

Agenda Item No:

Report to: Cabinet

Date of Meeting: 5 March 2012

Report Title: Pay Policy

Report By: Verna Connolly
Head of People & Organisational Development

Purpose of Report

The purpose of the report is to advise the Cabinet of the of the requirement in the Localism Act 2011 for the Council to adopt a pay policy statement

Recommendation(s)

- 1. The pay policy statement in the appendix is adopted for the financial year 2012-13 and each subsequent financial year (until it is amended by Council).**

Reasons for Recommendations

The Pay Policy Statement has been drafted in order to comply with section 38 of the Localism Act and has been discussed previously at Cabinet Agenda Planning.

Further comments and suggestions have been made since that meeting and the attached Appendix is a new, shorter version which takes on board those comments accordingly.

Introduction

1. Background

Section 38 (1) of the Localism Act requires English and Welsh local authorities to produce a Pay Policy Statement ('the statement'). The Act requires the statement to range over disparate aspects of remuneration policy.

The statement must set out policies relating to —

- (a) the remuneration of its chief officers,
- (b) the remuneration of its lowest-paid employees, and
- (c) the relationship between—
 - (i) the remuneration of its chief officers, and
 - (ii) the remuneration of its employees who are not chief officers.

The statement must state the definition of “lowest-paid employees” and the authority’s reasons for adopting that definition.

The statement must include policies relating to—

- (a) the level and elements of remuneration for each chief officer,
- (b) remuneration of chief officers on recruitment,
- (c) increases and additions to remuneration for each chief officer,
- (d) the use of performance-related pay for chief officers,
- (e) the use of bonuses for chief officers,
- (f) the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
- (g) the publication of and access to information relating to remuneration of chief officers.

The statement is required to be approved by full council, and the statement must be adopted before 31 March for the financial year 2012-13. Section 41 of the 2011 Act provides that the council must comply with its pay policy statement in determining the remuneration of a chief officer. The definition of “chief officer” in the Act is much wider than the Corporate Management Team and includes deputy chief officers as defined in the Local Government and Housing Act 1989 i.e. managerial staff who report to chief officers.

The provisions within the Localism Act bring together the strands of increasing accountability, transparency and fairness in the setting of local pay. Linked to this statement therefore is the Code of Recommended Practice for Local Authorities on Data Transparency which was published in September 2011. The Council complies with that guidance through the Council website under http://www.hastings.gov.uk/decisions_democracy/transparency/

Wards Affected

None

Area(s) Affected

None

Policy Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness	Yes
Crime and Fear of Crime (Section 17)	No
Risk Management	Yes
Environmental Issues	No
Economic/Financial Implications	Yes
Human Rights Act	No
Organisational Consequences	Yes
Local People's Views	No

Background Information

Appendix 1 - Pay Policy Statement

Officer to Contact

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