

Pay Policy Statement – 2017/18

Cabinet Member: Cllr Anna Groskop, Cabinet Member for HR, Health & Transformation

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<i>Please complete sign off boxes below prior to submission to Community Governance</i>			
Report Sign off	Seen by:	Name	Date
	Legal	Honor Clarke	28/02/17
	Corporate Finance	Kevin Nacey	28/02/17
	Human Resources	Chris Squire	28/02/17
	Cabinet Member	Anna Groskop	03/02/2017
	Monitoring Officer	Julian Gale	28/02/17
Summary:	<p>The Report sets out proposed minor changes to the Pay Policy Statement (PPS) for 2017/18.</p> <p>The report also sets out for information an update on the National Living Wage rate from 1 April 2017, the pay award that was agreed in May 2016 for a 2 year period for NJC staff and the pay award for Chief Officers that was proposed in March 2016 and agreed by HR Policy Committee in June 2016 for a 2 year period.</p>		
Recommendations:	<p>The HR Policy Committee is asked to :</p> <ol style="list-style-type: none"> 1. Agree to recommend the Council to approve the Pay Policy Statement for the Council for 2017-18 attached as Appendix A to this report. 2. Note the changed rate in relation to the National Living Wage, the NJC Pay Agreement and the Chief Officers' Pay Agreement all applicable on 1st April 2017. 		
Reasons for Recommendations:	<p>To respond to the statutory requirement to publish our pay policy statement annually as per the Transparency Code 2015.</p> <p>Section 38 (1) of the Localism Act 2011 requires English and Welsh local authorities to produce a PPS for each financial year which must be approved formally by Full Council. Pay policy statements can be amended 'in-year' should the need arise but only by Full Council.</p>		
Links to Priorities and Impact on Service Plans:	<p>Appropriate pay provisions for staff are fundamental to the delivery of the Council's objectives and services as set out in the County Plan.</p>		
Financial, Legal and	<p>The revised PPS meets the requirements of the Localism Act</p>		

HR Implications:	<p>and related statutory guidance.</p> <p>Any financial consequences come from decisions taken by the Council in accordance with the PPS in place at the time.</p> <p>In terms of applying the requirements of the PPS to pay / grading / appointment and dismissal of staff, the Council will follow all HR requirements that apply to employers.</p>
Equalities Implications:	<p>The Council's duty under Section 149 of the Equality Act 2010 is to have "due regard" to the matters set out in relation to equalities when considering and making decisions. There are no direct equality impacts associated with agreeing the PPS itself. There are also no direct impacts on sustainability, health and safety, community safety or privacy aspects as a result of the recommendations.</p>
Risk Assessment:	<p>Failure to comply with Section 38 (1) of the Localism Act could lead to a legal challenge to the Council and therefore it is important that the PPS reflects the Act and the associated statutory guidance. The Council is required to have regard to statutory guidance and either comply with it fully or put in place appropriate alternative provisions.</p> <p>If the Council fails to comply with the requirements of the PPS in respect of the appointment / dismissal of officers then it could be subject to legal challenge.</p>
Scrutiny comments / recommendation (if any):	None

1. Background

- 1.1. It is a statutory requirement to review the Pay Policy Statement (PPS) annually and present it to Full Council for consideration and approval. The PPS takes effect from the beginning of the financial year. It will now go before Full Council on 26th April 2017 to be applied retrospectively.
- 1.2. There are no substantive changes to the PPS. The only changes are minor and bring the PPS up to date in terms of dates and pay figures.
- 1.3. By way of an update on pay, it should be noted that the National Living Wage (NLW) rate with effect from 1 April 2017 will be £7.50 per hour, and will apply to those aged 25 and over.

Last year's report set out The National Employers 2 year offer which was agreed with the unions on 16 May 2016. The award was applied in June 2016 with backdating to 1 April 2016.

The Employers' final offer was constructed to achieve a two-year agreement with a headline of one per cent in each of 2016 and 2017 in addition to increasing the bottom pay points to take account of the National Living Wage increase.

As a reminder, The National Employers agreed the following offer for the second year (2017) with the unions:

From 1 April 2017:

- On SCP 6, £500 (equivalent to 3.4%)
- On SCP 7, £500 (equivalent to 3.4%)
- On SCP 8, £475 (equivalent to 3.2%)
- On SCP 9, £400 (equivalent to 2.6%)
- On SCP 10, £375 (equivalent to 2.5%)
- On SCP 11, £300 (equivalent to 1.9%)
- On SCP 12, £300 (equivalent to 1.9%)
- On SCP 13, £300 (equivalent to 1.9%)
- On SCP 14, £300 (equivalent to 1.8%)
- On SCP 15, £300 (equivalent to 1.8%)
- On SCP 16, £250 (equivalent to 1.5%)
- On SCP 17, £225 (equivalent to 1.3%)
- On SCPs 18 and above, 1.0%

- 1.3.** The Chief Officers Pay Award, which was proposed in March 2016 and agreed by HR Policy Committee in June 2016, set down a 2 year deal of 1% per year to be applied from 1st April 2016 and 1st April 2017.

2. Options Considered

- 2.1.** No options were considered in relation to the PPS for 2017/18.

3. Consultations undertaken

- 3.1.** The NJC Pay Offer was agreed in May 2016
- 3.2.** The Chief Officers Pay Award was agreed by HR Policy Committee in June 2016
- 3.3.** The National Living Wage is a legal requirement and has to be adhered to.

4. Implications

- 4.1.** The recommendations are intended to ensure that the Pay Policy Statement maintains an appropriate balance between rigorous governance of pay and reasonable flexibility for managers to manage.

5. Background papers

- 5.1** Appendix 1 - a draft copy of the Pay Policy Statement 2017/2018 with no changes proposed other than the updates to pay with effect from April 2017.

Note: For sight of individual background papers please contact the report author.