Report to the Council

Hull City Council

19 March 2026

Wards: None

Pay Policy Statement for Senior Officers 2026-2027

Report of the Executive Director of Corporate Resources

This item is not exempt
Therefore exempt reasons are not applicable

This is a non-key decision.

1. Purpose of the Report and Summary

1.1 The purpose of this report is to seek approval to implement and publicise the Pay Policy Statement for 2026-2027 in accordance with section 38 of the Localism Act 2011.

1.2 The Pay Policy Statement is attached at Appendix one.

2. Recommendations

2.1 It is recommended that the Pay Policy Statement be approved for implementation and publication.

3. Reasons for Recommendations

3.1 Approval of the Council's Pay Policy is a decision for Full Council. The Policy is required to be published for each year and at a point that any structural changes are made which necessitates change to the document.

3.2 The Pay Policy Statements is to be submitted to Council in March each year, to coincide with the budget setting process, and to enable publication by 31 March immediately preceding the financial year to which it relates.

4. Impact on other Executive Committees (including Area Committees)

4.1 There is no specific impact on area committees.

5. Background

5.1 Local Authorities are required under section 38(1) of the Localism Act 2011 (the Act) to prepare a Pay Policy Statement. The statement must articulate the Council's policy towards the pay of the workforce, particularly senior staff, and the lowest paid employees.

5.2 The provisions of the Act do not apply to the employees of local authority schools.

5.3 Each local authority is an individual employer in its own right and has the autonomy to make decisions on pay that are appropriate to local circumstances that deliver value for money for local taxpayers. The provisions of the Act do not seek to change this, or to determine what decisions on pay should be taken but they require individual employing authorities to be more open about their own policies in relation to pay and how decisions are made in this regard.

5.4 Section 40 of the Act requires authorities, in developing their Pay Policy Statement, to have regard to any guidance published by the Secretary of State. This includes Communities and Local Government guidance on Openness and Accountability in Local Pay and the Code of Recommended Practice for Local Authorities on Data Transparency.

5.5 The government has taken steps to increase transparency on the pay and reward of public sector employees and the Code of Recommended Practice for Local Authorities on Data Transparency which, amongst other things, asks councils to consider the way they release data on senior salaries and severance packages.

5.6 In March 2011, the Hutton Review of Fair Pay was published which made several recommendations for promoting pay fairness in the public sector by tackling disparities between the lowest and highest paid in the public sector. The Local Government Transparency Code 2014 sets out, in paragraphs 38, 39, 41 & 42, the requirements to be included in the Pay Policy.

5.7 The provisions contained in the Act bring together the need for increasing accountability, transparency, and fairness in the setting of pay which has culminated in the formalisation of the Council's Pay Policy Statement which outlines the pay and reward of the most senior employees set within the context of the pay of the wider workforce.

6. Issues for Consideration

6.1 The Act sets out in detail the specific elements which the Pay Policy Statement must include as a minimum, which are outlined in more detail below. The recommended Pay Policy Statement for Hull City Council is attached to this report.

6.2 The Act requires that in addition to the determination of senior salaries, authorities must make clear what approach is taken to awarding other elements of pay including severance payments, any additional fees e.g. election duties, pay increases, honoraria payments etc. This has been included within the proposed policy.

6.3 The Act requires that authorities include, in their Pay Policy Statements, the approach to the publication of, and access to, information relating to the remuneration of Chief Officers. Reference to the Council's Statement of Accounts, where this information is published, is included within the proposed policy.

6.4 The Act requires that Pay Policy Statements are produced annually and are considered by Full Council. Any subsequent amendments required to the policy should also be considered by Full Council. This should be carried out in accordance with part 5A of the Local Government Act 1972. The Secretary of State does not consider that any of the grounds for exclusion of the public would be met for discussions around Pay Policy Statements.

6.5 The Act requires that Full Council should also be offered the opportunity to vote before salary packages in excess of £100k are offered in respect of a new appointment.

6.6 The Act requires that the Council's approach to pay, as set out in the Pay Policy Statement, is accessible for citizens for them to take an informed view of whether local decisions on all aspects of remuneration are fair therefore the approved Pay Policy Statements will be published on the Council's website.

6.7 The Hutton report highlighted that there is value in ensuring decisions about senior pay are taken in the context of similar decisions on lower paid staff. The Code of Recommended Practice for Local Authorities on Data Transparency also suggest that the organisation's pay multiple is published. The 'pay multiple' is the ratio between the highest paid employee and the median earnings across the organisation which acts as a means of illustrating the relationship between the highest and lowest paid. This ratio has been included in the Pay Policy Statements.

6.8 The Authority determines pay in accordance with collective bargaining. The settlement for 2026-27 is yet to be determined.

6.9 Any changes to Senior Management posts are reflected in the Pay Policy Statements.

6.10 **Equalities Impact Information**

The focus of the legislation relates to the overall pay policy and not individual post holders.

The Council's pay and grading structure is determined through Job Evaluation as a mechanism to ensure the consistent evaluation of the relative value of job roles across the Council. This ensures a fair, open and transparent pay and reward structure that supports the equal treatment of all employees in respect of their pay, terms and conditions and is compliant with Equal Pay legislation.

The Council's policies on pay and terms and conditions apply equally to employees at all levels of seniority across the authority.

No adverse effects, on any group with protected characteristics, have been identified having competed the Equality Impact Analysis Screening Tool.

7. Options and Risk Assessment

7.1 Publication of the Pay Policy Statement is in accordance with section 38 of the Localism Act 2011.

8. Consultation

8.1 The Head of Paid Service, the Assistant Director of Governance (the Council's Monitoring Officer), the Executive Director of Corporate Resources(the Section 151 Officer) and the Portfolio Holder have been consulted on the draft document before Council.

9. Comments of the Monitoring Officer (Assistant Director of Legal Services and Governance)

9.1 As this report notes, Local Authorities are required under section 38(1) of the Localism Act 2011 (the Act) to prepare a Pay Policy Statement. The statement must articulate the Council's policy towards the pay of the workforce, particularly senior staff, and lowest paid employees.

10. Comments of the Section 151 Officer (Executive Director of Corporate Resources)

10.1 This is a procedural item fulfilling the Council's statutory responsibilities. As the costs of the relevant posts are allowed for in the Council's budget there is no additional financial implication arising from it.

11. Comments of the Assistant Director OD & HR and compliance with the Equality Duty

11.1 The policy submission is in line with the agreement on collective bargaining of pay and meets the needs of the Localism Act 2011. KH

12. Comments of Overview and Scrutiny

12.1 This report has not been subject to pre-decision scrutiny. Sc9170

13. Comments of the Portfolio Holder Councillor Paul Drake-Davis

13.1 The attached Pay Policy Statements are recommended as they meet the reporting requirements of the Localism Act 2011 and have minimal risk to the Council.

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Officer Interests: None

Background Documents: - A list of background documents must be included. These documents are then available (if not exempt) for public inspection.

Pay Policy Statement

Implications Matrix

This section must be completed and you must ensure that you have fully considered all potential implications

This matrix provides a simple check list for the things you need to have considered within your report

If there are no implications please state

I have informed and sought advice from HR, Legal, Finance, Overview and Scrutiny and the Climate Change Advisor and any other key stakeholders i.e. Portfolio Holder, relevant Ward Members etc prior to submitting this report for official comments	Yes
I have considered whether this report requests a decision that is outside the Budget and Policy Framework approved by Council	No
Value for money considerations have been accounted for within the report	No
The report is approved by the relevant Assistant Director	Yes
I have included any procurement/commercial issues/implications within the report	No
I have considered the potential media interest in this report and liaised with the Media Team to ensure that they are briefed to respond to media interest.	Yes
I have included any equalities and diversity implications within the report and where necessary I have completed an Equalities Impact Assessment and the outcomes are included within the report	Yes
Any Health and Safety implications are included within the report	No
Any human rights implications are included within the report	No
I have included any community safety implications and paid regard to Section 17 of the Crime and Disorder Act within the report	No
I have liaised with the Climate Change Advisor and any environmental and climate	No

change issues/sustainability implications are included within the report	
I have included information about how this report contributes to the City Plan/ Area priorities within the report	No
I have considered the impact on air quality, carried out an appropriate assessment and included any resulting actions or opportunities necessary to improve air quality in the report.	No