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| Subject: | PAY POLICY STATEMENT |
| Meeting and Date: | COUNCIL – 3 MARCH 2021 |
| Report of: | NADEEM AZIZ, CHIEF EXECUTIVE AND HEAD OF PAID SERVICE |
| Decision Type: | COUNCIL |
| Classification: | UNRESTRICTED |

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| Purpose of the report: | To agree a Pay Policy Statement for 2021/22 |
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| Recommendation: | That the Council approves the Pay Policy Statement set out at Appendix 1 to this report prior to publication on the Council's website. |
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1. Summary

- 1.1 A Pay Policy Statement must be agreed by full Council for publication by 31 March 2020. The Pay Policy Statement sets out the main aspects of the current remuneration strategy of the Council and is prepared to comply with the requirements of the Localism Act 2011.

2. Introduction and Background

- 2.1 Section 38 (1) of the Localism Act 2011 came into force on 15 January 2012 and required local authorities to produce a Pay Policy Statement for 2012/13 and for each financial year after that. The Council adopted its first Pay Policy on 7 March 2012 for 2012/13 and has each subsequent year since.
- 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 requirement for the full Council to approve any salary packages for new appointments in excess of £100,000
 - 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
 - a local authority's policy on other specific aspects of chief officers' remuneration: remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency.

The reference to 'chief officer' refers to the statutory posts of Head of Paid Service, Monitoring Officer and Section 151 Officer plus non statutory posts of Strategic Director (Operations and Commercial) and the Head of Leadership Support together with any deputy chief officers (within the meaning of s. 2(8) Local Government and Housing Act 1989), which in our organisation includes anyone at Head of Service level or above.

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

- Must be approved formally by the full Council meeting
- Must be approved by the end of March each year
- Can be amended in year but any amendments must be approved by full Council
- Must be published on the authority's website, ensuring that it is easily accessible and readily available to the public
- Must be complied with when the authority sets the terms and conditions for a chief officer

2.4 In creating the Pay Policy Statement it is necessary to have due regard to the guidance issued by the Secretary of State. On 17 February 2012, DCLG published "Openness and Accountability in Local Pay: Guidance under S40 of the Localism Act. In February 2013, DCLG published Supplementary Guidance, which this Council is also required to take into account.

2.5 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 Pay Policy Statement sets out as much information relating to employee terms and conditions as is practical.

2.6 In March 2018, the authority approved an Apprenticeship pay structure and so the Pay Policy for 2021 reflects Apprentices as the "lowest paid employees".

3. **Identification of Options**

Option 1

3.1 The Council publicises a reduced version of the Pay Policy Statement that meets the minimum requirements of the Act.

Option 2

3.2 The Council publicises a version of the Pay Policy Statement that meets the requirements of the Local Government Transparency Code 2014 and Openness and Accountability in Local Pay: Guidance and Supplementary Guidance under S40 of the Localism Act, together with the requirements of s.38 of the Act.

4. **Evaluation of Options**

Option 1

4.1 This is not the recommended approach as it does not satisfy the spirit of transparency, neither does it address the requirement of s.38 of the Localism Act.

Option 2

4.2 This is the preferred option. This approach meets the recommended best practice and has been followed since 2012.

5. **Resource Implications**

5.1 There are no additional resource implications

6. **Corporate Implications**

6.1 Comment from the Section 151 Officer: Accountancy has been consulted and has no further comment. (WP)

6.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted during the preparation of this report and has no further comment to make.

6.3 Comment from the Equalities Officer: This report does not specifically highlight any equality implications, however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15/section/149>

7. **Appendices**

Appendix 1 – Pay Policy Statement for 2020/21

8. **Background Papers**

The Local Government Transparency Code 2014.

Openness and Accountability in Local Pay: Guidance under S40 of the Localism Act and Supplementary Guidance issued in February 2013

Relevant Employment Policies

Contact Officer: Louise May, Head of Governance