

Report to Council
17 March 2014
Report of Head of HR and learning
Subject Pay Policy Statement 2015-16

Item

9

Purpose

To consider and agree the pay policy statement for 2015-16.

Recommendation

To approve the pay policy statement for 2015-16

Corporate and service priorities

The report helps to meet the corporate priority of value for money for services.

Financial implications

The pay policy statement sets out current remuneration arrangements and there are no additional or increased financial consequences of this report. There is a cost of circa £1000.00 for job evaluation services to be funded from existing budgets

Ward/s: All

Cabinet member: Councillor Waters- Deputy Leader and resources

Contact officers

Dawn Bradshaw, head of HR and learning

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Background documents

None

Report

Pay policy statement 2015/16

1. This report sets out a draft pay policy statement as required under Section 38 (1) of the Localism Act 2011. The Localism Act requires English and Welsh authorities to have considered approved and published a pay policy statement for each financial year. The pay policy statement must be approved by a resolution of the full council by 31 March each year.
2. The pay policy statement has been prepared having regard to the Department of Communities and Local Government (DCLG) publication Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011 and supplementary guidance.
3. The pay policy statement must express clearly the council's policies relating to the pay of its workforce, particularly its senior management and lowest paid employees. The pay policy statement must include:
 - a) The remuneration of its chief officers including the level and elements of remuneration.
 - b) The remuneration of its lowest paid employees
 - c) The definition of the lowest paid employees adopted by the council for the purposes of the pay policy statement and the council's reasons for adopting that definition.
 - d) Remuneration of chief officers on recruitment
 - e) Use of performance related pay and bonuses for chief officers
 - f) The approach to the payment of chief officers on their ceasing to hold office under or to be employed by the council
 - g) The publication of and access to information relating to remuneration of chief officers.
4. The council's pay policy statement is not specific to chief officers but applies to the whole workforce.
5. The pay policy statement for 2015-16 (APPENDIX A) has been updated to reflect changes during the course of the year, notably:
 - a) Section 1.3 and 1.5 salaries have been updated to reflect the National Joint Council (NJC) pay award effective from 1 January 2015.
 - b) Section 2.6 removal of reference to Deputy Chief Executive and increase of senior head of service posts from 3 to 4 and salaries have been updated for senior head of service to reflect the Joint Negotiating Committee (JNC) pay award effective from 1 January 2015.
 - c) Section 2.7 addition of reference to terms and conditions of employment for Chief Executive and Chief Officers.

- d) Section 5.2 pay multiples have been updated based on data from 1 January – 31 December 2014.
 - e) Section 6.1 updated to include living wage accreditation
 - f) Section 6.12 reference to employee pension contributions added.
 - g) Section 6.15 clarification on re-engagement of former employees and appointment of interims added.
 - h) Section 6.16 clarification of the council's recruitment practice and position on tax avoidance.
6. In November 2014 the national employers made a formal offer of a pay award for local authority Chief Executives for 2014-16. The proposed pay offer is 2% of guaranteed FTE basic salary of £99,999 or less as at 31 December 2014 with effect from 1 January 2015. The offer covers the period to 31 March 2016.
 7. This proposed pay award would not apply to the post of chief executive at Norwich City Council as the current salary range for this post exceeds £99,999 per annum

Report on activity of senior pay remuneration panel and recommendations

8. The senior pay remuneration panel was established from April 2013 to afford good governance in the councils approach to senior pay and to provide a verifiable and accountable process for recommending levels of senior pay and reward that ensure decisions are made in an open and accountable way.

Members of the panel are:

Councillor Alan Waters - cabinet member for resources (Chair)
 Councillor Keith Driver – cabinet member
 Councillor Judith Lubbock – Liberal democrat group member
 Councillor Marion Maxwell – Labour group member
 Councillor Paul Neale – Green group member
 Independent representative - not appointed

9. The panel met once during the year and reviewed information on and considered the following:
 - a) Current senior pay composition in the council
 - b) Benchmarking and market data
 - c) Terms of reference for the senior pay remuneration
 - d) The panel also received updates on the JNC for Chief Executive pay offer and JNC for Chief Officers pay award and the proposals for public sector exit payments. The proposals for public sector exit payments are subject to secondary legislation but are likely to be implemented in April 2016.
10. The panel agreed that based on benchmarking data of comparable posts within local government they were satisfied that the remuneration package for senior

posts at Norwich is fair and reasonable; that it reflects the local market and provides good value for money.

11. The panel noted the organisational changes in August 2014 which had resulted in changes in duties and responsibilities of senior posts and wished to ensure that the councils levels of pay and reward are sufficient to retain existing and recruit future talent should the need arise.
12. The panel requested regular monitoring and quarterly updates on trends in senior pay and rewards in local government.
13. The panel recommended meeting a minimum of twice each year.
14. A job evaluation of senior posts was due to be carried out in 2014-15. This work has not been concluded but will be completed in 2015. The job evaluation will be carried out by East of England LGA. The panel will review the results of the job evaluation and make recommendations for cabinet's consideration.
15. The panel have reviewed the value of having a senior pay remuneration panel against the terms of reference and are recommending that the panel continues. The panel have also reviewed the terms of reference and have requested that these are updated to reflect organisational changes. The amended terms of reference are attached (APPENDIX B).

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with completing the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Council
Committee date:	17 March 2015
Head of service:	Head of HR and learning
Report subject:	Pay Policy Statement 2015/16
Date assessed:	2 March 2014
Description:	

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Job evaluation of senior posts will identify any issues in relation to equal pay Full equality impact assessment carried out prior to implementation of pay and grading structure
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment	
Positive	
None	
Negative	
None	
Neutral	
None	
Issues	
None	