

To: Council

Date: 23rd February 2012

Report of: Simon Howick, Head of People and Equalities

Title of Report: Pay Policy Statement

Summary and Recommendations

Purpose of report:

To present for approval a Pay Policy Statement for the Council as required under the Localism Act 2011

Key decision? No

Executive lead member: Councillor Bob Price

Policy Framework: An efficient and effective Council

Recommendation(s):

- 1) That the Pay Policy Statement as agreed with the trade unions and appended to this report be approved with immediate effect:

- 2) That the Head of People and Equalities be authorised to implement the approved Policy and make changes to it if they are required to put right clerical mistakes or to reflect changes in the law.

Appendices to report

Appendix 1 – Pay Policy Statement

Appendix 2 – Risk management framework

Appendix 3 – Equalities Impact Assessment

Background

1. The Localism Act 2011 sets out a requirement for Local Authorities to publish a pay policy statement before 31 March 2012 and annually thereafter in advance of each financial year

2. The main aim of this part of the legislation is to ensure transparency in local authority pay, and in particular with regard to senior pay and in the context of all other employees' pay.

3. The provisions in the Act do not seek to change the autonomy local authorities currently have as an individual employer making pay decisions appropriate to local circumstances and which deliver value for money.

4. The DCLG has set out guidance as to what the policy should include at:

<http://www.communities.gov.uk/documents/localgovernment/pdf/2031774.pdf>

Policy components

5. Under the legislation the policy needs to go through Council before 31 March 2012.

6. The Pay Policy Statement is a statement of fact regarding current practice. It is not a new pay & benefits strategy (which would typically establish links between reward, achievement of Council objectives and desired behaviours).

7. The Council is reviewing its wider approach to pay & benefits in consultation with trade unions (e.g. incremental progression)

8. The Pay Policy Statement includes the following:

- A statement of aims covering the context of local pay, commenting on the differences between lowest and highest pay, stating the role of Elected Members.
- Scope – all staff
- Definitions – defines what is meant by remuneration, lowest and highest paid, etc.
- Legislation – references our adopted Code of Recommended Practice for Local Authorities on Data Transparency and Data Protection
- Principles – sets out an overview of the 3 different pay schemes the Council uses and why, references treatment of leavers & re-engagement, pensions and introduces the concept of a 'pay multiple'
- Communication & data publication – commits the Council to agreeing an annual pay policy statement at Council and publishing it annually along with publication of pay data

Risk

9. A risk management framework is attached at Appendix 2.

Climate change / environmental impact

10. There are no climate change or environmental impacts.

Equalities Impact

11. An equalities impact assessment is attached at Appendix 3.

Financial implications

12. There are no financial implications

Legal implications

13. Agreement and publication of a Pay Policy Statement and pay data is a legal requirement for the Council

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List of background papers: none

Version number: 1.00

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