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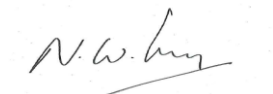
Please ask for:
Graham Seal

10 March 2017

Dear Councillor

You are requested to attend a special meeting of the WELWYN HATFIELD BOROUGH COUNCIL to be held on Monday 20 March 2017 at 7.30pm in the Council Chamber, Council Offices, The Campus, Welwyn Garden City, Herts, AL8 6AE

Yours faithfully



Executive Director
Public Protection, Planning and Governance

AGENDA
PART 1

1. **APOLOGIES FOR ABSENCE**

To receive apologies for absence, if any.

2. **MINUTES**

To confirm as a correct record the Minutes of the special meeting held on 23 February 2017 (previously circulated).

3. **DECLARATIONS OF INTERESTS BY MEMBERS**

To note declarations of Members' disclosable pecuniary interests, non-disclosable pecuniary interests and non-pecuniary interests in respect of items on the Agenda.

4. **APPOINTMENT OF SECTION 151 CHIEF FINANCE OFFICER (Pages 3 - 4)**

Report of the Chief Executive on the appointment of the Council's Section 151 Chief Finance Officer.

5. PAY POLICY STATEMENT 2017/18 – ANNUAL REVIEW (Pages 5 - 20)

Report of the Executive Director (Public Protection, Planning and Governance) submitting the Pay Policy Statement 2017/18 prepared in accordance with the Localism Act 2011.

Circulation: The Mayor and Members of the Welwyn Hatfield Borough Council
Executive Board
Press and Public (except Part II Items)

If you require any further information about this Agenda please contact Graham Seal, Governance Services Unit on 01707 357444 or email – g.seal@welhat.gov.uk

Part I

Item No: 4

Main author: Michel Saminaden

Executive Member: Roger Trigg

All Wards

WELWYN HATFIELD BOROUGH COUNCIL
SPECIAL COUNCIL - 20 MARCH 2017
REPORT OF THE CHIEF EXECUTIVE

APPOINTMENT OF SECTION 151 CHIEF FINANCE OFFICER

1 Executive Summary

- 1.1 This report seeks approval of the appointment of a new Section 151 Chief Finance Officer, in the light of the recent resignation of the current post-holder.

2 Recommendations

- 2.1 That the Executive Director (Resources, Environment and Cultural Services) be appointed to the statutory post of Section 151 Chief Finance Officer with immediate effect.

3 Explanation

Background

- 3.1 Councils are required under Section 151 of Local Government Act 1972 to make arrangements for the proper administration of their financial affairs and give an officer responsibility for the administration of those affairs. This officer is generally known as the Section 151 Chief Finance Officer.
- 3.2 The Head of Resources is currently the Council's Section 151 Officer, however he has submitted his resignation and will leave employment with Welwyn Hatfield Borough Council in May.
- 3.3 Under Section 113 Local Government Finance Act 1988 the Section 151 Officer must be a member of one of the specified accounting professions and it is identified that the current post holder for Executive Director (Resources, Environment and Cultural Services) is suitably qualified to carry out the Section 151 role.
- 3.4 The Head of Resources and Finance Manager will act as Deputy S151 Officers for the Council.

Implications

4 Legal Implication(s)

- 4.1 The Council is required by law to appoint a Section 151 Officer, which is one of the three Statutory Officer posts provided for in Article 12 of the Constitution - Officers

5 Financial Implication(s)

5.1 The Head of Resources currently undertakes the duties of the Section 151 Officer for the authority and receives a fixed annual payment of £5000. It is envisaged that the duties of the Section 151 Officer will be subsumed into the role of the Executive Director (Resources, Environment and Cultural Services) resulting in a saving for the authority.

6 Risk Management Implications

6.1 If the Council did not make these Statutory Officer appointments it would fail to comply with legislation

7 Security and Terrorism Implication(s)

7.1 There are no security and terrorism implications inherent in relation to the proposals in this report

8 Procurement Implication(s)

8.1 There are no procurement implications inherent in relation to the proposals in this report.

9 Climate Change Implication(s)

9.1 There are no climate change implications inherent in relation to the proposals in this report.

10 Link to Corporate Priorities

10.1 The subject of this report is linked to statutory requirements under the Local Government Act 1972 and provisions in respect of the appointment of Officers in the Council's Constitution

11 Equality and Diversity

11.1 An Equality Impact Assessment (EIA) has not been carried out in connection with the proposals that are set out in this report. It is considered that there are no differential impacts

Name of authors	Michel Saminaden
Title	Chief Executive
Date	7 March 2017

Background papers to be listed (if applicable)

Part I
Item No: 5
Main author: Janet Pilbeam
Executive Member: Roger Trigg
ALL WARDS

WELWYN HATFIELD BOROUGH COUNCIL
COUNCIL – 20 MARCH 2017
REPORT OF THE EXECUTIVE DIRECTOR (PUBLIC PROTECTION, PLANNING &
GOVERNANCE)

PAY POLICY STATEMENT 2017/18 - ANNUAL REVIEW

1 Executive Summary

- 1.1 The Localism Act 2011 requires the Council to publish information relating to pay for its senior managers by producing a Pay Policy Statement. The Council published its first annual Pay Policy Statement in 2012/13 and this report updates that statement as required for 2017/18.

2 Recommendation(s)

- 2.1 That the Pay Policy Statement, for the period 2017/18 be adopted.

3 Financial Implication(s)

- 3.1 The financial implications of this report have been budgeted for the financial year 2017/ 18.

4 Link to Corporate Priorities

- 4.1 There is a legal requirement to produce and publish this report.

5 Legal Implication(s)

- 5.1 The Localism Act requires full Council approval of the Pay Policy Statement.
- 5.2 The Council is required to produce the information detailed in paragraph 8.3 of this report in order to comply with the requirements of the Localism Act 2011. There are no impacts on the pay and conditions of employees arising from this report.

6 Climate Change Implication(s)

- 6.1 There are no environmental implications directly arising from this report.

7 Risk Management Implications

- 7.1 There are no other risks associated with this report.

8 Explanation

- 8.1 Section 38(1) of the Localism Act 2011 requires English and Welsh local authorities to produce a Pay Policy Statement for 2012/13 and for each financial year after that.
- 8.2 The legislation requires the Pay Policy Statement to cover disparate aspects of Remuneration Policy. For this reason, the Joint Negotiating Committee (JNC) strongly recommends local authorities use the opportunity to set out their overall rewards strategy for the whole workforce, and not to limit themselves to matters specifically required by the Act and statutory guidance. Consequently, the attached policy document is designed to extend beyond legal requirement and be more transparent about all aspects of remuneration.
- 8.3 The specific matters, which must be included in the Council's statutory pay policy are as follows:
- The level and elements of remuneration for each chief officer;
 - The remuneration of its lowest paid employees (together with a definition of 'lowest paid employees' and its reasons for adopting that definition);
 - The relationship between the remuneration of its chief officers and other officers; and
 - Other specific aspects of chief officers' remuneration: (i.e. remuneration on recruitment increases and additions to remuneration, any use of performance related pay and bonuses, termination payments and transparency)
- 8.4 For the purposes of the Pay Policy Statement, senior management means 'chief officers' as defined by s43 of the Localism Act. The definition of chief officer is not limited to Heads of Paid Service and statutory chief officers. It also includes those who directly report to them (non-statutory chief officers) and to their direct reports (deputy chief officers). The posts falling within the statutory definition are set out below, with details of their basic salary as at 1 March 2017 included in section 6 of the appended Pay Policy Statement:
- a) Chief Executive;
 - b) Executive Directors;
 - c) Heads of Service; and
 - d) Service Managers.
- 8.5 In addition, the Local Government Transparency Code 2014, requires additional information to be published and for ease, this is also included in the Pay Policy Statement:
- Organisation Chart: To publish an organisation chart for the top three levels of the organisation including grade, job title, permanent or temporary staff, contact details, salary (in £5000 brackets) and salary ceiling.
 - Senior Salaries: The number of employees whose remuneration is at least £50,000 in bands of £5,000; details of remuneration and job titles of certain employees whose salary is at least £50,000; employees whose salaries are £150,000 or more identified by name.

8.6 Pay Multiples

8.6.1 The current pay levels within the Council define the multiple between the mean pay and the Chief Executive as a ratio of 5.40:1 and; between the mean pay and average Chief Officer as a ratio of 2.82:1. The multiple between the median (average) full time equivalent earnings and the Chief Executive is a ratio of 5.77:1 and; between the median (average) full time equivalent earnings and average Chief Officer is a ratio of 2.83:1.

8.7 Pay Policy Statement 2017/18

A Pay Policy Statement for 2017/18, which includes all of the above requirements, has been drawn up and is in Appendix 1.

9 Equality and Diversity

9.1 The Pay Policy Statement reflects the practical arrangements that are in place to ensure all employees are remunerated in accordance with the requirements of the Equality Act and in particular, through the application of a universal grading, flexible retirement scheme and salary structure of all employees. The Pay Policy ensures consistency in regard to pay and remuneration in regard to individual roles, and therefore with no direct impact on any single group with protected characteristics.

Name of author	Janet Pilbeam
Title	Human Resources Manager
Date	8 March 2017

Background papers to be listed (if applicable)

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1. Introduction

- 1.1. This Pay Policy Statement sets out the Council's position in relation to pay for its senior managers and lowest paid employees in compliance with the Localism Act 2011 (the Act) section 38 and the statutory and supplementary guidance on Openness and Accountability issued under section 40 of the Act.
- 1.2. The policy outlines the Council's approach to how it manages pay for its senior managers and also that of its lowest paid employees.
- 1.3. This is the sixth annual statement and covers the financial year, beginning 2017/18. The statement will be updated and approved annually by full Council. This statement is published on the Council's website.
- 1.4. Since the last annual statement in 2016/2017 the Community Housing Trust has been brought back in house to the Council. This statement therefore covers a much larger organisation than previously.

2. Scope of Pay Policy

- 2.1. The policy applies to all Chief Officers.
- 2.2. The definition of Chief Officers (as set out in section (43(2)) of the Act is not limited to heads of paid service or statutory chief officers. It also includes those who report directly to the head of paid service or statutory chief officers (non-statutory chief officers), to those who report directly to non-statutory chief officers (deputy chief officers).
- 2.3. The Council's post holders who fall within the definition of Chief Officers are as defined within the Council's Constitution and are shown in the following table:

Head of Paid Service	Chief Executive
Directors	Executive Director, Public Protection, Planning and Governance Executive Director, Housing and Communities Executive Director, Resources, Environment and Cultural Services (proposed Section 151 Officer)
Heads of Service	Head of Environment Head of Resources (proposed deputy Section 151 Officer) Head of Law and Administration (Monitoring Officer) Head of Public Health and Protection Head of Housing and Community Head of Planning Head of Policy and Culture Head of Property Services Head of Operations
Service Managers	Client Support Services Manager Corporate Property Manager

	Finance Manager (deputy Section 151 Officer) Governance Services Manager Human Resources Manager Risk and Resilience Manager Development Management Services Manager Planning and Policy Implementation Manager Repairs and Maintenance Manager Legal Services Manager
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3. General Terms and Conditions of Employment and Remuneration of Employees

- 3.1. All employees of the Council are employed as part of the Single Status Agreement, under either the National Agreement on Pay and Conditions of Service of the National Joint Council (NJC) for Local Government Services (commonly known as the 'Green Book'), or the Joint Negotiating Committee (JNC) for Chief Officers and Chief Executives.
- 3.2. The Council uses a pay spine that commences at national Spinal Column Point (SCP) 6 and ends at local SCP 50. This pay spine is divided into 12 pay bands, with each containing four incremental points with the exception of Scale A, containing only one. Scale A is the lowest and Scale M is the highest of these pay grades. Posts are allocated to a pay scale through a process of job evaluation. We use the National Local Government Job Evaluation Scheme for that purpose.
- 3.3. With effect from 1 April 2017 the Council will withdraw spinal column point 5 to fall in line with the NJC pay agreement. This will mean that scale A will contain only one point, SCP 6. Those staff currently on SCP 5 will be moved onto SCP 6 accordingly.
- 3.4. For the purpose of this Policy Statement, employees on Scale A are defined as our lowest paid employees. At 1 February 2017, the full-time equivalent (FTE) annual values of these two SCPs are £15,000 (SCP 5) and £15120 (SCP 6). Figures are inclusive of Outer Fringe Allowance currently £579 per annum.
- 3.5. The lowest paid employees do not include apprentices for whom there are separate pay arrangements.
- 3.6. The values of the SCPs in these pay grades are increased in line with the national pay awards agreed by the NJC for Local Government Services.
- 3.7. With effect from 1 April 2017 the pay scales will be enhanced by 1%, as per the national agreement.
- 3.8. The Outer Fringe Allowance will also be subject to the 1% increase, with effect from 1 April 2017.

4. General Principles Applying to Remuneration of Employees

- 4.1. On recruitment, individuals will be placed on the appropriate SCP within the pay grade for the post that they are appointed to. This decision will be made by the appropriate Director or Head of Service and will take various factors into account, including the experience of the candidate, the level of competition for the post and the difficulty of recruiting to the post.
- 4.2. Individuals will normally receive an annual increment, subject to the top of their grade not being exceeded. In exceptional circumstances (e.g. examination success), individuals will receive accelerated increments. Again, this is subject to the top of their grade not being exceeded.
- 4.3. The Council does not apply performance-related pay or bonuses. However, there is one post which has been transferred from the Community Housing Trust to the Council, which has the potential to receive a fixed, annual, performance-related bonus of £3000. This payment is subject to the Transfer of Undertakings (Protection of Employment) Regulations.
- 4.4. The minimum point of a pay grade will not be lower than the maximum point of the preceding pay grade.
- 4.5. On ceasing to be employed by the Council, individuals will only receive compensation:
 - a) in circumstances that are relevant (e.g. redundancy); and
 - b) that is in accordance with our published Policy Statement on how we exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS), (Annex A); and/or
 - c) that complies with the specific term(s) of a settlement agreement.
- 4.6. Under the circumstances of a settlement agreement the compensation will not exceed the amount that would have been paid under a redundancy situation.
- 4.7. The Council allows flexible retirement under its pension discretions. This is where an employee draws their pension and carries on working at a lower grade and/or on reduced hours. It is available to LGPS members who are aged 55 or over, and who, with the Council's consent, permanently reduce their hours and/or reduce their grade. The employee's pension is actuarially reduced if paid before normal state pension age. This policy applies to all grades including Chief Officers, however, this is at the Council's discretion giving due regard to the implications for succession planning.
- 4.8. Any decision to re-employ an individual, who was previously employed by the Council and, on ceasing to be employed was in receipt of a severance or redundancy payment, will be made on merit. The Council will not however, normally engage such an individual under a contract for services.
- 4.9. Any Market Supplement and honorarium will only be paid in exceptional circumstances as agreed by Directors.
- 4.10. Employees that need to use their cars on a frequent basis for work related travel receive a car user allowance of £846 per annum irrespective on their car's engine size. This rate was applied for existing employees following a

review in 2012. Employees who met the following criteria “Essential users are those staff who are required to have a motor car at their disposal because it is necessary for them to leave the office to undertake frequent visits, monitoring or inspection activities, often at short notice.” New employees, from 1 April 2012, are not eligible to receive the essential user allowance.

4.11. These employees are able to claim the essential user mileage rates of:

Essential Users	451-999cc	1000-1199cc	1200cc+
Rate per mile:	36.9p	45.0p	45.0p

4.12. Employees that only use their cars on an occasional basis are refunded mileage only at the rate of 45 pence irrespective of their car’s engine size.

4.13. The Housing Trust were not subject to the 2012 car allowance review. Housing staff in roles that meet the eligibility criteria are paid an allowance in line with the NJC agreement.

4.14. Employees that joined the Council from the Trust under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE), receive car allowances at the following rates:

ESSENTIAL USERS	451-999cc	1000-1199cc	1200cc+
Lump Sum:-	£846	£963	£1,239
Rate per mile:-			
Up to 8500 miles	36.9p	40.9p	50.5p
Over 8500 miles	13.7p	14.4p	16.4p

CASUAL USERS

Rate per mile:-

Up to 8500 miles	46.9p	52.2p	65.0p
Over 8500 miles	13.7p	14.4p	16.4p

4.15. A review of car allowances will be conducted in 2017; employees will need to be consulted about any changes proposed.

4.16. Any subsistence allowance that is paid will normally be no higher than the rates notified from time to time by the East of England Local Government Association (EELGA).

5. Apprenticeships

5.1. The Council is committed to offering apprenticeships to local people wishing to gain experience whilst working towards a qualification. Apprentices are contracted under a learning agreement and receive a minimum of £207.20 per week.

6. Remuneration of Executive Board

6.1. The remuneration of the Chief Executive and Directors was subject to a full and wide ranging review carried out by independent specialist consultants in 2009. The recommendations of the consultants were considered by Council Members (including both Leaders of the Opposition) and formed the basis of the agreement made by Members in October 2009. Chief Officers are currently paid in line with those recommendations.

7. Chief Executive

7.1. The Chief Executive is the Council's Head of Paid Service. As at 31 March 2017, the annual FTE range for the grade of this post is £115,278 - £125,703. There are three incremental points in this grade. Figures are inclusive of Outer Fringe Allowance currently £579 per annum.

7.2. With effect from 1 April 2017 the Chief Executive salary range will be enhanced by 1%, as per the national agreement.

7.3. The Chief Executive receives a Returning Officer fee in respect of Borough, Town and Parish Council Elections. The fee for undertaking this role in 2016/17 was £7623. A fee of £3461 is funded by HM Treasury in respect of fulfilling the duties of Acting Returning Officer for the UK Parliamentary elections. A fee of £4248 is funded by Government for fulfilling the duties of acting as returning officer for the Police Crime Commissioner election.

8. Directors

8.1. We have three Executive Directors reporting to the Chief Executive namely; Executive Director, Public Protection, Planning and Governance; Executive Director, Housing and Communities; Executive Director, Resources, Environment and Cultural Services (proposed Section 151 Officer). As at 31 March 2017, the annual FTE range for the grade of these posts is £86,601 - £94,422.

8.2. There are three incremental points in the grade. Figures are inclusive of Outer Fringe Allowance, currently £579 per annum.

9. Remuneration of other Chief Officers

9.1. We have nine Heads of Service reporting to the three Executive Directors. In addition, there are ten Service Managers reporting to the Heads of Service. These posts are evaluated using a job evaluation methodology (using the HAY model) to ensure roles are graded fairly, accurately and consistently. The job evaluation methodology allocates each role a grade. Each grade is matched to a broad salary range. These salary ranges are set locally. Salary ranges aim to ensure that salaries for senior managers are positioned at the median level for

the market. Salary ranges are reviewed annually in April each year against an assessment of the local and national market.

9.2. The roles occupied by the Heads of Service are; Head of Environment, Head of Resources (proposed deputy Section 151 Officer), Head of Law and Administration (Monitoring Officer), Head of Public Health and Protection, Head of Housing and Community, Head of Planning, Head of Policy and Culture, Head of Property Services and Head of Housing Operations.

9.3. As at 31 March 2017, the annual FTE salary range for the nine Head of Service posts is £57,921 - £68,688. There are seven incremental points in this grade.

9.4. Figures are inclusive of Outer Fringe Allowance of £579 per annum.

9.5. The roles occupied by the Service Managers are; Client Support Services Manager, Corporate Property Manager, Finance Manager (deputy Section 151 Officer), Governance Services Manager, Human Resources Manager, Risk and Resilience Manager, Development Management Services Manager, Planning and Policy Implementation Manager, Repairs and Maintenance Manager and Legal Services Manager.

9.6. As at 31 March 2017, the annual FTE salary range for the ten Service Manager posts is £46,821 - £56,076. There are eight incremental points in this grade. Figures are inclusive of Outer Fringe Allowance of £579 per annum.

9.7. With effect from 1 April 2017 the increments for the Directors, Heads of Service and Service Manager grades will be enhanced by 1%, as per the national agreement.

9.8. In addition to their role, the Head of Law and Administration undertakes the duties of the Monitoring Officer for the authority. These duties attract a fixed annual payment of £5000.

9.9. Both the Section 151 Officer and the Monitoring Officer have appointed deputies. The deputy Monitoring Officer receives a fixed annual payment of £3000 in relation to these duties. For one of the deputy Section 151 officers these duties are in addition to their role and they receive a fixed annual payment of £3000 in relation to these duties.

9.10. An organisation chart is attached as appendix A, covering staff in the top four levels in the organisation including:

- Grade
- Job Title
- Department & Team
- Employment Status (Permanent or Fixed Term Temporary)
- Contact Details
- Salary in £5,000 brackets, consistent with the details published under 34 of the Transparency Code, and
- Salary Ceiling (the maximum salary for the grade).

10. Pay Multiples

10.1. The relationship between the remuneration of Chief Officers and all other staff for the year 2017/18 is given below:

	2017/18
Ratio Chief Executive's pay to the mean pay for the Council	5.40:1
Ratio of average Chief Officers' pay to mean pay for the Council	2.82:1
Ratio of the highest paid salary (which is currently paid to the Chief Executive) to the median pay for the Council "The pay multiple"	5.77:1
Ratio of average Chief Officers' pay to median pay for the Council	2.83:1

10.2. The Council is satisfied that these ratios reflect fairly the different levels of responsibility of the various posts and the pay multiple will be monitored and reported annually as part of this policy.

11. Trade Union Facility Time

11.1. The Data Transparency Code 2014 requests that local authorities publish the following information on Trade Union Facility Time:

- Total number (absolute number and full time equivalent) of staff who are union representatives (including general, learning and health and safety representatives); 2 representatives, one at 37 hours and the other on 22.5 hours, equivalent of 1.6 FTE
- Total numbers (absolute number and full time equivalent) of union representatives who devote at least 50 per cent of their time to union duties; 0
- Names of all trade unions represented in the local authority; and Unison and GMB
- A basic estimate of spending on unions as a percentage of the total pay bill (calculated as the number of full time equivalent days spent on unions duties multiplied by the average salary divided by the total pay bill).
0.000004% of total pay bill

12. Review

12.1. The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. Our next Statement is scheduled to be for 2018/19 and will be submitted to Full Council for approval by 31 March 2018.

12.2. If it should be necessary to amend this 2017/18 Statement during the year that it applies, an appropriate resolution will be made by Full Council.

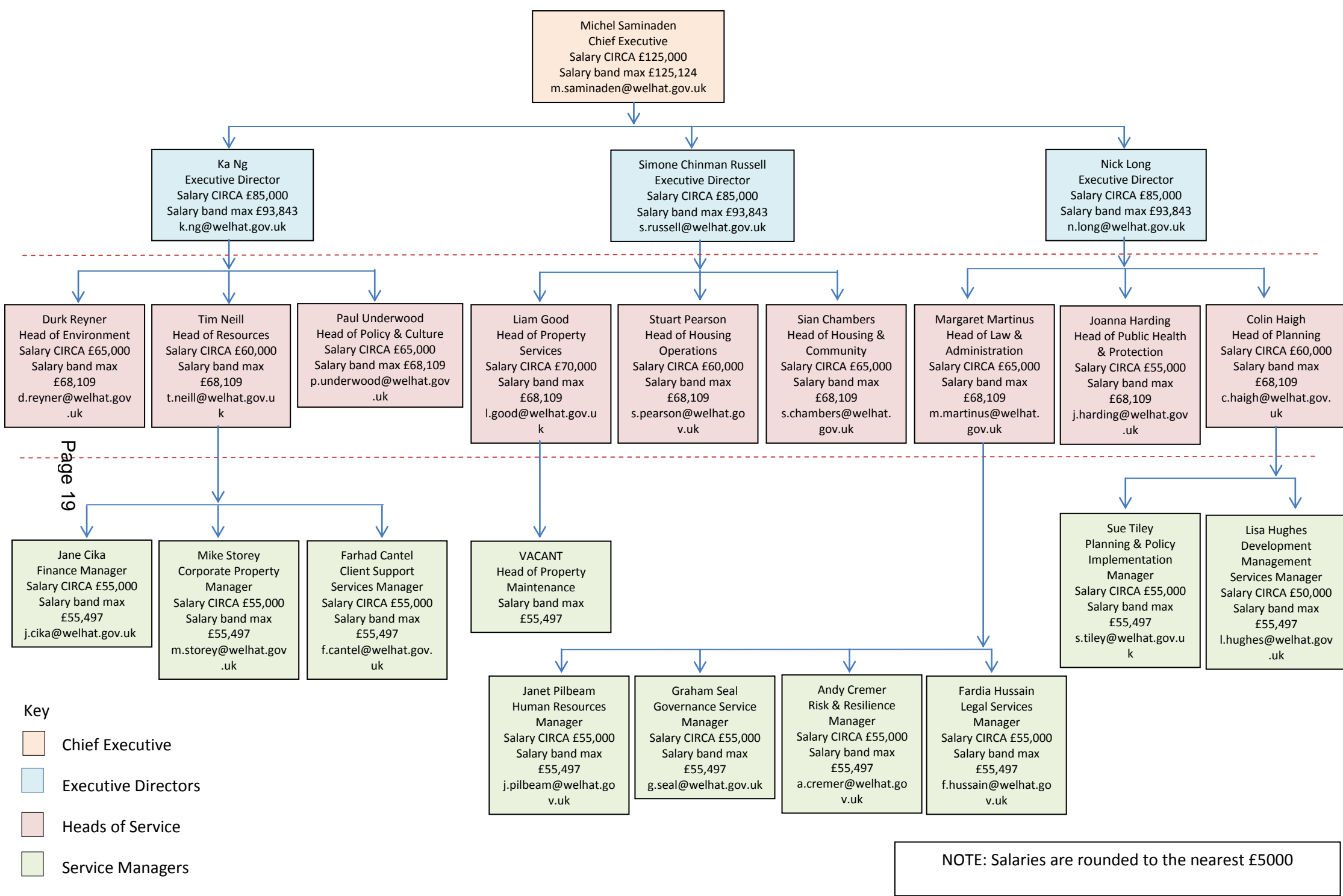
12.3. A copy of the Pay Policy will be published on the Council's website and the Corporate Governance group will be responsible for the implementation and publication of the Pay Policy.

12.4. Paragraph 35 of the Data Transparency Code 2014 requires local authorities to place a link on their website to this published data or place the data itself on its website, together with a list of responsibilities (for example, the services and functions they are responsible for, budget held and number of staff) and details of bonuses and 'benefits-in-kind', for all employees whose salary exceeds £50,000. The key differences between the requirements under this Code and the Regulations referred to above is the addition of a list of responsibilities, the inclusion of bonus details for all senior employees whose salary exceeds £50,000 and publication of the data on the authority's website.

Background Documents

- The Code of Recommended Practice for Local Authorities on Data Transparency.
- Openness and Accountability in Local Pay: Guidance under section 40 of the Localism Act.
- Supplementary Guidance February 2013
- Statements of Accounts 2014/15
- Welwyn Hatfield Borough Council Constitution
- Welwyn Hatfield Borough Council LGPS Discretionary Policy
- Car Mileage Allowances
- Flexible Retirement Policy
- Redundancy and Redeployment Policy

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