

Pay Policy Statement 2018/19

Report of Cllr Jane Lawrence, Chairman of General Purposes Committee
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Purpose of this report

The draft Pay Policy Statement for 2018/19 was considered by the General Purposes Committee on 7 December 2017. The purpose of this report is to submit the Committee's recommendations arising out of its consideration of the Statement to full Council for approval.

RECOMMENDATIONS

The Council is asked to:

1. approve and adopt the draft Pay Policy Statement 2018/19 as set out at Appendix A;
2. publish the Pay Policy Statement 2018/19 on the Council's website following approval and adoption.

Overview and Scrutiny Comments/Recommendations

1. 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 7 December 2017 the General Purposes Committee considered a report setting out the draft Pay Policy Statement for 2018/19.

3. The Committee noted that under the Localism Act 2011 all local authorities were required to publish a comprehensive Pay Policy Statement which was reviewed and updated annually. In addition, the Statement had to be approved by full Council in time for publication from 1 April each year. It was also noted that the 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 the existing pay arrangements, following the national pay award that covered the period up to 31 March 2018. However, it was noted that the Government was proposing to introduce a cap on public sector termination payments and a requirement that existing payments to high earning employees be recovered in particular circumstances. As such, the Pay Policy Statement would need to be amended to reflect the details of the finalised Regulations and submitted to the General Purposes Committee for consideration prior to being presented to full Council. This was likely to take place at some point in 2018.
5. The Assistant Director of People also advised that any potential pay award would be effective post April 2018 and the Pay Policy Statement for 2019/2020 would reflect any change.
6. 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 defined role in determining pay, ensuring that decisions were taken by those directly accountable to local people.
7. 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 2018/19 the ratio of pay of the Chief Executive to that of the median earner was 7.2:1 and the ratio of pay of the Chief Executive to that of the mean average salary was 6.4:1. 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 of the Council's workforce.

Reason/s for decision

8. To meet the statutory requirement that all local authorities publish annually a Pay Policy Statement that has been approved by full Council.

Council Priorities

9. 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

10. 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

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

Equalities Implications

12. 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.
13. 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.
14. 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

15. 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 2018.

Appendices

Appendix A – Draft Pay Policy Statement 2018/19

Background Papers

None