



## Pay Policy Statement

<b>Corporate Priority:</b>	Ensuring the right conditions to support delivery (inward)
<b>Relevant Ward Member(s):</b>	N/A
<b>Date of consultation with Ward Member(s):</b>	N/A
<b>Exempt Information:</b>	No

### 1 Summary

- 1.1 The Localism Act 2011 requires the Council to prepare a Pay Policy Statement each year. The Pay Policy Statement must articulate the Council's approach to a range of issues relating to the pay of its workforce and must be published on the website by the 31 March each year
- 1.2 There are no significant changes to the policy statement from the previous year. The policy statement is attached at Appendix A

### 2 Recommendation(s)

**That Council:**

- 2.1 **Approves the attached Pay Policy Statement for 2023/24 at Appendix A**

### 3 Reason for Recommendations

- 3.1 Under Section 112 of the Local Government Act 1972 the Council has 'the power to appoint officers on such reasonable terms and conditions as the Authority thinks fit'. The Transparency Code, published by the Department for Communities and Local Government (DCLG), contains legal requirements to publish specific legal, organisational and salary information as follows:
  - The Pay Multiple and median earnings information must reflect a particular date in the year (in this case the Council's annual Pay Policy Statement update as at 1st January each year), and include all elements of remuneration, not just taxable earnings. This

includes base salary, variable pay allowances and any bonuses or payments in kind but excluding pension

- A list of the number of employees with remuneration above £50,000, presented within brackets of £5,000, with job title and the functions and the services for which they are responsible. This information is contained and kept updated on the website
- Any employees earning in excess of £150,000 must be named. In this Council this does not currently apply.
- An organisation chart for the top 3 organisational tiers must be published. A chart reflecting the Council's current senior structure, indicating where posts are filled on a temporary rather than permanent basis and where these are vacant, is available on the public website.

## **4 Background**

- 4.1 Under Section 112 of the Local Government Act 1972 the Council has 'the power to appoint officers on such reasonable terms and conditions as the Authority thinks fit'.
- 4.2 Legislation and supporting Government guidance, identifies the statutory contents of a Pay Policy Statement and how it should be presented.
- 4.3 Section 38 of the Localism Act 2011 Act sets out the requirement for Local Authorities to publish annual Pay Policy Statements. Additional requirements contained in section 40 of the Localism Act are set out further national guidance.
- 4.4 The core requirements of the provisions of the Localism Act are that a Pay Policy Statement (PPS) must set out the Authority's policies relating to senior salaries, remuneration and pay multiples, including the:
- Remuneration for its lowest paid employees
  - Definition used for this group and the reason for adopting this definition
  - Relationship between Chief Officer remuneration and that of other staff
  - Pay multiple relationship between the highest earnings and the lowest earnings and between the median earnings figure for the whole authority workforce.
- 4.5 The Act defines Chief Officer remuneration as the level and elements of remuneration for each Chief Officer. The definition of a Chief Officer adopted by the Act, as defined by the Local Government and Housing Act 1989 currently applies to the Council's Chief Executive and Directors.

## **5 Main Considerations**

- 5.1 All mandatory requirements of the relevant legislation as set out in both the Act and the Code have been reflected in the Council's updated Pay Policy Statement for 2023/24

## **6 Options Considered**

- 6.1 The statement is a statutory requirement and therefore if it is not provided the Council would not be undertaking its requirements under the Localism Act

## **7 Consultation**

- 7.1 The Senior Leadership Team and local UNISON have been previously consulted on policies included in this statement.

## **8 Next Steps – Implementation and Communication**

- 8.1 The Pay Policy Statement must by law be approved by Council in advance of the financial year to which it relates and must be published in the public domain on the Council's website by 1st April each year.

## **9 Financial Implications**

- 10 There are no direct financial implications as a result of this report. All financial matters have been taken into account in relation to pay and future pay awards.

**Financial Implications reviewed by: Director for Corporate Services**

## **11 Legal and Governance Implications**

- 11.1 The body of the report sets out the statutory basis for the requirement to have a Pay Policy under the provisions of the Localism Act 2011. Section 38 of the Localism Act sets out the statutory requirements of what is to be included within a pay policy statement each financial year. The statement must set out an authority's policies towards a range of issues relating to the pay of its workforce, particularly its senior staff and its lowest paid employees.
- 11.2 Section 39 sets out the requirement for a local authority's pay policy statement to be approved by a resolution of the authority (through Council) before it comes into force and this must be completed by 31 March immediately preceding the financial year to which it relates. This must be followed by publication on the authority's website.
- 11.3 Any decisions relating to the pay and remuneration of Chief Officers must comply with the Pay Policy Statement in place at the time for that financial year and whilst the Statement can be amended in year as required, any changes must be subject to the approval of Council. Failure to do so would be contrary to the Council's Statutory Duty under the Localism Act and may result in legal action being taken against the Council.
- 11.4 Supplementary guidance to the Localism Act; Local Government Transparency Code 2014 issued by the Department of Communities and Local Government sets out the requirements for calculating the pay multiple and further publication of senior salaries which the Council has implemented.
- 11.5 Under the terms of the Accounts and Audit Regulations 2015 the Council should publish on its website information about its most senior officer's pay, including information relating to the Chief Executive and Directors.
- 11.6 Failure to approve a pay policy in accordance with statutory timeframes could result in a legal challenge.

**Legal Implications reviewed by: Monitoring Officer**

## **12 Equality and Safeguarding Implications**

- 12.1 The Council is committed to ensuring that the remuneration of employees is fair and equitable. This is supported through the Pay Policy Statement. The Council's pay and grading structure is determined through Job Evaluation as a mechanism to ensure the consistent evaluation of the relative value of job roles across the Council. This in turn ensures a fair, open and transparent pay structure that supports the equal treatment of all employees in respect of their pay, terms and conditions; is compliant with Equal Pay legislation and Single Status requirements

12.2 There are no safeguarding implications as a result of this report.

### 13 Community Safety Implications

13.1 There are no Community Safety implications as a result of this report

### 14 Environmental and Climate Change Implications

14.1 There are no environmental and climate change implications as a result for this report

### 15 Other Implications (where significant)

15.1 There are no other implications

### 16 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	Of non-compliance by not publishing the Pay Policy Statement	3	2	

		Impact / Consequences			
		Negligible	Marginal	Critical	Catastrophic
Likelihood	Score/ definition	1	2	3	4
	6 Very High				
	5 High				
	4 Significant				
	3 Low		1		
	2 Very Low				
	1 Almost impossible				

### 17 Background Papers

17.1 There are no background papers

### 18 Appendices

18.1 Appendix A Pay Policy Statement

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