

Title of Report	Pay Policy Statement for Chief Officers 2026/2027
For Consideration By	Corporate Committee 12 November 2025 Full Council 28 January 2026
Classification	Open
Ward(s) Affected	All
Group Director	Dawn Carter-McDonald, Chief Executive
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1. Introduction

- 1.1. The Localism Act 2011 requires the Council to publish an annual pay policy statement setting out its policies relating to the:
- remuneration of its chief officers (including details of pay elements, pay increases, salary on recruitment, and payments on termination);
 - remuneration of its lowest-paid employees; and
 - the relationship between the remuneration of chief officers and employees who are not chief officers.
- 1.2. The attached Pay Policy Statement for Chief Officers Statement at Appendix A updates the 2025/26 statement which was approved by Council. The 2026/27 statement must be approved by a resolution of the Council before 31 March 2026.

2. Recommendations

- 2.1. **Council is recommended to approve the Pay Policy for Chief Officers for 2026/2027, as recommended by the Corporate Committee.**

3. The Chief Officers 2026/2027 Pay Policy Statement

- 3.1. There have been no substantive changes to this policy. The statement details current pay practice, and no new policy principles are being introduced.

- 3.2. The legal requirements to publish a pay policy are broadly drawn and there is considerable discretion over the amount of information that authorities choose to disclose. In preparation of the statement, account has been taken of the guidance *Openness and accountability in local pay: Guidance under section 40 of the Localism Act* and the subsequent supplementary guidance both published by the Department for Communities and Local Government (DCLG), now the Ministry of Housing, Communities and Local Government. Account has also been taken of guidance issued by the JNC for Chief Executives.
- 3.3. The Council will be bound by the approved Pay Policy Statement, which can only be amended by Council resolution, and the Policy has been drafted to provide sufficient flexibility to enable practical implementation within the year.
- 3.4. Both the NJC for Chief Executives and the (former) DCLG in their Code of Recommended Practice promote the use of a 'pay multiple' (the relationship between the Chief Executive's salary and the median salary) as the most effective way to present the relationship between chief officers and employees who are not chief officers. The Council agrees and the statement includes the calculation and tracking of this pay multiple. It should be noted that actual salaries and other payments made to some officers are required to be published in the Annual Statement of Accounts, and this is done also..

4. Financial implications

- 4.1. The Localism Act 2011 requires the Council to publish an annual pay statement for Chief Officer Pay. The pay multiples have been prepared based on the Local Government Association's Transparency Code.
- 4.2. A 3% pay increase for 2026/27 is assumed in the medium-term financial plan. However, the Council anticipates significant challenges in implementing a nationally negotiated pay deal exceeding this 3% for 2026/27, which would adversely impact its financial position.
- 4.3. Given that workforce remuneration represents a substantial portion of the Council's total expenditure, it is crucial to manage it within the allocated resources.

Financial Implications prepared on behalf of the Group Director Finance & Corporate Resources by:
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November 2025

5. Legal implications

- 5.1. S38(1) of the Localism Act 2011 requires the Council to prepare a pay policy

statement for 2026/27.

- 5.2. In accordance with Article 4.7 (o) of the Council's Constitution, responsibility for approval of the Council's Pay Policy Statement for Chief Officers for 2026/2027 is a function of Full Council.
- 5.3. Article 4.7(d) of the Council's Constitution, Full Council has the authority to establish Committees to help perform its functions.
- 5.4. Article 9.12 provides that the Corporate Committee is responsible for maintaining oversight of the Council's Regulatory, planning, election and human resources functions, as well as other functions not specifically allocated to full Council or another committee. Corporate Committee can recommend that the pay policy is agreed but the approval of the policy is the responsibility of Full Council as set out at 4.2 above
- 5.5. The Pay Policy Statement at Appendix 1 meets the requirements of the Localism Act 2011 and approval of the Pay Policy Statement is to be undertaken as set out at point 1.2 of this report

Legal implications prepared on behalf of the Director of Legal, Democratic & Electoral Services by:
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November 2025

6. HR/OD implications

- 6.1. The Pay Policy Statement at Appendix 1 specifies the pay structure for the Council's staff and provides transparency in how pay levels are set.

HR/OD implications prepared on behalf of the Director of HR/OD by:
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November 2025

Appendices

Appendix 1 - Hackney Pay Policy Statement 2026/2027

Background documents

None