

## APPOINTMENTS COMMITTEE

<b>Appointments Committee Date</b>	5th March 2014
<b>Planned Dates</b>	Approval to Full Council on 19 <sup>th</sup> March 2014
<b>Officer</b>	Dilys Wynn

<b>Purpose of Report</b>	Compliance with Chapter 8 Pay Accountability of the Localism Act 2011.
<b>Recommendations</b>	To agree the council's draft Pay Policy Statement and recommend it to Full Council for approval
<b>Resource Implications</b>	Officer Time

## MAIN REPORT CONTENTS

### 1 Purpose of Report.

Chapter 8 Pay Accountability of the Localism Act requires the council to produce a pay policy statement for each financial year. The statement must be approved by Full Council no later than 31<sup>st</sup> March of each year; the latest requires approval by the end of March, 2014.

By way of background, the paper on Fair Pay in the Public Sector by Will Hutton (March 2011) heavily influenced the content of the Act and the overall purpose is to ensure a greater transparency and accountability to the public, on how public money is spent on remuneration. In doing so the statement has due regard to the Code of Recommended Practice for Local Authorities on Data Transparency (September 2011) and Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act (February 2012). Additional guidance was issued in February, 2013.

The Localism Act requires that the scope of the statement must cover a specific group of chief officers as defined within the Act as well as the councils' lowest paid, which the council is required to define and give reasons for adopting the definition.

The policy statement must set out the council's policies for remuneration for both groups above. It must include its policies relating to the:

- level and elements of remuneration\*\*
- remuneration on recruitment including reengagement
- increases and additions to remuneration
- use of performance-related pay
- use of bonuses
- approach to payment on ceasing to hold office
- publication and access to information relating to remuneration.

\*\*Remuneration is defined as salary, bonuses, charges or fees, allowances, benefits in kind, any increase in or enhancement to pension entitlement, any amounts payable on ceasing to be employed or other amounts that may be payable by an enactment.

As a result this the pay policy statement will require the council to make reference to other related publications such as the councils' Pension Policy Statement, policy on severance pay under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and the salaries of employees as published in the councils' Statement of Accounts as defined by the Finance and Audit Regulations 2011.

The statement must also set out the relationship between the remuneration of its chief officers and its employees who are not chief officers and the government has provided guidance on how this should be calculated.

The first council Pay Policy Statement was published in 2012. The revised statement attached at appendix A reflects the most recent guidance which was issued in February 2013.

Specifically the revisions are:

- updates to reflect the changes to staff numbers and budget;
- specific reference in paragraph 5 to those jobs in the council which attract a salary of in excess of £100k; and
- clarification of the policy with respect to termination payments.

### **Recommendation**

The Appointments Committee are asked to approve the attached revised Pay Policy Statement and to recommend its adoption by the Council at Full Council on March 19<sup>th</sup> 2014.