COUNCIL 19 January 2017

Pay Policy Statement 2017/18

Report of Cllr Jane Lawrence, Chairman of General Purposes Committee (jane.lawrence@centralbedfordshire.gov.uk)

Advising Officers:

Charles Warboys, Director of Resources (charles.warboys@centralbedfordshire.gov.uk)

Mel Peaston, Committee Services Manager (mel.peaston@centralbedfordshire.gov.uk)

Purpose of this report

This report sets out the recommendations of the General Purposes Committee arising from its deliberations on 8 December 2016, seeking full Council's approval for the adoption and publication of the Council's draft Pay Policy Statement 2017/18.

RECOMMENDATIONS

The Council is asked to:

- approve and adopt the draft Pay Policy Statement 2017/18, as set out at Appendix A;
- 2. publish the Pay Policy Statement 2017/18 on the Council's website following approval and adoption.

Overview and Scrutiny Comments/Recommendations

 This matter has not been taken through the overview and scrutiny function as it falls within the General Purposes Committee's remit.

Background

- 2. On 8 December 2016 the General Purposes Committee considered a report setting out the draft Pay Policy Statement for 2017/18.
- 3. The Committee noted that the Localism Act had extended the requirements under the Code of Transparency to publish Chief Officer remuneration on the Council website, and also to ensure that full

Council had the opportunity to approve senior appointments or severance arrangements outside of existing approved policies and pay arrangements.

- 4. The Committee was aware that the draft Pay Policy Statement reflected existing pay arrangements, following the national pay award implemented in April 2016. However the award would take effect over a 2-year period, so the Pay Policy Statement only reflected the pay award to March 2017. A further 1% cost-of-living pay award for all employees covered by the NJC terms and conditions of employment had already been agreed, to be effective from 1 April 2017. The pay points in the attached draft Pay Policy Statement do not include these figures as they have not been checked or implemented as yet. It is likely that the draft document may be updated to include these figures before the Council meeting takes place. The attached pay Policy Statement would also be amended in due course to reflect the detailed Regulations currently being drafted on the proposed cap on public sector termination payments, and a requirement to make a recovery of exit payments to high- earning employees in particular circumstances.
- 5. The meeting noted that the provisions of the Localism Act brought together accountability, transparency and fairness in setting local pay. Councillors were therefore required to take a significant role in determining pay. The Localism Act also ensured that communities had access to the information they needed to determine whether remuneration, particularly at a senior level, was appropriate, and it had also introduced requirements to ensure that a comparison was possible between the policies adopted on the remuneration of Chief Officers and other employees. For the period 2017/18 the ratio of pay of the Chief Executive to that of the median earner is 7.2:1 and the ratio of pay of the Chief Executive to that of the mean average salary was 6.7:1. Both of these ratios were below the expected multiples of 8:1 for the public sector as identified in the Hutton Review of Fair Pay in the Public Sector (2011). The meeting noted that the Council's policy provided that the Chief Executive's salary would be no greater than 8 times the median earner.

Reason/s for decision

6. To meet the statutory requirement to publish annually a Pay Policy Statement that has been approved by Full Council.

Council Priorities

7. This report and the attached draft Pay Policy Statement do not directly support the Council's priorities but meet the requirements of the Localism Act. The draft Pay Policy sets out how the Council pays and rewards its employees in a fair and equitable manner taking account of market pressures so that the Council is able to attract and retain the resources required to support the delivery of its priorities.

Corporate Implications

Legal Implications

8. The attached draft Pay Policy Statement complies with Sections 38-43 of the Localism Act 2011 which requires that all authorities publish a Pay Policy Statement to enable transparency about chief officer pay.

Financial and Risk Implications

9. There are no direct implications arising from this report or the attached draft Pay Policy Statement.

Equalities Implications

- 10. The Pay Policy will apply to all employees regardless of age, disability, gender, race, sexual orientation, religion/belief (or any other protected characteristic) as appropriate to their level in the organisation and the relevant terms and conditions of their employment.
- 11. The Pay Policy brings together information from existing policies and documents. These documents have previously been scrutinised to ensure that they comply with the Council's equalities duties and equality impact assessments carried out as appropriate.
- 12. Where the recommendations under the Localism Act about the disclosure of data relate to individuals, this is permitted by Article 8(2) of the Human Rights Act and Section 35 (1) of the Data Protection Act. The Council will not publish more data than is required to comply with the legislation.

Conclusion and next Steps

13. Council is asked to approve and adopt the attached draft Pay Policy Statement and publish the adopted Statement on the Council's website by 1 April 2017.

Appendices

Appendix A – Draft Pay Policy Statement 2017/18

Background Papers

None