

Report to the Cabinet

Report reference: ***C-079-2013/14***

Date of meeting: ***3 March 2014***



**Epping Forest
District Council**

Portfolio: **Support Services**

Subject: **Pay Policy Statement**

Responsible Officer: **Paula Maginnis** **(01992 564536).**

Democratic Services Officer: **Gary Woodhall** **(01992 564470).**

Recommendations/Decisions Required:

(1) To recommend the Pay Policy Statement to Council, subject to any amendments or suggestions.

Executive Summary:

Section 38 (1) of the Localism Act 2011 requires the Council to produce a Pay Policy Statement for each financial year setting out details of its remuneration policy. Specifically it should include the Council's approach to its highest and lowest paid employees.

It draws on the Review of Fair Pay in the Public Sector (Will Hutton 2011) and concerns over low pay.

Reasons for Proposed Decision:

To enable members of the Cabinet to comment on the Council's Pay Policy Statement before it is agreed by full Council.

Other Options for Action:

The content of the Statement could be amended.

Report:

1. The Localism Act 2011 requires the Council to publish a Pay Policy Statement setting out details of its remuneration policy. Specifically including the Council's approach to its highest and lowest paid employees.

2. The Council's first Pay Policy Statement was published on the website in March 2012.

3. The matters which must be included in the statutory Pay Policy Statement are as follows;

- the Council's policy on the level and elements of remuneration for each chief officer;
- the Council's policy on the remuneration of its lowest paid employee (together with its definition of 'lowest paid employees' and its reasons for adopting that

definition);

- the Council's policy on the relationship between the remuneration of its chief officers and other officers; and
- the Council's policy on specific aspects of chief officers' remuneration: remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments and transparency.

4. The Act defines remuneration in broad terms and guidance suggests that it is to include not just pay but also charges, fees, allowances, benefits in kind, increases in/enhancements of pension entitlements and termination payments.

5. The Council's Pay Policy Statement for 2014/15 has been amended to reflect:

- the decisions taken at Council on 17 December 2013 regarding the Directorate Restructure;
- the new Local Government Pension Scheme employee contribution rates with effect from 1 April 2014;
- the Returning Officer fees paid in 2013/14; and
- the national pay award, 2013.

6. The draft Pay Policy Statement for 2014/2015 sets out the Council's current practices and policies and is attached at Appendix 1 for comment. The amendments are highlighted bold.

7. Changes to the Policy Statement can be made through the year subject to full Council's agreement. Changes to the various policies and guidelines will continue to be agreed in accordance with current practices.

Resource Implications:

There are no resource implications as it is a statement of current practice and policies.

Legal and Governance Implications:

The Policy Statement ensures that the Council complies with its duty under the Localism Act 2011.

Safer, Cleaner and Greener Implications:

N/A

Consultation Undertaken:

N/A

Background Papers:

Hutton Review of Fair Pay in the Public Sector: March 2011

Impact Assessments:

Risk Management

The Council would not comply with the Localism Act 2011 if it did not produce and publish a Pay Policy Statement.