



## COUNCIL – 26TH JUNE 2012

**SUBJECT: LOCALISM ACT – PUBLICATION OF PAY POLICY STATEMENT**

**REPORT BY: DEPUTY CHIEF EXECUTIVE**

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### **1. PURPOSE OF REPORT**

1.1 To seek approval from full council for the publication of the Authority's Pay Policy.

### **2. SUMMARY**

2.1 The Localism Act 2011 requires local authorities to develop and make public their Pay Policy on all aspects of Chief Officer remuneration (including on ceasing to hold office), and also in relation to the "lowest paid" in the Council, explaining their Policy on the relationship between remuneration for Chief Officers and other groups.

2.2 The provisions in the Localism Act 2011 which relate to Pay Policy statements only apply to employees directly appointed and managed by the Council. Employees who are appointed and managed by school head teachers/Governing Bodies are, therefore, not required to be included within the scope of Pay Policy statements. This reflects the unique employment legislation position whereby all schools employees are employed by the local authority but decisions about the appointment and management of such employees are mostly discharged by head teachers/governing bodies, as appropriate.

### **3. LINKS TO STRATEGY**

3.1 The report links to the efficient and effective management of the Council's activities. The remuneration of employees is an integral feature of our People Strategy and frameworks, and is a fundamental feature of the employment relationship.

### **4. THE REPORT**

4.1 The Pay Policy Statement attached contains the full details of the remuneration position for the council that we are required to publish.

4.2 The Pay Policy will be published on the CCBC Website, and will be the subject of scrutiny from members of the public, press and interested pressure groups.

4.3 It should be noted that the Pay Policy will be published on an annual basis. There was a requirement under the Localism Act for this to be undertaken before the 31<sup>st</sup> of March 2012. Unfortunately, due to a combination of the late receipt of guidance from WG, and the scheduling of CCBC Council meetings, it was not possible to achieve this. This policy statement will require approval by Council prior to the 31<sup>st</sup> of March 2013.

4.4 The Hutton Review - "Review of Fair Pay in the Public Sector" (2010) – highlighted issues around Senior Pay, and the relativities with others in the organisation. The policy statement publishes these relativities, and CCBC is well within the advisory guidelines provided.

4.5 In order to deal with the Pay arrangements of the most senior officers, we are establishing a delegated sub committee (Senior Remuneration Committee) to deal with this issue, who will set the pay and remuneration arrangements for the Chief Executive, Directors and Heads of Service.

## **5. FINANCIAL IMPLICATIONS**

5.1 There are no direct financial impacts arising from this Pay Policy statement. Given that our workforce costs are a significant contribution to our overall costs, there are indirect financial implications.

## **6. PERSONNEL IMPLICATIONS**

6.1 There are no personnel implications arising from this Pay Policy statement.

## **7. CONSULTATIONS**

7.1 Given that Pay Policy is a statement of current arrangements, consultations have been limited to consultees listed below.

## **8. RECOMMENDATIONS**

8.1 Council agrees the Pay Policy Statement for publication.

8.2 Council agree the establishment of a delegated sub committee (Senior Remuneration Committee) to deal with the pay and remuneration arrangements for the Chief Executive, Directors and Heads of Service.

## **9. REASONS FOR THE RECOMMENDATIONS**

9.1 To comply with the legislative requirements of the Localism Act.

## **10. STATUTORY POWER**

10.1 Local Government Act 1972, Localism Act 2011, the Council's Constitution.

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