

LOCALISM ACT – PAY POLICY

Item GP 26/4 referred from General Purposes Committee of 21 January 2026

The report of the Director of Central Services and Deputy Chief Executive summarised the requirements of the Localism Act and presented an updated Pay Policy Statement for 2026/27 as set out in Annex 1 to the report.

Members noted that as there had not been many significant changes in the Borough Council's remuneration policy, the substantive content of the updated Pay Policy Statement for 2026/27 was nearly identical to the Council's Pay Policy Statement for 2025/26. The key updates related to the actual pay received by staff, the pay multiple data and the number of officers in specific graded posts. Furthermore, a new section had been added to reflect the current Long Service Award scheme operated within the Council.

Reference was made to the factors that would be taken into consideration in setting an annual pay award, as outlined in Section 3 of the Pay Policy. It was proposed by Councillor Clokey and seconded by Councillor Banks that 'relevant official statistics and the Office for National Statistics (ONS) lead inflation index' be added alongside the inflation levels as one of the factors, and that a new factor of 'the level of Real Living Wage' also be included. It was explained that these factors would not bind the Borough Council but would require formal consideration in setting the annual pay award. Concern was raised that including the real living wage as a consideration could reduce the Council's flexibility in setting pay level locally, potentially leading to prescriptive outcomes and impacting its ability to address market conditions and recruitment challenges. Following a formal vote, both motions were lost with 6 Members voting against (including a casting vote of the Chair) and 5 Members voting in favour.

The Chair proposed, seconded by Councillor Davis, and the Committee

RECOMMENDED*: That

- (1) the Pay Policy set out in Annex 1 be commended for adoption at the Council meeting on 24 February 2026.

***Recommended to Council**