

<b>Meeting:</b>	<b>Council</b>
<b>Meeting date:</b>	<b>Friday 15 February 2019</b>
<b>Title of report:</b>	<b>Pay Policy Statement</b>
<b>Report by:</b>	<b>Chair of Employment Panel</b>

## **Classification**

Open

## **Decision type**

This is not an executive decision

## **Wards affected**

(All Wards);

## **Purpose and summary**

To approve the 2019 pay policy statement for publication.

It is a statutory requirement for Council to approve an annual pay policy statement. Key changes from the 2018 statement are to update the statement to include the pay enhancements introduced in 2018 to address hard to recruit to posts, to set out the impact on the council's pay scale of the national joint council's pay agreement for green book staff in 2019 and some rewording to improve clarity.

## **Recommendation(s)**

**That:**

- (a) the pay policy statement at appendix A is approved.**
- (b) Council approves in year recruitment, should the need arise, to any posts listed with salaries over £100,000**

## **Alternative options**

1. There are no alternative options to the recommendation to approve a statement; the annual approval by Council of the pay policy statement is a statutory requirement arising

from the Localism Act 2011 to provide transparency with regard to the council's approach to setting the pay of its employees. The statement does not of itself make any policy changes, but provides a summary of those policies already in place.

2. It is open to Council to determine any changes it wishes to make to the statement to improve transparency, having regard to the statutory guidance issued by the Department for Communities and Local Government.
3. Council may decide not to approve in year recruitment as necessary to posts identified within the statement with salary packages of £100k or more. This is not recommended because it may result in delays to appointment if any individual post salary is to be approved by Council at the point of recruitment. All relevant posts identified have been evaluated in accordance with council policies and there are no changes proposed to the salary levels.

## **Key considerations**

4. The Localism Act places a requirement on the council to produce an annual pay policy statement for each financial year and for this statement to be approved by full Council before the start of the financial year to which it relates.
5. The statement must set out the council's policies relating to:
  - a) The remuneration of its chief officers
  - b) The remuneration of its lowest paid employees; and
  - c) The relationship between the remuneration of its chief officers and the remuneration of its employees who are not chief officers.
6. The statement must include the council's definition of 'lowest paid employees' and the reasons for adopting that definition.
7. The statement must include policies relating to:
  - a) The level and elements of remuneration for each chief officer
  - b) Remuneration of chief officers on recruitment
  - c) Increases and additions to remuneration for each chief officer
  - d) The use of performance related pay for chief officers
  - e) The use of bonuses for chief officers
  - f) The approach to the payment of chief officers on their ceasing to hold office under, or to be employed by the authority; and
  - g) The publication of and access to information relating to remuneration of chief officers
8. The statement draws together factual material and provides a summary of the current pay policies of the council.
9. All posts, whether chief officer or not, have their level of remuneration established through assessment by a nationally recognised and independent job evaluation scheme. Council must approve any new salary packages, or severance payments, exceeding £100,000.

10. In approving its statement, Council must have regard to any guidance issued by the secretary of state. This has been taken into consideration in the development of the statement.

## **Community impact**

11. By complying with the legal requirement the council continues to ensure that the resources available are used in the most effective way and there is transparency in how public money is used. This contributes to the corporate plan priority to secure better services, quality of life and value for money.
12. By publishing the statement the council is demonstrating the code of corporate governance principles of implementing good practices in transparency, reporting, and audit to deliver effective accountability, and behaving with integrity, demonstrating strong commitment to ethical values, and respecting the rule of law.

## **Equality duty**

13. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows:

A public authority must, in the exercise of its functions, have due regard to the need to -

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
  - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
  - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
14. The pay policy statement makes clear that the council's employment policies, and the processes by which pay levels for a post are set, have full regard to equality legislation.

## **Resource implications**

15. There are no financial implications relating to the pay policy statement arising from the report; the statement simply summarises current policies and pay levels.

## **Legal implications**

16. Sections 38 – 43 of the Localism Act 2011 require that the council prepare a pay policy statement for each financial year. It must be prepared and approved before 31 March and once approved published. This policy statement meets the requirements of the Localism Act and also meets the requirements of the guidance issued by the Secretary of State for Communities and Local Government to which the council is required to have regard under Section 40 of that Act.

## **Risk management**

17. Failure to approve and publish a statement would result in non-compliance with a statutory requirement. Arrangements are in place to ensure publication of the statement following approval by Council.

## **Consultees**

18. The trade unions and employment panel were consulted in July 2018 on the proposals to introduce pay supplements to some posts which are hard to recruit to. All consultees were supportive of the proposals.
19. Employment panel have been consulted on the pay policy statement and were supportive of the statement being recommended to council.

## **Appendices**

Appendix A – draft pay policy statement

## **Background papers**

None identified.