

Council	Agenda Item:
Meeting Date	22 February 2023
Report Title	Pay Policy Statement
EMT Lead	Larissa Reed, Chief Executive
Head of Service	Bal Sandher, Head of HR Shared Service
Lead Officer	Bal Sandher, Head of HR Shared Service
Classification	Open
Recommendations	<p>1. That the proposed Pay Policy Statement be agreed for publication on the council's web site.</p> <p>2. That the information within the Pay Policy Statement is updated with actual year-end figures before final publication.</p>

1 Purpose of Report and Executive Summary

- 1.1 The report is required to enable the council to satisfy the requirements of section 38 of the Localism Act 2011, which required that authorities must prepare a pay policy statement for the financial year 2012/13 and for each subsequent financial year; this statement must be agreed by full Council. The proposed statement is an update on the Council's current statement.
- 1.2 Terms and conditions of employment for employees is a non-executive function and the Policy and Resources Committee has delegated responsibility for this within the Council's constitution. Although there is no statutory template for the Pay Policy, it is recommended that it sets out as many of the relevant policies as possible so that they are transparent and in one place. The attached document refers to the policies currently in place.

2 Background

- 2.1 Section 38 (1) of the Localism Act 2011 required English and Welsh local authorities to produce a Pay Policy Statement for 2012/13, and for each financial year after that. The Bill as initially drafted referred solely to chief officers (a term which includes both statutory and non-statutory chief officers, and their deputies); but amendments reflecting concerns over low pay and also, drawing on Will Hutton's 2011 Review of Fair Pay in the Public Sector, introduced requirements to compare the policies on remunerating chief officers and other employees, and to set out policy on the lowest paid.
- 2.2 The matters that must be included in the statutory Pay Policy Statement are as follows:

- a local authority's policy on the level and elements of remuneration for each chief officer;
- a local authority's policy on the remuneration of its lowest-paid employees (together with its definition of "lowest-paid employees" and its reasons for adopting that definition);
- a local authority's policy on the relationship between the remuneration of its chief officers and other officers and in particular the pay multiple between the two;
- a local authority's policy on other specific aspects of chief officers' remuneration, including: remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency;
- an organisation chart or description of the number and grades of staff in the top three layers of the organisation, with information on the grades of all those with salaries in excess of £50,000; and
- details of facility time and the number of trade union representatives for each of the recognised trade unions.

2.3 With regard to the process for approval, the Pay Policy Statement:

- must be approved formally by the Council meeting;
- must be approved by the end of March each year;
- can be amended in-year;
- must be published on the authority's website; and
- must be complied with when the authority sets the terms and conditions for a chief officer.

2.4 The Act specifically mentions that the Pay Policy Statement may set out the authority's policies relating to other terms and conditions for chief officers, and in the interest of open government there are recommendations that the Statement sets out as much information relating to employee terms and conditions as is practical.

3 Proposal

3.1 The proposed Pay Policy Statement (Appendix I) sets out the Council's overarching Reward Strategy, including many of the associated terms and conditions, and is designed to satisfy the requirements of the Localism Act 2011.

3.2 Once the agreed Pay Policy Statement is accepted by full Council it will be published on the Council's website, along with the details that are already required under the Code of Recommended Practice for Local Authorities on Data Transparency 2011 and the Equality Act 2010.

- 3.3 For ease of reference, the key changes in the document compared with that published in 2022 are set out below:
- (i) the figures for payments made in 2022/23 set out in the categories in section 3.6 of the Pay Policy Statement have been updated;
 - (ii) section 4 outlines the changes to the chief executive earnings
 - (iii) section 5 of the Pay Policy statement reflects the requirements of the Trade Union (Facility Time Publication Requirements) Regulations 2017 that came into force on 1st April 2017. The figures to reflect the time spent on trade union duties have been updated in the tables;
 - (iv) details of remuneration for senior staff have been updated in appendix I (H)
 - (v) Section 3.5 of the Pay Policy statement outlines the process to be followed for any special severance payments. The Government has published statutory guidance on the making and disclosure of Special Severance Payments by local authorities in England. This refers to the need for a higher level of scrutiny in relation to decisions to pay “special severance payments”, which are defined as additional, discretionary sums on top of statutory and contractual entitlement.

4 Alternative Options Considered and Rejected

- 4.1 The Council could choose to publicise a reduced version of the Pay Policy Statement that satisfies the minimum requirements of the Act, but this is not recommended as it does not satisfy the need for transparency, and means that the data is not seen in the context of the good work already undertaken by the Council.

5 Consultation Undertaken or Proposed

- 5.1 As this is a statement of what is already in place and does not make any changes to the current position there has been no consultation to date; the report to the Policy and Resources Committee forms the basis of consultation to ensure that this format is acceptable before going to full council.

6 Implications

Issue	Implications
Corporate Plan	The policies summarised in the Pay Policy Statement assist the Council in achieving its priority of “renewing local democracy and making the council fit for the future’.
Financial, Resource and Property	There are no additional resource implications as a result of the Pay Policy Statement as it is setting out what is already in place. The aim of Section 38 of the Localism Act is to ensure there is openness and transparency with regard to the allocation of public

	money to employee remuneration.
Legal, Statutory and Procurement	Localism Act 2011
Crime and Disorder	None specific to this report.
Environment and Climate/Ecological Emergency	None specific to this report.
Health and Wellbeing	None specific to this report.
Safeguarding of Children, Young People and Vulnerable Adults	None specific to this report.
Risk Management and Health and Safety	<p>There are no risks associated with the publication of the Pay Policy Statement as all this information would be available if requested through the Freedom of Information Act, although the publication of the information may help to reduce some of the FOI requests received.</p> <p>There is a risk to the Council if it does not produce a Pay Policy Statement as this is a statutory requirement.</p>
Equality and Diversity	The Equality Act 2010 places requirements upon all public sector bodies to ensure that its policies and procedures are promoting equality. The measures summarised within the Pay Policy Statement support this requirement.
Privacy and Data Protection	There is no impact to Privacy and Data Protection.

7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- **Appendix I: Pay Policy Statement - March 2023**

8 Background documents

None