

DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
OFFICE OF THE CHIEF EXECUTIVE	COUNCIL	15 FEBRUARY 2021	10
THE ANNUAL PAY POLICY STATEMENT 2021			

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

The report provides details of the Pay Policy Statement for Fylde Council, it is a requirement for all local authorities to have a Pay Policy Statement as part of the Localism Act. The objective of the Statement is to ensure and confirm openness, transparency and fairness in the pay policy arrangements. It is a requirement to conduct an annual review of the Pay Policy Statement, this report includes any implications of the annual review for the 2021 Pay Policy Statement.

RECOMMENDATION

1. That Council approve the Pay Policy Statement 2021 included as Appendix 1 to this report, with the required statement on Gender Pay Gap information

SUMMARY OF PREVIOUS DECISIONS

The Pay Policy Statement was first approved by Full Council in 2012 and has been reviewed and approved at Full Council every year since.

CORPORATE PRIORITIES

Economy – To create a vibrant and healthy economy	✓
Environment – To deliver services customers expect	
Efficiency – By spending money in the most efficient way	
Tourism – To create a great place to live and visit	✓

REPORT

- 1) The Council is required as part of the Localism Act 2011 to produce a Pay Policy Statement and to review and formally approve the statement on an annual basis. The statement sets out the Council policy on:
 - a. Chief Officer Remuneration (recruitment, salary, bonus, performance related pay, charges, fees, allowances, benefits in kind, enhancement to pension at termination)
 - b. The arrangements in place to determine the Remuneration of all employees
 - c. Remuneration of its lowest paid employees (covering the same elements as above) the definition used for this group and the reason for adopting that definition
 - d. The relationship between Chief Officer Remuneration and that of other staff

- 2) Guidance from the DCLG of what is expected in the Pay Policy Statement includes:
- a. The opportunity for full council to vote on senior remuneration packages with a value over £100,000 prior to an offer of appointment being made
 - b. The relationship between Chief Officer remuneration and that of other staff and the ratio between the highest paid and median salary that the authority aims to achieve and maintain
 - c. Any decision that the authority takes in relation to the award of severance to an individual Chief Officer
 - d. An explicit statement on whether to permit an individual to be in receipt of a pension in addition to receiving a salary
 - e. Policies to deal with those who may have returned to the authority under a contract of service of any type having already received a severance or redundancy payment

The Pay Policy Statement included as Appendix 1 to this report includes all the above.

- 3) Recommended best practice on data transparency states that Council's should disclose publicly:
- a. Senior employee salaries at £50,000 and above including disclosing the names, job descriptions, budgets and numbers of staff
 - b. An organisational chart
 - c. The pay multiple which is the ratio between the highest paid salary and the median average salary of the whole authority's workforce

This information is published on the Fylde website alongside all other data transparency requirements.

- 4) Fylde Council implemented a pay review process in 2007 and as part of that review a robust pay and grading job evaluation scheme was agreed between management and the trade unions to ensure fairness and equity in terms of pay is in place. This scheme has operated successfully since 2007.
- 5) Fylde Council complies with the recommended best practice for local authorities on data transparency and publishes data on <https://new.fylde.gov.uk/council/transparency> that is required to be made publicly available.
- 6) The Council's Pay Policy Statement is included as Appendix 1 to this report. Central to the statement is the acknowledgement that each job has a value in terms of scope, specialist skills and knowledge, size and impact that has been subject to the agreed pay and grading evaluation scheme to determine an appropriate pay scale. All pay increments, pay scale points and pay bands are set in accordance with the NJC terms and conditions, the revised pay scale points and pay bands agreed as part of the 2018 to 2020 national pay award will be implemented from April 1st 2019.
- 7) The Council's employee benefits policies are universally applied wherever possible and the financial arrangements for all employees leaving the organisation for whatever reason are based on the same principles regardless of grade.
- 8) The Pay Policy Statement has been subject to the required annual review process and includes the legislative change passed in respect of [Gender Pay Gap Information](#), the statement confirms that the council will publish the required gender pay gap information online and it will be available from April 1st 2018 alongside the other data required as part of the Pay Policy Statement.
- 9) The ratios between salary levels will change to reflect any nationally agreed pay increases and all the required information in relation to the Pay Policy Statement is published online and updated after the financial year end on March 31st.
- 10) The only significant change this year has been regarding national requirements that all employees including Chief Officers are entitled to redundancy payments and pension release in accordance with the Council's Redundancy and Retirement Procedure. Where the proposed severance package is more than £95,000, the decision will be ratified by Full Council. At the time of the reviewing this policy the £95,000 exit payment cap proposal is subject to ongoing consultation and to allow amendment to the Local Government Pension Scheme (LGPS) regulations in order to enable local authorities to legally apply the exit payment cap.

IMPLICATIONS	
Finance	None arising directly from this report
Legal	The legal responsibilities in respect of the Pay Policy Statement have been included in the body of the report
Community Safety	None arising directly from this report
Human Rights and Equalities	The pay and grading scheme implemented at Fylde has been subject to equality impact assessment. There are no direct human rights and implications arising from the report.
Sustainability and Environmental Impact	None arising directly from this report
Health & Safety and Risk Management	None arising directly from this report

LEAD AUTHOR	CONTACT DETAILS	DATE
Chief Executive	allan.oldfield@fylde.gov.uk 01253 658500	January 2021

BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Full Council Agenda 2012 – 2021	First meeting of the calendar year	https://fylde.cmis.uk.com/fylde/MeetingsCalendar.aspx
Gender Pay Gap Reporting	January 2021	https://new.fylde.gov.uk/council/open-data/1551-2/ https://www.gov.uk/government/news/gender-pay-gap-reporting
Employees who earn over £50,000 per annum	January 2021	https://new.fylde.gov.uk/council/management-team/
Online Pay Policy Data	Updated annually in April	https://new.fylde.gov.uk/council/open-data/15512/#1523268470909-b27c789b-960b https://new.fylde.gov.uk/council/open-data/salary-ratios/ https://new.fylde.gov.uk/council/open-data/pay-scales/ https://new.fylde.gov.uk/council/transparency/organisationalcharts/

Attached documents

Appendix 1 – Pay Policy Statement