



Full Council Report

Date: 27th February 2023

To: Full Council

Report Title: ANNUAL PAY POLICY STATEMENT 2023/24

EXECUTIVE SUMMARY

1. Local Authorities are required under section 38(1) of the Localism Act 2011 to prepare an annual Pay Policy Statement. The statement must clearly detail the Council's policy for the pay of the workforce, particularly senior staff and lowest paid employees.
2. There has been some significant changes to the ratios this year due to the 2022/2023 national pay award being agreed and implemented.
3. The ratio between the highest employee salary Chief Executive (£173,211) and lowest employee salary (£20,285) has reduced from 9.46:1 to 8.55:1. This means the highest salary is 8.55 times more than the lowest salary. The ratio between the highest employee salary and average staff salary has also reduced from 6.13:1 to 5.64:1.
4. The ratio between the lowest paid and average salaries has reduced slightly from 1.54:1 to 1.52:1. The average annual salary has increased by £3,188 from £27,531 to £30,719.
5. The Council remains committed to reduce the pay difference and increase low pay.
6. In March 2011 the Hutton Review of Fair Pay made several recommendations for promoting pay fairness in the public sector by tackling disparity between the lowest and highest paid. The Hutton Review considered that the pay multiples (ratios) should be no greater than 20:1 and the Council falls well below this threshold.

EXEMPT REPORT

7. Not applicable.

RECOMMENDATIONS

8. It is recommended that Members note the contents of this report and approve the Pay Policy Statement for 2023/24.

WHAT DOES THIS MEAN FOR THE CITIZENS OF DONCASTER?

9. Publication of a Pay Policy Statement will aid transparency and provide information that will enable local people to understand the Council's pay provisions.

BACKGROUND

10. In March 2011 the Hutton Review of Fair Pay made several recommendations for promoting pay fairness in the public sector by tackling disparity between the lowest and highest paid.
11. Subsequently the Localism Act 2011 (the Act) placed a requirement on each local authority to prepare and publish a Pay Policy Statement. The provisions of the Act bring together the need for increasing accountability, transparency and fairness in the setting of pay.
12. The provisions of the Act do not apply to the employees of local authority schools and therefore unless they are centrally employed, teaching staff are not within the scope of the policy.
13. Each local authority is an individual employer in its own right and has the autonomy to make decisions on pay that are appropriate to local circumstances and which deliver value for money for local taxpayers. The provisions of the Act do not seek to change this, or to determine what decisions about pay should be taken, but they do require each local authority to be more open about their own policies in relation to pay and how related decisions are made.
14. Section 40 of the Act requires local authorities to have regard for any guidance published by the Secretary of State when developing their Pay Policy Statement. Currently this includes Housing, Communities and Local Government Guidance on Openness and Accountability in Local Pay and the Code of Recommended Practice for Local Authorities on Data Transparency, which asks authorities to consider the way they release data on senior salaries.
15. The Act sets out in detail the specific elements which the Pay Policy Statement must include as a minimum. However, it is open to each authority to determine whether they wish to expand this to cover all employees. A template Pay Policy Statement was previously published by Local Government Yorkshire and Humberside Regional Employers (LGYH) which includes the minimum requirements. This template was used as the basis for Doncaster's Pay Policy Statement since the requirement was introduced and has been used again for this year.

AMENDMENTS TO THE POLICY 22/23

16. The post holder of Director of CYPF received an honorarium payment to the sum of £5000 per annum covering the period April 2022 to August 2022 for undertaking additional responsibilities in providing essential strategic advice, governance and overseeing operational performance due to the departure of the CEO post holder on Doncaster Children's Services Trust. This was prior to the formal TUPE transfer back into the Council with effect from 1st September 2022.

PROPOSED PAY POLICY STATEMENT

17. The Pay Policy Statement (see attached) is required to be produced annually and considered by Full Council. It is not possible to delegate responsibility for the Policy to another committee.
18. It is proposed that the same format is used for the publication of the Pay Policy Statement this year.
19. The Council decided to meet the information access requirements by publishing the Pay Policy Statement on the Council's website each year. It is proposed to do the same this year.
20. The salary structure for Chief Officers is as follows:

Grade and Posts	Spinal Column Point	Salary2023/24
CO3 Assistant Directors	7	£98,796
CO1 Directors	10	£130,914
CE1 Chief Executive	1	£171,286

20. The ratio between the highest employee salary Chief Executive (£171,286) and lowest employee salary (£20,258) has reduced to 8.55:1. This means the highest salary is 8.55 times more than the lowest salary. Benchmarking will be undertaken before the start of the financial year once all results are published, against a number of local authorities in the Yorkshire and Humber region.
21. The ratio between Doncaster's highest and average salaries has also reduced to 5.64:1. The ratio between the highest salary and the median salary has reduced to 7.20:1. The ratio between Doncaster's lowest and average salaries has minimally decreased to 1.52:1.
22. The average salary has increased by £3,188 from £27,531 to £30,719 in line with the Council's commitment to reduce the pay difference and increase low pay.

OPTIONS CONSIDERED




23. The requirement for the Council to prepare and publish a Pay Policy Statement is a requirement of the Localism Act 2011 and therefore there are considered to be no other options. There is a prescribed minimum requirement that the Pay Policy Statement must contain, individual local authorities can exercise the option to expand it.






REASONS FOR RECOMMENDED OPTION

24. The Localism Act requires that a local authority Pay Policy Statement must be approved by Full Council and the responsibility cannot be devolved to another committee. The recommended option will ensure that the Council meets the minimum requirements as laid out in the Localism Act 2011.

IMPACT ON THE COUNCIL'S KEY OUTCOMES

25.

Great 8 Priority	Positive Overall	Mix of Positive & Negative	Trade-offs to consider – Negative overall	Neutral or No implications
 Tackling Climate Change				✓
Comments:				
 Developing the skills to thrive in life and in work				✓
Comments:				
 Making Doncaster the best place to do business and create good jobs	✓			
Comments: The Council is committed to eliminate low pay and the pay policy statement shows how the average salary is increasing within the Council and the pay multiple between the highest and lowest pay is reducing. This positive trend also supports local jobs remaining competitive in the market place.				

 Building opportunities for healthier, happier and longer lives for all				✓
Comments:				
 Creating safer, stronger, greener and cleaner communities where everyone belongs				✓
Comments:				
 Nurturing a child and family-friendly borough				✓
Comments:				
 Building Transport and digital connections fit for the future				✓
Comments:				
 Promoting the borough and its cultural, sporting, and heritage opportunities				✓
Comments:				
Fair & Inclusive	✓			
Comments: The Council has given due regard to equalities requirements in its pay provisions. It does comply with equalities legislation, particularly that relating to equal pay. The Council's commitment to eliminate low pay will also have a positive impact on low paid employees who are predominantly female.				

LEGAL IMPLICATIONS [Officer Initials SRF Date 11.01.23]

26. Sections 38-43 Localism Act 2011 set out the requirements that a Local Authority must publish an annual pay policy statement setting out the Authority's policies relating to the remuneration of its Chief Officers, its lowest paid employees and the relationship between the remuneration of the Chief Officers and other employees. It is up to the Authority to define who its lowest paid employees are. It must also include (a) the level and elements of remuneration for each Chief Officer, (b) remuneration of Chief Officers on recruitment, (c) increases and additions to remuneration for each Chief Officer, (d) the use of performance-related pay for Chief Officers, (e) the use of bonuses for Chief Officers, (f) the approach to the payment of Chief Officers on their ceasing to hold office under or to be employed by the authority, and (g) the publication of and access to information relating to remuneration of Chief Officers.
27. Section 40 requires Authorities to have regard to the guidance for pay policy statements as published by central government.
28. The Authority's Pay Policy Statement must be approved by a resolution of the Authority before it comes into force and the statement must be prepared and approved before the end of 31 March 2023 and each year thereafter. Amendments may be made within each year by the passing of a resolution.
29. Once approved it must be published as the Authority sees fit and further pay determinations must be made in accordance with the policy.

FINANCIAL IMPLICATIONS [Officer Initials AG Date 10.01.23]

30. There are no direct financial implications as a result of the recommendation in this report. The report details the current pay arrangements which have been factored into the budget for 2023/24. All staff pay must be funded from the Council's resources and budgeted accordingly.

HUMAN RESOURCE IMPLICATIONS [Officer Initials RH Date 09.01.23]

31. There are no direct human resource implications as a result of the recommendations in this report, although all affected post-holders have been consulted on the requirement for the information being published.

TECHNOLOGY IMPLICATIONS [Officer Initials PW Date 10.01.23]

32. There are no direct technology implications as a result of the recommendations in this report.

RISKS AND ASSUMPTIONS

33. Under the requirements of the Localism Act the Council has to have a Pay Policy Statement that meets minimum required levels. It is proposed that Doncaster's Pay Policy Statement for 2023/24 will contain the minimum requirements in relation to the employees to be covered which will ensure a standard framework is in place which will reduce the risk of inconsistency and potential legal challenge.

CONSULTATION

34. Consultation with appropriate Council officers regarding the content of the Pay Policy Statement has been undertaken.

BACKGROUND PAPERS

35. HCLG Code of Recommended Practice for Local Authorities on Data Transparency
Hutton Review of Fair Pay in the Public Sector
Localism Act 2011
Report to Council 28th February 2022 entitled Annual Pay Policy Statement 2022/23

GLOSSARY OF ACRONYMS AND ABBREVIATIONS

36. N/A

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