

<b>PAY POLICY STATEMENT 2022/23</b>	
<b>CORPORATE COMMITTEE</b> 31 January 2022	<b>CLASSIFICATION:</b> OPEN
<b>WARD(S) AFFECTED</b> All Wards	
<b>GROUP DIRECTOR</b> Ian Williams, Group Director, Finance and Corporate Services	

## 1. SUMMARY

- 1.1 The Localism Act 2011 requires the Council to publish an annual pay policy statement setting out its policies relating to the:
- remuneration of its chief officers (including details of pay elements, pay increases, salary on recruitment, and payments on termination);
  - remuneration of its lowest-paid employees; and
  - the relationship between the remuneration of chief officers and employees who are not chief officers.
- 1.2 The attached draft statement updates the 2021/22 statement which was approved by Council. The 2022/23 statement must be approved by a resolution of the Council before 31 March 2022.

## 2. RECOMMENDATIONS:

- 2.1 Corporate Committee is recommended to agree the Pay Policy and recommend Council to approve it.

## 3. THE 2022/2023 PAY POLICY STATEMENT:

- 3.1. There have been no substantive changes to this policy. The statement details current pay practice, and no new policy principles are being introduced.

- 3.2 The legal requirements to publish a pay policy are broadly drawn and there is considerable discretion over the amount of information that authorities choose to disclose. In preparation of the statement, account has been taken of the guidance *Openness and accountability in local pay: Guidance under section 40 of the Localism Act* and the subsequent supplementary guidance both published by the Department for Communities and Local Government (DCLG). Account has also been taken of guidance issued by the JNC for Chief Executives.
- 3.3 The Council will be bound by the approved Pay Policy Statement, which can only be amended by Council resolution, and the Policy has been drafted to provide sufficient flexibility to enable practical implementation within the year.
- 3.4 Both the NJC for Chief Executives and the DCLG in their Code of Recommended Practice promote the use of a 'pay multiple' (the relationship between the Chief Executive's salary and the median salary) as the most effective way to present the relationship between chief officers and employees who are not chief officers. The Council agrees and the statement includes the calculation and tracking of this pay multiple. It should be noted that actual salaries and other payments made to some officers are required to be published in the Annual Statement of Accounts, and this is done also.

## **5. COMMENTS OF THE GROUP DIRECTOR, FINANCE AND CORPORATE RESOURCES**

- 5.1 As per section 3 of this report, the Localism Act 2011 requires the Council to publish an annual pay statement for Chief Officer Pay. The pay multiples have been prepared based on the Local Government Association's Transparency Code.
- 5.2 Workforce pay represents a significant part of the Council's overall spend and needs to be managed within available resources.

## **6. COMMENTS OF THE DIRECTOR OF LEGAL AND GOVERNANCE SERVICES**

- 6.1 S38 (1) of the Localism Act 2011 requires the Council to prepare a pay policy statement for 2022/23.
- 6.2 In accordance with Article 4.6 xiv) of the Council's constitution, a function of full Council is to approve the Council's Pay Policy for Chief Officers for 2022/2023 as set out in section 3 of this report.

Under Article 9.1 of the Council's Constitution, full Council has the authority to establish Committees to help perform its functions.

- 6.3 Pursuant to Article 9.1.3, the Corporate Committee is responsible for maintaining oversight of the Council's Regulatory, planning, election and human resources functions, as well as other functions not specifically allocated to full Council or another committee.
- 6.4 The Pay Policy Statement at Appendix 1 meets the requirements of the Localism Act 2011 and approval of the Pay Policy Statement shall be approved as described by Recommendation 2 above.

## APPENDICES

Appendix 1 - Pay Policy Statement - 2022/23

### BACKGROUND PAPERS (as defined by Local Government (Access to Information) Act 1985)

None

<b>Report Author</b>	Stuart Thorn Head of Human Resources <a href="mailto:stuart.thorn@hackney.gov.uk">stuart.thorn@hackney.gov.uk</a> Tel. 020 8356 3273
<b>Comments for the Group Director of Finance and Corporate Resources</b>	James Newman Chief Accountant, Finance and Resources Directorate <a href="mailto:james.newman@hackney.gov.uk">james.newman@hackney.gov.uk</a> Tel. 020 8356 5154
<b>Comments for the Director of Legal and Governance Services</b>	Juliet Babb Team Leader (Employment) <a href="mailto:juliet.babb@hackney.gov.uk">juliet.babb@hackney.gov.uk</a> Tel. 020 8356 6183  Georgia Lazari Team Leader (Places) <a href="mailto:Georgia.Lazari@hackney.gov.uk">Georgia.Lazari@hackney.gov.uk</a> Tel. 020 8356 1369