

## MSDC PAY POLICY STATEMENT 2024/25

REPORT OF: DIRECTOR OF RESOURCES AND ORGANISATIONAL DEVELOPMENT  
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Wards Affected: None  
Key Decision: No  
Report to: Council  
27 March 2024

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### Purpose of Report

The purpose of this report is to meet the statutory requirement, Section 38 of the Localism Act 2011 to agree and publish annually the council's Pay Policy Statement. Members should note that the Statement for Mid Sussex informs our current practice. It does not introduce anything new. The Statement has been updated following its initial introduction in March 2012, when the council first agreed the Pay Policy Statement and has done so each year since.

### Recommendations

- 1. Council is recommended to agree the Pay Policy at Appendix A, to comply with the requirements of the Localism Act.**
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### Background

2. The Localism Act 2011 received Royal Assent on 15th November 2011. Section 38 of the Act placed a requirement on local authorities to publish a Pay Policy Statement each year. The Statement must set out the council's policies relating to:
  - Remuneration of its senior officers
  - Remuneration of its lowest-paid employees and
  - The relationship between the remuneration of its senior officers and the remuneration of its employees who are not senior officers.
3. Senior officers have been defined as the posts of:
  - Chief Executive,
  - Deputy Chief Executive,
  - Director, People & Commercial Services, and
  - Director, Resources & Organisational Development.
4. This Statement has been put together considering the relevant sections within Chapter 8 'Pay Accountability' of the Localism Act 2011. In its development, consideration has also been given to the 2012 guidance produced by the Department for Communities and Local Government (DCLG) entitled 'Openness and Accountability in Local Pay – guidance under section 40 of the Localism Act' and the supplementary guidance published in 2013.

5. Additionally, consideration has been given to the Code of Recommended Practice for Local Authorities on Data Transparency published by the DCLG in September 2011. More recently relevant guidance has also been issued in “Statutory guidance on the making and disclosure of Special Severance Payments by local authorities in England” published on 12 May 2022.
6. Several recommendations for promoting pay fairness in the public sector by tackling disparities between the lowest and the highest paid in public sector organisations were made in Will Hutton’s report on fair pay in the public sector. This was published in March 2011. Hutton was asked to consider whether a public sector pay multiple, in which no manager could earn more than 20 times the lowest paid person in the organisation would be helpful as the core of a fair pay system in the public sector and to tackle pay disparities.
7. The aims behind Hutton’s recommendations are not really aimed at authorities like Mid Sussex as we already publish the relevant information, and our pay ratios are significantly below the threshold stated above.
8. As an employer and following the implementation of the most recent Budget, MSDC will be a real living wage employer. This includes for our recently introduced Apprenticeship grades which offer both a living wage and meet the public sector pay multiple.
9. It is a statutory requirement to agree and publish a Statement and as such, the council is complying with its obligations.

### **Policy Context**

10. The proposed Pay Policy Statement 2024-25 is set out in Appendix A to this report. The Statement sets out the council’s policies concerning the pay of its workforce, particularly its senior officers, and sits alongside the policies on pay that the council has already adopted and published in its Pay Policy.

### **Financial Implications**

11. There are no direct financial implications arising from this report as the Pay Policy Statement sets out the Council’s policies relating to remuneration. It does not serve to set or agree specific rates or numerical amounts.

### **Risk Management Implications**

12. The risks of not having a clear policy include being unable to recruit and retain staff and being unable to demonstrate value for money to the taxpayer.

### **Sustainability Implications**

13. None

### **Other Material Implications**

14. There is a statutory requirement to comply with the Localism Act and agree and publish a Pay Policy annually. There are no environmental, human rights or community safety implications.

### **Appendices**

- Appendix A – Pay Policy Statement 2024-25

## **Background Papers**

None.