

## DECISION ITEM

REPORT OF	MEETING	DATE	ITEM NO
OFFICE OF THE CHIEF EXECUTIVE	COUNCIL	12 FEBRUARY 2024	10
<b>THE ANNUAL PAY POLICY STATEMENT 2024-25</b>			

### PUBLIC ITEM

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

#### RELEVANT LEAD MEMBER

This item is within the remit of Lead Member for Finance and Resources, Councillor Ellie Gaunt.

#### PURPOSE OF THE REPORT

The report provides details of the Pay Policy Statement for Fylde Council, it has been a requirement for all local authorities to have a Pay Policy Statement since April 1st, 2012, as part of the Localism Act. The objective of the Statement is to ensure that the council operates an open, transparent, and fair pay policy arrangements. It is a requirement to conduct an annual review of the Pay Policy Statement, and have it approved at Full Council.

#### RECOVERABILITY

This decision is not recoverable because it is a recommendation to the council.

#### RECOMMENDATION

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

### REPORT

1. The Council is required as part of the Localism Act 2011 to produce, review, and approve a Pay Policy Statement on an annual basis. The statement sets out 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 Department for Levelling Up, Housing & Communities (DLUHC) 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 before an offer of appointment is 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 concerning the award of severance to an individual Chief Officer
- d. An explicit statement on whether to permit an individual to receive 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 the Council 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 to introduce a robust pay and grading job evaluation scheme that was agreed between management and the trade unions to ensure fairness and equity in relation to pay. This scheme has been in operation 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. Honorarium payments are only made in exceptional circumstances and are subject to a business case being approved in advance by the Senior Management Team with payment only made after it has been demonstrated that the agreed outcome has been delivered/achieved.
7. 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 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 line with NJC terms and conditions, the revised pay scale points and pay bands agreed as part of national pay negotiations are implemented from the formal agreement date.
8. The Council's employee benefits policies are universally applied where possible and financial arrangements for all employees leaving the organisation for whatever reason are based on the same principles regardless of grade.
9. The Pay Policy Statement has been subject to the required annual review process and includes the legislative change passed with respect to [Gender Pay Gap Information](#), the statement confirms that the council will publish the required gender pay gap information online and it will be updated from April 1<sup>st</sup> each year alongside the other data required as part of the Pay Policy Statement.
10. The ratios between salary levels will change to reflect any nationally agreed pay increases with required information about the Pay Policy Statement published online and updated after the financial year end on March 31st.
11. All employees including Chief Officers are entitled to redundancy payments and pension release following the Council's Redundancy and Retirement Procedure. Where the proposed severance package is more than £100,000, the decision will be ratified by Full Council.
12. Members should note that over the last 18 months, there have been several occasions when it has been very difficult to recruit to some professional positions. The labour market for several professions has become extremely competitive with the private sector and larger public sector organisations in a position to offer higher

salaries for professional positions. Whilst this situation is ongoing at the time of the Pay Policy Statement review it was not felt necessary at this time to include policy measures to address the issue.

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	✓

IMPLICATIONS	
Finance	None arising directly from this report
Legal	The legal responsibilities with respect to 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 an 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

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

BACKGROUND PAPERS REVELANT TO THIS ITEM		
Name of document	Date	Where available for inspection
Full Council Agenda 2012 – 2021	First meeting of the calendar year	<a href="https://fylde.cmis.uk.com/fylde/MeetingsCalendar.aspx">https://fylde.cmis.uk.com/fylde/MeetingsCalendar.aspx</a>
Gender Pay Gap Reporting	Updated annually	<a href="https://new.fylde.gov.uk/council/open-data/1551-2/#1523269533820-f8f70d3d-43b8">https://new.fylde.gov.uk/council/open-data/1551-2/#1523269533820-f8f70d3d-43b8</a> <a href="https://www.gov.uk/government/news/gender-pay-gap-reporting">https://www.gov.uk/government/news/gender-pay-gap-reporting</a>
Employees who earn over £50,000 per annum	Updated annually	<a href="https://new.fylde.gov.uk/council/management-team/">https://new.fylde.gov.uk/council/management-team/</a>
Online Pay Policy Data	Updated annually	<a href="https://new.fylde.gov.uk/council/open-data/1551">https://new.fylde.gov.uk/council/open-data/1551</a>
Salary Publication Salary Ratios	Updated annually	<a href="https://new.fylde.gov.uk/council/open-data/salary-ratios/">https://new.fylde.gov.uk/council/open-data/salary-ratios/</a>

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Attached documents

**Appendix 1** – Pay Policy Statement 2024/25