

## **Epsom & Ewell Borough Council Pay Policy Statement**

<b>Head of Service/Contact:</b>	Shona Mason, Head of HR & Organisational Development
<b>Urgent Decision?(yes/no)</b>	No
<b>If yes, reason urgent decision required:</b>	N/A
<b>Annexes/Appendices (attached):</b>	<b>Annex 1:</b> Draft Epsom & Ewell Borough Council Pay Policy Statement <b>Annex 2:</b> Election Fees
<b>Other available papers (not attached):</b>	

### **Report summary**

**This report introduces the draft Epsom & Ewell Borough Council Pay Policy Statement for 2018/19 and seeks approval of the statement by the Committee, prior to its presentation to full Council and subsequent publication on the Council's website.**

### **Recommendation (s)**

**The Committee approves the Pay Policy Statement for 2018/19 and recommends its publication to full Council.**

## **1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy**

- 1.1 The Council's Pay Policy Statement is a statutory requirement, which supports the council's Key Priorities, Service Plans and Sustainable Community Strategy.

## **2 Background**

- 2.1 The Localism Act requires each local authority to publish a statement which identifies the Council's approach to pay and in particular sets out pay arrangements for the senior chief officer posts. Under Section 38(1) of the Localism Act 2011 the Council is required to prepare a Pay Policy Statement, for the financial year, which is approved by full Council.

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- 2.2 The statement sets out the levels of remuneration for the Council's senior officers as well as a general approach to pay which is lifted from the Council's HR Employee Pay Policy.
- 2.3 Once agreed by the Council, the Pay Policy Statement will form part of the basis on which the Council remunerates employees particularly those at the senior officer level, as required by Section 41 of the Localism Act 2011.
- 2.4 The information set out in the pay policy statement meets the requirements of the legislation and details the relationship between those employees who are lowest paid and Chief Officers.
- 2.5 The policy statement outlines the following key areas:
- Level and elements of remuneration for each senior officer
  - Remuneration of chief officers on recruitment
  - Increases and additions to remuneration for each chief officer
  - The use of performance related pay for chief officers
  - The approach to the payment of chief officers on their ceasing to hold office or to be employed by the authority
  - The publication of and access to information relating to remuneration of chief officers
  - Pay multiple (ratio) between Chief Officers' pay and all other employees
  - Election fees
  - Policy on employing someone who has taken redundancy
  - Policy on employing someone who is also drawing a pension
  - Policy on lowest paid
- 2.6 Currently senior salary information has been published as part of the Final Statement of Accounts. However the Localism Act 2011 (Section 38) requires the Council to publish an annual Pay Policy Statement.

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- 2.7 The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (in force from 31 March 2017) require public sector employers operating in England to provide gender pay reports by 30 March 2018 covering mean gender pay gap in hourly pay for year from 31 March 2017. This data is also required to be published publicly on the Government website. The headline statistic within the Gender Pay Gap Information, of mean hourly rate, shows a positive picture in favour of women of 14.1% and positions the Council as one of the most positive organisations in terms of women's mean pay.
- 2.8 Once approved by Full Council the pay policy statement will be published on the Council's website.

### 3 Proposals

- 3.1 The Pay Policy Statement, which is prescribed in terms of content, sets out the Council's policies in respect of remuneration. The statement is simply a summary of the key provisions as required by the Localism Act.
- 3.2 The Committee is therefore not being asked to approve the policies, but simply approve the statement which sets out existing policies.
- 3.3** The proposed Pay Policy Statement is attached at **Annex 1**
- 3.4 It is proposed that the Pay Policy Statement is approved by Strategy & Resources Committee to then be presented to Full Council for approval prior to publication on the Council's website.

### 4 Financial and Manpower Implications

- 4.1 There are no implications arising directly from this report.
- 4.2 **Chief Finance Officer's comments:** *The pay policy statement is a statutory requirement and its content is consistent with the Council's budgets.*

### 5 Legal Implications (including implications for matters relating to equality)

- 5.1 The draft Pay Policy Statement complies with the requirements of Section 38 of the Localism Act 2011 which required all local authorities to prepare a Pay Policy Statement every financial year. The Localism Act 2011 sets out the information which a pay policy statement must contain. Section 40 of the Act also requires the Council to have regard to any guidance issued or approved by the Secretary of State.
- 5.2 Guidance under Section 40 was issued in February 2012 and the attached pay policy statement takes account of this guidance.

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- 5.3 Additional guidance under Section 40 of the Localism Act was issued in February 2013. This new guidance included commentary on how local authorities had complied with the original guidance. The new guidance also introduced a requirement that full council is required to vote in relation to any severance packages of over £100,000 (including redundancy pay, holiday pay and pension entitlements).
- 5.4 HR are currently reviewing key HR policies which include the Council's Employee Pay & Remuneration Policy and Local Government Pensions Discretions Policy which will incorporate these aspects of the guidance.
- 5.5 These policies will be presented to Committee in due course for approval.
- 5.6 **Monitoring Officer's comments:** *None arising from the contents of this report.*

### **6 Sustainability Policy and Community Safety Implications**

- 6.1 There are no implications arising directly from this report.

### **7 Partnerships**

- 7.1 There are no implications for partnerships arising directly from this report.

### **8 Risk Assessment**

- 8.1 There is a legal requirement for the Council to publish a Pay Policy Statement and therefore is at risk of not meeting its legal duties if a statement is not agreed and published.

### **9 Conclusion and Recommendations**

- 9.1 The Committee approves the Pay Policy Statement for 2018/19.

**Ward(s) affected:** (All Wards);