

Executive Report

Pay Policy Statement 2014/15

Decision to be taken by: Full Council on 20th March, 2014

Lead director: Miranda Cannon



City Mayor

Useful information

- Ward(s) affected: None
- Report author: Miranda Cannon, Director of Delivery, Communications and Political Governance
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- Report version number: 1

1. Summary:

Section 38 of the Localism Act 2011 places a requirement on all local authorities to prepare and publish a Pay Policy Statement for each financial year from 2012/13 onwards in order to achieve public accountability, transparency and fairness in the setting of local pay. The Statement must be approved by Full Council and published by 1 April each year.

This report seeks approval of the Council's Pay Policy Statement for 2014/15.

2. Recommendations:

That Council approves the Pay Policy Statement 2014/15.

That Employees Committee will continue to act on behalf of Full Council as the Remuneration Committee in relation to matters concerning policy on senior pay, and will specifically consider any salary packages in excess of £100,000 and any severance packages in excess of £100,000.

3. Supporting information including options considered:

The Pay Policy Statement is required to focus on the pay of senior staff and to set this in the context of the pay of the wider workforce. The Statement must cover the Council's approach to a number of elements of pay for senior staff including salary scales, any performance related pay, bonuses or additional elements of pay, termination payments and approach to pensions. Similar information must be included in relation to the wider workforce and the remuneration of the lowest paid employees must be specified. The form of the statement is, therefore, laid down to a large degree.

After approval by Full Council in March each year, the Pay Policy Statement must be published on the Council's website for public scrutiny. The intention is to ensure that Members consider how they pay their senior staff and can justify their policy on senior pay in the light of potential public scrutiny. The Statement for 2014/15 is the third to be published by the Council.

The Council's Pay Policy Statements, for 2012/13 and 2013/14, contained details of the outcomes of the review of senior management which was undertaken in 2012. Now that the revised senior management structure has been in place for a significant period of time, reference to the details of the review has not been included in the Pay Policy Statement for 2014/15. Additionally, reference to the Mayoral model has been amended to reflect that the model is now 'business as usual'. Information about the

review and reference to the Mayoral model remains available on the Council's website via the Pay Policy Statements for 2012/13 and 2013/14.

The Pay Policy Statement for 2014/15 has been updated to include relevant information about Public Health staff from the PCT following the transfer in April 2013. It also includes information on the post of the Director of Adult Social Care, Health and Housing, and the current interim arrangements for the post of Strategic Director of Education and Children's Services and any subsequent appointments that have been, or are due to be made.

At its meeting in March 2013, Full Council approved the continued use of the Employees Committee as a Remuneration Committee in the context of consideration of matters concerning policy on senior pay. This is reflected in the 2014/15 Policy Statement.

The 2014/15 Policy Statement also reiterates the decision to raise the Council's minimum wage to the 'Living Wage' which was recently increased to £7.65 per hour.

4. Details of Scrutiny

The document is essentially a statement of existing policy. The 2012/13 and 2013/14 Pay Policy Statements were approved by Full Council and remain available for public scrutiny on the Council's website.

5. Financial, Legal and Other Implications

5.1 Financial Implications

The Pay Policy Statement sets out the framework for the Council's employees' pay with a particular focus on senior staff (Head of Paid Service and Directors) in the context of the wider workforce. There are no new financial implications arising from this report, the funding of pay having been considered as part of the 2014/15 budget.

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5.2 Legal Implications

The Localism Act 2011 requires local authorities to prepare a Pay Policy Statement each year. This document must set out the Council's approach to the remuneration of chief officers, the remuneration of its lowest paid employees and the relationship between the remuneration of chief officers and employees who are not chief officers. In preparing a Pay Policy Statement local authorities must have regard to any guidance issued or approved by the Secretary of State. Guidance was issued by the Department for Communities and Local Government initially in November 2011 and supplementary guidance was issued in February 2013. Each year's Pay Policy Statement must be approved by Full Council before it comes into force.

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Reviewed by Hayley McDade on 18th February 2014
Solicitor
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5.3 Climate Change and Carbon Reduction Implications

No climate change implications.

5.4 Equality Impact Assessment

No equality impact assessment has been carried out on the Pay Policy Statement itself as it is a statement of existing policy. It is planned to conduct an equal pay audit during 2014/15.

5.5 Other Implications (You will need to have considered other implications in preparing this report. Please indicate which ones apply.)

No other implications.

6. Background information and other papers:

'Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act'

'Localism Act: Pay Policy Statements – Guidance for Local Authority Chief Executives'

'Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act – Supplementary Guidance'

7. Summary of appendices:

Proposed Pay Policy Statement 2014/15

8. Is this a confidential report? (If so, please indicate the reasons and state why it is not in the public interest to be dealt with publicly)

No.

9. Is this a “key decision”?

No.