

# CHESHIRE EAST COUNCIL

## Council

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<b>Date of Meeting:</b>	25th February 2016
<b>Report:</b>	Head of Strategic Human Resources
<b>Subject/Title:</b>	Pay Policy Statement 2016/17
<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 is 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 2016/17, which reflects the expected position as at 1<sup>st</sup> April 2016, is attached as **Appendix 1**. Significant changes since last year's Statement are outlined in Section 12 of this summary report.

### 2.0 Recommendations

- 2.1 That the significant changes since the 2015/16 Pay Policy Statement be noted as outlined in Section 12.2 of this report.
- 2.2 That the attached Pay Policy Statement for 2016/17 recommended by Staffing Committee, be approved by full Council and published accordingly.

### 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 Background

- 4.1 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.

### 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 2016/17 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 the 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, it 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 2016/17 follows a similar style and format to the statement published in 2015/16. The statement focuses on the broad principles and policies regarding pay and has links to further information and statistical data available on the Councils website and associated policies. The Pay Policy Statement has 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.

12.2 An outline of the main changes since the last pay policy statement is that:

- Section 3.2 notes the introduction of inclusive salaries for a small number of the Council's most senior managers (as agreed at Council on 23.07.15).
- Section 3.5 outlines Chief Officer Remuneration.
- Section 4 covers the Council's commitment and introduction of a "Living Wage" for lower paid employees.
- Section 7 refers to the annual review of the Council's voluntary redundancy enhancements and outlines the Governments proposals for capping of exit payments in the public sector once legislation is passed.

### **13.0 Access to Information**

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

Name: Rosie Ottewill  
Job Title: Organisational Development Manager  
Tel No: 01270 685883  
Email: [rosie.ottewill@cheshireeast.gov.uk](mailto:rosie.ottewill@cheshireeast.gov.uk)