

<b>Title of Report:</b>	<b>Statutory Pay Policy Statement</b>
<b>Report to be considered by:</b>	Council
<b>Date of Meeting:</b>	4th March 2014
<b>Forward Plan Ref:</b>	C2656

**Purpose of Report:** To present a Pay Policy Statement to be published from 1st April 2014, for approval.

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

**Reason for decision to be taken:**

1. To comply with the requirements of s38 of the Localism Act 2011
2. 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: Guidance under section 40 of the Localism Act Feb 2012, and supplementary guidance Feb 2013 (CLG)
- Localism Act: Pay Policy Statement Guidance for Local Authority Chief Executives Nov 11 (JNC for Chief Officers)

The proposals contained in this report will ensure that the Council complies with statute and statutory guidance on openness and transparency.

<b>Portfolio Member Details</b>	
<b>Name &amp; Telephone No.:</b>	Councillor Alan Law - Tel (01491) 873614
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<b>Date Portfolio Member agreed report:</b>	23.01.14

<b>Contact Officer Details</b>	
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## Implications

<b>Policy:</b>	The Council is required to publish a statement of its pay policy. The proposed statement does not involve a change of policy.
<b>Financial:</b>	none.
<b>Personnel:</b>	none
<b>Legal/Procurement:</b>	This statement will ensure that the Council complies with the Localism Act 2011
<b>Property:</b>	none
<b>Risk Management:</b>	none

Is this item relevant to equality?	Please tick relevant boxes		Yes	No
Does the policy affect service users, employees or the wider community and:				
• Is it likely to affect people with particular protected characteristics differently?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Is it a major policy, significantly affecting how functions are delivered?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Will the policy have a significant impact on how other organisations operate in terms of equality?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to functions that engagement has identified as being important to people with particular protected characteristics?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
• Does the policy relate to an area with known inequalities?			<input type="checkbox"/>	<input checked="" type="checkbox"/>
<b>Outcome</b> (Where one or more 'Yes' boxes are ticked, the item is relevant to equality)				
Relevant to equality - Complete an EIA available at <a href="http://www.westberks.gov.uk/eia">www.westberks.gov.uk/eia</a>			<input type="checkbox"/>	<input type="checkbox"/>
Not relevant to equality			<input type="checkbox"/>	<input checked="" type="checkbox"/>

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

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## 1. Introduction

- 1.1 This report proposes a draft pay policy statement for publication with effect from 1st April 2014.
- 1.2 The Code of Recommended Practice for Local Authorities on Data Transparency ('the Code') published by the Department for Communities and Local Government 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 from 2012.
- 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. The first WBC statement was published in March 2012.

## 2. Proposals

- 2.1 It is proposed that the Personnel Committee recommends the Pay Policy Statement at appendix A 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.
- 2.2 Upon approval by Council the statement will be published on the Council's website.

## 3. Equalities Impact Assessment Outcomes

- 3.1 There is no decision to be made, apart from approval for publication, and therefore no Equality Impact Assessment has been undertaken.

## 4. Conclusion

- 4.1 Publication will enable the Council to comply with s38 of the Localism Act and with the Code of Recommended Practice for Local Authorities on Data Transparency.

# Executive Report

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## 1. Introduction

- 1.1 This report proposes a draft pay policy statement for publication with effect from 1st April 2014. Council approved the annual publication of the statement, in principle, on 1st March 2012. This report seeks approval for the 2014 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 in February 2012, 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 pay policy and senior salary 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, the Monitoring Officer, the Section 151 Officer, Corporate Directors, as well as those who report directly to any of these post holders. Thus, in West Berkshire Council, this definition would include all 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.

#### **4. Recommendations**

4.1 It is proposed that, as in 2012 and 2013, 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 The statement should be clear in its scope and intent and only contain information that is not otherwise available on the website. The statement should contain links to the other sources of information on the website. Where necessary, numerical data should be made available as recommended under the Code (which recommends that data be published in a machine-readable format and under a licence that allows open re-use).

4.3 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.

4.4 A draft Pay Policy Statement 2014 is appended for consideration, which will be published on the Council's website once approved.

[For Management Board only: highlighted text type is changed from the statement in 2013; italic text is estimated and will be amended when the relevant information is available and in time for publication in April 2014.]

#### **Appendices**

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Appendix A - "Pay Policy Statement - April 2014"

#### **Consultees**

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**Local Stakeholders:** Heads of Service, Corporate Board

**Officers Consulted:** As above plus Gemma McNamara, Melanie Ellis  
**Trade Union:** n/a