

PAY POLICY 2018/19

Report of the Assistant Director, Human Resources

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Executive Member: - David Williams, Leader of the Council (as responsible for Resources, Property & the Economy)

1. Purpose of report

1.1 To present to Employment Committee the Pay Policy for 2018/19 as per the requirements set out in the Localism Act 2011 and to invite the Committee to recommend to County Council that Council adopts the Pay Policy for 2018/19.

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 2018/19 and the pay ratio to be published; it also references the data to be released in April 2018 as part of the Council's annual publication of senior manager data, signposted from the Pay Policy.

3. Recommendations

3.1 That the Employment Committee recommends to County Council:-

that County Council adopts the Pay Policy for 2018/19 as set out in Appendix 1 to the report, amended as necessary to incorporate the County Council's decisions regarding the proposed separation of the roles of Chief Executive and Director of Environment and the new post of Director of Environment and Infrastructure.

3.2 That the Employment Committee notes the data release for April 2018 as set out in the report.

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 Localism Act 2011 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. Recommendations for content of the Pay Policy for 2018/19

- 6.1 Employment Committee is asked to review the content of the pay policy and is invited to recommend to County Council that the pay policy, set out in Appendix 1 to the report, be adopted. The pay policy for 2018/19 remains largely the same in format as previous policies. The two areas that have been changed for 2018 are the removal of the paragraph regarding the Extended Lease Car scheme which has ended (was section 7.2.3) and the addition of clarification on the election fees and the Returning Officer in section 7.8. All relevant figures and dates have been updated where possible – or will be once new data is known.
- 6.2 Within the parameters of the guidance around the Act the following definitions will be used within the Council's pay policy for 2018/19;
- 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 £14,659. Note 1: The NJC pay settlement for Local Government Workers at the time of writing this report has not been agreed for 1 April 2018. When this is agreed this figure will be updated. Note 2: 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 2018 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 2018 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 2018 and the final figure published thereafter.
- The current published ratio (from April 2017) between the 2016/2017 total remuneration of the Council's highest paid employee (Chief Executive and Director of Environment) 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 2018.

7. Open Data Release for 2018/19

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.

8.3 Timetable for approval is as follows;

Action / Approval	Date
Employment Committee	5 February 2018
Full Council	27 March 2018
Publication of Pay Policy & Open Data	April 2018

9. Financial Implications

9.1 There are no financial implications of the publication of Pay Policy or the data release.

10. Equalities Implications

10.1 When considering proposals placed before Members it is important that they are fully aware of, and have themselves rigorously considered the Equality implications of the decision that they are making. Rigorous consideration will ensure proper appreciation of any potential impact of that decision on the County Council's statutory obligations under the Public Sector Equality Duty. As a minimum this requires decision makers to read and carefully consider the content of any Equalities Impact Assessment (EQiA) produced by officers.

10.2 The Equality Act 2010 requires the County Council when exercising its functions to have due regard to the need to (a) eliminate discrimination, harassment, victimisation and other conduct prohibited under the Act; (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it and (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it. The protected characteristics under the Equality Act 2010 are age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion and belief, sex and sexual orientation.

10.3 There are no equality implications of the publication of Pay Policy or the data release.