

# CHESHIRE EAST COUNCIL

## Council

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<b>Date of Meeting:</b>	22 <sup>nd</sup> February 2018
<b>Report:</b>	Head of Strategic Human Resources
<b>Subject/Title:</b>	Pay Policy Statement 2018/2019
<b>Portfolio Holder:</b>	Cllr Paul Findlow

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### 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 continues to be given to any guidance from the Secretary of State in producing this statement and the Local Government Transparency Code 2015.
- 1.2 The Pay Policy Statement for 2018/19, which reflects the expected position as at 1<sup>st</sup> April 2018, is attached as **Appendix 1**. Changes since last year's Statement are outlined in Section 12 of this report.

### 2.0 Recommendations

- 2.1 That the changes since the 2017/18 Pay Policy Statement be noted as outlined in Section 12.2 of this report.
- 2.2 That the attached Pay Policy Statement for 2018/19 recommended by Staffing Committee, be approved by Council and published accordingly.

### 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 Background

- 4.1 The purpose of the Pay Policy Statement is to increase accountability, transparency and fairness with regard to the Council's approach to pay, with particular focus on its Chief Officers.

### 5.0 Wards Affected

- 5.1 Not applicable.

## **6.0 Local Ward Members**

6.1 Not applicable.

## **7.0 Policy Implications**

7.1 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 during the year, should the need arise, changes are subject to the approval of full Council.

## **8.0 Implications for Rural Communities**

8.1 Not applicable.

## **9.0 Financial Implications**

9.1 There are no direct financial implications associated with approving the updated Pay Policy Statement 2018/19 and no budgetary adjustments are proposed in relation to this report.

## **10.0 Legal Implications**

10.1 The Council is required to produce and publish a Pay Policy Statement, agreed by Council each year, under Section 38 of the Localism Act.

10.2 In addition, the Local Government Transparency Code 2015 requires information on organisational structure, senior salaries and pay multiples to be published annually each year.

10.3 This report and accompanying Pay Policy Statement, with associated links in Annex 1, once approved and adopted, ensures that Council complies with these requirements.

## **11.0 Risk Management**

11.1 If the Council does not follow specific aspects of the guidance issued by DCLG and therefore not achieve appropriate levels of openness and accountability, DCLG can take steps to require the Council to adapt particular policies.

## **12.0 Key updates to the Pay Policy Statement**

12.1 The Pay Policy Statement 2018/19 follows the style and format of the Statement published in 2017/18. The Statement focuses on the broad principles and policies regarding pay and has links to further information and statistical data available on the Council's website and associated policies. The Statement has again been designed to be user friendly for public consumption and should require minimal

updates each year. The links to further information will be updated, as appropriate, though the coming year.

#### 12.2 The changes since the last Pay Policy Statement are:

- Section 3.5 - reflects a small change in the broad remuneration ranges for Chief Officers (Tiers 1 – 3) due to a 1% national pay increase in April 2017.
- Section 3.6 - updates on the development of a new national NJC pay structure and pay spine and possible impact on grading structure for Chief Officers.
- Section 4 - outlines an increase in the National Living Wage from 1<sup>st</sup> April 2018 announced in the Government's Autumn Statement and the potential impact of the national NJC pay spine review.
- Section 5 - updates on a change in the Council's Constitution regarding any new post whose remuneration is more than £100,000 and also arrangements to source interim Chief Officers, ensuring compliance with the HMRC IR35 requirements within the public sector.
- Section 10 - outlines the Mutually Agreed Resignation Scheme agreed at Cabinet on 6th February 2018.
- Section 14 - outlines the requirement to publish annually Gender Pay Gap data in line with recent government legislation.

#### 13.0 Access to Information

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

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