

**STROUD DISTRICT COUNCIL**  
**STRATEGY AND RESOURCES COMMITTEE**

**AGENDA  
ITEM NO**

**30 JANUARY 2020**

**5**

<b>Report Title</b>	<b>THE FAIR PAY AND SENIOR PAY POLICY STATEMENT 2019/20</b>
<b>Purpose of Report</b>	The Council is required under the Localism Act 2011 to approve and publish a policy statement on senior pay.
<b>Decision(s)</b>	The Committee <b>RECOMMENDS</b> to Council that the statement is approved.
<b>Consultation and Feedback</b>	A copy of the draft statement has been provided to Unison.
<b>Financial Implications and Risk Assessment</b>	There are no financial implications arising directly from this report. All salary costs are budgeted for in the Medium Term Financial Plan.  Andrew Cummings, Head of Finance & S151 Officer Email: <a href="mailto:andrew.cummings@stroud.gov.uk">andrew.cummings@stroud.gov.uk</a>
<b>Legal Implications</b>	All legal implications are set out in the body of the report.  Patrick Arran Interim Head of Legal Services & Monitoring Officer Tel: 01453 754369 Email: <a href="mailto:patrick.arran@stroud.gov.uk">patrick.arran@stroud.gov.uk</a>
<b>Report Author</b>	Lucy Powell, HR Manager Tel: 01453 754942 Email: <a href="mailto:lucy.powell@stroud.gov.uk">lucy.powell@stroud.gov.uk</a>
<b>Options</b>	The Council is required to publish a statement by the 31 <sup>st</sup> March 2020 for the ensuing financial year. The nature and content must adhere to guidelines issued by the then Secretary of State for Communities and Local Government.
<b>Performance Management Follow Up</b>	The operation of the policy and its subsequent annual review is a function of the Committee.
<b>Background Papers</b>	Information on the Council's workforce was extracted from the Council's human resources/payroll system. The remuneration of individual senior officers is also published in the Council's Statement of Accounts and on the Council's website. <b>Appendix A</b> – The Fair Pay and Senior Pay Policy Statement 2019-20

### **The Fair Pay and Senior Pay Policy Statement 2019-20**

This Pay Policy Statement is produced on an annual basis in accordance with Section 38 (1) of the Localism Act 2011. It is made available on the Council's website.

The Council has published information on senior pay for a number of years on its website and in its Statement of Accounts. It has also responded openly and in full to Freedom of Information Act requests for such details.

The Local Government Transparency Code 2015 places additional publication requirements on local authorities to publish data on their websites. This includes the requirement either to publish the data on their website or place a link on their website to such data. Additional requirements of the Code include the requirement for local authorities to publish:-

- A list of responsibilities of senior staff
- Details of bonuses and "benefits-in-kind" for all employees whose salary exceeds £50,000
- The pay multiple, defined as the ratio between the highest paid taxable earnings for the given year and the median earnings figure of the whole of the authority's workforce.

This information is available on the Council's website.

### **Pay Accountability - Senior Pay Policy Statement for Stroud District Council 2019-20**

Both the Localism Act 2011 and the Transparency Code 2015 require the definition and publication of data on the lowest paid employees, their remuneration and the clarification of the relationship of pay between the lowest and highest paid groups of employees.

The lowest paid employees of the Council are on the Apprentice grade and have a salary at 01/01/2020 of £11,865. The highest paid employee on Stroud 12 has a salary at 01/01/2020 of £115,268. This is calculated as a ratio of 1:10 between the lowest and the highest paid employees of the Council. The Government's view is that the salaries ratio in the public sector should not exceed 1:20, so the Council is well within these guidelines.. A comparison of Stroud 1 to Stroud 12 produces a ratio of 1:7.

There is only a requirement by the Government to pay Apprentices £3.90 per hour. However, the Apprentice grade at the Council has been based on the National Minimum Wage for 18-20yr olds of £6.15.

The pay multiple, defined as the ratio between the highest paid taxable earnings for the given year and the median earnings figure of the whole of the authority's workforce was 4.44.

Since 2013, the Council has paid the Living Wage Foundation (LWF) living wage to staff on Stroud 1 by way of a supplement to basic pay. As a result of the Local Government pay award the STR1 salary is now above the LWF salary and therefore no supplement is required. The Council will continue to monitor the STR1 salary and LWF salary.

## 1. Level and Elements of Remuneration in 2019-20

1.1 The Council pays 'spot' salaries to all employees. There are 13 spot salaries:

Stroud Grade	Salary	FTE	Headcount	FTE Nov 2018	Headcount Nov 2018
STR APP	£11,865	7.00	7	4.00	4
STR1	£17,711	1.37	4	3.38	8
STR2	£19,171	35.68	50	40.51	55
STR3	£21,589	63.85	76	67.36	81
STR4	£26,317	65.14	75	66.40	77
STR5	£31,371	56.77	67	68.20	79
STR6	£36,876	40.34	43	30.54	32
STR7	£42,683	21.53	22	23.33	24
STR8	£49,387	11.80	12	8.50	9
STR9	£55,568	8.80	9	8.80	9
STR10	£73,161	0	0	3.00	3
STR11	£80,000	3.00	3	n/a	n/a
STR12	£115,268	1.00	1	1.00	1
TOTAL		316.28	369* Actual = 357	325.02	382* Actual = 367

\* This figure shows employees with contracted hours at each Stroud grade. The 'actual' figure indicates exact headcount, as some employees have more than one post at different grades.

1.2 There are no bonuses, annual increments or performance related payments. A salary supplement or honorarium can be paid when an employee carries out a substantial increase in duties and responsibilities.

1.3 The actual headcount has reduced by 2.73% since last year.

1.4 The Chief Executive is employed under the JNC Chief Executives' Terms and Conditions. All other senior officers are employed under National Joint Council (NJC) for local government services. The Council publishes an Employee Handbook that sets out local terms and conditions of employment. This is available on the staff intranet.

1.5 The pay in relation to individual senior officers is shown below;

#### **Chief Executive**

- Salary of £115,268 subject to any national pay award. The Chief Executives' pay agreement of June 2018 increased Chief Executives' pay by two percent in April 2018 and by two percent in April 2019.
- Employed under the Chief Executives' Terms and Conditions
- Election Fees as Returning Officer as set out in the Gloucestershire Scheme Scale of Fees for District and Parish Elections; Parliamentary, European Parliament, Referendum, Police Area Returning Officer Fees as specified by the Ministry of Justice, the Home Office or the Electoral Commission. The fees vary from year to year depending on the nature and number of elections. This is classed as a separate employment for superannuation purposes.
- Payment of membership of the Society of Local Authority Chief Executives (invoiced direct to the Council)

#### **Strategic Directors (Resources, Place, Communities and Change & Transformation)**

- Salary of £80,000 - £85,000 (subject to any national pay award)
- Taxable mileage payable in line with HMRC reimbursement rates.
- Payment of membership of one professional body (invoiced direct to the Council)
- Election fees payable to officers as election staff, as determined by the Returning Officer using the appropriate scale of fees prescribed nationally or under the Gloucestershire Scheme Scale of Fees

#### **Heads of Service**

- Salary of £55,568 subject to any national pay award
- Taxable mileage payable in line with HMRC reimbursement rates.
- Payment of membership of one professional body (invoiced direct to the Council).
- Election fees payable to officers as Deputy Returning Officer or election staff, as determined by the Returning Officer using the appropriate scale of fees prescribed nationally or under the Gloucestershire Scheme Scale of Fees

#### **Monitoring Officer**

- The permanent post is currently vacant and there are interim arrangements in place to cover this role at present.
- Taxable mileage payable in line with HRMC reimbursement rates (for perm role)
- Payment of membership of one professional body (invoiced direct to the Council) (for perm role)
- Election fees payable to officers as Deputy Returning Officer or election staff, as determined by the Returning Officer using appropriate scale of fees prescribed nationally or under the Gloucestershire Scheme Scale of Fees.

#### **Section 151 Officer (This function is covered by the Strategic Director of Resources)**

- Salary of £80,000, subject to national pay award
- Taxable mileage payable in line with HRMC reimbursement rates.

- Payment of membership of one professional body (invoiced direct to the Council).
- Election fees payable to officers as Deputy Returning Officer or election staff, as determined by the Returning Officer using appropriate scale of fees prescribed nationally or under the Gloucestershire Scheme Scale of Fees.

### **Service Managers**

- Salaries in range from £36,876 to £49,387 subject to any national pay award
- Taxable mileage payable in line with HMRC reimbursement rates.
- Payment of membership of one professional body (invoiced direct to the Council).
- Election fees payable to officers as Deputy Returning Officer or election staff, as determined by the Returning Officer using the appropriate scale of fees prescribed nationally or under the Gloucestershire Scheme Scale of Fees

## **2. Remuneration on Recruitment**

### **2.1 Chief Executive**

The remuneration would be reviewed prior to advertisement by the Strategy & Resources Committee or its panel under delegated authority from the Council. The Committee's membership is agreed by the Council at its Annual General Meeting and is politically balanced.

The full Council appoints the Chief Executive based on a recommendation from the Committee.

### **2.2 Strategic Directors, Heads of Service, Service Managers, Monitoring Officer and S151 Officer**

The remuneration and allowances are set out in the Employee Handbook and the published salary scales

## **3. Remuneration on ceasing to hold office/be employed by the Council**

### **3.1 Chief Executive**

The Committee would make a recommendation to the full Council.

### **3.2 Strategic Directors, Heads of Service, Service Managers, Monitoring Officer and S151 Officer**

The terms of any redundancy or retirement are set out in the Employee Handbook (Section 3.3).

## **4. Publication and Access to Information Relating to Remuneration**

4.1 This pay policy statement is published on the Council's website located under Open Data at <http://www.stroud.gov.uk/opendata>

4.2 The Council's Constitution and the Council's Statement of Accounts are published at [www.stroud.gov.uk](http://www.stroud.gov.uk)