

COUNCIL – 19 FEBRUARY 2013

PAY POLICY STATEMENT

Report of the: Chief Executive Designate

Status: For consideration and decision

This report supports the Key Aim of effective management of Council resources.

Portfolio Holder Cllr. Ramsay

Recommendation:

The Pay Policy Statement be adopted by the Council and published on the Council's website.

Background & Introduction

- 1 Gaining its Royal Assent in November 2011 the Localism Act introduced, amongst a range of other duties, a requirement for local authorities to publish a Pay Policy Statement by 31 March each year.
- 2 The Council's first Pay Policy Statement was approved by Council in February 2012. The Pay Policy Statement at Appendix 1 to this report remains substantially unchanged in this second year, with updates only made to reflect the impact of the proposed restructure to senior management considered by Council elsewhere on this agenda.
- 3 Pay Policy Statements require local authorities to be more accountable and transparent about their policies on senior officer pay and delivers on a Coalition Agreement commitment to strengthen councillors' powers on salary packages for council officers.
- 4 Nothing in the pay accountability provisions supersede existing responsibilities and duties placed on local authorities in their role as employers. Government recognise that local authorities are individual employers in their own right and have the autonomy to make decisions on pay that are appropriate to their local circumstances and which deliver value for money for local taxpayers.

Pay Policy Statement

- 5 The draft Pay Policy Statement is attached at Appendix 1 to this report for Members consideration. Its content is defined by the regulations set out within sections 38 to 43 of the Localism Act 2011 and associated guidance issued by the Secretary of State for Communities and Local Government (CLG).
- 6 The Pay Policy Statement is required to set out the authority's policies relating to the remuneration of each of its chief officers, the remuneration of its lowest paid

employees and the relationship between the two. The Statement must be approved by full Council by 31 March 2013 and will take effect from 1 April 2013. The Policy is forward looking and any recruitment decisions taken between 1 April 2013 and 31 March 2014 regarding Chief Officers must take account of the commitments made in the Policy Statement.

- 7 It is a requirement of the Localism Act that the Pay Policy Statement is approved annually by full Council, and this is a function that cannot be delegated. As a minimum, once the Statement is approved, it must be published on the Council website.

Key Implications

Financial

- 8 The Pay Policy Statement sets out the policies by which senior officers will be remunerated by the Council. Any such decisions on recruitment would be made within the wider context of the Council's budget and savings plan and create no new burdens on financial resources.

Impact on and Outcomes for the Community

- 9 The Pay Policy Statement makes information about senior officer pay decisions more transparent to the Community and improves accountability.

Legal and Human Rights Implications

- 10 Failure to publish a Pay Policy Statement, approved by full Council, by 31 March 2013 will be a breach of the Localism Act 2011.

Value For Money

- 11 The Council strives to provide value for money within its recruitment processes and endeavours to attract high quality officers to the organisation at the right levels of pay.

Equality Impacts

| Consideration of impacts under the Public Sector Equality Duty: | | |
|--|--------|--|
| Question | Answer | Explanation / Evidence |
| a. Does the decision being made or recommended through this paper have potential to disadvantage or discriminate against different groups? | No | The Pay Policy Statement is a document that overarches a number of pre-existing Human Resources policies that determine how people are recruited to the organisation, how they are paid and how they are treated whilst an employee of the Council. These policies are subject to their own Equality Impact Assessments. |
| b. Does the decision being made or recommended through this paper have the potential to promote equality of | Yes | The Pay Policy Statement focuses on roles within the authority rather than the individuals that currently perform those roles or may perform those roles in the |

| Consideration of impacts under the Public Sector Equality Duty: | | |
|---|--------|--|
| Question | Answer | Explanation / Evidence |
| opportunity? | | future. The Policies applicable to those posts apply to any person who may wish to fulfil them and therefore may be considered to promote equality |
| c. What steps can be taken to mitigate, reduce, avoid or minimise the impacts identified above? | | Not applicable. |

Conclusions

- 12 The Pay Policy Statement sets out the elements of senior officer pay that enable the Council to attract high quality officers whilst protecting value for money to the community. Its approval by Council and publication on the Council website will improve transparency and accountability whilst ensuring adherence to the Localism Act 2011.

Risk Assessment Statement

- 13 Failure to produce, approve and publish a Pay Policy Statement will be a breach of the Localism Act 2011. Governance arrangements are in place through the Constitution to ensure proper processes are adopted in the recruitment of senior officers.

Sources of Information:

Localism Act, Chapter 8, Pay Policy Statements
 Openness and accountability in local pay: Draft guidance under section 40 of the Localism Act (Communities and Local Government)

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