

## COUNCIL

13 March 2017

### PAY POLICY 2017/18

#### Report of the Chief Executive

Strategic Aim:	Sound Financial and Workforce Planning	
Exempt Information	No	
Cabinet Member(s) Responsible:	Mr O Hemsley, Portfolio Holder for Resources	
Contact Officer(s):	Debbie Mogg, Director for Resources	01572 758358 dmogg@rutland.gov.uk
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Ward Councillors	N/A	

#### DECISION RECOMMENDATIONS

That Council:

1. Notes the changes to the Pay Policy effective April 2017 to reflect (a) the uplift to salaries as part of the two year national pay award and (b) the proposal to put in place the provision of withholding April increments for 'unsatisfactory service'.
2. Approves the updated Pay Policy for 2017.

#### 1 PURPOSE OF THE REPORT

1.1 Section 38 to 43 of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement for each financial year in relation to:

- The remuneration of the most senior employees (which the Act defines as the Head of Paid Service (Chief Executive), the Monitoring Officer, the Chief Officers (or Directors), and the Deputy Chief Officers (i.e. managers who report directly to a Director));
- The remuneration of their lowest-paid employees; and
- The relationship between the remuneration of the most senior employees and that of other employees.

- 1.2 The Secretary of State has produced guidance on the Act's provisions relating to openness and accountability in local pay, which local authorities must have regard to in preparing and approving their annual pay policy statements and the Council's statement takes full account of this guidance to date as well as the provisions of the Act.
- 1.3 The Council separately publishes data that it is required to do so under the Local Government Transparency Code 2014.

## **2 UPDATED POLICY FOR 2017**

- 2.1 Amendments to the Policy statement for 2017 are:
- a) Introduction – reference to the Corporate Plan and Workforce Development Strategy and turnover.
  - b) Updated figures and statistics for 2017/18 :
    - Para 3.2 Chief Executive Pay
    - Para 3.3 – reference to the JNC for Chief Executives two year pay deal
    - Para 4.3 – reference to the JNC for Chief Officers two year pay deal
    - Para 5.4 – reference to the NJC for Local Government Employees two year pay deal
    - Para 9 – update to Multipliers and Ratios
    - Appendices – updated pay ranges for 2017-18
- 2.2 The use of Market Supplements has been applied across our Social Care teams (qualified social workers in Adult's and Children's) over the past year. Provision for market supplements is included in the Policy subject to approval by the Chief Executive. Such requests and payments are considered against a clear protocol and with full consideration to budget pressure and Financial Procedure Rules. Along with a more targeted attraction strategy, improvements to career grade structures and competency frameworks, we have seen a reduction in vacancy levels of over two thirds. Against the national picture of high turnover and high vacancies levels, this is a significant improved picture for the Council. A further consequence is the reduction in the number of Agency/interim workers which has reduced by 40% in Social Care and 32.5% across the Council (*based on trends between Q1 and Q3 2016-17*).
- 2.3 2017 will see the introduction of mandatory gender pay gap reporting for the public sector (employees with 250+ employees). The first data set is due to be published by April 2018. At the time of writing, further guidance is awaited; we will be required to report on the average difference between men and women's aggregate hourly pay.
- 2.4 As part of the development of the new pay and grading structure for the Chief Executive, Directors and Heads of Service, (in 2016-17) we included the provision to withhold the annual April increment if the post holder is subject to formal capability or disciplinary. It is now proposed that we extend this to all other staff

on the NJC Green Book pay spine – our current ‘statement of written particulars’ provides for pay progression being aligned to ‘satisfactory service’ so there would be no requirement to amend contracts of employment. We would therefore put in place the same definition ie. “Progression to the next spinal column point will be withheld if the post holder is subject to formal capability or disciplinary”.

### **3 CONSULTATION**

- 3.1 The amendments outlined in para 2 do not require further consultation with staff or Trade Unions. The Trade Unions (Unison) have been advised of the proposal to ‘enact’ the withholding of April increments as outlined in para 2.4.

### **4 ALTERNATIVE OPTIONS**

- 4.1 The Council is required to publish a Pay Policy in accordance with the Localism Act.

### **5 FINANCIAL IMPLICATIONS**

- 5.1 A two year deal provides the Council with early clarity regarding any pressure on the budget with regard to a pay award. Hence the 1% uplifts referred to in 2.1(b) are built into the Medium Term Financial Plan.
- 5.2 There are no other financial implications arising directly from this report.

### **6 LEGAL AND GOVERNANCE CONSIDERATIONS**

- 6.1 The information in the Pay Policy statement requires approval by Full Council in order that it can be published. This is a requirement under the Localism Act.

### **7 EQUALITY IMPACT ASSESSMENT**

- 7.1 An Equality Impact Assessment (EqIA) has been completed. No adverse or other significant issues were found. A copy of the EqIA can be obtained from the report authors.

### **8 COMMUNITY SAFETY IMPLICATIONS**

- 8.1 There are no Community Safety implications arising from this report.

### **9 HEALTH AND WELLBEING IMPLICATIONS**

- 9.1 There are no Health and Wellbeing implications arising from this report.

### **10 CONCLUSION AND SUMMARY OF REASONS FOR THE RECOMMENDATIONS**

- 10.1 A Pay Policy statement ensures the Council is compliant with the Localism Act but also that it has a clear framework and structure that describes how we pay our staff and the mechanisms we use – this ensures transparency and fairness.

### **11 BACKGROUND PAPERS**

- 11.1 There are no additional background papers to the report.

## **12 APPENDICES**

Appendix A – Pay Policy Statement 2017/18

Appendix 1 – Glossary of terms

Appendix 2 – Grade and pay structure – SO group

Appendix 3 – CO Salaries

Appendix 4 – NJC Green Book pay scales

Appendix 5 – Allowances and Benefits

**A Large Print or Braille Version of this Report is available upon request – Contact 01572 722577.**