

TELFORD & WREKIN COUNCIL

**PERSONNEL COMMITTEE – 8th FEBRUARY 2018
COUNCIL – 1 MARCH 2018**

B

PUBLICATION OF THE COUNCIL'S PAY POLICY STATEMENT

REPORT OF THE ASSISTANT DIRECTOR: FINANCE & HUMAN RESOURCES

1. PURPOSE

- 1.1 To agree the content of the Council's updated Pay Policy 2018/19, required for publication by the Localism Act 2011.

2. RECOMMENDATIONS

That the Personnel Committee:

- 2.1 Agrees the content of the Council's Pay Policy Statement for publication on the Council's website on 1 April 2018 and recommends its acceptance at Full Council on 1 March 2018.
- 2.2 Delegates authority to the Assistant Director: Finance & Human Resources, in consultation with the Leader of the Council, to amend the Statement as necessary in line with any statute or further national guidance that may be issued following the meeting of the Committee or changes to negotiated pay rates during the period of the Policy Statement.
- 2.3 Delegates authority to the Assistant Director: Finance & Human Resources to update information on Pay Multiples as data becomes available.
- 2.4 Delegates authority to the Human Resources Manager to approve flexible retirement applications in exceptional cases where it will enable the retention of specialist or critical skills or support a period of succession planning/training in which case savings may not be realised to fund the release.

3. PREVIOUS MINUTES

Personnel Committee: PEB-31 (13 February 2012), PEB-8 (19 February 2013), PEB-4 (10 February 2014), PEB-8 (22 January 2015), PEB-9 (11 February 2016), PEB-4 (2 February 2017)

Full Council: 92(i) (1 March 2012), 77(i)(l) (7 March 2013), 78 (27 February 2014), 59 (i) (m) (5 March 2015) and 80 (i) (3 March 2016), 84 (k) (2 March 2017)

4. BACKGROUND

- 4.1 The Localism Act 2011 requires local authorities to produce an annual Pay Policy Statement. The Act requires the Statement to detail the Council's policies in respect of remuneration at various tiers within the Council. The Act does not apply to local authority schools.
- 4.2 The purpose of these provisions is to provide transparency with regard to the Council's approach to setting the pay of its employees by determining:
- The methods by which pay is determined.
 - The detail and level of remuneration of its most senior staff
 - The Committees responsible for ensuring consistent application of the provisions set out in the Statement.
- 4.3 The Council's Pay Policy Statement details
- pay negotiation bodies
 - initial allocation of pay points
 - lowest paid employees and the ratio comparison with the highest paid officers
 - senior management remuneration.
 - the recruitment of chief officers
 - additions to chief officers pay
 - termination payments
 - where accountability and responsibility lies.
- 4.4 Flexible retirement under Regulation 30 of the Local Government Pension Scheme Regulations 2013 or Regulation 11 (2) of the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 will, in the majority of cases be permitted only where savings to fund the cost of such release are achieved. However in exceptional circumstances and in order to retain specialist or critical skills, flexible retirement may be approved to support a period of succession planning/training in which case savings may not be realised to fund the release.
- 4.5 On 1 April 2018 the National Living Wage will be increased to £7.83 per hour which means that the current minimum Scale Point 6 (SCP6) on the 'Green Book' pay spine will be below that of the statutory minimum level as the current hourly rate of SCP6 is £7.78.

On 5 December 2017 the National Employers for Local Government Services made a final pay offer covering the period 1 April 2018 to 31 March 2020. Part of that offer would result in a new bottom rate of £8.50

per hour on SCP6. Trade Unions are consulting with their members and it is envisaged that it will be early/mid March before the outcome of these consultations are known. If national pay bargaining has not resulted in a settlement by 1 April 2018, the Council will therefore uplift SCP6 to £7.83 in line with the National Living Wage.

5. LEGAL

- 5.1 The Pay Policy Statement has been drafted in accordance with the requirements of section 38 of the Localism Act 2011. The Act prescribes information to be included in the Statement, its manner of publication and the requirement for the Council to act in accordance with its approved Policy Statement.

6. FINANCE

- 6.1 The Pay Policy Statement identifies the Council's approach to setting the pay of its employees, including termination costs. There are no financial implications directly relating to the updating of the Pay Policy Statement. Employee costs form part of the Council's budget, which is approved in March each year, and estimates will take into account the principles set out in the Statement. Any variations from the approved budget will be highlighted as part of regular financial management reports/other relevant reports in line with Financial Regulations. Senior Officer Remuneration is published annually in the Council's Statement of Accounts in line with the requirements of the Accounts & Audit Regulations.

7. ENVIRONMENTAL

There are no environmental issues arising from this report.

8. EQUALITIES

- 8.1 Pay is a major equalities issue and the Pay Statement will assist in identifying issues requiring resolution.

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