

CHESHIRE EAST COUNCIL

Cabinet

Date of Meeting: 11th February 2015
Report: Interim Head of HR & OD
Subject/Title: Pay Policy Statement 2015/16
Portfolio Holder: Cllr Barry Moran, Performance

1.0 Report Summary

- 1.1 Section 38 of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement by 31 March on an annual basis. Regard is to be given to any guidance from the Secretary of State in producing this statement and the Local Government Transparency Code 2014.
- 1.2 The Pay Policy Statement for 2015/16, which reflects the position as at 1st April 2015, is attached at Appendix 1. Significant changes since last year's Statement are outlined in Section 10 of this summary report.

2.0 Recommendations

- 2.1 That the Pay Policy Statement for 2015/16 be considered by Cabinet and a recommendation of approval made to Full Council (26th February) for adoption on 1st April 2015.
- 2.2 That the key changes since the 2014/15 Pay Policy Statement be noted as outlined in Section 11 of this covering report.
- 2.3 That Staffing Committee have been consulted on the Pay Policy Statement and have noted the paper.

3.0 Reasons for Recommendations

- 3.1 A Pay Policy Statement has been required to be produced annually since 2012/2013 under Section 38 of the Localism Act 2011. Local Authorities must have their Pay Policy Statement approved by full Council and published on their web site no later than the 31st March prior to the financial year to which it relates.

4.0 Wards Affected

- 4.1 Not applicable.

5.0 Local Ward Members

- 5.1 Not applicable.

6.0 Policy Implications

- 6.1 Any decisions relating to the pay and remuneration of Chief Officers must comply with the Pay Policy Statement in place at the time for that financial year and, whilst the Statement can be amended in year should the need arise, changes are subject to the approval of full Council.

7.0 Implications for Rural Communities

- 7.1 Not applicable.

8.0 Financial Implications

- 8.1 There are no direct financial implications associated with approving the updated Pay Policy Statement 2015/16 and no budgetary adjustments are proposed specifically in relation to this report as changes to the Senior Management Structure have been taken into account in preparing the budget for 2015/16.

9.0 Legal Implications

- 9.1 The Council is required to produce and publish a Pay Policy Statement, agreed by Council each year, under Section 38 of the Localism Act.
- 9.2 In addition the local Government transparency Code 2014 requires information on organisational chart, senior salaries and pay multiples to be published annually not later than 2nd February 2015 and thereafter not less than annually and not later than one month after the year to which the data and information is available.
- 9.3 This report and accompanying draft Pay Policy Statement, with associated links, once approved and adopted, ensures that the Council complies with these requirements.

10.0 Risk Management

- 10.1 If the Council does not follow specific aspects of the guidance issued by DCLG and therefore not achieve appropriate levels of openness and accountability it can take steps to require us to adapt particular policies.
- 10.2 It should also be noted that the DCLG has had a tendency to issue revised guidance in late February each year which could cause problems for the Council as our policy could be approved by then. If this is the case this year a delegation from Council can be gained to amend the policy if advice is received which will require the policy to be reviewed after approval.

11.0 Background and Key Updates

11.1 The purpose of the pay policy statement is to increase accountability, transparency and fairness with regard to the Councils approach to pay with particular focus on its Chief Officers.

11.2 The pay policy statement 2015/16 has been amended in line with the local Government Transparency Code 2014 and the LGA guidelines. Linked to this a shorter pay policy statement has been developed which focuses on the broad principles and policies regarding pay and has links to various statistic data available elsewhere on the Councils website via the Transparency portal and associated policies. This shorter pay policy statement aims to be user friendly for public consumption and should require minimal updates each year. The associated links to further information will be updated as appropriate.

11.3 Minor changes in terms of content since the last pay policy statement are as follows:

- Section 4, paragraph 1 - the wording relating to Council approval for a salary package exceeding £100,000 has been amended to reflect the revised guidance
- Section 4, final paragraph – has been added to cover the use of interim support to provide cover for Chief Officer posts where appropriate
- Sections 10 and 12 - when developing the links to supplementary information the Local Government Transparency Code 2014 stipulates what information must be provided in the following areas (appendix 2):
 - Organisation chart
 - Senior salaries
 - Pay multiple

11.4 For information, appendix 3 is a summary of the content and information a Pay Policy Statement should include.

12.0 Access to Information

12.1 The background papers relating to this report can be inspected by contacting the report writer:

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