

C) **RECOMMENDATION OF THE EMPLOYMENT AND APPEALS COMMITTEE FROM ITS MEETING HELD ON 12TH JULY 2022 - PAY POLICY STATEMENT UPDATE 2022/2023**

1. **Purpose of Report**

The purpose of this report is to provide Members with an update of the revisions to the Pay Policy Statement for the year 2022/23 as required by the Localism Act 2011.

2. **Recommendation**

That Council resolves to approve the revised Pay Policy Statement 2022/23, as attached at Appendix A.

3. **Other Implications**

(a) **Financial**

The expected costs of all Council salaries are included within the annual revenue budget.

(b) **Risk Management**

None arising from this report.

(c) **Legal Implications**

Local Authorities are required by section 38 of the Localism Act 2011 (the Act) to prepare a pay policy statement and have regard for any guidance issued under section 40 of the Act and the Supplementary Guidance (on openness and accountability) released in February 2013. The policy statement should cover the following matters

- the remuneration of its chief officers,
- the remuneration of its lowest-paid employees, and
- the relationship between—
 - (i) the remuneration of its chief officers, and
 - (ii) the remuneration of its employees who are not chief officers.
- the definition of “lowest-paid employees” adopted by the authority for the purposes of the statement, and
- the authority’s reasons for adopting that definition.
- The statement must include the authority’s policies relating to—
 - (a) the level and elements of remuneration for each chief officer,
 - (b) remuneration of chief officers on recruitment,
 - (c) increases and additions to remuneration for each chief officer,
 - (d) the use of performance-related pay for chief officers,

- (e) the use of bonuses for chief officers,
- (f) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
- (g) the publication of and access to information relating to remuneration of chief officers.

The Pay Policy Statement appended to this report has been reviewed and meets the requirements of the Localism Act.

The Government has published statutory guidance on the making and disclosure of Special Severance Payments by local authorities in England. This refers to the need for a higher level of scrutiny in relation to decisions to pay “special severance payments”, which are defined as additional, discretionary sums on top of statutory and contractual entitlement. Prior to agreeing any special severance payments, local authorities should:

- Seek legal advice on the prospects of successfully defending an Employment Tribunal claim;
- Ensure payments are not made to avoid management action, disciplinary processes, unwelcome publicity or avoidance of embarrassment.
- Consider aligning with private sector practice and ensure prudent use of taxpayers’ money;
- Manage conflicts of interest to ensure that individuals who are subject of complaints play no role in deciding whether complaints should be settled.

The guidance confirms that special severance payments of £100,000 and above are approved by full council and recommends that special severance payments of £20,000 or more, but under £100,000 should be approved personally by the Head of Paid Service.

The Council’s pay policy statement confirms that payments made to settle a dispute are settled based on the legal merits of the case, the time and disruption which litigation would involve, limits on statutory entitlement and what is considered prudent in the circumstances. It also confirms that any redundancy or severance package of £100,000 or more will be approved by full council.

(d) Equalities Impact Assessment

Part of the openness and accountability in local pay: guidance emphasises the need for fairness in relation to pay policies, particularly in relation to the approach for senior staff compared with the lowest paid staff. The Council already collects and monitors its workforce data by specific protected characteristics. One of the recovery themes in the approved Corporate Plan for 2022-25 is around leadership and culture, with a key improvement area for focus being development programmes to encourage diversity at all levels of the organisation and to work towards the Council’s workforce better reflecting its diverse resident base at a senior leadership level.

4. **Supporting Information**

- 4.1 the Employment and Appeals Committee on 16th February 2022 approved the Pay Policy Statement for 22/23, which was subsequently approved at Full Council.
- 4.2 Since the approval the national pay award has been agreed for the financial year 2021 / 2022. In addition, the statement has been reviewed to ensure it accurately captures the pay arrangements in place for interim officers. The revisions to the Pay Policy Statement have been actioned and are attached in Appendix A. The Council has a high number of interim post holders at chief officer level, meaning that the pay policy may need to be updated multiple times during the year to ensure that timely and accurate information on senior officers' pay is available to elected members and the public.
- 4.3 The Pay Policy Statement enables residents to understand the Council's pay policy for senior staff and how it relates to the salaries of the lowest paid. It provides transparency and enables residents to assess whether salaries paid represent value for money.
- 4.3 The Pay Policy Statement covers the financial year 2022/23.
- 4.4 The pay scales have been updated in line with the national cost of living award and is shown in Appendix B.
- 4.5 Once approved the revised Pay Policy Statement, as attached at Appendix A will be published on the Council's website.

5. **Comments of other Committees**

The Pay Policy Statement 2022/23 was considered at the extraordinary meeting of Employment and Appeals Committee held on 12th July 2022 and Members agreed to recommend to Council the adoption of the revised Pay Policy Statement 2022/23.

6. **Conclusion**

Members are requested to approve the revised Pay Policy Statement for 2022/23 as attached at Appendix A.

7. **Appendices Attached**

Appendix A - Pay Policy Statement 2022/2023

Appendix B - Slough Borough Council Salary Scales – 2021 - 2022