

Governance Committee

January 2021

Pay Policy Statement 2021/22

Report by: Director of Human Resources & Organisational Development

Electoral division(s): all

Summary

The report sets out amendment to the Pay Policy for approval and recommendation to full Council before the end of March as required by law.

Recommendations

- (1) That the proposed revisions to the Pay Policy Statement, as set out in Appendix 1, be endorsed for recommendation to the County Council.
 - (2) That the arrangements for dealing with any request related to the exit payment cap under the Public Sector Exit Pay Regulations 2020 be approved.
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Proposal

1 Background and context

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 Proposal details

2.1 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 are proposed since it was last amended in June 2020 and these are summarised below. The changes are highlighted in italic and strike-through text in the Appendix:

- (a) Throughout the document references to Human Resources and Organisational Change have been changed to Human Resources and Organisational Development to reflect a change in the name of the department.

- (b) Paragraph 6.2: Text amendment to clarify that the Chief Executive is an employee of East Sussex County Council.
- (c) 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 and a change in wording to provide flexibility in how performance is assessed should the appraisal scheme change.
- (d) Paragraph 10.1 and 11.1: text has been amended to reflect the requirements of the Public Sector Exit Pay Regulations 2020. The Regulations set a limit of £95,000 on severance payments, with provisions to relax the cap in certain circumstances and subject to the approval of MHCLG and HM Treasury. The County Council is required approve payments that exceed the £95,000 limit prior to seeking the necessary authorisation from the Government departments.

2.2 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. With effect from 6 January 2020 the County Council's Chief Executive has also been the Chief Executive of East Sussex County Council with the two roles being carried out together and salary costs shared between authorities. With these arrangements in place the highest paid salary in the County Council is not for the post of Chief Executive, as has been the case in previous years. The reference figure used for the pay multiples as at 31 March 2020 is that of the highest paid West Sussex County Council employee.

2.3 In accordance with the requirements of the Public Sector Exit Pay Regulations 2020 the approval of the County Council is required in any case where it is proposed that a request to relax the cap on exit payments be sought. In any such case a meeting of the Council shall be called. This may need to be an extraordinary meeting should the Chairman be in agreement. It may also be necessary for the meeting to consider the exclusion of press and public if this is required to comply with personal data obligations or as may otherwise be advised in any particular case. The Council will be provided with a report to explain the basis for the approval being sought.

3 Other options considered (and reasons for not proposing)

3.1 Not applicable.

4 Consultation, engagement and advice

4.1 Not applicable.

5 Finance

5.1 There are no financial implications arising from the proposed amendments to the Pay Policy Statement.

5.2 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.

6 Risk implications and mitigations

Risk	Mitigating Action (in place or planned)
The County Council does not meet the requirements of the Localism Act.	Endorsement of the Pay Policy Statement for the recommendation of County Council. Publication of the Pay Policy Statement once approved by the County Council.

7 Policy alignment and compliance

- 7.1 The County Council is required to have in place a Pay Policy Statement approved annually by the County Council.

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Appendices

Appendix 1: Pay Policy Statement

Appendix 2: Pay multiples

Background papers

None