



Decision maker: Full Council

Date: 04/03/2025

Subject: Pay Policy Statement 2025-2026.

Report author: Andrew Scully, HR Business Partner and Head of HR Operational Services.

Responsible Director: Kim Brown, Director of Workforce and OD.

SUMMARY

The Localism Act 2011 requires Councils to prepare a pay policy statement for each financial year that sets out the Council's approach to recognising and rewarding its employees in a fair, consistent, and equitable manner.

RECOMMENDATION

That the Pay Policy Statement 2025/26, as attached at Appendix 1, is approved

Wards Affected: None

Strategic Objectives	Summary of how this report aligns to the Ealing Council Plan 2022 - 2026 and Ealing's strategic objectives.
Creating Good Jobs	A fair and progressive Pay Policy helps motivate and support officers in their work for and behalf of the Council.
Fighting Inequality	An important feature of the pay policy is the monitoring of the pay multiple and adopting approaches that protect the interests of the lowest paid employees.

Statutory requirement to produce Pay Policy Statements

1. Section 38(1) of the Localism Act 2011 ("the Act") requires the Council to prepare a pay policy statement for each financial year. This pay policy statement must be approved by Full Council. The provisions of the Act do not apply to local authority schools.

2. Approved pay policy statements must be published on the Council's website as soon as reasonably practicable after being approved. The Act also requires that the Council includes in its pay policy statement the approach to the publication of and access to information relating to the remuneration of chief officers. Remuneration includes salary or payment for a contract for services, expenses, bonuses, and performance related pay as well as severance payments. The definition of Chief Officers is set out in section 2 of the Local Government and Housing Act 1989.
3. So far as other elements of senior remuneration are concerned, including the use of any bonuses, performance related pay (PRP), severance payments and the payment of fees for election duties, the Council must also make it clear what approach it takes to the setting and publishing of these.
4. The pay policy statement must also deal with a number of aspects of reemployment of employees. The Council must explain its policy in relation to the payment of salary and pension to the same individual. It must also set out its policy in relation to the re-employment of chief officers who have retired and may be re-employed on a contract for services.
5. The Council must in setting pay policy statements, have regard to the guidance issued by the Secretary of State for Communities and Local Government. This includes the Local Government Transparency Code 2015 issued pursuant to section 2 of the Local Government, Planning and Land Act 1980 and guidance under section 40 of the Localism Act of February 2012 and February 2013 which requires relevant authorities to prepare pay policy statements. Due regard has been had to the guidance in the preparation of this policy.
6. The policy statement must be approved by a resolution of Council. Once in force, it must be complied with although it may be amended by Council during the financial year. It must always be published on the Council's website as soon as reasonably practicable after approval or amendment. Full Council is asked to approve a policy, for 2025-26, to pay the rLW [formerly known as the LLW] rate or above to direct employees, agency, and temporary workers. The Council has obtained the Living Wage accreditation.
7. The Pay Policy Statement for 2025/26 is substantially unchanged from 2024/25 except for the implications of the increase in the rLW on 24th October 2024 to £13.85 per hour from £13.15 per hour.

Pay multiple

8. Guidance produced under section 40 of the Localism Act 2011 (the "Act") recommends that a pay multiple is included in these statements as a way of illustrating the authority's approach to pay dispersion. That is the relationship between the median earnings figure in the organisation and the remuneration of its highest paid officer.
9. The median is defined as that earnings figure at which there are an equal number of officers' earnings figures above and below it. The highest paid officer in Ealing is the Chief Executive.

10. The remuneration of the highest paid officer is divided by the median earnings figure to arrive at the pay multiple. The pay multiple as at 31 December 2024 is 4.27:1. This is well within what is regarded as good practice as described in the “2011 Fair Pay Review in the Public Sector” which identified acceptable multiples at or around 8.00:1.
11. The Act and Guidance make reference to remuneration packages of £100,000 and above, decisions on pay grade bands of £100,000 and above will be determined by the Employment Panel.

rLW formerly known as the LLW

12. London has had a Living Wage campaign since 2001. Since March 2005 it has been independently calculated and published by the Greater London Authority (GLA). The rLW is currently £13.85 effective from 24 October 2024 which is higher than the National Minimum Wage (NMW) and represents the minimum reasonable rate of pay in the Capital.
13. The Pay Policy Statement 2025-26 includes the continuation of a policy that no employee or agency worker is paid less than the rLW.

Financial impact

14. This report sets out the policy and position on pay within the Council. There are no direct financial implications arising from the recommendations as any resultant costs will need to be contained within existing employee budgets.

Verified by Emma Horner, Assistant Director of Finance – Technical, 12th February 2025.

Legal Implications

15. The pay policy statement complies with the statutory requirements as set out in the section 38 of the Localism Act 2011.

Drafted and verifies by Rhian Davies, Interim Director of Legal and Democratic Services, 12th February 2025.

Equality implications

16. An updated Equality Analysis Assessment for 2025-26 is attached at Appendix 2. The impact of the Pay Policy Statement is neutral.

LIST OF APPENDICES

Appendix 1 – Pay Policy Statement 2025/26
Appendix 2 – Equality Analysis Assessment (EAA)

Background Papers Used in Preparing This Report

- [Localism Act 2011](#)
- [The Accounts and Audit Regulations 2015](#).
- [Local government transparency code 2015](#)
- [Hutton Review of Fair Pay in the public sector March 2011](#)
- Local Government Pension Scheme – Discretions Policy, Ealing Council 2015.
- [Statutory guidance on the making and disclosure of Special Severance Payments by local authorities in England](#)
- [Openness and transparency in local pay \(Statutory guidance from the DCLG\) – February 2012](#)).
- [Openness and accountability in local pay: Supplementary Guidance](#) (February 2013).
- [HM Treasury: Guidance note: public sector pay and terms](#) (5 February 2016; last updated 22 July 2019)