

COUNCIL MEETING – 28TH APRIL, 2022

AGENDA ITEM NO. 6 (1)

PAY POLICY STATEMENT

A report from the meeting of the Corporate Governance, Audit and Standards Committee held on 28th March 2022.

SUMMARY AND RECOMMENDATIONS:

Under the Localism Act 2011, the Council is required to consider and approve a pay policy statement for the financial year.

Under the Equality Act 2021 (Specific Duties and Public Authorities) Regulations 2017, the council is required to publish gender pay gap calculations annually; this information is for noting.

RECOMMENDATION:

The Council is recommended to approve the Pay Policy Statement for 2022/23 as set out in Appendix A.

1. BACKGROUND & INTRODUCTION

- 1.1 Under the Localism Act 2011, the Council is required to consider and approve a pay policy statement for the financial year. The Council's pay policy statement for 2022/23 is set out in Appendix A.
- 1.2 The Act sets out a clear expression of the Government's desire that taxpayers can access information about how public money is spent on their behalf. It translates this into a requirement for improved transparency over both senior council officers pay and that of the lowest paid employees. To support this, the Act requires publication of an annual pay policy statement.
- 1.3 The Act sets out specific information that must be included in the Pay Policy Statement as follows:
 - the pay framework, level and elements of remuneration for Chief Officers
 - the pay framework and remuneration of the 'lowest paid' employees
 - the relationship between the remuneration of the Chief Officer and other officers
 - other policies relating to specific aspects and elements of remuneration such as pay increases, other allowances or payments, pension and termination payments.

- 1.4 Under the Equality Act 2021 (Specific Duties and Public Authorities) Regulations 2017, the council are required to publish gender pay gap calculations annually. The Council's Gender Pay Gap Report is set out in Appendix B.

2. DETAILS OF THE PAY POLICY STATEMENT

- 2.1 The Pay Policy Statement contains two main components. It sets out the framework within which pay is determined in Rushmoor Borough Council and it provides an analysis comparing the remuneration of the Chief Executive with other employees of the authority.
- 2.2 The comparisons included within the paper, look at the ratio between the Chief Executive and the full-time equivalent salary for a permanent member of staff employed in the lowest grade within the structure. The ratio for 2022/23 is 6.7:1,
- 2.3 The second ratio included within the analysis, looks at the relationship between the median remuneration of all staff compared to the Chief Executive. The ratio for 2022/23 is 3.7:1, this is a slight change to last year when it was 3.6:1.
- 2.4 The recommendation of the Hutton Report (2010) is that public sector organisations should comply with a maximum multiple of 20:1. Rushmoor is well within this multiple.

3. DETAILS OF THE GENDER PAY GAP REPORT

- 3.1 The Gender Pay Gap Report contains the following: Gender Pay Gap (mean and median values), Gender Bonus Gap (mean and median values), Proportion of men and women receiving bonuses, proportion of men and woman in each quartile of the organisations pay structure. The council does not pay Bonus payments and therefore there is nothing to report in those categories.
- 3.2 The mean gender pay gap equates to 11.7 % with the female average salary being lower than the male average salary. The gap has reduced from 13.9% in the previous year.
- 3.3 The median gender pay gap equates to 11.3% with the female median rate being lower than the male median rate. The gap has increased slightly from 10.7% reported in the previous year.
- 3.4 The proportion of men and women in each quartile has remained the same as the previous year in the lower and mid lower quartile, however in the mid upper quartile and the upper quartile there has been a slight increase in the proportion of women on the previous year.

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