,270.5
Information Services	9,387.8
Legal Services	2,130.5
DEPARTMENT TOTAL	33,170.0
Total Service Budget Ceilings	281,384.3
<i>less public health grant income</i>	<i>(26,804)</i>
Total Service Budget Ceilings	254,580.3

Appendix 1C

The Staff Competencies Framework

The Staff Competency Framework addresses the core competencies that support the corporate values of the organisation.

In general terms competencies address *how* we want people to work, and go hand-in-hand with objectives designed to set out *what* we want people to do.

<p>1. Having a Customer Focus</p> <p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> 1.1 Puts the customer at the centre of the business 1.2 Learns from own and other’s experiences and from customer complaints 1.3 Presents a positive image of self and the Council 1.4 Uses plain and simple language in all situations 1.5 Communicates in ways that helps others understand 1.6 Gives customers timely and correct information 	<p>2. Delivering Quality Services</p> <p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> 2.1 Works flexibly and adapts to accommodate the pace of change 2.2 Delivers services – ‘right first time’ 2.3 Develops service in response to customer feedback 2.4 Contributes ideas for service improvement 2.5 Works actively to develop skills and knowledge
<p>3. Delivering Outcomes</p> <p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> 3.1 Takes responsibility for own performance. 3.2 Understands own contribution to delivering council priorities 3.3 Demonstrates effective team working in order to achieve objectives 	<p>4. Driving Out Inequalities</p> <p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> 4.1 Recognises the contribution that a diverse workforce makes to the business 4.2 Values the views and opinions of all colleagues. 4.3 Treats others fairly and with respect 4.4 Recognises and reports all forms of discrimination 4.5 Ensures that all needs of all individuals are appropriately prioritised
<p>5. Joining Up What We Do</p> <p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> 5.1 Works collaboratively with service users, partners and colleagues 5.2 Keeps up to date with Council developments and changes to policies and procedures 5.3 Commits to supporting own manager by working to agreed objectives 5.4 Identifies opportunities for working more effectively together 5.5 Challenges traditional ways of working 	<p>6. Being Sustainable in Everything We Do</p> <p><i>An effective Leicester City Council employee:</i></p> <ul style="list-style-type: none"> 6.1 Embraces personal environmental responsibility 6.2 Works to support carbon reduction initiatives 6.3 Actively challenges unnecessary consumption of resources

The LCC Management Competencies Framework

Select the competencies you wish to explore and/or evidence. It doesn't have to be all eleven. Use them in the PDR discussion as a separate area or as a part of the review or forward planning of future objectives.

<p>M1 Managing people performance</p> <ul style="list-style-type: none"> • Manages individual and team performance to achieve objectives • Understands and consistently applies all HR & organisational policies and procedures • Ensures a fair, equal and consistent approach towards all people
<p>M2 Delivering service excellence</p> <ul style="list-style-type: none"> • Challenges and improves ways of working in the commissioning context - Analyse, Plan, Do, Review • Plans service delivery, sets and monitors performance targets and manages risks • Manages business processes to ensure efficiency and effectiveness. • Understands cost, time and value for money principles and practice • Sets and works to agreed budgets • Manages assets effectively • Manages information to achieve the best outcomes
<p>M3 Managing money and resources</p> <ul style="list-style-type: none"> • Manages resources to optimise delivery of services • Understands, and works within LCC Financial and EMAS regulatory framework • Recognises the responsibility associated with the use of public finance • Appreciates the reasons for focussing on driving down costs
<p>M4 Leading change</p> <ul style="list-style-type: none"> • Leads, manages and implements sustainable change directly or through the effective use of others
<p>M5 Engaging with the community</p> <ul style="list-style-type: none"> • Actively listens, influences and works positively with colleagues, Councillors, partners, community groups and the general public to achieve the Council's objectives • Makes a positive impact and gains agreement by using a variety of methods to convey information, advice or concepts
<p>M6 Develops talent</p> <ul style="list-style-type: none"> • Acquires, applies and provides guidance to others on relevant functional knowledge. • Utilises expertise in others effectively • Keeps up to date with changes in area of expertise and continuously develops own functional knowledge and skills
<p>M7 Working with partners</p> <ul style="list-style-type: none"> • Understands, sets up and manages a variety of ways of delivering service through others, such as procurement, informal and formal partnerships, joint ventures and outsourcing • Collaborates with external organisations to deliver mutually beneficial outcomes
<p>M8 Solving problems and being creative</p> <ul style="list-style-type: none"> • Takes appropriate initiatives, anticipates and resolves problems systematically by fact finding, analysis and considering options to come up with realistic and achievable solutions • Thinks laterally, using flair and imagination to develop and implement improvements • Makes informed decisions, engaging and involving others as appropriate
<p>M9 Strategic working and political awareness</p> <ul style="list-style-type: none"> • Develops and applies the strategic agenda of the council and/or service by understanding the bigger picture and through joined up working • Understands and manages the expectations of, and is accountable to Councillors and customers • Understands the role of politics and politicians
<p>M10 Project and programme management</p> <ul style="list-style-type: none"> • Organises own work and that of others to meet project and/or programme objectives

APPENDIX 1D

LG Bands 2017 - WEF 1st April 2017

LG Band	SCP	Annual £	Monthly £ p	Hourly Rate £ p
1	3	£15,014	1,251.17	7.78
	4	£15,115	1,259.58	7.83
	5	£15,246	1,270.50	7.90
	6	£15,375	1,281.25	7.97
2	7	£15,613	1,301.08	8.09
	8	£15,807	1,317.25	8.19
	9	£16,123	1,343.58	8.36
	10	£16,491	1,374.25	8.55
3	11	£16,781	1,398.42	8.70
	12	£17,072	1,422.67	8.85
	13	£17,419	1,451.58	9.03
	14	£17,772	1,481.00	9.21
4	15	£18,070	1,505.83	9.37
	16	£18,746	1,562.17	9.72
	17	£19,430	1,619.17	10.07
	18	£20,138	1,678.17	10.44
5	19	£20,661	1,721.75	10.71
	20	£21,268	1,772.33	11.02
	21	£21,962	1,830.17	11.38
	22	£22,658	1,888.17	11.74
6	23	£23,398	1,949.83	12.13
	24	£24,174	2,014.50	12.53
	25	£24,964	2,080.33	12.94
	26	£25,951	2,162.58	13.45
7	27	£26,822	2,235.17	13.90
	28	£27,668	2,305.67	14.34
	29	£28,485	2,373.75	14.76
	30	£29,323	2,443.58	15.20
8	31	£30,153	2,512.75	15.63
	32	£30,785	2,565.42	15.96
	33	£31,601	2,633.42	16.38
	34	£32,486	2,707.17	16.84
9	35	£33,437	2,786.42	17.33
	36	£34,538	2,878.17	17.90
	37	£35,444	2,953.67	18.37
	38	£36,379	3,031.58	18.86

10	39	£37,306	3,108.83	19.34
	40	£38,237	3,186.42	19.82
	41	£39,177	3,264.75	20.31
	42	£40,057	3,338.08	20.76
11	43	£41,025	3,418.75	21.26
	44	£41,967	3,497.25	21.75
	45	£42,899	3,574.92	22.24
	46	£43,821	3,651.75	22.71
12	47	£44,935	3,744.58	23.2910
	48	£46,052	3,837.67	23.8700
	49	£47,163	3,930.25	24.4458
	50	£48,282	4,023.50	25.0258
13	51	£49,498	4,124.83	25.6561
	52	£50,720	4,226.67	26.2895
	53	£51,933	4,327.75	26.9183
	54	£53,154	4,429.50	27.5511
14	55	£54,487	4,540.58	28.2421
	56	£55,828	4,652.33	28.9371
	57	£57,173	4,764.42	29.6343
	58	£58,507	4,875.58	30.3257
15	59	£59,913	4,992.75	31.0545
	60	£61,367	5,113.92	31.8081
	61	£62,859	5,238.25	32.5815
	62	£64,385	5,365.42	33.3725

APPENDIX 2

Leicester City Council

Gender Pay Gap Report 2016/17



Leicester
City Council

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

About this report

This report is based on the '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 2017). This includes those on casual contracts that worked during the pay period ending 31 March 2017. 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. The last 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. The use of the ongoing moderation process is good and is something that is not very often seen in other organisations. 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 £13.29 per hour, and mean pay for men is £13.35 per hour. Therefore the mean gender pay gap is 0.46%.
2. The median pay for women is £11.63 per hour, and the median pay for men is £12.01 per hour. Therefore median gender pay gap is 3.12%.

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

Quartile			% in quartile		% of group	
	Women	Men	Women	Men	Women	Men
4	1026	610	63%	37%	27%	23%
3	967	722	57%	43%	25%	27%
2	915	669	58%	42%	24%	25%
1	929	709	57%	43%	24%	26%

All employees

Comparison of gender pay gap (median and mean) by sector

Full and part-time employees	Median			Mean		
	Women	Men	Gender pay gap	Women	Men	Gender pay gap
Leicester City Council	£ 11.63	£ 12.01	3.12%	£ 13.29	£ 13.35	0.46%
Public Sector	£ 13.79	£ 16.88	18.31%	£ 15.96	£ 19.46	17.99%
Private Sector	£ 9.44	£ 12.50	24.48%	£ 12.92	£ 16.49	21.65%
Non-profit	£ 11.99	£ 15.68	23.53%	£ 14.80	£ 18.42	19.65%

The overall gender pay gap at the council is significantly smaller than the overall pay gap for the public, private and non-profit sectors¹. Women at the council earn more on average than women working in the private sector, however average pay at the council for both men and women is lower than the public and non-profit sector.

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

Full-time employees	Median			Mean		
	Women	Men	Gender pay gap	Women	Men	Gender pay gap
Leicester City Council	£ 13.32	£ 13.32	0.00%	£ 14.59	£ 13.97	-4.47%
Public Sector	£ 15.12	£ 17.05	11.32%	£ 16.63	£ 19.38	14.19%
Private Sector	£ 11.07	£ 13.28	16.64%	£ 13.87	£ 16.89	17.88%
Non-profit	£ 13.93	£ 16.85	17.33%	£ 15.73	£ 18.89	16.73%

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

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

Part-time employees	Median			Mean		
	Women	Men	Gender pay gap	Women	Men	Gender pay gap
Leicester City Council	£ 10.33	£ 9.55	-8.15%	£ 11.88	£ 11.17	-6.30%
Public Sector	£ 11.10	£ 14.36	22.70%	£ 14.07	£ 20.65	31.86%
Private Sector	£ 8.02	£ 7.85	-2.17%	£ 10.20	£ 10.57	3.50%
Non-profit	£ 9.75	£ 11.17	12.71%	£ 12.20	£ 14.49	15.80%

The gender pay gap for part-time employees in the private sector is negative when calculated using median (minus 2.17%), but positive when calculated using mean (3.5%). In comparison LCC has a negative pay gap when calculated both as median (minus 8.5%) and mean (minus 6.3%). This also compares favourably to the public and non-profit sectors. Average part-time pay for women at LCC is higher than the private and non-profit sector, however lower than average pay in the public sector.

¹ Annual Survey of Hours and Earnings: 2016 provisional results