

**PAY POLICY 2017/18**

*Report of the Director of Resources*

Author: Emily Austin, HR Manager, Strategy, Policy & Reward (Tel: 01707 292751)

Executive Member: - Chris Hayward, Resources and Performance

**1. Purpose of report**

- 1.1 To invite Council to adopt the proposed Pay Policy for 2017/18 and to note the data to be released in April 2017 as part of the Council's annual publication of senior manager data.

**2. Summary**

- 2.1 The Localism Act 2011 (the '2011 Act') requires local authorities to publish a pay policy annually. The purpose of a pay policy is to assist with the drive for greater transparency and accountability in relation to pay. The policy must at a minimum cover the level and elements of remuneration of Chief Officers (as defined by the 2011 Act), but local authorities have the discretion to broaden the policy to cover other terms and conditions and employee groups.
- 2.2 This report sets out the proposed pay policy for the Council for 2017/18 and the pay ratio to be published; it also references the data to be released in April 2017 as part of the Council's annual publication of senior manager data, signposted from the Pay Policy.
- 2.3 The Council's Employment Committee considered the proposed Pay Policy 2017/18 at its meeting on 6 February 2017 and recommended that Council adopts it. The Committee also noted the data to be released in April 2017.

**3. Recommendation**

- 3.1 That the County Council adopts the Pay Policy for 2017/18 set out in Appendix 1 to the report and notes the data to be released in April 2017 as part of the Council's annual publication of senior manager data.

#### **4. Background**

- 4.1 The Localism Act 2011 requires all local authorities to prepare and publish an annual pay policy statement to articulate the Council's policies on the remuneration of both its highest and lowest paid employees for the following financial year.
- 4.2 Publication of the pay policy is to assist with the drive for greater transparency and accountability of senior managers' pay, providing information to the public about how the Council sets and manages pay for senior managers and also for its lowest paid employees. This is also in line with the Department for Communities and Local Government (DCLG's) 'Local Government Transparency Code 2015'.

#### **5. Scope of the Pay Policy**

- 5.1 The 2011 Act requires the pay policy to include information relating to the Head of Paid Service, the Monitoring Officer, Chief Officers (statutory and non-statutory) and Deputy Chief Officers, as defined in the Local Government and Housing Act 1989 and including Public Health. Schools employees are excluded from the scope of the pay policy as each school is already required to publish its own pay policy.

#### **6. Content of the Pay Policy for 2017/18**

- 6.1 County Council is asked to approve the content of the Pay Policy as set out in Appendix 1 to the report. The Pay Policy for 2017/18 remains the same in format as the previous 4 policies. The content is also as per the 2015/16 & 2016/17 policies except for the updates in dates and salaries.
- 6.2 Within the parameters of the guidance around the 2011 Act the following definitions will be used within the Council's Pay Policy for 2017/18:-
- The definition of the Council's lowest paid worker is the lowest national spinal column point (SCP) 6. This is the lowest pay point the Council can appoint to and, therefore, is the Council's lowest pay point. As at April 2017 this is a full time value of £14,659pa. [Note: This is with the exception of Health and Social care Trainees (previously known as 'Care Cadets') who are paid £110 per week (this is above the National Minimum wage for Apprenticeships)].
- 6.3 The definition of the ratio from 1 April 2017 is in line with the DCLG's Local Government Transparency Code 2015 as follows:-
- The ratio between the total remuneration of the Council's highest paid employee (Chief Executive and Director of Environment) on 1 April 2017 and the median earnings figure for the whole of the Council's workforce (exc. schools). The earnings are calculated on remuneration, including additional payments such as bonuses. This

ratio will be calculated based on data in April 2017 and the final figure published thereafter.

- The current published ratio (from April 2016) between the 2015/2016 total remuneration of the Council's highest paid employee (Chief Executive) and the median earnings figure for the whole of the Council's workforce (exc. schools) was 1:6:8. It is anticipated this will not vary significantly in April 2017.

## **7. Open Data Release for 2017/18**

7.1 The following information will also be published on the Council's website in compliance with The Accounts and Audit Regulations 2015 and The Local Government Transparency Code 2015:

- The number of employees whose remuneration is at least £50,000 in brackets of £5,000 (as set out in the Statement of Accounts)
- Details of the remuneration and job titles of certain senior employees whose salary is £50,000 or more; employees whose salaries are £150,000 or more are also identified by name (as set out in the Statement of Accounts)
- A list of responsibilities and bonus payments of certain senior employees whose salary is £50,000 or more, identifying by name the Chief Executive and Director of Environment, his direct reports, Chief Officers (Directors), Deputy Chief Officers (Deputy / Assistant Directors) and the Monitoring Officer (as set out in the Statement of Accounts)
- Organisation charts; These charts include all staff (irrespective of employment terms) whose annual salary is £50,000 or more and include information on;
  - Grade, job title and local authority department
  - Whether permanent or temporary
  - Contact details (a generic email address)
  - Salary in £5,000 brackets,
  - Salary ceiling (the maximum salary for the grade).

These also identify by name the Chief Executive, his direct reports, Chief Officers (Directors), Deputy Chief Officers (Deputy / Assistant Directors) and the Monitoring Officer (as set out in the Statement of Accounts).

## **8. Approval of the Pay Policy**

8.1 The Pay Policy must be approved by Full Council by 31 March each year. After approval or revision the Pay Policy must be published on Hertfordshire.gov.uk in an easily accessible manner and linked to the Open Data release.

- 8.2 Once published the Council must comply with the Pay Policy for the relevant financial year, and will be constrained by it when making any decisions relating to roles within scope of the policy.

**9. Financial Implications**

- 9.1 There are no financial implications arising from the publication of Pay Policy 2017/18 or the data release.

**10. Equalities Implications**

- 10.1 There are no equality implications arising from the publication of Pay Policy 2017/8 or the data release

**Background Information**

Report and Minutes, Employment Committee, 6 February 2017

<http://cmis.hertfordshire.gov.uk/hertfordshire/Calendarofcouncilmeetings/tabid/70/ctl/ViewMeetingPublic/mid/397/Meeting/522/Committee/9/Default.aspx>