

<b>Governance Committee</b>
<b>20 January 2020</b>
<b>Pay Policy Statement 2020/21</b>
<b>Report by Director of Human Resources and Organisational Development</b>

<b>Recommendation</b>
That the proposed revisions to the Pay Policy Statement, as set out in Appendix 1, be endorsed for recommendation to the County Council.

## **1. Background**

- 1.1 The Localism Act requires each local authority to produce a Pay Policy Statement (the 'statement') explaining its approach to the pay of its 'chief officers' and its 'lowest paid' employees and the relationship between the two. The statement has to be published and accessible to the public. The statement must be approved annually before 31 March each year prior to the financial year to which it relates.

## **2. Pay Policy Statement from 1 April 2020**

### **Legislative changes**

- 2.1 As in previous years, legislative changes have been expected in relation to public sector exit payments and as a consequence wording of the Pay Policy Statement may need to change. At the time of updating the Pay Policy the timeline for the proposed changes remains uncertain. Authority has been given to the Director of Human Resources and Organisational Change and the Director of Law and Assurance to approve any changes to the wording of the Pay Policy Statement relating to changes in legislation.

### **Amendments**

- 2.2 Appendix 1 to this report, the Pay Policy Statement 2020/21, sets out the pay determination arrangements for staff. Only minor changes to the Pay Policy Statement have been made since it was last updated in February 2020 and these are summarised below. They include the consequences of the arrangement for the joint appointment of the Chief Executive through an agreement with East Sussex County Council. The changes are highlighted in italic and strike-through text in the Appendix:

- (a) Paragraph 4.1: Reference to the Senior Management Group (SMG) job assessment method is not applicable to the most senior role in the organisation and has been removed, correcting an oversight in the previous year's Pay Policy Statement. Text has been inserted to clarify

that the arrangements apply only where the Head of Paid Service (Chief Executive) is an employee of West Sussex County Council.

- (b) Paragraph 4.2 has been inserted to explain the arrangements with East Sussex County Council for the determination of salary and the payment of salary costs where the Head of Paid Service (Chief Executive) is an employee of that authority.
- (c) Paragraph 6.2: Removal of superfluous text and provision of clarity for the Head of Paid Service (Chief Executive) being an employee of East Sussex County Council.
- (d) Paragraph 6.3: Text updated to reflect the next date a pay review is due for employees on SMG grades at tiers 2 and 3.
- (e) Paragraph 6.6: Text amended to clarify that total sum available for pay increases is a decision of the Cabinet Member for Finance on the recommendation of the Chief Executive rather than being a decision of the Chief Executive.
- (f) Paragraph 6.7 amended to incorporate approval arrangements with East Sussex County Council should an additional payment be considered for the Head of Paid Service (Chief Executive) for exceptional performance.

### **Notes**

- 2.3 The County Council publishes information relating to the remuneration of staff over a level defined by government guidance in the Annual Report and Accounts and on the West Sussex Data Store (Finance section) on the County Council's website.
- 2.4 Paragraph 14.2 highlights that in addition to the above information, the County Council is due to publish its next Gender Pay report by 31 March 2020.
- 2.5 The pay multiples between the highest paid salary and the median earnings and between the highest paid salary and the lowest paid staff are shown in Appendix 2. The reference figure used is that of the chief executive prior to the current arrangement with East Sussex County Council. The new arrangement means a significantly lower figure for the remuneration paid to this post.

### **3. Consultation**

The Leader and Cabinet Member for Finance have been consulted and are supportive of the proposals.

### **4. Resource Implications and Value for Money**

The pay policy will enable members and residents to understand the County Council's approach to pay and reward and the value for money this provides. The resources required to maintain the information have been taken into account in determining the content of the pay policy.

## **5. Risk Management Implications**

The County Council has a statutory responsibility to maintain and publish the Pay Policy Statement.

## **6. Other Considerations**

An Equality Impact Report is not required. However action has been taken to ensure that the Pay Policy statement is fully compliant with the Public Sector Equality Duty.

### **Colin Chadwick**

On behalf of Director of Human Resources and Organisational Change

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Background Papers

None