

Title of Report	Annual Pay Policy Statement 2023/24
For Consideration By	Council
Meeting Date	25 January 2023
Classification	Open
Ward(s) Affected	All
Group Director	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 2022/23 statement which was approved by Council. The 2023/24 statement must be approved by a resolution of the Council before 31 March 2023.

2. **Recommendations**

- 2.1. **Council is recommended to approve the Pay Policy for Chief Officers for 2023/2024, as recommended by the Corporate Committee.**

3. **Background**

The 2023/24 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), now the Department for Levelling Up, Housing and Communities. 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 (former) 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.

4. Comments of the Group Director of Finance and Corporate Resources.

- 4.1. 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.
- 4.2. The Council faces considerable challenges in implementing the nationally negotiated pay deal for 2022/23 which will impact our financial position, both in the current year and going forward. As has previously been advised in the 2022/23 Budget Report, the current year's budget factors is an assumption of a 2 per cent pay increase.
- 4.3. Workforce pay represents a significant part of the Council's overall spend and needs to be managed within available resources.

5. Comments of the Director of Legal, Democratic and Electoral Services

- 5.1. S38 (1) of the Localism Act 2011 requires the Council to prepare a pay policy statement for 2023/24.
- 5.2. In accordance with Article 4.6 (xiv) of the Council's Constitution, it is the responsibility of Full Council to approve the Council's Pay Policy for Chief Officers for 2022/2023 as set out in section 3 of this report.

5.3. 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 2023/23

Exempt

None

Background documents

None

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