Sunderland City Council

Item No. 4

HUMAN RESOURCES COMMITTEE

25 February 2021

REPORT OF THE EXECUTIVE DIRECTOR OF CORPORATE SERVICES

PAY POLICY STATEMENT 2021-22

1. Purpose

1.1 The purpose of this report is to recommend that HR Committee approve for publication, after agreement by Council on 24th March 2021, the Pay Policy Statement for 2021-22.

2. Description of Decision (Recommendation)

2.1 The HR Committee is invited to consider the information set out in this report and approve for publication, after agreement by Council on 24th March 2021, the Pay Policy Statement for 2021-22.

3. Background

3.1 The Localism Act 2011 includes the requirement for local authorities to produce a Pay Policy Statement; to be updated, approved by full Council and published annually on the Authority's website. The Council has complied with this requirement each year since March 2012.

3.2 The Pay Policy Statement now needs to be updated, approved by Council at their meeting on 24th March 2021 and published by 31st March 2021. The 2020-21 Pay Policy is currently published on the Council's website, alongside the Statement of Accounts. This can be accessed at: https://www.sunderland.gov.uk/pay-policy.

3.3 There are other, related requirements which are set out here for background information. On 3rd October 2014 the Government issued a revised Local Government Transparency Code. This came into force on 31st October 2014 under Section 2 of the Local Government, Planning and Land Act 1980. As part of the Code, local authorities are now required to publish certain data sets. The HR implications of the mandatory information are the annual publication of:

- An **Organisation chart** covering employees in the top three levels of the organisation (including grade, job title, local authority department

and team, whether permanent or temporary staff, contact details, salary in £5,000 brackets, consistent with the details published for Senior Salaries, and the maximum salaries for the grade).

- Annual publication of **Trade union facility time** (including total number and full time equivalent of staff who are union representatives, and the total number and full time equivalent of union representatives who devote at least 50% of their time to union activity.)
- Senior salaries.
- Pay multiple – the ratio between the highest paid salary and the median salary of the whole of the authority's workforce.

The information must be published at least annually and not later than one month after the year to which the data and information is applicable.

These data sets are published on the Council's website under Transparency alongside the Senior Pay information and can be accessed at:

http://www.sunderland.gov.uk, or by clicking Transparency

3.4 In preparing the Pay Policy Statement for approval and publication, the Council must have regard to the guidance and supplementary guidance issued by the (former) DCLG:

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/85886/Final_Supplementary_Pay_Accountability_Guidance_20_Feb.pdf

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/5956/2091042.pdf

3.5 Since 2018 requirements on Gender Pay Gap reporting apply to organisations with 250+ employees, in accordance with Regulations made in 2017 under the umbrella of the Equality Act 2010.

4. Proposal

4.1 The proposed draft Pay Policy Statement 2021-22 is attached as an Appendix to this report. The amendments in comparison with the 2020-21 Pay Policy Statement are: changes to dates, a national increase in JNC pay rates, and minor changes to the presentation of the statement. The information contained in the Statement is required to be that which applies at the date of publication, i.e. 31st March 2021.

4.2 One way of measuring pay relationships is to use a pay multiple. It is mandatory to publish the Median Pay Multiple (the ratio between the highest paid taxable earnings for the given year and the median earnings figure of the whole of the Council's workforce). This is shown in the pay policy

statement. The highest paid is £191,600.00 and the median paid is £21,748.00, therefore the ratio is 8.81:1. This is largely unchanged from the previous year, when the ratio was 8.80:1.

5. Reason for Decision

5.1 The Localism Act 2011 includes the requirement for local authorities to produce and publish a Pay Policy Statement.

6. Alternative Options

6.1 There are no alternative options recommended.