



Signed off by	Mari Roberts-Wood Managing Director & Head of Paid Service
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To	Employment Committee Full Council
Date	Tuesday, 30 January 2024 Tuesday, 20 February 2024
Executive Member	Deputy Leader and Portfolio Holder for Finance, Governance and Organisation

Key Decision Required	N
Wards Affected	N/A

Subject	Pay Policy Statement for 2024/25
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Recommendations
<p>That Employment Committee:</p> <p>(i) Note the report for recommendation to Full Council of the Pay Policy Statement for the year 2024/25;</p> <p>That Council</p> <p>(i) Approve the Pay Policy Statement for 2024/25.</p>
Reasons for Recommendations
<p>To ensure that the Council complies with the requirement in the Localism Act 2011, to approve and publish an annual Pay Policy Statement, in advance of the financial year to which it relates.</p>

Executive Summary

The Pay Policy Statement sets out how the Council determines appropriate employee remuneration, in terms of salary and performance related pay.

Statistical information provided within the Statement demonstrates the relationship of remuneration between different levels of employees, from Chief Officers to the lowest paid employees.

The Pay Policy Statement reaffirms the Council's ongoing commitment to paying a fair and real living wage to all employees and workers, above national minimum wage levels.

The above recommendations are subject to approval by Full Council.

Statutory Powers

1. The Localism Act 2011 ('the Act') provisions in relation to 'Pay Accountability' set out the requirements for Councils to determine and publish annual Pay Policy Statements.
2. Relevant authorities are required by section 38(1) of the Act to prepare Pay Policy Statements. These statements must articulate an authority's own policies towards a range of issues relating to the pay of its workforce, particularly its most senior staff (or 'Chief Officers') and its lowest paid employees.
3. The Act defines remuneration widely, to include not only pay but also includes charges, fees, allowances, increases, enhancements of pension entitlements and termination payments paid to employees.
4. Government guidance, "*Openness and accountability in local pay: Guidance under section 40 of the Localism Act*" (plus any supplementary guidance issued from time to time) sets out the key policy principles that underpin the pay accountability provisions in the Act.
5. Pay Policy Statements must be prepared for each financial year and must be approved by the Council.

Background

6. The Pay Policy Statement must be approved by the Council in advance of the financial year to which it relates.
7. The Council must publish the Statement on its website and may choose to expand the publication in other ways as part of its approach towards transparency.

Key Information

8. The Pay Policy Statement must set out the Council's policies relating to:

- Chief Officer remuneration,
 - Remuneration of its lowest paid employees plus the definition used for this group and the reason for adopting that definition,
 - The relationship between Chief Officer remuneration and that of other staff
9. For the purposes of the Statement, for this authority 'Chief Officer' roles include four positions, comprising the Head of Paid Service, the two Statutory Chief Officers (Monitoring Officer and Section 151 Officer) and the other Non-Statutory Chief Officer (Director role that reports directly to the Head of Paid Service).
10. The Pay Policy Statement sets out the Council's commitment to paying a fair wage to all, regardless of employment status.
11. Statistical and salary data is correct as at 1 January 2024.

Options

12. Employment Committee and Council have two options:

Option 1: To accept the content of this report and the Pay Policy Statement for 2024/25.

This is the recommended option and will ensure that the Council complies with the requirements of the Localism Act 2011.

Option 2: To reject the Pay Policy Statement.

This option is not recommended; it would put the Council at risk by not complying with the requirements of the Localism Act 2011.

Legal Implications

13. There are no adverse legal implications arising from this Policy Statement other than those set out in the body of this report or the Statement itself.

Financial Implications

14. There are no financial implications arising from the Policy Statement other than those set out in the Statement itself.
15. At the meeting of the Employment Committee on 12 September 2023, when an early draft of the 2024/2025 Pay Policy was discussed, Members requested an explanation of the pay budget increase between 2022/23 and 2023/4:
16. The increase in the total pay budget between 2022/23 and 2023/24 was £2.700 million, comprising:
- £1.500m budget growth for the 2023/24 pay award;

- £1.890m increase in the budget for Employer Pension Costs (secondary pension contribution)
- (£0.150m) budget saving from the establishment of a Vacancy Turnover assumption;
- (£0.100m) budget saving for deletion of unused budget allocated to fund the 2022/23 pay award;
- (£0.300m) net saving from deletion of vacant posts and other minor adjustments to service pay budgets; and
- (£0.100m) saving from planned restructure of the OD & HR team.

Equalities Implications

17. There are no adverse equalities implications arising from the Pay Policy Statement, which confirms that the Council's approach to pay helps to mitigate equal pay risks.
18. Equality Impact Assessments are considered at every stage of reviewing the Council's approach to pay or policy that may impact on remuneration.

Communication Implications

19. Following approval, the Pay Policy Statement is published annually on the Council's website and internal intranet.

Environmental Sustainability Implications

20. The Council is committed to taking action to address environmental sustainability and climate change issues. No environmental sustainability implications have been identified associated with the Pay Policy Statement.

Risk Management Considerations

21. The Council's strategic risk register includes risks SR1 (Financial Sustainability) and SR4 (Organisational Capacity & Culture) which have associated implications for on delivery of the Pay Policy Statement.

Human Resources Implications

22. There are no additional HR resource implications to consider arising from the Pay Policy Statement. Existing budgeted HR resource is utilised to apply the pay conditions outlined in the Statement and support Senior Management Team and managers implement the Council's terms and conditions of employment.

Consultation

23. Representatives from the two Unions the Council recognises; Unison and GMB, have been consulted on the Pay Policy Statement.
24. Employment Committee has been consulted on the Pay Policy Statement.

Policy Framework

25. The Pay Policy Statement sets out the Council's approach to remuneration and therefore plays a role in helping attract and retain talented, high performing employees.
26. The Statement directly and indirectly supports delivery of the Council's Corporate Plan, by ensuring that the Council (councillors and officers) has the right skills to deliver the plan, through attraction, retention and reward.

Background Papers

- None

ANNEXES

1. Pay Policy Statement 2024/25