

This Report will be made public on

Report Number **P/21/02**

To: Personnel Committee
Date: 10th June 2021
Status: Non-executive Decision
Chief Officer: Andrina Smith, Chief HR Officer

SUBJECT: PAY POLICY STATEMENT 2021/22

SUMMARY: This report presents a revised pay policy statement for 2021/22 for approval and recommendation to council

REASONS FOR RECOMMENDATIONS:

Personnel Committee is asked to note the contents of the report.

RECOMMENDATIONS:

1. To receive and note Report P/21/02
2. To recommend to council that it approve under S38(1) Localism Act 2011 the Pay Policy Statement appended to this report for 2021/22.

1. INTRODUCTION

- 1.1 All local authorities are required to annually publish, and present to Full Council for adoption, a Pay Policy Statement in accordance with the Localism Act 2011. Folkestone & Hythe District Council's Pay Policy Statement is proposed to be updated, adopted and published by the end of March each year.

2. PAY POLICY

- 2.1 The draft Pay Policy Statement for 2021-22 is attached as **Appendix A**. This is based on:

- The Department of Communities and Local Government's (DCLG)** Statutory Guidance Under Section 40 of the Localism Act, Openness and Accountability in Local Pay, published at February 2012,
- The Department of Communities and Local Government's (DCLG) Openness and Accountability in Local Pay: Guidance under section 40 of the Localism Act 2011 – Supplementary Guidance, published February 2013,
- Guidance from the Local Government Association.

** The Department of Communities and Local Government (DCLG) is now known as the Ministry of Housing, Communities & Local Government however the guidance documents still bear the DCLG name.

- 2.2 The DCLG Guidance confirms that councils are not 'required to use the pay policy (statement) to publish specific numerical data on pay and reward' however it should be noted that the council is required to publish certain salary information under the Code of Recommended Practice for Local Authorities on Data Transparency and by the Accounts and Audit (England) Regulations 2011.
- 2.3 The Guidance further states that the Localism Act requires authorities to explain what they think the relationship should be between the remuneration of its Chief Officers and its employees who are not Chief Officers. The pay policy statement therefore explains the 'relationship' in terms of the grading systems used and by reference to the requirements set out in paragraph 2.2 above.
- 2.4 Paragraph 5 of the Pay Policy Statement was updated for 2021/22 in January 2021 to reference and provide clarity over the definition of 'chief officer' back to the Local Government and Housing Act 1998. This paragraph remains unchanged in the revised statement.
- 2.5 In January 2021, paragraph 38 of the Pay Policy Statement was updated to reflect the introduction of the exit pay cap at the end of 2020. In-between personnel committee recommending the Pay Policy Statement

to Council and a Council meeting taking place, the government notified public sector bodies that it was revoking the new regulations due to some unforeseen and unintended consequences that would arise if it was enforced. As a result, paragraph 38 has been re-written to mirror the paragraph used in previous years.

- 2.6 The changes outlined in 2.5 above are the only substantial changes made to the statement since its previous review by this committee in January 2021.
- 2.7 At the time of writing this report no further updated guidance notes have been issued by the MHCLG (DCLG), however should an update be issued that requires an amendment to the attached pay policy statement for 2021-22 then a revised statement will be presented to the Personnel Committee at a future meeting.

3. RISK MANAGEMENT ISSUES

- 3.1 A summary of the perceived risks are as follows:

- No perceived risks

4. LEGAL / FINANCIAL AND OTHER CONTROLS / POLICY MATTERS

4.1 Legal Officer's Comments (NM)

There are no legal implications arising directly out of this report, relevant issues having been addressed in each of the report and the Appendix.

4.2 Finance Officer's Comments (CS)

Any financial implications arising from any reward strategy will need to be considered within the council's medium term financial planning process.

4.3 Diversities and Equalities Implications (ASm)

There are no specific Diversities and Equalities Implications arising from this report.

5. CONTACT OFFICER AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer prior to the meeting:

Andrina Smith, Chief HR Officer
Tel: 01303 853405
Email: Andrina.smith@folkestone-hythe.gov.uk

The following background documents have been relied upon in the preparation of this report:

None

Appendix

Appendix A – Draft Pay Policy Statement 2021-22