COUNCIL 24 MARCH 2022

Report of the Chief Executive

## LOCALISM ACT - PAY POLICY STATEMENT

### **SUMMARY**

This report meets the requirement to publish the Council's Annual Pay Policy Statement.

## **RECOMMENDATION**

- 1. That the annual Pay Policy Statement 2021-22 is approved.
- 2. That a revised Pay Policy Statement for 2022-23 be published when the Local Government Pay award for 2022-23 is settled.

### WARDS AFFECTED

ΑII

### STRATEGIC LINK

Every plan, strategy policy, and action of the District Council's flows from the Corporate Plan. The Corporate Plan is put into effect by service plans, policies and strategies. Through the Performance and Development Review scheme (PDR), employees' activities and appraisals are linked to the Corporate Plan which has regard to the need to deliver high quality customer experience whilst balancing employee welfare, terms and conditions of service.

### REPORT

1.1 The Localism Act, November, 2011, requires relevant authorities to prepare and publish an annual pay policy statement for the coming financial year. The relevant provisions came into force on 15 January 2012 and the Council agreed the first Pay Policy Statement on 2 February 2012. There is a continuing need to review the policy on an annual basis.

The provisions add to the range of transparency obligations already placed upon local authorities i.e. the Accounts and Audit Regulations already require historic expenditure on chief officers within specified pay bands to be disclosed in the accounts.

1.2 The Statement must set out the authority's policies for the coming financial year relating to the:

- remuneration of its Chief Officers
- remuneration of its lowest paid employees
- relationship between the remuneration of its Chief Officers and the remuneration of those employees who are not Chief Officers.

# The term 'Chief Officer' is defined as

- The Head of Paid Service (who is also the Chief Executive)
- Corporate Director
- The Monitoring Officer (who is also the Director of Corporate & Customer Services)
- Section 151 Officer (who is also the Director of Resources).
- 1.3 The Statement must cover the Council's polices relating to:
  - The levels and elements of remuneration for each chief officer (including salary and any bonuses and benefits in kind)
  - Remuneration of chief officers on recruitment
  - Increases and additions to remuneration for each chief officer
  - The use of performance related pay for chief officers (if any)
  - The use of bonuses for chief officers (if any)
  - The approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
  - The publication of and access to information relating to remuneration of chief officers
- 1.4 The Localism Act specifically refers adoption of the Pay Statement to the Council as a responsibility it cannot discharge. It requires the statement to be approved before the end of the 31 March immediately preceding the financial year to which it relates i.e. it must be approved by a resolution of the authority before it comes into force. This is however not always possible as it dependent on the timing of settlement of the national Local Government pay awards.
- 1.5 The April 2021 national pay award was not settled until 28 February 2022, so a correct Pay Policy Statement for 2021/22 for pay from 1 April 2021 is attached at Appendix 1 of this report. The award has been implemented with back pay in March 2022.
- 1.6 Negotiations at the national level for the pay award from 1 April 2022 are yet to commence so again, it is not known when these negotiations will be concluded. When they are concluded, it will be necessary to publish a revised a Pay Policy Statement for 2022/23. Until then, the prevailing 2021/22 rates of pay outlined in Appendix 1 will prevail.

#### 2. RISK ASSESSMENT

2.1 Legal

The requirement to publish a Pay Statement is contained within Section 38 to 43 of the Localism Act 2011, which came into force on 15 January, 2012. The policy appended to the report complies with all ancillary employment and equalities legislation and satisfies the statutory requirement. The legal risk is therefore low.

## 2.2 Financial

There are no financial risks arising from this report.

## 3. OTHER CONSIDERATIONS

3.1 In preparing this report the relevance of the following factors has also been considered: prevention of crime and disorder, equalities, environmental, climate change, health, human rights, personnel and property.

## 4. **CONTACT INFORMATION**

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### 5. **BACKGROUND PAPERS**

None

## 6. **ATTACHMENTS**

Pay Policy Statement 2021/22 as Appendix 1