Forest Heath District Council

(This report is a key decision. This report has been subject to appropriate notice of publication under the Council's Access to Information Rules)

Report of the Cabinet Member for Resources, Governance and Performance

<u>CABINET</u>

9 APRIL 2013

CAB13/080

JOINT PAY POLICY STATEMENT 2013/2014 (Key Decision Reference: FEB13/04)

1. Summary and reasons for recommendation(s)

- 1.1 Section 38/11 of the Localism Act 2011 required local authorities to produce a Pay Policy Statement for 2012/2013 by 31 March 2012 and for each financial year thereafter.
- 1.2 The Pay Policy Statement for 2012/2013 was approved by Council in March 2012. A separate policy was approved by St Edmundsbury Borough Council.
- 1.3 A separate paper on this agenda updates members on the outcomes of local consultation and negotiation with Unison to move to a single pay and reward package across both Councils. Subject to approval by each Cabinet and a successful ballot of Unison members, these new arrangements will be introduced by collective agreement across both workforces from 1 June 2013.
- 2.2 The Joint Pay Policy Statement for 2013/14 being recommended for adoption by both Councils is attached at Appendix 1. This incorporates the outcomes of the collective agreement and establishes a modern reward framework for our integrated workforce, which reflects the current market and financial climate.
- 2.3 It is important to note that where financial information is provided, it is based on the modelling done for the new single pay and reward strategy so is indicative only at this stage. A note has been made to indicate where this is the case denoted by footnote¹.

2. Recommendation

2.1 Cabinet is asked to recommend approval of the Joint Pay Policy Statement for 2013/14 for consideration by Council 8 May 2013.

¹ Based on modelling of single pay and reward strategy

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3. How will the recommendations help us meet our strategic priorities?

3.1 The recommendation(s) meet the following, as contained within the Corporate Plan:

(a) Efficient and Effective Council

4. Key issues

- 4.1 The Act and supporting guidance provides details of matters that must be included in this statutory pay policy, but also emphasises that each local authority has the autonomy to take its own decisions on pay and pay policies. The Pay Policy Statement must be approved formally by Full Council each year. The statement can be amended in year, must be published on the Council's website and must be complied with when setting the terms and conditions of Chief Officers.
- 4.2 This Pay Policy Statement includes a policy on:-
 - (a) the level and elements of remuneration for Chief Officers (senior staff);
 - (b) the remuneration of the lowest paid employees;
 - (c) the relationship between the remuneration of the highest and lowest paid employees; and
 - (d) other specific aspects of Chief Officer remuneration, fees and charges and other discretionary payments.
- 4.3 This Pay Policy Statement is a joint statement with St Edmundsbury Borough Council which covers our integrated workforce. During the last year we have reviewed the reward policies at each Council and negotiated a single pay and reward package across both Councils. This is a significant step in our shared services programme and means that our workforces are rewarded consistently as we restructure to integrated teams working across West Suffolk. This Pay Policy Statement incorporates the outcomes of this review and introduces a modern and responsible pay and reward package which reflects regional market comparators.
- 4.4 The Code of Practice for Local Authorities on Data Transparency provides guidance on good practice in this area. The Council's approach to data transparency is to establish the Council as an open and transparent Council that, in time, not only embraces the principles of the Code, but publishes all information that is likely to be of benefit to the communities and economy of our area.

4.5 Data can already be accessed through the website. The Pay Policy Statement will be published on the website which will be expanded over time.

5. Other options considered

5.1 To limit the information disclosed to the statutory minimum.

6. Community impact

6.1 **General**

- 6.1.1 This approach will enable communities and citizens to easily access information about remuneration, which will be helpful in building trust and confidence in our data handling and transparency.
- 6.2 **Diversity and equality impact** (including the findings of the Equality Impact Assessment)
- 6.2.1 The revised reward package has been subject to an Equality Impact Assessment, which has indicated that there is no significant detrimental impact on any protected group.

Further, the adoption of a joint Pay Policy for Forest Heath District Council and St Edmundsbury Borough Council reduces the perception of inequality between staff working on the same team but for different employers.

- 6.3 **Sustainability impact** (including completing a Sustainability Impact Assessment)
- 6.3.1 Not applicable.
- 6.4 **Other impact** (any other impacts affecting this report)
- 6.4.1 None.
- **7. Consultation** (what consultation has been undertaken, and what were the outcomes?)
- 7.1 There has been full consultation with Unison on the detailed package. Whilst there is no requirement to consult on this statement, it has been shared with Unison.
- **8. Financial and resource implications** (including asset management implications)
- 8.1 The associated Pay and Reward Strategy has been developed within the criteria set by cabinets, that it should be affordable within the parameters of the Medium Term Financial Strategy.

9. Risk/opportunity assessment (potential hazards or opportunities affecting corporate, service or project objectives)

Risk area	Inherent level of risk (before controls)	Controls	Residual risk (after controls)
	High/Medium/Low		High/Medium/Low
Legal Risk of non- compliance	М	Formal approval by Cabinet before 31 March 2013 and approval by Council May 2103.	L
Transparency/reputational risk	М	Formal approval as above, annual reviews, and transparency through website.	L
Unfair application to all staff of pay policy	L	HR involvement to ensure policy implemented consistently .Monitoring of outcomes through reporting of annual workforce data.	L

10. Legal and policy implications

10.1 This policy is a statutory requirement.

11. Ward(s) affected

11.1 None

12. Background papers

12.1 None

13. Documents attached

13.1 Appendix 1 – Joint Pay Policy Statement