

Council	
Meeting Date	18 February 2015
Report Title	Pay Policy Statement
Cabinet Member	Cllr. Ted Wilcox
SMT Lead	Mark Radford, Director of Corporate Services
Head of Service	Dena Smart, Head of HR Shared Service
Lead Officer	Dena Smart, Head of HR Shared Service
Key Decision	No
Classification	Open
Recommendations	<ol style="list-style-type: none"> 1. That the proposed Pay Policy Statement be agreed for publication on the Council's web site. 2. That the information within the Pay Policy Statement is up-dated with actual year end figures before publication.

1 Purpose of Report and Executive Summary

- 1.1 This report is required to enable the Council to satisfy the requirements of section 38 of the Localism Act 2011, which requires that authorities must prepare a pay policy statement for the financial year 2012/13 and for each subsequent financial year; this statement must be agreed by full council. The proposed statement is an update on the Council's statement in March 2014.
- 1.2 Terms and conditions of employment for employees is a non-executive function, and the General Purposes Committee has delegated responsibility for this within the Council's constitution. Although there is no mandated template for the Pay Policy, it is recommended that it sets out as many of the relevant policies as possible so that they are transparent and in one place. The attached document refers to the policies currently in place.

2 Background

- 2.1 Section 38 (1) of the Localism Act 2011 requires English and Welsh local authorities to produce a Pay Policy Statement for 2012/13, and for each financial year after that. The Bill as initially drafted referred solely to chief officers (a term which includes both statutory and non-statutory chief officers, and their deputies); but amendments reflecting concerns over low pay, and also drawing on Will Hutton's 2011 Review of Fair Pay in the Public Sector, introduced requirements to compare the policies on remunerating chief officers and other employees, and specifically to set out policy on the lowest paid.

2.2 The matters that must be included in the statutory Pay Policy Statement are as follows:

- a local authority's policy on the level and elements of remuneration for each chief officer;
- a local authority's policy on the remuneration of its lowest-paid employees (together with its definition of "lowest-paid employees" and its reasons for adopting that definition);
- a local authority's policy on the relationship between the remuneration of its chief officers and other officers, and in particular the pay multiple between the two;
- a local authority's policy on other specific aspects of chief officers' remuneration, namely remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency;
- an organisation chart or description of the number and grades of staff in the top three layers of the organisation, with information on the grades of all those with salaries in excess of £50,000; and
- details of trade union facility time, including the number of trade union representatives for each of the recognised trade unions, and the amount of time spent on trade union duties.

2.3 With regard to the process for approval, the Pay Policy Statement:

- must be approved formally by the council meeting;
- must be approved by the end of March each year, starting with 2012;
- can be amended in-year;
- must be published on the authority's website; and
- must be complied with when the authority sets the terms and conditions for a chief officer.

2.4 The Act specifically mentions that the Pay Policy Statement may set out the authority's policies relating to other terms and conditions for chief officers, and in the interest of open government there are recommendations that the Pay Policy Statement sets out as much information relating to employee terms and conditions as is practical.

3 Proposal

- 3.1 The proposed Pay Policy Statement sets out the Council's Reward Strategy, including many of the associated terms and conditions, and should satisfy the requirements of the Localism Act 2011. Once the agreed Pay Policy Statement is accepted by full council it will be published on the Council's website, along with the details that are already required under the Code of Recommended Practice for Local Authorities on Data Transparency 2011 and the Equality Act 2010.

4 Alternative Options

- 4.1 The Council could choose to publicise a reduced version of the Pay Policy Statement that satisfies the minimum requirements of the Act, but this is not recommended as it does not satisfy the need for transparency, and means that the data is not seen in the context of the good work already undertaken by the Council.

5 Consultation Undertaken or Proposed

- 5.1 Consultation has taken place with the Cabinet Member for Performance, the Senior Management Team, and UNISON. As this is not a change to existing policies, no further consultation is required.

6 Implications

Issue	Implications
Corporate Plan	None identified at this time
Financial, Resource and Property	There are no additional resource implications as a result of the Pay Policy Statement as it is setting out what is already in place. The aim of Section 38 of the Localism Act is to ensure there is openness and transparency with regard to the commitment of public money through employee remuneration.
Legal and Statutory	Localism Act 2011
Crime and Disorder	None identified at this time
Sustainability	None identified at this time
Health and Wellbeing	None identified at this time
Risk Management and Health and Safety	There are no risks associated with the publication of the Pay Policy Statement as all this information would be available if requested through the Freedom of Information Act, although the publication of the information may help to reduce FOI requests received. There is a risk to the Council if it does not produce a Pay Policy Statement as this is a statutory requirement.

Equality and Diversity	The Equality Act 2010 places requirements upon all public sector bodies to ensure that its policies and procedures are promoting equality. The measures within this document support this requirement.
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7 Appendices

7.1 The following documents are to be published with this report and form part of the report:

- **Appendix I: Pay Policy Statement 2015**