

Employment Committee**1 February 2017**

Is the final decision on the recommendations in this report to be made at this meeting?

No**Pay Policy Statement 2017**

Final Decision-Maker	Employment Committee
Lead Head of Service	Dena Smart, Head of HR Shared Service
Lead Officer and Report Author	Bal Sandher, HR Shared Services Manager
Classification	Public
Wards affected	

This report makes the following recommendations to this Committee:

1. That the Council be recommended to agree the proposed Pay Policy Statement set out at appendix 1 to this report prior to publication on the council's web site.

This report relates to the following corporate priorities:

- Keeping Maidstone Borough an attractive place for all – this is sets out the terms and conditions for all staff and as such it underpins all our priorities
- Securing a successful economy for Maidstone Borough - this is sets out the terms and conditions for all staff and as such it underpins all our priorities

Timetable

Meeting	Date
Employment Committee	1 February 2017
Council	1 March 2017

Pay Policy Statement 2017

1. PURPOSE OF REPORT AND EXECUTIVE SUMMARY

- 1.1 A Pay Policy Statement must be agreed by full Council for publication by 31st March 2017. The Pay Policy Statement should set out the main aspects of the remuneration strategy of the council.
- 1.2 The Council met the target to publish a Pay Policy Statement in previous years and the attached document has been updated to reflect changes during the year.

2. INTRODUCTION AND BACKGROUND

- 2.1 Section 38 (1) of the Localism Act 2011 came into force on 15 January 2012 and required English and Welsh local authorities to produce a pay policy statement for 2012/13 and for each financial year after that. The government consulted on a revised code in 2015 and the draft pay policy statement reflects the requirements of the revised code.
- 2.2 The matters that must be included in the statutory pay policy statement and the revised code of practice are as follows:
 - a local authority's policy on the level and elements of remuneration for each chief officer;
 - a local authority's policy on the remuneration of its lowest-paid employees (together with its definition of "lowest-paid employees" and its reasons for adopting that definition);
 - a local authority's policy on the relationship between the remuneration of its chief officers and other officers and in particular the pay multiple between the two;
 - a local authority's policy on other specific aspects of chief officers' remuneration: remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency;
 - an organisation chart or description of the number and grades of staff in the top three layers of the organisation, with information on the grades of all those with salaries in excess of £50,000;
 - details of trade union representatives for each of the recognised trade unions.
- 2.3 The reference to 'chief officer' refers to the statutory posts of Head of Paid Service, Monitoring Officer and Section 151 Officer plus any Deputy Chief Officers, which in our organisation includes anyone at Head of Service or above.
- 2.4 With regard to the process for approval, the pay policy statement:
 - Must be approved formally by the council meeting
 - Must be approved by the end of March each year
 - Can be amended in year

Appendix A

- Must be published on the authority's website
 - Must be complied with when the authority sets the terms and conditions for a chief officer
- 2.5 The Act specifically mentions that the pay policy statement may set out the authority's policies relating to other terms and conditions for chief officers and in the interest of open government there are recommendations that the pay policy statement sets out as much information relating to employee terms and conditions as is practical.
- 2.6 Terms and conditions of employment for employees is a function for which the Employment Committee has delegated responsibility within the constitution.
- 2.7 The general approach of the Employment Committee has been to take the same approach to senior members of staff as that taken with all other employees in relation to the benefits available and the review processes followed. The council has a thorough approach that applies best practice in the areas of remuneration and equal pay.
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3. AVAILABLE OPTIONS

- 3.1 The Council could choose to publicise a reduced version of the Pay Policy Statement that meets the minimum requirements of the Act but this is not recommended as it does not satisfy the need for transparency and means that the data is not seen in the context of the good work already undertaken by the council.
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4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

- 4.1 The preferred option is the format of the Pay Policy Statement set out at Appendix I as it gives consistency from previous years and meets the requirements of the legislation.
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5. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK

- 5.1 As this is a statement of what is already in place and does not make any changes to the current position there has been no consultation to date; the report to the Employment Committee forms the basis of consultation to ensure that this format is acceptable before going to full council.
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6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

- 6.1 Before the report goes to full council the tables and organisation structures in Appendix 1(H) will be updated to reflect the most up to date position as the current charts reflect the previous year’s information.
- 6.2 Once the format is agreed by full council the information will be updated with the actual pay figures for the year ending March 2017 before it is uploaded to the council’s web site. These figures cannot be calculated until March payroll is complete. The most up to date information will also be used for the pension contributions table and the election payments.

7. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	This statement makes no changes to the current situations and there are no implications due to the content of the pay policy statement	Dena Smart Head of HR
Risk Management	The risks are reputational if the council fails to publish a Pay Policy Statement	Dena Smart Head of HR
Financial	There are no direct financial implications arising from publication of the pay policy statement. The Council’s pay policy reflects its overall strategic and financial priorities.	[Section 151 Officer & Finance Team]
Staffing	This statement makes no changes to the current situations and there are no implications due to the content of the pay policy statement	Dena Smart Head of HR
Legal	Section 38 (1) of the Localism Act 2011	[Legal Team]
Equality Impact Needs Assessment	This statement makes no changes to the current situations and there are no implications due to the content of the pay policy statement	[Policy & Information Manager]
Environmental/Sustainable Development	None identified at this time	Dena Smart Head of HR
Community Safety	None identified at this time	Dena Smart Head of HR
Human Rights Act	None identified at this time	Dena Smart Head of HR
Procurement	None identified at this time	Dena Smart

Appendix A

		Head of HR
Asset Management	None identified at this time	Dena Smart Head of HR

8. REPORT APPENDICES

The following documents are to be published with this report and form part of the report:

- Appendix I: Pay Policy Statement 2017
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9. BACKGROUND PAPERS

None