

## **Report to the Cabinet**

**Report reference:** C-060-2020/21  
**Date of meeting:** 11 February 2021



**Portfolio:** Customer & Corporate Support Services

**Subject:** Pay Policy Statement

**Responsible Officer:** Paula Maginnis (01992 564536).

**Democratic Services Officer:** Adrian Hendry (01992 564246).

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### **Recommendations/Decisions Required:**

**The Cabinet is asked to:**

**Recommend the Pay Policy Statement to Council, subject to any amendments or suggestions.**

### **Executive Summary:**

Section 38 (1) of the Localism Act 2011 requires the Council to produce a Pay Policy Statement for each financial year setting out details of its remuneration policy. Specifically, it should include the Council's approach to its highest and lowest paid employees.

It draws on the Review of Fair Pay in the Public Sector (Will Hutton 2011) and concerns over low pay.

### **Reasons for Proposed Decision:**

To enable members of the Cabinet to comment on the Council's Pay Policy Statement before it is agreed by full Council.

### **Other Options for Action:**

The content of the Statement could be amended.

### **Report:**

1. The Localism Act 2011 requires the Council to publish a Pay Policy Statement setting out details of its remuneration policy. Specifically including the Council's approach to its highest and lowest paid employees.

2. The Council's Pay Policy Statement was first published on the Council's website in March 2012. This is updated on an annual basis.

3. The matters which must be included in the statutory Pay Policy Statement are as follows;

- The Council's policy on the level and elements of remuneration for each chief

officer

- The Council's policy on the remuneration of its lowest paid employee (together with its definition of 'lowest paid employees' and its reasons for adopting that definition)
- The Council's policy on the relationship between the remuneration of its chief officers and other officers
- The Council's policy on 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.

4. The Act defines remuneration in broad terms and guidance suggests that it is to include not just pay but also charges, fees, allowances, benefits in kind, increases in/enhancements of pension entitlements and termination payments.

5. The draft Pay Policy Statement for 2021/2022 sets out the Council's current practices and policies and is attached at Appendix 1 for comment. The amendments are highlighted.

6. Changes to the various policies and guidelines will continue to be agreed in accordance with current practices.

**Resource Implications:**

There are no resource implications as it is a statement of current practice and policies. Any implications will be subject to member reports as required.

**Legal and Governance Implications:**

The Policy Statement ensures that the Council complies with its duty under the Localism Act 2011.

**Safer, Cleaner and Greener Implications:**

N/A

**Consultation Undertaken:**

N/A

**Background Papers:**

Hutton Review of Fair Pay in the Public Sector: March 2011

**Impact Assessments:**

**Risk Management**

The Council would not comply with the Localism Act 2011 if it did not produce and publish a Pay Policy Statement.

## Equality Impact Assessment

Is this a new policy (or decision) or a change to an existing policy, practice or project?	Yes
Describe the main aims, objectives and purpose of the policy or decision	To ensure the Council's compliance with its duty under the Localism Act 2011.
What outcome(s) are you hoping to achieve (ie decommissioning or commissioning a service)?	Update the Pay Policy Statement which is a statement of fact.
Does or will the policy or decision affect: <ul style="list-style-type: none"> <li>• service users</li> <li>• employees</li> <li>• the wider community or groups of people, particularly where there are areas of known inequalities?</li> </ul>	Employees, however the Pay Policy Statement is not a mechanism to change remuneration or policy. It is a document which sets out what the pay and terms and conditions are for employees.
Will the policy or decision influence how organisations operate?	No
Will the policy or decision involve substantial changes in resources?	No
Is this policy or decision associated with any of the Council's other policies and how, if applicable, does the proposed policy support corporate outcomes?	No
What does the information tell you about those groups identified?	N/A
Have you consulted or involved those groups that are likely to be affected by the policy or decision you want to implement? If so, what were their views and how have their views influenced your decision?	N/A
If you have not consulted or engaged with communities that are likely to be affected by the policy or decision, give details about when you intend to carry out consultation or provide reasons for why you feel this is not necessary:	N/A
<b>Use this section to assess any potential impact on equality groups based on what you now know.</b>	
Age, Disability, Gender, Gender reassignment, Pregnancy/maternity, Marriage/civil partnership, Race, Religion/belief, Sexual orientation	The Pay Policy Statement is a statement of fact and there is no impact on any protected groups. Any proposed changes to remuneration will be subject

	to further assessment	
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Does the EqlA indicate that the policy or decision would have a medium or high adverse impact on one or more equality groups?	No	See comment above
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<b>Action plan to address and monitor adverse impacts</b>		
What are the potential adverse impacts?	What are the mitigating actions?	Date they will be achieved.
N/A		