



Pay Policy Statement 2025/26

Report Author:	Sarah-Jane O'Connor , Assistant Director for Organisational Development 01664 502460 sjoconnor@melton.gov.uk
Chief Officer Responsible:	Dawn Garton , Director for Corporate Services 01664 502444 DGarton@melton.gov.uk

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

1 Summary

- 1.1 The Localism Act 2011 requires the Council to prepare and publish 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 Recommendations

That Council:

- 2.1 **Approves the attached Pay Policy Statement for 2025/26 at Appendix A.**

3 Reason for Recommendations

- 3.1 Under Section 112 of the Local Government Act 1972 (the 1972 Act) 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 requirements to publish specific legal, organisational and salary information as follows:

- 3.1.1 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.
- 3.1.2 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.
- 3.1.3 Any employees earning in excess of £150,000 must be named. In this Council this does not currently apply.
- 3.1.4 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 1972 Act the Council has 'the power to appoint officers on such reasonable terms and conditions as the Authority thinks fit'.
- 4.2 Sections 38 and 39 of the Localism Act 2011 (the 2011) Act requires local authorities to prepare and publish annual Pay Policy Statements, setting out specific detail to be included. Section 40 of the 2011 Act requires local authorities to have regard to national guidance issued by the Secretary of State when preparing and publishing its Pay Policy statement.
- 4.3 The core requirements 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 of its chief officers
 - Remuneration of its lowest paid employees
 - Definition used for the lowest paid employees 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.
- 4.4 The 2011 Act defines Chief Officer remuneration as the remuneration currently paid to each Chief Officer and the remuneration which may be paid to them in the future, along with the sums that will be paid to other Chief Officers of that type in the future. The 2011 Act uses the same definition of a Chief Officer as the Local Government and Housing Act 1989 which currently includes the Council's Chief Executive, Monitoring Officer, Section 151 Officer, Directors, Assistant Directors and those who report directly to them.

5 Main Considerations

- 5.1 All mandatory requirements of both the Act and the Code have been reflected in the Council's updated Pay Policy Statement for 2025/26.

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 2011 Act.

7 Consultation/Engagement

- 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 2011 Act states that the Pay Policy Statement must be approved by Council in advance of the financial year to which it relates and must be published on the Council's website and in such other manner as the Council thinks fit.

9 Financial Implications

- 9.1 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

10 Legal and Governance Implications

- 10.1 The body of the report sets out the legal requirement to publish a Pay Policy Statement under Section 38 of the Localism Act 2011. 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.
- 10.2 Section 39 requires an authority's Pay Policy Statement to be approved by a Council resolution before it comes into force, being no later than 31 March immediately preceding the financial year to which it relates. It must then be published in such manner as the Council considers fit, including on the authority's website, as soon as reasonably practicable after being approved.
- 10.3 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 are subject to the approval of Council. Failure to do so would be contrary to the Council's statutory duty under the 2011 Act and could result in legal action being taken against the Council.
- 10.4 The Local Government Transparency Code 2015 sets out the requirements for calculating the pay multiple and further publication of senior salaries which the Council has implemented.
- 10.5 Under the Accounts and Audit Regulations 2015 the Council should publish on its website information about its officer's pay, including information relating to the Chief Executive and Directors.
- 10.6 Failure to approve a pay policy in accordance with statutory timeframes could result in a legal challenge.

Legal Implications reviewed by: Monitoring Officer

11 Equality and Safeguarding Implications

- 11.1 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.

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

12 Data Protection Implications (Mandatory)

12.1 A Data Protection Impact Assessment (DPIA) has not been completed since publication of the information, which may identify specific individuals, is a statutory requirement, other than which there are no risks to the rights and freedoms of natural persons.

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 or climate change implications.

15 Other Implications (where significant)

15.1 There are no other implications as a result of this report.

16 Risk & Mitigation

Risk No	Risk Description	Likelihood	Impact	Risk
1	Non compliance by not publishing the Pay Policy Statement.	Low	Marginal	Medium Risk

		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				

Risk No	Mitigation
1	Statement has been prepared and consulted on.

17 Background Papers.

17.1 There are no background papers.

18 Appendices

18.1 Appendix A – Pay Policy Statement