



CABINET MEMBER -  
RESOURCES (FINANCE,  
ASSETS AND TECHNOLOGY)

COUNCILLOR ADRIAN JONES

**CABINET**  
**MONDAY 25 JANUARY 2016**

**PAY POLICY 2016/17**

**Councillor Adrian Jones, Cabinet Member - Resources (Finance, Assets and Technology), said:**

We are proud that Wirral Council became one of the first Living Wage employers in the country almost two years ago. This decision – if agreed – further demonstrates our commitment to the Living Wage and on ensuring our Pay Policy is fair, equitable and sustainable.

## **REPORT SUMMARY**

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.

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.

## **RECOMMENDATION/S**

Cabinet to agree the introduction of the revised National Living Wage rate of £8.25 per hour, effective from 1 April 2016.

Cabinet to consider and recommend to Council the approval of the Council's Pay Policy Statement for the financial year 2016/17.

## SUPPORTING INFORMATION

### 1.0 REASON/S FOR RECOMMENDATION/S

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

### 2.0 OTHER OPTIONS CONSIDERED

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

### 3.0 BACKGROUND INFORMATION

#### Key Changes

The 2016/17 statement reflects key changes and updates that have occurred within the last financial year as follows:

#### The Living Wage

A new National Living Wage rate was announced by The Living Wage Foundation on 1 November 2015. The new Living Wage rate is £8.25 per hour, an increase of 40p.

The introduction of the new Living Wage rate has implications for the Council's pay grades as follows:

- Band A to include one spinal column point (scp): scp 10 at £8.25 an hour.
- Band B, to include one scp: scp 11 at £8.30 an hour.
- Band C, to include one scp: scp 12 at £8.35 an hour.

It is proposed that any increases to the Living Wage are considered by the Council as part of the annual Pay Policy Statement. If agreed, increases to the Living Wage will take effect from 1 April the following year. This is legally compliant and will allow appropriate provision to be made in the budget. In addition, Council can review and give consideration to the continuation of the Living Wage and the impact on the Council's grading structure.

### 4.0 FINANCIAL IMPLICATIONS

The cost of implementing the Living Wage rate (effective 1 April 2016) and adjustment to the Council's pay grades as detailed above is £84,000 including on-costs. This will be built into departmental budgets under the provision for pay growth.

The cost of the pay awards, including NJC, JNC (Craft, Youth and Community, Chief Officers) and the Soulbury Committee has been made in the 2016-17 budget proposals (1% budget provision made).

## **5.0 LEGAL IMPLICATIONS**

The Council is required to meet the requirements of the Localism Act 2011. The Pay Policy Statement 2016/17 is without prejudice to the outcome of the Council's current consultation with staff and the Trade Unions on proposals to continue with four days of unpaid leave for a further three years, the removal of enhanced pay for evening and weekend working, and removal of the essential car user allowance.

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

There are not any resource implications arising from this report.

## **7.0 RELEVANT RISKS**

The Council is required to prepare and approve its Pay Policy Statement 2016/17 before 31 March 2016. The Council will be at risk of not meeting the requirements of The Localism Act 2011 if this is not achieved.

## **8.0 ENGAGEMENT/CONSULTATION**

The Trade Unions have been consulted on the key updates and changes for the 2016/17 Pay Policy.

## **9.0 EQUALITY IMPLICATIONS**

The EIA is available at:

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-2014>

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## **APPENDICES**

**Appendix One: The Pay Policy Statement 2016-17**

## **REFERENCE MATERIAL**

**N/A**

**SUBJECT HISTORY (last 3 years)**

<b>Council Meeting</b>	<b>Date</b>
<b>Council</b>	12 March 2015
<b>Council</b>	10 March 2014
<b>Council</b>	5 March 2013
<b>Council</b>	1 March 2012