

<b>Title of Report:</b>	<b>Statutory Pay Policy Statement</b>
<b>Report to be considered by:</b>	Council
<b>Date of Meeting:</b>	5th March 2013
<b>Forward Plan Ref:</b>	C2597

**Purpose of Report:** To present a pay policy statement to be published from 1st April 2013 for approval.

**Recommended Action:** To approve the Pay Policy Statement attached at Appendix B.

**Reason for decision to be taken:**

- To comply with the requirements of s38 of the Localism Act 2011.
- To comply with the Code of Practice for Local Authorities on Data Transparency in relation to senior salary publication.

**Other options considered:** To produce and publish separate information for each of the statutory requirements above. However, as they are intricately linked it makes sense to publish both together so that the public can see all the information in one place.

**Key background documentation:**

The Code of Recommended Practice for Local Authorities on Data Transparency Sept 11(CLG)  
The Localism Act Nov 11, s38-43 (legislation.gov.uk)  
Openness and accountability in local pay: Draft guidance under section 40 of the Localism Act Nov 11(CLG)  
Localism Act: Pay Policy Statement Guidance for Local Authority Chief Executives Nov 11 (JNC for Chief Officers)

The proposals will also help achieve the following Council Strategy principles:

- CSP6 - Living within our means**
- CSP8 - Transforming our services to remain affordable and effective**

The proposals contained in this report will help to achieve the above Council Strategy priorities and principles by:  
ensuring that the Council complies with statute and statutory guidance on transparency

<b>Portfolio Member Details</b>	
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<b>Date Portfolio Member agreed report:</b>	22 <sup>nd</sup> January 2013

Contact Officer Details	
<b>Name:</b>	Jane Milone
<b>Job Title:</b>	HR Manager - Policy, Strategy and Information
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### Implications

**Policy:** The Council is required to publish a statement of its pay policy. The proposed statement does not involve a change of policy on senior salaries.

**Financial:** None.

**Personnel:** None

**Legal/Procurement:** This statement will ensure that the Council complies with the Localism Act 2011

**Property:** None

**Risk Management:** None

**Equalities Impact Assessment:** No impact

Is this item subject to call-in?	Yes: <input type="checkbox"/>	No: <input checked="" type="checkbox"/>
If not subject to call-in please put a cross in the appropriate box:		
The item is due to be referred to Council for final approval		<input checked="" type="checkbox"/>
Delays in implementation could have serious financial implications for the Council		<input type="checkbox"/>
Delays in implementation could compromise the Council's position		<input type="checkbox"/>
Considered or reviewed by Overview and Scrutiny Management Commission or associated Task Groups within preceding six months		<input type="checkbox"/>
Item is Urgent Key Decision		<input type="checkbox"/>
Report is to note only		<input type="checkbox"/>

# Executive Summary and Report

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## 1. Introduction

- 1.1 This report proposes a draft pay policy statement for publication with effect from 1st April 2013. Council approved the annual publication of the statement, in principle, on 1st March 2012. This report seeks approval for the 2013 statement.
- 1.2 The Code of Recommended Practice for Local Authorities on Data Transparency ('the Code') published by the Department for Communities and Local Government published includes a requirement to publish a set of data relating to the remuneration and responsibilities of senior officers.
- 1.3 Section 38 of the Localism Act ('the Act') of the Act requires local authorities to publish an annual pay policy statement, starting with 2012/13.
- 1.4 Although the information required for the Code and the Act is not identical, it is complementary and one helps to understand the other. Publishing the information required under the Code as part of the pay policy statement enables the public to have all the relevant information in one place.

## 2. Localism Act Requirements

- 2.1 S38 of the Localism Act requires the local authority to prepare and publish a pay policy statement for the financial year 2012/13 and each subsequent year. The method of publication is at the discretion of the authority, but it is expected to comply with the principles set out in the Code for data transparency. The statement must be approved by the full Council.
- 2.2 The statement should set out the policies in relation to;
  - (1) Remuneration of its chief officers
  - (2) The remuneration of its lowest paid employees (and our definition and reasons for defining it)
  - (3) The relationship between the remuneration of its chief officers and those who are not chief officers
- 2.3 The definition of chief officers includes the Chief Executive, Corporate Directors, and Heads of Service.
- 2.4 Chief officer remuneration includes salary, bonuses, performance-related pay, fees or allowances (including as returning officer), benefits in kind, etc. The policy should also state how chief officer salary will be determined on appointment and any arrangements for payments upon leaving office.

## 3. Transparency Code Requirements

- 3.1 The Code of Recommended Practice for Local Authorities on Data Transparency was published by the Department for Communities and Local Government in September 2011. Alongside the requirement to publish data on aspects of the

Council such as spending and financial indicators, procurement, Councillor allowances and assets, the Council is required to publish details of senior salaries and responsibilities, pay multiples and organisational structure.

3.2 Specifically, we must publish;

- (1) Senior employee salaries, names (with the option for individuals to refuse to consent for their name to be published), job descriptions, responsibilities, budgets and numbers of staff.
- (2) An organisational chart of the staff structure of the local authority including salary bands and details of currently vacant posts.
- (3) The 'pay multiple' – the ratio between the highest paid salary and the median average salary of the whole of the authority's workforce.

3.3 'Senior employee salaries' is defined as all salaries which are above £58,200 and above (irrespective of post), which is the Senior Civil Service minimum pay band. Budgets should include the overall salary cost of staff reporting to each senior employee. We have decided to publish information relating to Heads of Service and above.

#### **4. Recommendations**

4.1 It is proposed that, as in 2012, a single statement is produced for publication, within the timescales required under the Act, to meet the requirements of both the Code and the Act. .

4.2 It is proposed that the Personnel Committee recommends the Pay Policy Statement to full Council for approval. This fits within its terms of reference which are to consider matters of personnel policy. Approval for the statement cannot be delegated to a committee.

4.3 A draft Pay Policy Statement is appended for consideration, which will be published on the Council's website once approved.

#### **Appendices**

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Appendix A – Equality Impact Assessment – Stage 1  
Appendix B - Draft Pay Policy Statement March 2013

#### **Consultees**

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**Local Stakeholders:** Corporate Board, Corporate Management Team

**Officers Consulted:** Steve Duffin, Joseph Holmes

**Trade Union:** n/a

# APPENDIX A

## Equality Impact Assessment – Stage One

<b>Name of item being assessed:</b>	Statutory Pay Policy Statement
<b>Version and release date of item (if applicable):</b>	1.0
<b>Owner of item being assessed:</b>	Human Resources
<b>Name of assessor:</b>	Jane Milone
<b>Date of assessment:</b>	8th January 2013

<b>1. What are the main aims of the item?</b>

<b>2. Note which groups may be affected by the item, consider how they may be affected and what sources of information have been used to determine this. (Please demonstrate consideration of all strands – age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation)</b>
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<b>Group Affected</b>	<b>What might be the effect?</b>	<b>Information to support this.</b>

<b>Further comments relating to the item:</b>

<b>3. Result (please tick by clicking on relevant box)</b>
<input type="checkbox"/> <b>High Relevance</b> - This needs to undergo a Stage 2 Equality Impact Assessment
<input type="checkbox"/> <b>Medium Relevance</b> - This needs to undergo a Stage 2 Equality Impact Assessment
<input type="checkbox"/> <b>Low Relevance</b> - This needs to undergo a Stage 2 Equality Impact Assessment
<input checked="" type="checkbox"/> <b>No Relevance</b> - This <b>does not</b> need to undergo a Stage 2 Equality Impact Assessment

**For items requiring a Stage 2 equality impact assessment, begin the planning of this now, referring to the equality impact assessment guidance and Stage 2 template.**

<b>4. Identify next steps as appropriate:</b>	
Stage Two required	
Owner of Stage Two assessment:	
Timescale for Stage Two assessment:	
Stage Two not required:	

**Name:**

**Date:**