



Meeting:	Budget Council
Meeting date:	12 February 2026
Report of:	Director of Governance
Portfolio of:	Councillor Katie Lomas, Executive Member for Finance, Performance, Major Projects, Human Rights, Equality and Inclusion

Decision Report: Pay Policy Statement 2026 - 2027

Pay Policy Statement and Transparency Information

1. The purpose of the report is to present for approval the Council's Pay Policy Statement for 2026-2027.
2. In addition, to provide the information required under The Local Authorities (Data Transparency) Code 2015.

Pros and Cons

4. The Council is required to produce and publish a Pay Policy Statement annually.

Policy Basis for Decision

5. To comply with the statutory guidance issued under Section 40 of the Localism Act 2011. Approval of the Pay Policy Statement is required by full Council.

Recommendation and Reasons

6. For the Council to approve the Pay Policy Statement for 2026 – 2027.

Reason: In order to fulfil the requirements of Section 38 – 43 of the Localism Act 2011 for the Council to produce and publish an annual policy statement that covers a number of matters concerning the pay of the Council's senior staff, principally Chief Officers and relationships with the pay of the rest of the workforce.

7. Note that there will be a revised pay policy statement presented to full council after the appointment of the new Chief Executive in April 2026.

Reason: The Council is required to republish a pay policy statement where there are significant changes to pay structures or management arrangements. This ensures compliance with the statutory requirements of the Localism Act 2011

8. Note that on approval the Pay Policy statement will be published on the Council's website

Reason: For compliance with the statutory requirements of the Localism Act 2011

Background

7. Section 38 – 43 of the Localism Act 2011 introduced a requirement for the Council to produce and publish an annual policy statement that covers a number of matters concerning the pay of the Council's senior staff, principally Chief Officers, and relationships with the pay of the rest of the workforce.
8. The Pay Policy Statement has been produced following the requirements of the Act and guidance issued by the Secretary of State for Communities. It has to be published before 31 March each year.

9. The Council is continually looking at how it can improve the information it provides, building on the changes made in 2022 to consolidate the Pay Policy Statement and additional reports for organisation and senior salary information required by The Local Authorities (Data Transparency) Code 2015. This format aims to provide improved transparency, consistency and clear presentation of data which can easily be accessed by the public.

Consultation Analysis

10. Approval of the Pay Policy Statement for 2026-27 is by full Council, consultation with other management bodies is not required.

Options Analysis and Evidential Basis

11. Whilst Members have the option to approve or not approve the report the report merely provides factual information required by the Act and Code.
12. It should be noted that apprentices have been excluded from the calculation for the pay multiple in the statement as they are employed on training contracts and paid outside of the Council's grading structures. School staff are also excluded from this statement.
13. The Council is a Living Wage employer and follows the wage level set by the Living Wage Foundation for 'Outside London'. The Council will apply the new 2026/2027 rate of £13.45 per hour from 1st April 2026. The new rate is equivalent to an annual salary of £25,948.86 per annum. For the majority of staff in the Council their basic pay will be above the Living Wage rate but the Living Wage supplement is in place if needed, to bridge any gap between basic pay and the Living Wage.
14. The Council is required to publish its pay multiple (the ratio between the highest paid base salary in the Council and the median salary) as part of the Pay Policy Statement. The ratio is based on the salary of the highest paid permanent role: that of the Chief Operating Officer. The median average has been used for calculating the pay multiple from pay data taken on 2nd January 2026.

15. The current pay multiple is 5.002:1. This is a small decrease of 0.001 from the pay multiple reported from pay data in January 2025.
16. The reporting requirements for salary information in the Pay Policy, under the Localism Act 2011, and for Transparency reporting, under the Local Authorities (Data Transparency) Code 2015, vary. It is important to be aware of these different reporting criteria as it means the data published in the different sections of the Pay Policy Statement and Transparency Information report cannot be compared on a like for like basis. Further explanations of the reporting criteria have been added to the report to provide further clarity and help the understanding of the reader.

Organisational Impact and Implications

17. **Financial** – There are no financial implications.
18. **Human Resources (HR)** – There are no human resources implications.
19. **Legal** – The Pay Policy Statement meets the requirements of the Localism Act and also meets the requirements of guidance issued by the Secretary of State for Communities and Local Government to which the authority is required to have regard under Section 40 of the Act.
20. **Procurement** – There are no procurement implications.
21. **Health and Wellbeing** – An approach to council pay which aims to support staff on lower incomes through the real living wage will have positive health and wellbeing impact on the public's health, as will a transparent and cautious approach to the 'pay multiple', which is in line with reducing inequalities in the city and our goals in the Health and Wellbeing Strategy.
22. **Environment and Climate action** – There are no implications as there is no policy change.
23. **Affordability** – If the Living Wage is to continue then this report will have a positive effect on those employees on a lower income.

24. **Equalities and Human Rights** – The Council recognises, and needs to take into account its Public Sector Equality Duty under Section 149 of the Equality Act 2010 (to have due regard to the need to eliminate discrimination, harassment, victimisation and any other prohibited conduct; advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and foster good relations between persons who share a relevant protected characteristic and persons who do not share it in the exercise of a public authority’s functions). The information provided in this report is required by the stated Act and Code. However, further information on equalities in pay can be seen in the Council’s Gender Pay Gap reports published annually. [CYC Gender Pay Gap - Datasets - York Open Data](#)

25. **Data Protection and Privacy** – Data protection impact assessments (DPIAs) are an essential part of our accountability obligations and is a legal requirement for any type of processing under UK GDPR. Failure to carry out a DPIA when required may leave the council open to enforcement action, including monetary penalties or fines. DPIAs helps us to assess and demonstrate how we comply with all of our data protection obligations. It does not have to eradicate all risks but should help to minimise and determine whether the level of risk is acceptable in the circumstances, considering the benefits of what the council wants to achieve. As there is no personal data, special categories of personal data or criminal offence data being processed to inform the decision in this report, there is no requirement to complete a DPIA for it. This is evidenced by completion of DPIA screening questions. However, there will need to be consideration and completion of DPIAs where required, within the work required to implement the approved decision(s) from this report.

26. **Communications** – The Council’s Pay Policy Statements and Transparency information is published on the Council’s website at: <https://data.yorkopendata.org/group/transparency> This year’s information will be published following approval by Full Council.

27. **Economy** - Whilst there are no direct economy implications relating to the publication of the Pay Policy Statement, it is positive to note that the Council is a Living Wage Foundation accredited employer. This enables the Council, as a key employer in York, to lead by example in encouraging other local employers to consider

paying their staff the Real Living Wage. This supports ambitions within the York Economic Strategy 2022-2032 to improve living standards and livelihoods for all of York's residents and businesses and to promote 'an economy driven by good business'.

28. **Specialist Implications Officer** – Director of Governance and Monitoring Officer. There are no further implications.

Risks and Mitigations

29. There are no significant risks associated with production of the Pay Policy Statement.

Wards Impacted

30. There are no wards impacted by this report.

Contact details

For further information please contact the authors of this Decision Report.

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Report approved:	Yes
Date:	23 January 2026

Background papers

None

Annexes

Pay Policy Statement and Transparency Information 2026-27.