

Meeting:	Employment panel
Meeting date:	20 January 2017
Title of report:	Pay policy statement
Report by:	Head of HR and OD

Classification

Open

Key decision

This is not an executive decision.

Wards affected

County-wide

Purpose

To consider the 2017 pay policy statement for recommendation to Council.

Recommendation(s)

THAT:

- (a) **the pay policy statement summarising existing council policies (at appendix A) be recommended to Council for approval.**

Alternative options

- 1 There are no alternative options to recommendation (a); the approval by Council of a pay policy statement for the authority is a statutory requirement and the statement does not of itself make any policy changes, but provides a summary of those policies already in place.

Reasons for recommendations

- 2 To provide transparency with regard to the council's approach to setting the pay of its employees in compliance with the provisions of the Localism Act 2011.

Key considerations

- 3 The Localism Act places a requirement on local authorities to produce an annual pay policy statement for each financial year and for this statement to be approved by Council before the start of the financial year to which it relates.
- 4 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.
- 5 The statement must include the council's definition of 'lowest paid employees' and the reasons for adopting that definition.
- 6 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.
- 7 The statement draws together factual material and provides a summary of the current pay policies of the council.
- 8 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.
- 9 In approving its statement, Council must have regard to any guidance issued by the secretary of state. In reviewing the content of previous statements it is apparent that additional information has been included. This has been taken into consideration in the development of the 2017 statement so that it more closely aligns to the statutory requirement.

Community impact

- 10 The council continues to ensure that the resources available are used in the most effective way.

Equality duty

- 11 The 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 relevant equality legislation.
- 12 The public sector equality duty (specific duty) requires us to consider how we can positively contribute to the advancement of equality and good relations, and demonstrate that we are paying "due regard" in our decision making in the design of policies and in the delivery of services.

Financial implications

- 13 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

- 14 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

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

Consultees

- 16 Management board, trade unions and employees will continue to be engaged as appropriate on future thinking and associated plans to make any further changes to elements of the pay policy, or terms and conditions of employment.

Appendices

Appendix A - draft pay policy statement

Background Papers

None identified.