

PERSONNEL COMMITTEE

PAY POLICY

3 April 2018

Report of the Interim HR Manager

PURPOSE OF REPORT

To enable the Committee to fully consider the 2018 / 19 Pay Policy document.

This report is public.

RECOMMENDATIONS

That the Committee discuss the Pay Policy for 2018/19 and consider whether any amendments to it are required.

1.0 Introduction

1.1 Each year, the Council is required to produce and publish a 'Pay Policy' document, in line with the requirements of Section 38 Localism Act 2011, as set out below:

- (1) A relevant authority must prepare a pay policy statement for the financial year 2012-2013 and each subsequent financial year.
- (2) A pay policy statement for a financial year must set out the authority's policies for the financial year 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.
- (3) The statement must state—
 - (a) the definition of "lowest-paid employees" adopted by the authority for the purposes of the statement, and
 - (b) the authority's reasons for adopting that definition.
- (4) The statement must include the authority's 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.

- (5) A pay policy statement for a financial year may also set out the authority's policies for the financial year relating to the other terms and conditions applying to the authority's chief officers.

- 1.2 The Pay Policy is a document which summarises information held in other policies about remuneration and terms and conditions of employment, primarily for senior staff. It also provides factual information in relation to comparisons of pay between Chief Officers and other staff.

2.0 Discussions at Council on 28 February 2018

- 2.1 At the Council meeting, the Pay Policy for 2018/19 was tabled for discussion and approval. Whilst the document contained no policy changes, it was shorter than the previous year's document as some commentary had been removed which was not required in the document. This commentary was primarily in relation to job evaluation.
- 2.2 In past years, the Pay Policy document has been submitted directly to full Council for approval, without any input from Personnel Committee. Previously the Statement of Pay Policy has been considered to be an articulation of the existing policies which are summarised and agreed at full council, the Personnel Committee being intimately involved with the creation of the policies which the Pay Policy Statement reflects.
- 2.3 It was agreed at the Council meeting that in future years, the Pay Policy Statement goes to Personnel Committee for consideration before it is sent to full Council. The HR Manager will put appropriate arrangements in place for this to happen. This places the statutory pay policy statement as agreed at full council (as recommended by the personnel committee) as the overarching enunciation of policy.

3.0 Other Policies, Processes and Agreements

The Pay Policy document rightly refers to other policies, processes and agreements where terms and conditions of employment are recorded and used for recruitment and staff management purposes. These include:

- Nationally agreed JNC Terms and Conditions (for Chief Officers)
- National Joint Council for Local Government National Agreement on Terms and Conditions of Service (the NJC Green Book)
- The Joint Negotiating Committee for Local Authority Chief Executives – Conditions of Service
- The NJC Negotiated Pay Spine
- Local Government (Early Termination of Employment Discretionary Compensation) (England and Wales) Regulations 2006
- The Early Termination of Employment Policy

Copies of these documents will be brought along to Personnel Committee. The Pay Policy for 2018/19 is appended to this report.

4.0 Policy Changes

- 4.1 Upon considering the Pay Policy document, should the committee wish to propose any changes to actual policy, then negotiations may need to take place through the standard processes involving our Trade Unions before proposals can be accepted.
- 4.2 Any amendments recommended by Personnel Committee to the statutory pay policy statement must be referred to full Council to be approved by resolution before it comes into force. As soon as is reasonably practicable after amending the pay policy statement, we must publish the amended statement, which must include publication on the authority's website.

CONCLUSION OF IMPACT ASSESSMENT

(including Diversity, Human Rights, Community Safety, Sustainability and Rural Proofing)

No impact.

FINANCIAL IMPLICATIONS

There are no financial implications of this report.

As background information, the Council's pay related policies and agreements form the basis for budgeting for staffing costs. Should Members wish to consider any proposed changes to policy in due course, the financial implications would need to be assessed and considered to inform decision-making.

SECTION 151 OFFICER'S COMMENTS

The s151 Officer has been consulted and has no further comments.

LEGAL IMPLICATIONS

There are no legal implications of this report.

MONITORING OFFICER'S COMMENTS

No comments. The statutory provisions are set out in the report

BACKGROUND PAPERS

None.

Contact Officer: Dave Rigby

Telephone: 01524 582180

E-mail: darigby@lancaster.gov.uk