
Meeting of the Cabinet – 17th February 2022

Report of the Chief Executive

Dudley Council Pay Policy 2022/2023

Purpose

1. Dudley Council is required to produce an annual Pay Policy Statement in order to comply with sections 38 and 39 of the Localism Act 2011. The Statement must articulate the Council's policies towards a range of issues relating to the pay of the workforce, particularly the most senior staff (or "chief officers") and the relationship of their pay to the lowest paid employees.

Recommendations

2. That the Council be recommended to approve the Pay Policy Statement for 2022/2023.

Background

3. Under provisions contained in the Localism Act 2011, the Council is required to prepare an annual Pay Policy Statement setting out its policies towards a range of issues relating to the pay of its workforce including:
 - the remuneration of "chief officers";
 - the remuneration of the lowest paid employees;
 - the relationship between the remuneration of chief officers and that of other employees.
4. The Council has clearly established policies and processes for the determination of the pay and grading of its employees and these are summarised in the Pay Policy Statement, which has to be approved by a resolution of Full Council no later than 31st March 2022.

5. Following the Chancellor's announcement regarding a national pay freeze in the majority of public sector services, the application of such a freeze to local government is currently under consideration through its negotiating mechanisms. The NJC and JNC pay negotiations for a national pay award in 2021/22, effective from 1 April 2021, are ongoing.
6. The Pay Policy Statement has been updated and now includes 3 (additional) non-statutory Chief Officers who report directly to the Chief Executive (as Head of Paid Service) being the Lead for Law and Governance; Head of HR and Organisational Development and Head of Communications and Public Affairs. This amendment is in accordance with S43 of the Localism Act and section 4(1) of the Local Government and Housing Act 1989 which defines designated, statutory and non-statutory positions. The chief officer's salary data has also been tabulated.
7. Following approval of the pay policy by Council, data on all senior salaries in 2022/2023 will be published prior to 31st March 2022 alongside data required by the Local Government Transparency Code 2015 will also be available by 31st March 2022.
8. The Restriction of Public Sector Exit Payments Regulations 2020 which were introduced on 4th November 2020, to impose a cap of £95,000 on the payments to employee exits, were revoked on 19 March 2021. We are anticipating further consultation on any proposed new arrangements.

Finance

9. Financial implications of the Pay Policy will be fully reflected in the Council's Medium- Term Financial Strategy, which is to be presented to the Council in March 2022.

Law

10. It is a requirement of Section 38 of the Localism Act 2011 that an annual Pay Policy Statement be prepared and approved by Local Authorities. The Act prescribes information to be included in the statement, its manner of publication and the requirement for the Council to act in accordance with its approved Policy Statement.

Risk Management

11. No material risks have been identified



Equality Impact

12. The Pay Policy highlights the relationship between the highest and the lowest salary levels and confirms that the Council has a pay ratio that is within the Hutton report. The Council is committed to publishing equal pay information on an annual basis.

Human Resources/Organisational Development

13. As well as meeting the Council's legal obligations, the annual Pay Policy Statement supports effective employee relations through the provision of clarity and transparency in its arrangements for the payment of its employees.

Commercial/Procurement

14. There are no commercial or procurement implications arising from this report.

Council Priorities

15. Dudley Council's ability to deliver its priorities is dependent on its workforce and the pay policy summarises the policies and processes for the determination of the pay and grading of employees.



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Kevin O'Keefe
Chief Executive