



## AGENDA ITEM:

### SUMMARY

<b>Report for:</b>	<b>Cabinet</b>
<b>Date of meeting:</b>	<b>27 March 2018</b>
<b>PART:</b>	<b>1</b>
If Part II, reason:	

<b>Title of report:</b>	<b>Senior Officer Pay Policy</b>
Contact:	<p>Cllr Neil Harden – Portfolio Holder for Residents and Corporate Services.</p> <p><b>Author/Responsible Officers:</b>            Sally Marshall – Chief Executive            Robert Smyth – Assistant Director (Performance, People &amp; Innovation)            Matthew Rawdon – Group Manager (People and Performance)            (Anne Stunell – HR and OD Team Leader)</p>
Purpose of report:	To set the Council's pay policy for the financial year 2018/19, as required by Section 38 of the Localism Act 2011.
Recommendations	<p>(1) That Cabinet recommend Council to adopt the Pay Policy for 2018/19 as set out in appendix 1 to this report.</p> <p>(2) That Cabinet agree that any amendments to the Pay Policy throughout the financial year 2018/2019 which are required as a result of legislative changes can be approved by the Chief Executive in conjunction with the Council's Monitoring Officer.</p>
Corporate objectives:	The Council's policies in respect of pay and terms and conditions support all five of the Council's strategic objectives as part of ensuring that services to the community can be delivered to the required standards and with due regard to economy, efficiency and effectiveness

Risk Implications	There needs to be a robust procedure in place to ensure transparency of information and equality in staffing costs and remuneration.
Equalities Implications	The Pay Policy Statement adheres to national guidance on pay equality.
Health And Safety Implications	No implications from this report.
Monitoring Officer/S.151 Officer Comments	<p><b>Monitoring Officer:</b></p> <p>The Pay Policy Statement meets the Council's statutory requirements under Section 38 of the Localism Act 2011 and is therefore suitable for approval by Cabinet and Council.</p> <p><b>S.151 Officer</b></p> <p>No further comments to add to the report.</p>
Consultees:	Sally Marshall (Chief Executive)
Background papers:	<p>Pay Policy Statement 2018/19</p> <p>Openness and accountability in local pay: Draft guidance under section 40 of the Localism Act (CLG, November 2011)</p> <p>Localism Act 2011: local government senior officer pay accountability Impact assessment (CLG, November 2011)</p> <p>The Code of Recommended Practice for Local Authorities on Data Transparency (CLG, September 2011)</p> <p>The Local Government Transparency Code 2014</p> <p>DBC Employee Handbook</p>
Glossary of acronyms and any other abbreviations used in this report:	<p>HR – Human Resources</p> <p>FTE – Full Time Equivalent (employee)</p> <p>EIS – Employee Information System</p>
Appendices	<p>Appendix 1 – Pay Policy Statement 2018/2019</p> <p>Appendix 2 – Election fees for 2018/2019 (points 2 to 8 inclusive are relevant to the pay policy where applicable)</p> <p>Appendix 3 – Gender Pay Gap figures and narrative</p>

## Background

1. Section 38 of the Localism Act 2011 ('The Act') requires local authorities in England to prepare, approve and publish a pay policy statement. The statement must detail the authority's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff ('Chief Officers', as defined in the Act) and its lowest paid employees.
2. The pay policy statement must be prepared for each financial year. As soon as reasonably practicable after approving the statement it must be published in such manner as the Council thinks fit, which must include publication on the Council's website.
3. Specifically, the Act requires the publication of a pay policy statement for each financial year which must set out the authority's policies for the financial year relating to:
  - the remuneration of its chief officers
  - the remuneration of its lowest-paid employees, and
  - the relationship between:
    - (i) the remuneration of its chief officers, and
    - (ii) the remuneration of its employees who are not chief officers.
4. The statement must also provide:
  - the definition of "lowest-paid employees" and the authority's reasons for adopting that definition, and
  - a statement on the Council's policies relating to:
    - (i) the level and elements of remuneration for each chief officer
    - (ii) remuneration of chief officers on recruitment
    - (iii) increases and additions to remuneration for each chief officer
    - (iv) the use of performance-related pay for chief officers
    - (v) the use of bonuses for chief officers
    - (vi) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
    - (vii) the publication of and access to information relating to remuneration of chief officers.
5. In respect of item (vi), the Council currently has no defined approach to the payment of chief officers on ceasing to hold office, and no statement is, therefore, made in the report in relation to this.

6. It remains the case that each local authority is an individual employer in its own right and has the autonomy to make decisions on pay that are appropriate to local circumstances and which deliver value for money for local tax payers. The Act only requires that authorities are more open about local pay policies and how their local pay decisions are made. It is not necessary to specify actual pay rates or terms and conditions. It also means that future decisions by a local authority relating to the pay and conditions of its chief officers must comply with the authority's approved pay policy statement.
7. Guidance relating to the statement of Pay Policy and related guidance on transparency make recommendations arising from the Hutton Review of Fair Pay in the Public Sector (final report published March 2011).
8. Members should also note that the Council is also required to publish, under the Accounts and Audit (England) Regulations 2011:
  - the number of employees whose remuneration in that year was at least £50,000, and
  - details of remuneration and job title of certain senior employees whose salary is at least £50,000.
9. In addition, under the Local Government Transparency Code 2014, the Council is required to publish a list of responsibilities (including the service and functions they are responsible for, budget held and number of staff) for senior employees whose salary exceeds £50,000.
10. The Council is not required to include the information referred to in paragraphs 8 and 9 in its Pay Policy Statement, but it is required to place the information on its website.
11. The Senior Officer Pay Policy also includes a schedule of election fees as referred to in paragraph 8 of the Policy.
12. The statutory Gender Pay gap statistics forms part of the pay policy (Appendix 3). This has been reported on the government website, with further narrative. The narrative will also be available on the Council's website.

## **Recommendations**

- 13 That Cabinet recommend Council to adopt the Pay Policy for 2018/19 as set out in appendix 1 to this report.
- 14 That Cabinet agree that any amendments to the Pay Policy throughout the financial year 2018/2019 which are required as a result of legislative changes can be approved by the Chief Executive in conjunction with the Council's Monitoring Officer.