

Wiltshire Council

Full council

28th February 2012

Subject: Pay policy statement and the publication of senior staff pay

Cabinet member: Councillor John Noeken

Key Decision: Yes

Executive Summary

Under chapter 8 of the Localism Act 2011 every local authority must prepare a pay policy statement for the financial year 2012/13 and each subsequent financial year.

The pay policy statement must set out the authority's policies for the financial year relating to:

- the remuneration of chief officers
- the remuneration of the lowest-paid employees
- the relationship between the remuneration of chief officers and employees who are not chief officers.

The statement needs to contain the definition of "lowest-paid employees" adopted by the authority for the purposes of the statement, and the reasons for adopting that definition.

The statement also includes the council's policies relating to:

- the level and elements of remuneration for each chief officer
- remuneration of chief officers on recruitment
- increases and additions to remuneration for each chief officer
- the use of performance-related pay for chief officers
- the use of bonuses for chief officers
- the approach to the payment of chief officers on their ceasing to be employed by the authority
- the publication of and access to information relating to remuneration of chief officers

The secretary of state for CLG has also issued a code on the publication of data for the public, to support the transparency of decision making and the public's opportunity to consider how money is being used in the pay and reward of senior staff and the structure of overall workforce.

This should as a minimum include:

- Senior employee salaries (£52,800 and above), names (with the option for individuals to refuse consent for their name to be published), job descriptions, responsibilities, budgets (including staff salary costs) and numbers of staff.
- An organisational chart of the staff structure of the local authority including salary bands and details of currently vacant posts
- The “pay multiple” – the ratio between the highest paid salary and the median average salary of the whole of the authority’s workforce.

Proposal(s)

Full council are recommended to approve:

- (a) The Pay Policy Statement set out in appendix 1
- (b) Publication of senior staff salaries with a threshold of £52,800, along with job descriptions, budget responsibilities and numbers of staff. It is proposed that individuals are asked to consent for their names to be included.

Reason for Proposal

The proposals set out in the report and pay policy statement reflect the council’s commitment to openness and transparency, and meet the requirements of the Localism Act 2011 and the Code of Recommended Practice for Local Authorities on Data Transparency.

Name of Director: Barry Pirie
Designation: Service Director HR and OD

Wiltshire Council

Full council

28th February 2012

Subject: Pay policy statement

Cabinet member: Councillor John Noeken

Key Decision: Yes

Purpose of Report

1. This report outlines the pay policy statement which applies to all non-schools employees of Wiltshire Council.
2. The report also contains details of the information that will be published in order to comply with the Code of Recommended Practice for Local Authorities on Data Transparency.

Background

3. Under section 38 of the Localism Act 2011 every local authority must prepare and publish a pay policy statement for the financial year 2012/13 and each subsequent financial year.
4. The legislation states that approval of the pay policy statement must be sought from full council.

Main Considerations for the Council

5. Please see appendix 1 for a copy of the pay policy statement.
6. This statement draws together key employment policies and practices deployed by Wiltshire Council in respect of all non-school staff employed by the authority.
7. The statement contains references to employment policies which have been negotiated with the relevant trade unions and agreed at Staffing Policy Committee. These will all be published with the pay policy statement.
8. The statement outlines where there are key differences between employment terms for senior managers and all other staff.
9. In the majority of cases the pay policies are the same for all employees.

10. In terms of overall remuneration packages the council's policy is to set different levels of pay in order to reflect the different sizes of jobs. In order to do this, two job evaluation schemes are in use. The Hay job evaluation scheme is used to evaluate senior manager posts, and the GLPC job evaluation scheme is used to evaluate the majority of other jobs.
11. The council does not have a more beneficial set of allowances, benefits and payments for senior managers, and ensures that allowances such as acting up, unsocial hours and overtime payments are only available to employees who are not senior managers.
12. The pay ratio of highest paid employee to lowest paid employee is 1:10.6 and this is well within the recommended limit of 1:20 as outlined in the Hutton Review of Fair Pay in the Public Sector.
13. The pay policy statement also outlines the requirement to publish data on the Wiltshire Council website in respect of senior managers earning over £58,200 per year. This includes job descriptions, budgetary responsibilities and numbers of direct staff reports.
14. There are currently 39 employees who meet the earnings limit of £58,200.
15. Of these 39, 22 employees at corporate and service director level already have their salaries published. The remainder will be asked if they have a valid objection to their names being published on the website.
16. Employees are entitled to object if they feel the disclosure would cause them unwarranted damage or distress. The council as the data controller would then need to determine the legitimacy of the request for withholding the name.
17. A new tab entitled "Council data" will be placed on the front page of the Wiltshire Council website to ensure the information is more accessible and easily available to the general public .

Environmental and climate change considerations

18. Not applicable

Equalities Impact of the Proposal

19. The pay policy statement was equality impact assessed on 1st February 2012 and no negative impacts were identified.

Risk Assessment

20. The council is required to publish their pay policy statement in order to comply with the requirements of the Localism Act 2011.
21. The pay policy statement clearly outlines that the employment terms and allowances for senior staff are not more beneficial than those of the lowest paid staff.

22. The secretary of state for CLG has also issued a code on the publication of data for the public, and local authorities are now required to publish salaries and related information for all staff earning in excess of £58,200 per annum.

23. The pay policy statement, related employment policies and the senior salaries data will be published on the Wiltshire Council website in accordance with the Localism Act 2011 and the Code of Recommended practice for Local Authorities on Data Transparency.

Financial Implications

24. The employment policies referred to within the pay policy statement (appendix 1) are already in existence and therefore there is no additional cost.

Legal Implications

25. Legal Services, upon reviewing the overriding legislation, confirm that there are no legal implications arising from the proposed pay policy statement.

Options Considered

26. The council is required to publish their pay policy statement in order to comply with the requirements of the Localism Act 2011.

Conclusions

27. In order to comply with our responsibilities, full council are recommended to approve:

- (a) The pay policy statement set out in appendix 1
- (b) Publication of senior staff salaries with a threshold of £58,200, along with job descriptions, budget responsibilities and numbers of staff. It is proposed that individuals are asked to consent for their names to be included.

Name of Director: Barry Pirie
Designation: Service Director HR & OD

Report Author: Amanda George, HR Policy and Reward Manager
Date of report: 28th February 2012

Background Papers:

- Localism Act 2011 – chapter 8

- CLG – openness and accountability in local pay: Draft guidance under section 40 of the Localism Act
- CLG – the Code of Recommended Practice for Local Authorities on Data Transparency

Appendices

Appendix 1 – Pay Policy Statement