

	Appendix 1
	Remuneration Committee 18 Febraury 2015
Title	Pay Policy Statement 2015
Report of	Chief Executive
Wards	All
Status	Public
Enclosures	Annex A – Pay Policy Statement for 2015/16
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Summary
This report sets out for Committee the Council’s Pay Policy Statement for 2015/16, for agreement.

Recommendation
That the Committee agrees the Council’s Pay Policy Statement for the financial year 2015/16 and to remit it for endorsement by Council on 3 March 2015.

1. WHY THIS REPORT IS NEEDED

- 1.1 The Remuneration Committee is responsible for developing the annual pay policy statement for full Council approval and for the publication of the annual statement.

- 1.2 The 2015/16 Pay Policy Statement is attached at Annex A. The statement uses the 2014/15 statement as a template. The main changes to the statement reflect new salaries as negotiated by the national joint bargaining machinery for Local Government Services.
- 1.3 The 2015/16 Pay Policy Statement also notes that the Council is in the process of negotiating a new pay structure and revisions to terms and conditions of employment and, as such, a revised Pay Policy Statement will be considered and published as necessary, once the new arrangements have been implemented.

2. REASONS FOR RECOMMENDATIONS

- 2.1 Publication of pay policy statements is a legislative requirement under the Localism Act 2011.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 None.

4. POST DECISION IMPLEMENTATION

- 4.1 Subject to approval by the Committee, the 2015/16 Pay Policy Statement will be referred to Full Council for determination on 3 March 2015.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 The Remuneration Committee plays a key role in ensuring that the corporate vision of 'Better Services with Less Money' is supported by the Reward Strategy. The pay bill is the largest cost for the London Borough of Barnet and this committee will underpin the aim of pay control in order to deliver the Mid Term Financial Plan.
- 5.1.2 The Council is required under the Localism Act 2011 to produce an annual Pay Policy statement. The Remuneration Committee will need to agree the statement and then remit it for endorsement by Full Council. The final date for publication is 31 March 2015. The Council is required under the Localism Act 2011 to produce an annual Pay Policy statement. The Remuneration Committee will need to agree the statement and then remit it for endorsement by Full Council. The final date for publication is 31 March 2015

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 There are no resource implications.

5.3 Legal and Constitutional References

5.3.1 Pay policy statements have been necessitated by section 38(1) of the Localism Act 2011 and in accordance with section 39(3) of the Localism Act 2011 the Council must publish its annual Pay Policy Statement by 31st March 2015

5.3.2 Council Constitution, Responsibility for Functions, Annex A – details the terms of reference of the Remuneration Committee which includes:

“To develop the annual pay policy statement for full Council approval and be responsible for the publication of the annual statement, which will include:

- The level and elements of remuneration for each Chief Officer;
- Relationship of the remuneration of Chief Officers and other officers;
- A description of the relationship between decisions made on the lowest paid and top paid employees in the organisation;
- Remuneration of the lowest paid (with the definition of the lowest paid and the reasons for adopting that definition);
- Remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments;
- Transparency arrangements;
- Reasons for chosen approach to remuneration levels and how this is to be implemented;
- Differences of approach to groups of employees and the reasons for them;
- Pay dispersion.
- Incremental progression factors
- Use of honoraria and ex-gratia payments
- Determine remuneration parameters for officers who have returned to work for a local authority
- Appointment and remuneration terms

To review annually remuneration, as defined above, for the Council’s Chief Officers except those elements determined nationally or pensions.”

5.4 Risk Management

5.4.1 The establishment of this committee forms part of the Council’s discharge of its responsibilities under the Localism Act 2011, in particular the issues of transparency for Chief Officer pay.

5.5 Equalities and Diversity

5.5.1 The Pay Policy Statement provides enhanced transparency about pay policy within the Council and forms part of the information which the Council publishes to discharge its Public Sector Equality Duty as part of the Equality Act 2010.

5.6 Consultation and Engagement

5.6.1 N/A

6. BACKGROUND PAPERS

6.1 Remuneration Committee, 20 January 2014 – agreed the Council’s Pay Policy Statement for the financial year 2014/15 and to remit it for endorsement by Council on 4 March 2014:

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=381&MId=7504>

6.2 Council, 4 March 2014 – agreed to endorse the changes to the Council’s Pay Policy Statement for 2014/15:

<http://barnet.moderngov.co.uk/ieListDocuments.aspx?CId=162&MId=7516>