

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.

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Background papers to be listed (if applicable)