

# **CABINET**

**12 MARCH 2015**

## **PAY POLICY STATEMENT 2015/16**

<b>REPORT OF</b>	<b>Councillor Adrian Jones</b>
<b>CABINET PORTFOLIO FOR</b>	<b>Central and Support Services</b>
<b>CO-ORDINATING CHIEF OFFICER</b>	<b>Strategic Director: Transformation &amp; Resources</b>

### **1. EXECUTIVE SUMMARY**

- 1.1. The purpose of this report is for Cabinet to consider and recommend to Council:
- i. The starting salary of the Chief Executive within the agreed salary range as approved by Council on 8 December 2014; and
  - ii. The approval of the Council's Pay Policy Statement for the financial year 2015/16.

### **2. BACKGROUND**

- 2.1 The Localism Act 2011 sets out the requirements for Councils to determine and publish annual pay policy statements. The requirements of The Localism Act include:
- The Pay Policy Statement to be approved by Full Council, in advance of the financial year to which it relates.
  - The Pay Policy Statement to be published on the Council website.
- 2.2 The Pay Policy Statement is required to set out the Council's policies relating to the following:
- Chief Officer Remuneration, including salary, allowances, and enhancements at termination.
  - Remuneration of its lowest paid employees.
  - The relationship between Chief Officer Remuneration and that of other employees.

### **3. THE PAY POLICY STATEMENT**

- 3.1 The Pay Policy Statement 2015/16 is attached at Appendix One for the consideration of Cabinet.

- 3.2 The Pay Policy Statement is to be submitted to Full Council for approval. Cabinet are asked to refer the Pay Policy Statement 2015/16 to Full Council on 16 March 2015.
- 3.3 The Department of Communities and Local Government (DCLG) have made some recommendations to revise the code on data transparency and there has been national consultation on this. If approved, this may mean changes to the Pay Policy Statement. In this event Council will be updated of the changes.
- 3.4 The Pay Policy can be amended by resolution of Council. This includes in-year amendments.

#### **4. KEY CHANGES AND UPDATES FROM THE 2014/15 STATEMENT**

- 4.1 The 2015/16 statement reflects key changes and updates that have occurred within the last financial year as follows;
- The implementation of nationally agreed pay awards (refer to Paragraph 3.5 of the Pay Policy Statement). Please note that we are awaiting final confirmation of the 2014/15 pay award for JNC Youth and Community and the Soulbury Committee.
  - The changes agreed at Council on 8 December 2014 to the salary of the Chief Executive (refer to Paragraph 4.3 of the Pay Policy Statement).
  - The annual increase of the Living Wage rate and application of the Living Wage to all employees, including apprentices (refer to Paragraph 3.14 of the Pay Policy Statement).
  - Links to The Local Government Transparency Code 2014. The purpose of the Pay Policy is to provide transparency with regard to the Council's approach to setting the pay of its employees. The purpose of The Transparency Code is to provide access to data for local people in respect of information relating to the Council, including senior salaries and organisational structure.

#### **5. THE CHIEF EXECUTIVE'S SALARY**

- 5.1. The Chief Executive's salary was reviewed as part of the recent recruitment process and Council agreed on the 8 December 2014, that the salary for the Chief Executive was to be within a range of £155- £175k.
- 5.2. At its meeting on 24 February 2015, Council confirmed the appointment of The Chief Executive and it is proposed that the new Chief Executive will start on £165k within the agreed range salary, with annual incremental progression through the range.

#### **6. RELEVANT RISKS**

6.1 The Council is required to prepare and approve its Pay Policy Statement 2015/16 before 31 March 2015. The Council will be at risk of not meeting the requirements of The Localism Act 2011 if this is not achieved.

## **7. OTHER OPTIONS CONSIDERED**

7.1 The Chief Executive salary range was agreed at Council on 8 December 2014.

7.2 No other options were considered as the Pay Policy Statement is a requirement of the Localism Act 2011.

## **8. CONSULTATION**

8.1 The Trade Unions have been consulted on the key updates and changes for the 2015/16 statement.

## **9. IMPLICATIONS FOR VOLUNTARY, COMMUNITY AND FAITH GROUPS**

9.1 Not applicable for this report.

## **10. RESOURCE IMPLICATIONS: FINANCIAL; IT; STAFFING; AND ASSETS**

10.1 The cost of the Living Wage increase (effective 1 November 2014) is £7,500 including on-costs. This will be built into departmental budgets under the provision for pay growth.

10.2 The cost of the pay awards, including NJC, JNC (Craft, Youth and Community, Chief Officers) and the Soulbury Committee is £2,205,870. This is met within the budget proposals for 2014/15 and 2015/16.

## **11. LEGAL IMPLICATIONS**

11.1 The Council is required to meet the requirements of the Localism Act 2011.

## **12. EQUALITIES IMPLICATIONS**

12.1 The EIA is available at:

<http://www.wirral.gov.uk/my-services/community-and-living/equality-diversity-cohesion/equality-impact-assessments/eias-2010/law-hr-asset-management>

## **13. CARBON REDUCTION IMPLICATIONS**

13.1 Not applicable for this report.

## **14. PLANNING AND COMMUNITY SAFETY IMPLICATIONS**

14.1 Not applicable for this report.

## **15. RECOMMENDATION/S**

15.1 Cabinet is requested to recommend to Council at its meeting on 16 March 2015 that:

- i. The starting salary for the Chief Executive be agreed at £165k which is within the salary range agreed by Council on 8 December 2014, with annual increments of £5k to the top of the salary range; and
- ii. The approval of the Council's Pay Policy Statement 2015/16 as set out at Appendix One.

**16. REASON/S FOR RECOMMENDATION/S**

16.1 Council agreed the salary range for the Chief Executive on 8 December 2014. Following appointment the starting salary requires confirmation and agreement by Council.

16.2 The Council is required by Section 38 of The Localism Act 2011 to prepare a Pay Policy Statement for each financial year.

**APPENDICES**

Appendix One: The Pay Policy Statement 2015/16

**REFERENCE MATERIAL**

None

**SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
Council	8 December 2014
Pay Policy Statement (2014/15)	10 March 2013
Pay Policy Statement (2013/14)	5 March 2013
Pay Policy Statement (2012/13)	1 March 2012