

<b>Committee(s):</b> Ordinary Council	<b>Date:</b> 22 June 2022
<b>Subject:</b> Revised Pay Policy Statement 2022/23	<b>Wards Affected:</b> All
<b>Report of:</b> Jonathan Stephenson – Chief Executive of Brentwood Borough Council & Rochford District Council	<b>Public</b>
<b>Report Author/s:</b> Name: Nichola Mann – HR Manager Telephone:01277 312500 E-mail: Nichola.mann@brentwood.gov.uk	<b>For:</b> Decision

### Summary

This report presents a revised Pay Policy Statement (PPS) for approval by Full Council (Appendix A). A PPS must be in place for 2022/23 which has been approved by Full Council. This was initially approved on the 23 February 2022, however it has been reviewed as part of the partnership arrangements with Rochford District Council. Consequently, the PPS has been updated and will require further approval.

### Recommendation(s)

**Members are asked to:**

**R1.** Approve and adopt the Pay Policy Statement at Appendix A.

### Main Report

#### **Introduction and Background**

1. On 26 January 2022 (the “January Meeting”) the Council resolved to agree the Strategic Partnership between the Council and Rochford District Council (RDC) and appointed Jonathan Stephenson as the Joint Chief Executive for both Councils and the Council’s Head of Paid Service with effect from 1 February 2022. In addition, Council delegated authority to the Joint Chief Executive to undertake a restructure of Tiers 2 and 3 of the councils in consultation with the Leader of each council.
2. The creation of a single unified officer team requires both councils’ pay policies to align. A report in like terms has been brought to Rochford District Council on 14 June 2022 for approval.

## **Issue, Options and Analysis of Options**

3. The Act sets out in detail the elements which the PPS must include as a minimum. In addition to the determination of senior salaries, authorities must make clear what approach is taken to awarding other elements of pay, including severance payments, additional fees (such as election duties), pay increases, etc.
4. The Act also requires that Council should be offered the opportunity to vote before large salary packages (in excess of £100,000) are offered to new appointees.
5. The Statement must set out Council's policies relating to:-
  - (a) the remuneration of its chief officers,
  - (b) the remuneration of its lowest-paid employees, and
  - (c) the relationship between:-
    - (i) the remuneration of its chief officers, and;
    - (ii) the remuneration of its employees who are not chief officers,
  - (d) the level and elements of remuneration for each chief officer,
  - (e) remuneration of chief officers on recruitment,
  - (f) increases and additions to remuneration for each chief officer,
  - (g) the use of performance related pay for chief officers,
  - (h) the use of bonuses for chief officers,
  - (i) the approach to the payment of chief officers on their ceasing to hold office or to be employed by the authority, and
  - (j) the publication of and access to information relating to remuneration of chief officers.
6. The statement must set out the definition of 'lowest-paid employees' and the authority's reasons for adopting that definition.
7. The Act requires authorities to set their policy for the remuneration for their highest and lowest paid staff and to explain what they think the relationship should be. The 2011 Hutton Review of Fair Pay recommended the publication of an organisation's pay multiple – the ratio between the highest paid employee and the median average earnings across an organisation - as a means of illustrating that relationship. This is the approach taken in the attached PPS.

## **Reasons for Recommendation**

8. To comply with the statutory requirement to approve the Council's Pay Policy.

## **Consultation**

9. One of the requirements of the Localism Act 2011 ("the Act") is that local authorities must approve and publish a Pay Policy Statement to articulate their policy towards a range of issues relating to the pay of their workforce and, particularly, senior staff and the lowest paid employees.

10. The provisions in the Act aim to increase accountability, transparency and fairness in the setting of local pay and ensure that communities have access to the information they need to determine whether remuneration, particularly senior remuneration, is appropriate and commensurate with responsibility. The Act requires Council to approve the PPS and any in year changes and this cannot be delegated to a Committee.
11. Each local authority is an individual employer in its own right and can make decisions on pay that are appropriate to local circumstances and which deliver value for money for residents. The Act does not seek to change this or determine what pay decisions should be taken, but it does require authorities to be open about their policies in relation to pay and how decisions are made.
12. The Code of Recommended Practice for Local Authorities on Data Transparency asks councils to consider the way they release data on senior salaries.
13. The Council already publishes information about the salaries and the role of its chief officers on the Council's website and in the annual Financial Statements.
14. Since the appointment of the Joint Chief Executive in accordance with the decision of Council on 26 January 2022, further reviews have taken place to consider a structure to support the partnership arrangements at Tiers 2 and 3. As a result of this review there will be 3x Strategic Directors and 9x Directors that will work across both councils. These roles have been benchmarked and job evaluated by the East of England Local Government Association (EELGA).
15. Details of the benchmarking work undertaken (Appendix B) and the proposed pay ranges (Appendix C) for these roles were referenced at the January meeting and therefore the financial implications have already been factored in as part of the #One Team Transformation Programme.

## **References to Corporate Plan**

16. Producing a Pay Policy Statement is a statutory requirement.

## **Implications**

### **Financial Implications**

**Name/Title: Jacqueline Van Mellaerts, Corporate Director (Finance & Resources) and Section 151 Officer**

**Tel/Email: 01277 312500/jacqueline.vanmellaerts@brentwood.gov.uk**

17. Forecasts will be made within the 2022/23 budget to reflect the Council's share of the joint Partnership costs of establishment at the agreed pay scales, as set out in the PPS, including any expected pay award (cost of living) increases which are yet to be confirmed for 2022/23.

### **Legal Implications**

**Name & Title: Amanda Julian, Corporate Director (Law & Governance) and Monitoring Officer**

**Tel & Email: 01277 312500/amanda.julian@brentwood.gov.uk**

18. The PPS is necessary to comply with the Localism Act 2011.

### **Economic Implications**

**Name/Title: Phil Drane, Corporate Director (Planning and Economy)**

**Tel/Email: 01277 312500/philip.drane@brentwood.gov.uk**

19. None.

### **Equality and Diversity Implications (*Please complete for manager review*)**

**Name/Title: Kim Anderson, Corporate Manager (Communities, Leisure & Health)**

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20. The application of the PPS should ensure fairness and equality in dealing with issues of pay.

**Other Implications** (where significant) – i.e. Health and Safety, Asset Management, Risk Management, Section 17 – Crime & Disorder, Sustainability, ICT.

21. None.

### **Background Papers**

22. None.

### **Appendices to this report**

Appendix A – Pay Policy Statement

Appendix B – EELGA benchmarking report

Appendix C – Proposed pay changes to Tiers 1 to 3