

<b>DECISION-MAKER:</b>	COUNCIL
<b>SUBJECT:</b>	PAY POLICY – ANNUAL UPDATE
<b>DATE OF DECISION:</b>	20 <sup>TH</sup> MARCH 2013
<b>REPORT OF:</b>	HEAD OF LEGAL, HR & DEMOCRATIC SERVICES
<b>STATEMENT OF CONFIDENTIALITY</b>	
None	

### **BRIEF SUMMARY**

The Council is required under the Localism Act 2011 to prepare and publish a pay policy statement for the financial year 2012/13 and then for each subsequent financial year.

This report explains the parameters of the pay policy statement and the first statement is provided at Appendix 1.

### **RECOMMENDATIONS:**

- (i) That Council considers and approves the Pay Policy Statement as attached as Appendix 1.

### **REASONS FOR REPORT RECOMMENDATIONS**

1. Under the Localism Act 2011 only full Council is authorised to approve the draft policy annually

### **DETAIL (Including consultation carried out)**

2. Chapter 8 of the Localism Act 2011 deals with openness and accountability in local pay and requires that local authorities prepare a pay policy statement for each financial year. Guidance has been published which sets out the key policy principles that underpin the pay accountability provisions in the Act. The recognised trade unions have been consulted.
3. The statement must include details of a range of issues relating to the pay of its workforce but does not apply to local authority schools. The only significant revisions are firstly, the addition of the detail regarding the Director of Public Health in relation to transfer of his post from the PCT to the Council as part of some health service matters from April 2013. The pay grades for PCT staff are similar but slightly different to the Council's but staff transferred from the PCT to the Council are protected under COSOP (similar to TUPE protection) and therefore the pay grades transfer over to the Council as the new employer.  
Secondly, the pay grades maxima have been revised to reflect the resolution of the terms and conditions dispute.  
Other minor revisions have been made as to post titles and the pay ratio as there have been no pay policy changes during the year to date.

### **PAY POLICY STATEMENT REQUIREMENTS**

4. Section 38 of the Localism Act 2011 provides clear requirements on the content of the pay policy statements. These include the setting out of the Council's policies relating to the remuneration of its chief officers; the remuneration of its lowest-paid employees and the relationship between the remunerations of chief officers and non chief officers.

5. The pay policy statement must provide a definition of what is its "lowest-paid employees" along with the reasons for that definition.
6. The pay policy statement must also include the Council's policies relating to:
  - a. Responsibility for decisions on pay structures,
  - b. Pay scales and grading framework,
  - c. Remuneration level including bonuses, performance related pay, charges, fees and allowances,
  - d. Benefits in kind,
  - e. Pension,
  - f. Severance payments,
  - g. Remuneration of chief officers on recruitment

### ELECTION FEES

7. In accordance with the Representation of the People's Act 1983 the cost of local (City Council) elections are met from the local authority's budgets. The Council is required to appoint a Returning Officer to conduct these elections on their behalf and the Returning Officer is personally (not corporately) responsible for the management of elections. The Returning Officer for local elections in Southampton is the Director of Corporate Services. In order to run a local election, the Returning Officer needs to incur costs and employ employees with different levels of responsibility. It is important that this is done fairly and transparently. In order to achieve this, the local authorities across Hampshire have agreed that a working group (The Hampshire and Isle of Wight Election Fees Working Party) set a scale of fees and charges that cover matters such as the fee for the Returning Officer for local elections. This scale is used by all the authorities in Hampshire and the Isle of Wight, and ensures that there is a consistent approach for everyone. The Scale of Fees is published on every local authority's website, including Southampton
8. These arrangements are reflected in the pay policy.

### FUTURE REPORTING ARRANGEMENTS

9. As per the legislation contained within the Localism Act, the Council's pay policy statement must be refreshed and approved for each new financial year. It is therefore proposed that future Pay Policy Statements will be reported each year to the March meeting of Council unless it requires in year revision.

### RISK ASSESSMENT

10. There are no significant risk considerations in relation to this report.

### **ALTERNATIVE OPTIONS CONSIDERED AND REJECTED**

11. None, this is a statutory requirement.

## RESOURCE IMPLICATIONS

### Capital/Revenue

12. There are no resource implications in producing the Pay Policy.

### Property/Other

13. None

## LEGAL IMPLICATIONS

### Statutory Power to undertake the proposals in the report:

14. Section 38 Localism Act 2011.

### Other Legal Implications:

15. None.

## POLICY FRAMEWORK IMPLICATIONS

16. None.

<b>AUTHOR:</b>	Name:	Richard Ivory	Tel:	023 8083 2794
	E-mail:	<a href="mailto:Richard.ivory@southampton.gov.uk">Richard.ivory@southampton.gov.uk</a>		

## SUPPORTING DOCUMENTATION

Non-confidential appendices are in the Members' Rooms and can be accessed on-line

### Appendices

1.	Draft Pay Policy 2013
----	-----------------------

### Documents In Members' Rooms

1.	None
----	------

### Integrated Impact Assessment

Do the implications/subject/recommendations in the report require an Integrated Impact Assessment to be carried out.	No
--	----

### Other Background Documents

Title of Background Paper(s)

Relevant Paragraph of the Access to Information Procedure Rules / Schedule 12A allowing document to be Exempt/Confidential (if applicable)

1.	LGA/ALACE Guidance – November 2011	
----	------------------------------------	--

**Integrated Impact Assessment and Other Background documents available for inspection at:**

<b>WARDS/COMMUNITIES AFFECTED:</b>	None
------------------------------------	------