

Committee:	Special Union/Employee Consultation Committee	Agenda Item No.:	4.
Date:	8th February 2012	Category	
Subject:	Draft Senior Pay Policy	Status	Open
Report by:	Head of Human Resources/Payroll		
Other Officers involved:	Governance Management Team		
Director	Joint Chief Executive Officer		
Relevant Portfolio Holder	Councillor E. Watts Leader of the Council		

RELEVANT CORPORATE AIMS

STRATEGIC ORGANISATIONAL DEVELOPMENT – Continually improving our organisation, by ensuring compliance with new legislation.

TARGETS

The subject matter of this report does not directly contribute to a target in the Corporate Plan.

VALUE FOR MONEY

The subject matter of this report does not directly contribute to value for money criteria.

THE REPORT

1. The Localism Act 2011 introduces a requirement to have a senior pay policy. The Government has issued draft guidance for consultation which provides some clarity with regards to what is required, and the LGA and SOLACE have produced detailed guidance on this matter. In brief the Localism Act requires the following:-
 - Production/approval of a senior pay policy by Full Council by no later than 31 March 2012.
 - Review/approval of this policy by Full Council on an annual basis, by no later than 31 March each year
 - The policy can be amended in-year
 - Must be published on our website (and in any other way the Authority chooses)
 - Must be complied with when the Authority sets the terms and conditions for a chief officer

- The statutory pay policy must include:
 - Our policy on the level and elements of remuneration for each chief officer.
 - Our policy on the remuneration of its lowest paid employees (together with a definition of “lowest-paid employees” and its reasons for adopting that definition).
 - Our policy on the relationship between the remuneration of its chief officers and other officers
 - Our policy on other specific aspects of chief officers’ remuneration, use of performance related pay and bonuses, termination payments, and comply with the transparency guidelines.
- 2. Following a preliminary discussion at Governance Management Team it was agreed that the senior pay policy would be included as an appendix to the Council’s Pay Agreement (last reviewed in July 2010), as this would aid transparency in terms of chief officer pay and its relationship with pay for the whole of the workforce. The senior pay policy statement, therefore, is provided at Appendix Two to the Council’s Pay Agreement.
- 3. In addition to the inclusion of the senior pay policy statement, there are two other material amendments to the Pay Agreement, as a result of a change already agreed by Full Council, and one which is due to be considered on 15 February 2012. The first of these relates to a decision taken on 9 January 2012 to form a shared service for Environmental Health, which will result in the TUPE transfer of those assigned to this service on 1 March 2012. The impact on the Pay Agreement being that the only two career graded posts will be transferred to North East Derbyshire District Council. The second amendment relates to a recommendation to Full Council on 15 February 2012, in relation to changes to the car allowances and lease car scheme. Should this decision not be taken by Full Council on 15 February 2012, this amendment will be removed from the attached draft document, prior to submission to a Special Full Council on 1 March 2012. There are some minor amendments in addition which set out clarifications of current practice.

ISSUES FOR CONSIDERATION

1. As the senior pay policy does not introduce any changes to terms and conditions, and the other material amendments relate to decisions which have been taken/may be taken by Full Council, the attached Pay Agreement is provided for information.
2. The revised Pay Agreement, including the Senior Pay Policy, will be submitted to a Special Full Council on 1 March 2012 for consideration/approval.

IMPLICATIONS

Financial : None
Legal : Compliance with the Localism Act 2011
Human Resources : To publish the Pay Agreement on our website by 1 April 2012

RECOMMENDATION

That the Pay Agreement (including the Senior Pay Policy Statement) is noted.

ATTACHMENT: Y (1)
FILE REFERENCE: N/A
SOURCE DOCUMENT: N/A