

Pay Policy Statement: April 2021

Cabinet

Date: 3rd February 2021

Author: Cabinet Member for Organisational Excellence
Director of Human Resources & Organisational Development

Wards: All

Parishes Affected: All

1. Purpose and Reasons

- 1.1 The Localism Act 2011 requires local authorities to agree and publish a Pay Policy Statement by 1st April each year. This report sets out the Council's Pay Policy Statement for 2021 / 2022 for consideration by Cabinet, prior to referral to Full Council for approval.
- 1.2 The Council's policies in respect of pay and terms and conditions support the Council's strategic objectives as part of ensuring that services to the community can be delivered to the required standards and with due regards to economy, efficiency and effectiveness.

2. Recommendations

Cabinet is recommended to:

- 2.1 Review the Council's Pay Policy Statement for 2021 / 2022, as set out in Appendix 1 to the report Clear statement of what is recommended and who is to be authorised to take the actions required and by when.

(Minute for Confirmation)

- 2.2 Recommend the Pay Policy Statement to the Council for approval, and, if approved, authorise the Director of Human Resources & Organisational Development to update the salary information on 1st April 2021 prior to publication.

3. Detail

- 3.1 Section 38 of the Localism Act 2011 placed a requirement on local authorities to prepare a Pay Policy Statement for each new financial year. The Pay Policy Statement for 2019 / 2020 has been updated for 2021 / 2022 and must be approved by Full Council before 31st March 2021. It must be published as soon as is reasonably practicable after approval and this must include publication on the authority's website. The Statement must set out the Council's policies relating to the following:
- 3.1.1 Remuneration of its Chief Officers;
- 3.1.2 Remuneration of its lowest paid employees; and

Pay Policy Statement: April 2021

Cabinet

Date: 3rd February 2021

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- 3.1.3 The relationship between the remuneration of its Chief Officers and the remuneration of its employees who are not Chief Officers.
- 3.2 The Pay Policy Statement does not cover or include school employees and is not required to do so.
- 3.3 Each Council is an individual employer in its own right and has the autonomy to make decisions on pay that are appropriate to local circumstances and which deliver value for money for tax payers. The provisions of the Localism Act do not seek to change this or determine what decisions on pay should be taken. They do, however, require Councils to be open about their policies in relation to pay and how decisions are made.
- 3.4 The proposed Swindon Pay Policy Statement has been put together, taking into account the relevant sections within Chapter 8 “Pay Accountability” of the Localism Act 2011. In its development, considerations has also been given to the guidance produced by the Department for Communities and Local Government – Openness and Accountability in Local Pay (February 2012) – guidance under Section 40 of the Localism Act” and the Code of Recommended Practice for Local Authorities on Data Transparency.
- 3.5 The Pay Policy Statement is broadly the same as that published for 2020 / 2021 with the following changes and updates having been made:
- 3.5.1 Pages 3 – 6: Structure Overview – this section has been amended to reflect the changes to the organisation and will be updated again in April 2021 to reflect any further changes. The number of employees has slightly increased from 2626 in April 2020 to 2654 in October 2020.
- 3.5.2 Pages 8: Pay Relationships - Gender Ratio - the table in this section indicates that the Council has an overall positive gender balance. This is also reflective of our employees who are on senior salaries (over £60,000 pa).
- 3.5.3 Page 10: Highest to Lowest Paid Employees – this section has been amended to reflect the changes in mean pay. In April 2020, the mean pay was £28,310.23 and in October 2020 increased to £29,237.75. The pay ratios have not changed apart from a decrease on the ratio of median to highest from 1: 1.7 in April 2020 to 1: 6.7 in October 2020.
- 3.5.4 Over £50k: The number of employees who are earning above £50,000 has increased from 111 in April 2020 to 135 in October 2020. The reason for this increase was due to the national pay award of 2.75% and not due to the creation of new posts.
- 3.6 The proposed Pay Policy Statement 2021 – 2022 is attached at Appendix One. The Statement sets out the Council’s policies in relation to pay of its workforce, particularly
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Pay Policy Statement: April 2021

Cabinet

Date: 3rd February 2021

its Chief Officers. The figures are based as at 1st October 2020, but will be amended on 1st April 2021 prior to the Statement being published on the internet.

- 3.7 The Statement aims to ensure the Council's approach to pay and reward attracts and retains a high performing workforce whilst ensuring value for money. The Council has previously published information on pay as part of its responsibilities under the Code of Practice for Local Authorities on Data Transparency.
- 3.8 The Council is required to approve the Statement before 31st March each year and as soon as possible publish it on its website demonstrating an open and transparent approach to pay. The Statement may be amended by resolution of Full Council during the year to which it relates.
- 3.9 The Pay Policy Statement references a number of existing policies and other information that will be linked to the Statement on the Council's website. These links will be made available as soon as the Statement is made available on the Council's website in April 2021. The majority of these are already available to Members and employee on the intranet.

4. Alternative Options

- 4.1 As this is a requirement under the Localism Act, there are no alternative options being put forward.

5. Implications, Diversity Impact Assessment and Risk Management

Financial and Procurement Implications

- 5.1 There are no direct financial implications arising from this report as the Pay Policy Statement sets out the Council's policies relating to remuneration. It does not serve to set or agree specific rates or numerical amounts.

Legal and Human Rights Implications

- 5.2 The attached Pay Policy Statement complies with Section 38 – 43 of the Localism Act 2011. All other legal and human rights implications have been considered in the preparation of this report. It is considered that the report and its recommendations are compatible with Convention Rights.

Climate Change Impact

- 5.3 The proposals would not bring a change in service delivery and Officers believe that there is no expected effect on the Council's carbon footprint.

Pay Policy Statement: April 2021

Cabinet

Date: 3rd February 2021

All Other Implications (including Staff, Sustainability, Health, Rural, Crime and Disorder)

- 5.4 There are no other implications arising from this report.

Diversity Impact Assessment

- 5.5 The Pay Policy Statement is not a policy in its own right but brings together and references existing policies. All these existing policies have all been through the DIA process and have not identified any adverse equality impact for existing for future employees.

Risk Management

- 5.6 No other risks have been identified other than those mentioned in the body of the report

6. Consultees

- 6.1 The Corporate Director of Finance and Assets (s151 officer) and Chief Legal Officer (Monitoring Officer) are consulted in respect of all reports.

7. Background Papers

- 7.1 LGA and ALACE Pay Policy Statement Guidance including Supplementary Note 1 and Note 2.

8. Appendices

- 8.1 Appendix One: Pay Policy Statement

9. Key Decision/Decision in Cabinet Work Programme and Forward Plan

- 9.1 This is not a Key Decision and is included in the Cabinet Work Programme and Forward Plan for February 2021.