

Report to Council

Pay Policy Statement 2017/18

Decision to be taken by: Full Council on 16 March 2017

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 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 2017/18.

2. Recommendations:

That Council approves the Pay Policy Statement for 2017/18.

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.

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 clearly evidences the position on senior pay where the ratio between the top earner's salary and the median salary has remained unchanged since 2014/15 at 5.74:1. The ratio has also been significantly lower than for neighbouring councils including Nottingham City Council and Coventry City Council, who had a ratio of 8:1 or above over the same time period. The statement also shows a positive picture in managing market pay which is a tool used where salaries are below market rate and posts prove difficult to recruit to as a result. The number of posts being given a market supplement reduced by 80% between 2011 and 2016. The associated cost reduced by £919,000 (85%), during this. This further evidences the robust governance applied in relation to managing pay across the board.

4. Details of Scrutiny

The document is essentially a statement of existing policy. Pay Policy Statements from previous years 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 2017/18 budget.

Jon King
Accountant
Ext: 374043

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.

Paul Atreides
Principal Solicitor, Employment Law
Ext 29 6368

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.

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:

7. Summary of appendices:

Proposed Pay Policy Statement 2017/18

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.