



REPORT TO: Council

15 April 2021

LEAD CABINET MEMBER: Councillor John Williams

LEAD OFFICER: Head of HR and Corporate Services

Pay Policy Statement

Executive Summary

1. This report appraises members of the requirements of the Localism Act in relation to a pay policy statement.
2. It covers the posts of chief executive, chief operating officer, joint service director, assistant directors and heads of service.
3. Employment and Staffing Committee, at its meeting held on 15 March 2021, considered the Pay Policy Statement for 2021 and recommended its adoption by Council

Key Decision

No

Recommendations

1. It is recommended that, as recommended by Employment and Staffing Committee, the Council approves of the Pay Policy Statement for 2021.

Reasons for Recommendations

2. The Pay Policy has been reviewed and updated with 2020/2021 pay and organisational structures and job titles.
3. The Localism Act 2011 (s38 to 40) requires the council to approve and publish an annual pay policy statement.

Details

4. The Hutton Review of Fair Pay (2011) recommended a requirement to openly compare the policies on remuneration for chief officers, and details of how decisions are made about the salaries of the highest paid officers and how that relates to the lowest paid.
5. The Localism Act 2011 requires English local authorities to produce, approve and publish a Pay Policy Statement for each financial year. The statement must be approved by Full Council and must include pay and other remuneration for chief officers and other employees, including the lowest paid.
6. Statutory guidance on the Localism Act refers to openness and accountability in local pay and seeks to achieve pay fairness in the public sector by increasing transparency relating to pay and tackling disparities between the lowest and the highest paid within the public sector.
7. Remuneration includes pay, charges, fees (such as returning officer fees), allowances, payment of professional subscription, and benefits in kind, pension, termination payments, performance bonus and severance payments. The statement includes the authority's approach to the re-employment of senior officers.
8. The council's strategy must be one of balancing between securing and retaining high-quality employees whilst maintaining pay equality and avoiding excessive pay rates. In approving this policy, the authority must be satisfied that it is workable, affordable and reasonable and, that it will instil public confidence.
9. The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 require larger private and public sector employers (250+ employees) to report annually the difference between the mean and median average hourly rate of pay for male and female employees, gender bonus gap and the number of men and women across salary quartiles. The council publishes this information on the Government website and on its own website.
10. The Pay Policy statement would normally be approved by Council by the end of March each year. There has been a delay in the publication of this year's statement due to uncertainty in relation to the requirement to publish gender pay data, also due in March each year and included in the Pay Policy statement. Members may be aware that due to the impact of Covid in 2020, Government decided to cancel the requirement to calculate and publish this data in 2020. There was an expectation amongst employers that Government would reinstate the requirement for organisations to report again in March 2021 however the Equality and Human Rights Commission (EHRC) have very recently announced that gender pay gap reporting for the 20/21 reporting year (which uses a snapshot date of 31 March 2020) will not begin until 5 October 2021.

Implications

Financial

11. Salaries referred to in the pay policy statement are within current budgets.

Legal

12. The Localism Act 2011 requires the council to have a pay policy statement.
13. The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 require larger private and public sector employers (250+ employees) to report annually.

Staffing

14. Pay and benefits for council employees remains a key element in terms of attracting and retaining talent and therefore delivering first class services. The council's pay and reward strategy has been developed to ensure that employee pay is based on a fair and transparent evaluation process.

Equality and Diversity

15. The council's pay grade structure and job evaluation method meets the requirements of the Equalities Act.

Consultation responses

16. Trade unions were fully involved in the Job Evaluation project (2008–2012) and were consulted throughout the process of achieving the Single Status Agreement and pay and grading structures. Employees were consulted and balloted on the Single Status Agreement, which details the council's approach to pay, benefits and terms and conditions of employment.
17. The council formally recognises GMB and Unison for the purpose of consultation and negotiation. Trade unions consult with their members on the terms of the annual pay deal.

Effect on Council Priority Areas

A modern and caring Council

18. The council aims to be the 'employer of choice' and attract and retain the best talent by offering fair and transparent pay and reward benefits to its employees. It has a strong commitment to equality, personal and professional development and family friendly policies.

Background Papers

The following background papers were used in the preparation of this report:
Local Government Association and ALACE guidance dated November 2011

DCLG Code of recommended practice for Local Authorities on transparency September 2011

The Equalities Act 2010 (Specific Duties and Public Authorities) Regulations 2017

www.gov.uk/government/consultations

www.gov.uk/government/publications/openness-and-accountability-in-local-pay-supplementary-guidance

Appendices

Appendix A: Pay Policy Statement

Report Author:

Susan Gardner-Craig – Head of HR and Corporate Services
Telephone: (01954) 713285