

DRAFT PAY POLICY STATEMENT 2025/26

To:

Civic Affairs Committee (5th February 2025)

Report by:

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Wards affected:

All

1. Recommendations

1.1 The Civic Affairs Committee is asked to consider the changes and recommendations proposed to pay approaches as outlined in this report, specifically;

- a. The recommendation that the Cambridge Weighting rate is increased from £12.50 per hour to £13.00 per hour.
- b. The removal of the Cambridge Weighting and Real Living Wage 4-week qualifying period for agency staff.
- c. To review and recommend to Full Council the Pay Policy Statement at Appendix 1.

2. Purpose and reason for the report

2.1 In 2015, the Secretary of State for Communities and Local Government issued the Local Government Transparency Code 2015. The code sets out the key principles in making local authorities more transparent and accountable to local people. The Council has been, and continues to be, proactive in its compliance with this and the following report provides detail on the Council's pay practices to satisfy the requirements of the code.

- 2.2 Under the Localism Act 2011, Local Authorities are required to prepare a Pay Policy Statement for each financial year. These statements must articulate an authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff (or 'chief officers') and its lowest paid employees.
- 2.3 Attached at Appendix 1, this policy statement must be approved by a resolution of the authority, i.e., full Council, and is required to be published by 31 March.

3. Background and key issues

- 3.1 The pay policy statement outlines the Councils approach to pay and reward for all staff, separating out Chief Officers where necessary to satisfy the requirements of the Localism Act. For Cambridge City Council, the definition of Chief Officer includes the grades of Chief Executive, Director and Assistant Director.

In line with the annual review of the pay policy statement, the HR team have reviewed the additional elements of pay that are outlined in the pay policy and have developed some pay and policy recommendations for Civic Affairs to consider. The changes proposed are outlined below, and the pay policy statement has been updated to reflect these recommendations.

3.2 Cambridge Weighting

- 3.2.1 The Council pays a Cambridge Weighting to employees on City Council terms and conditions of employment and qualifying agency workers earning less than the approved rate per hour. The weighting is paid in addition to salary and the Real Living Wage supplement.
- 3.2.2 The Real Living Wage Foundation rate of pay increased in November 2024 to £12.60 per hour, higher than the Councils existing Cambridge Weighting rate of £12.50 per hour. It is proposed that the Cambridge Weighting allowance is increased to £13.00 per hour from 1st April 2025.

3.2.3 There are currently 60 employees that could see an increase to pay if the Cambridge Weighting rate was increased to £13.00 per hour. Of these, 51 employees are on zero-hour contracts and typically work at weekends or evenings where additional enhancements already apply. The total cost of increasing the Cambridge Weighting rate in line with the recommendation is therefore not expected to exceed £6,000 per annum.

3.3 Agency Pay

3.3.1 The Council's current approach to paying the Real Living Wage and Cambridge Weighting rates is that agency workers only receive the increased hourly rates once they have been engaged with the City Council, via an agency, for four consecutive weeks.

3.3.2 The process requires a monthly review of agency salary data to determine who meets the criteria for the increased rate, and manual adjustments take place to increase the pay for these individuals. The proposal to remove the qualifying period would reduce the administrative burden of this process.

3.3.3 Very few agency staff are engaged at this salary level. The proposal to remove this qualifying period would result in an increase of approximately £3,000 per annum to agency spend.

4. Corporate plan

4.1 The Pay Policy links in to all the Corporate Plan priorities as it affects those staff working across the organisation

[Corporate plan 2022-27: our priorities for Cambridge - Cambridge City Council](#)

5. Consultation, engagement and communication

5.1 The Chief Executive and the Council's Leadership Team have been consulted on this report and changes to the attached draft Pay Policy Statement.

The Leader of the Council, Executive Councillor for Finance and Resources and trade unions, Unison and GMB have been consulted on the proposed changes to the Pay Policy Statement and other recommendations outlined within this report.

This pay policy statement, once approved by Full Council, will be published on the Council's website.

6. Implications

6.1 Relevant risks

The financial cost is the only risk identified as a result of this proposal. Any reputational and staffing impact is deemed positive.

Financial Implications

6.2 Any immediate costs associated with the recommendations above will be met from Group budgets.

Legal Implications

6.3 There are no legal implications arising from the report.

Equalities and socio-economic Implications

6.4 An equality impact assessment has not been undertaken for this report. Equality information by grade is analysed in depth and reported annually to the Equalities Panel and is available on the Council's website.

Net Zero Carbon, Climate Change and Environmental implications

6.5 The proposals in this report have no climate change impact.

Procurement Implications

- 6.6 The Living Wage Policy as it relates to contractors is included in the Pay Policy Statement.

Community Safety Implications

- 6.7 This report relates to the pay, terms and conditions of staff and does not impact directly on community safety matters.

7. Background documents

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 7.1 Pay Policy Statement 2024/25
City Council Pay scales

8. Appendices

- 8.1 Appendix 1 – Draft Pay Policy Statement 2025/26

To inspect the background papers or if you have a query on the report please contact Lynsey Fulcher, Head of People, Tel: 07592 384229, email: Lynsey.fulcher@cambridge.gov.uk