1. **Purpose of Report**

1.1 To request that Council approve the attached Pay Policy Statement, drafted in compliance of section 38 (1) of the Localism Act 2011.

2. **Executive Summary**

2.1 Section 38 (1) of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement for each financial year. This must be approved by Council by the end of March.

3. **Background**

3.1 The Government requires local authorities to produce pay policy statements which articulate an authority’s own policies towards a range of issues relating to pay of its workforce, particularly its senior staff and its lowest paid employees.

The Government also considers that decisions on pay policies should be taken by elected members, as those directly accountable to local communities. The Act therefore requires the pay policy statement and any amendments to be considered by a meeting of full Council and cannot be delegated to any committee.

4. **Main Body of Report**

4.1 In order to comply with the Act the pay policy statement must include the Council’s policy on:

- The level and elements of remuneration for chief officers
- The remuneration of the lowest paid employee, and the definition of ‘lowest paid employee’
- The relationship between the remuneration of chief officers and other officers
- Specific aspects of chief officers’ remuneration, including at appointment, increases, termination and any other payments.

The Act defines remuneration to include pay, charges, fees, allowances, benefits in kind, increase in enhancements of pension entitlements, and termination payments.
The Pay Policy Statement must be:

- approved formally at full Council by the end of March each year but can be amended at any time during the year
- published on the Council’s website
- complied with when the council sets its terms and conditions for chief officers

The City of Lincoln Pay Policy Statement is attached at Appendix A.

5. STRATEGIC PRIORITIES

5.1 Let’s reduce inequality

By producing the pay policy statement the Council ensures, in relation to any remuneration that it is being transparent and accountable.

6. Organisational Impacts

6.1 Finance

As identified in this report.

7. Recommendation

7.1 That the Pay Policy Statement is approved.

Key Decision

No

Key Decision Reference No.

No

Do the Exempt Information Categories Apply

No

Call in and Urgency: Is the decision one to which Rule 15 of the Scrutiny Procedure Rules apply?

No

Does the report contain Appendices?

Yes - One

List of Background Papers:

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