

## **Pay Policy Statement 2017 - 2018**

**1 March 2017**

### **Report of the Chief Executive**

#### **PURPOSE OF REPORT**

To enable the Council to approve its Pay Policy Statement for 2017 - 2018, as required by the Localism Act 2011.

**This report is public**

#### **RECOMMENDATIONS**

- (1) That Council approve for publication the Pay Policy Statement for 2017 – 2018.**

##### **1.0 Introduction**

- 1.1 Section 38 of the Localism Act 2011 places a requirement on local authorities to publish a Pay Policy Statement by the 31st March in each year. The Statement must be approved by resolution of Council, and this function may not be delegated. The Statement must set out the Council's arrangements relating to:
- the remuneration of its Chief Officers;
  - the remuneration of its lowest-paid employees, and
  - the relationship between the remuneration of its Chief Officers and the remuneration of its employees who are not Chief Officers.
- 1.2 Chief Officers within this Council have been defined as the Chief Executive and the five Chief Officers, one of which is currently vacant. However, the definition in the Localism Act 2011 is wide enough to cover those reporting directly to these officers, and this is covered within the Pay Policy Statement. The Pay Policy Statement should be read in conjunction with the Arrangements for other aspects of Chief Officer Remuneration and Lancaster City Council's Pay and Grading Structure 1 April 2017, which are appended to the report.
- 1.3 The draft Pay Policy Statement has been prepared in accordance with the requirements of the Localism Act 2011, and having regard to the guidance issued by the Department for Communities and Local Government (DCLG) under Section 40 of the Act.
- 1.4 Members will recall that the Council's last Pay Policy Statement was approved on the 2<sup>nd</sup> March 2016. That document has now been updated for 2017/18, and has been drafted in accordance with guidance issued by the DCLG. There is provision in the Act for the Council, if required, to amend the document by resolution during the year to which it relates.
- 1.5 During the course of the year, if the authority makes any determination relating to the remuneration or any other terms and conditions of a Chief Officer, it must comply with its Pay Policy Statement.
- 1.6 On 14 February 2017 Cabinet approved the filling of the vacant post of Chief Officer Governance and to rename it Chief Officer - Legal and Governance, and also to appoint an interim Assistant Chief Executive for 12 months. These decisions are subject to call

in.

- 1.7 Council minute 57 (2) 2009 requested that officers review and amend the Council's Pay and Grading structure within two years. Since the implementation of the current structure on 1 April 2010, the Council's organisation and staffing structure has significantly changed. Whilst work has been undertaken since 2011 to identify options for a revised pay and grading structure, no alternative solution has yet been developed. There remains a need to give consideration to whether the current pay and grading structure is appropriate to the current needs of the Council and the alternatives available.

## **2.0 Proposal Details**

- 2.1 Council is requested to approve the Pay Policy Statement for 2017-18.

## **3.0 Details of Consultation**

- 3.1 There has been no consultation, but in preparing the Statement, regard has been had to government guidance and to advice given by North West Employers.

## **4.0 Options and Options Analysis (including risk assessment)**

- 4.1 In order to comply with the Localism Act 2011, it is necessary for Council to approve a Pay Policy Statement. The attached draft document has been prepared by officers in order to comply with the statutory requirements.

## **5.0 Conclusion**

- 5.1 Council is asked to approve the Pay Policy Statement.

<b>CONCLUSION OF IMPACT ASSESSMENT</b> <b>(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)</b> None directly arising from this report.
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<b>LEGAL IMPLICATIONS</b>
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Legal Services have been consulted and have no further comments.
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<b>FINANCIAL IMPLICATIONS</b>
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There are no financial implications directly arising from this report. As far as possible, the draft budget elsewhere on the agenda reflects the Pay Policy statement and any financial implications arising during the course of next year would be addressed as a matter of course, through the appropriate decision-making and reporting channels. The undertaking of a further pay and grading review as mentioned in section 1.7 will be considered during 2017/18 (i.e. Phase 2 of the budget process) to determine any resource implications arising for 2018/19 and beyond.
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<b>OTHER RESOURCE IMPLICATIONS</b>
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Open Spaces, ICT, Property: None
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<b>Human Resources,</b>
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The Pay Policy Statement 2017 - 2018 has been prepared by the HR Service Manager.
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<b>SECTION 151 OFFICER'S COMMENTS</b>
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The Section 151 Officer has been consulted and has not further comments.
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**MONITORING OFFICER'S COMMENTS**

The Monitoring Officer has been consulted and has no further comments.

**BACKGROUND PAPERS**

None

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