

## **PAY POLICY STATEMENT**

### **Council – 18 February 2014**

Report of Chief Executive

Status: For Decision

Key Decision: No

---

### **This report supports the Council's promise to provide value for money**

**Portfolio Holder** Cllr. Ramsay

**Contact Officer(s)** Syreeta Sandhu, Ext 7403

Lee Banks, Ext 7161.

---

### **Recommendation to Council:**

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

---

**Reason for recommendation:** To fulfil the Council's statutory requirements under the Localism Act 2011 to agree a Pay Policy Statement for the forthcoming year and to ensure it is accessible to the public.

---

### **Introduction and Background**

- 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 A 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 A 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 2014 and will take effect from 1 April 2014. The Policy is forward looking and any recruitment decisions taken between 1 April 2014 and 31 March 2015 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.

### **Other Options Considered and/or Rejected**

- 8 None. It is a statutory requirement to produce and publish a Pay Policy Statement.

### **Key Implications**

#### Financial

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.

#### Legal Implications and Risk Assessment Statement

Failure to publish a Pay Policy Statement, approved by full Council, by 31 March 2014 will be a breach of the Localism Act 2011.

#### 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 in the community?	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

Consideration of impacts under the Public Sector Equality Duty:		
Question	Answer	Explanation / Evidence
		their own Equality Impact Assessments.
b. Does the decision being made or recommended through this paper have the potential to promote equality of opportunity?	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 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

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.

### Appendices

Appendix A – Pay Policy Statement

### Background Papers:

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[Openness and accountability in local pay: Draft guidance under section 40 of the Localism Act \(Communities and Local Government\)](#)

**Dr Pav Ramewal**  
**Chief Executive**