

MAIDSTONE BOROUGH COUNCIL

COUNCIL

26 FEBRUARY 2020

REPORT OF THE DEMOCRACY AND GENERAL PURPOSES COMMITTEE
HELD ON 29 JANUARY 2020

PAY POLICY STATEMENT 2020

Issue for Decision

A Pay Policy Statement must be agreed by Full Council for publication by 31 March 2020. The Pay Policy Statement should set out the main aspects of the remuneration strategy of the Council.

The Council met the target to publish a Pay Policy Statement in previous years and the attached document has been updated to reflect changes during the year.

Recommendation Made

That the proposed Pay Policy Statement 2020, attached as Appendix I, be approved for publication on the Council's website by 31 March 2020.

Reasons for Recommendation

Section 38 (1) of the Localism Act 2011 came into force on 15 January 2012 and required English and Welsh local authorities to produce a Pay Policy Statement for 2012/13 and for each financial year after that. The government consulted on a revised code in 2015 and the draft Pay Policy Statement reflects the requirements of the revised code.

The matters that must be included in the statutory Pay Policy Statement and the revised code of practice are as follows:

- a local authority's policy on the level and elements of remuneration for each chief officer;
- a local authority's policy on the remuneration of its lowest-paid employees (together with its definition of "lowest-paid employees" and its reasons for adopting that definition);
- a local authority's policy on the relationship between the remuneration of its chief officers and other officers and in particular the pay multiple between the two;
- a local authority's policy on other specific aspects of chief officers' remuneration: remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency;

- an organisation chart or description of the number and grades of staff in the top three layers of the organisation, with information on the grades of all those with salaries in excess of £50,000;
- details of trade union facility time including the trade union representatives for each of the recognised trade unions.

The reference to 'chief officer' refers to the statutory posts of Head of Paid Service, Monitoring Officer and Section 151 Officer plus any Deputy Chief Officers, which in our organisation includes anyone at Head of Service or above.

With regard to the process for approval, the Pay Policy Statement:

- Must be approved formally by the Council meeting
- Must be approved by the end of March each year
- Can be amended during the year
- Must be published on the authority's website
- Must be complied with when the authority sets the terms and conditions for a chief officer

The Act specifically mentions that the Pay Policy Statement may set out the authority's policies relating to other terms and conditions for chief officers and in the interest of open government there are recommendations that the Pay Policy Statement sets out as much information relating to employee terms and conditions as is practical.

Terms and conditions of employment for employees is a function for which the Democracy and General Purposes Committee has delegated responsibility within the constitution. The general approach of the Democracy and General Purposes Committee has been to take the same approach to senior members of staff as that taken with all other employees in relation to the benefits available and the review processes followed. The Council has a thorough approach that applies best practice in the areas of remuneration and equal pay.

It is recommended that the format of the Pay Policy Statement 2020 set out in Appendix I be agreed as it gives consistency from previous years and meets the requirements of the legislation.

Once the Pay Policy Statement is agreed the information will be updated in the tables and organisation structures in Appendix I(H) to the Statement including the actual pay figures for the year ending March 2020 before it is uploaded to the Council's web site. These figures cannot be calculated until March payroll is complete. The most up to date information will also be used for the pension contributions table and the election payments.

Alternatives Considered and Why not Recommended

The Council could choose to publicise a reduced version of the Pay Policy Statement that meets minimum requirements of the Act but this is not recommended as it does not satisfy the need for transparency and means that the data is not seen in the context of the good work already undertaken by the Council.

Background Papers

None.

Report Appendices

Appendix I: Pay Policy Statement 2020.