

Appendices: 1



NORTHAMPTON
BOROUGH COUNCIL

COUNCIL

7th March 2016

Agenda Status: Public

**Directorate: Borough Secretary and
Monitoring Officer**

Report Title	Northampton Borough Council's Pay Policy Statement 2016/17
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1. Purpose

- 1.1 The Localism Act 2011 requires every local authority to publish a Pay Policy Statement annually. This report details the information which must be included in this statement and provides a Pay Policy Statement for approval for the year 2016/17.

2. Recommendations

- 2.1 It is recommended that Council approve the Pay Policy Statement for the financial year 2016/17 attached at Appendix 1.

3. Issues and Choices

3.1 Report Background

- 3.1 The Localism Act 2011 introduced a requirement for every local authority, to prepare and publish an annual Pay Policy Statement; which clearly sets out the authority's own policies on how much it pays its staff, particularly its senior staff (or 'Chief Officers') and its lowest-paid employees.

- 3.2 This requirement was introduced to:

- a) increase the accountability, transparency and fairness of setting local pay;
- b) give local people access to information to allow them to determine whether pay is appropriate; and

- c) ensure that the pay of senior staff is fair in the context of the pay of the rest of the workforce.
- 3.3 Specifically, the Localism Act 2011 requires the Pay Policy Statement to include the Council's policies for the financial year in relation to:
- a) The remuneration of Chief Officers (including salary, bonuses, charges, fees, allowances, benefits in kind)
 - b) The remuneration of the Council's lowest-paid employees
 - c) The relationship between the remuneration of Chief Officers and other employees who are not Chief Officers
 - d) Remuneration for newly appointed Chief Officers
 - e) Increases and additions to remuneration for each Chief Officer
 - f) The use of performance related pay for Chief Officers
 - g) The use of bonuses (if applicable) for Chief Officers
 - h) The approach to the payment of Chief Officers on their ceasing to hold office under or be employed by the authority
 - i) The publication of and access to information relating to the remuneration of Chief Officers.
- 3.4 The Council is required to have regard to any guidance issued or approved by the Secretary of State when preparing and approving its Pay Policy Statement. The Department for Communities and Local Government (DCLG) issued a guidance document under the Localism Act 2011 in February 2012 entitled "*Openness and accountability in local pay*". DCLG also issued supplementary Guidance in February 2013.
- 3.5 Pay Policy Statements must be prepared for each financial year. A Pay Policy Statement for the financial year 2016 - 2017 must be approved before the 31st March 2016 by Full Council. It should be noted that pay data referred to in the Pay Policy Statement will be updated in the course of the financial year 2016 – 17 as it becomes available and in accordance with the requirements of the Local Government Transparency Code 2015.
- 3.6 Once approved, the Pay Policy Statement must be published in such a manner as the Council thinks fit, which must include publication on the Council's website.

4. Implications (including financial implications)

4.1 Policy

There have been no changes to existing pay policies. Members are asked to note that the pay structure will be updated when the outcomes of current local pay negotiations are known and Committee approval has been given..

4.2 Resources and Risk

The Pay Policy Statement must be prepared for the financial year 2016/17 and each subsequent financial year. Once in place it will provide the public with a clear rationale to explain the Council's approach to pay.

4.3 Legal

The main legal implications are set out in the body of the report. The requirements of the Localism Act 2011 to produce and publish the Pay Policy Statement supplement all the existing duties and responsibilities of the Council as an employer, particularly its responsibilities under the Equality Act 2010 to avoid discrimination and provide equal pay. Since the Pay Policy Statement contains policies concerned with remuneration rather than information relating to particular individuals, the provisions of the Data Protection Act are not engaged and there are therefore not any grounds upon which to exclude the public when Members are considering the Pay Policy Statement.

4.4 Other Implications

The Pay Policy Statement will assist the Council to monitor remuneration across the service and provide a fair system of remuneration, which avoids discrimination.

4.5 Equality

No direct impact on the equality context as this a statement of existing policy.

5. Background Papers

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