

DECISION ITEM



REPORT OF	MEETING	DATE	ITEM NO
OFFICE OF THE CHIEF EXECUTIVE	COUNCIL	8 FEBRUARY 2016	13

PAY POLICY STATEMENT 2016

PUBLIC ITEM

This item is for consideration in the public part of the meeting.

SUMMARY

The report provides details of the Pay Policy Statement for Fylde Council which is a requirement for all local authorities to have in place since April 1st 2012 as part of the Localism Act. The objective of the Statement is to ensure that there is openness, transparency and fairness in the pay policy arrangements. Annual reviews are required and this report represents the fourth annual review of the Pay Policy statement for Fylde.

RECOMMENDATION

That Council approve the Pay Policy Statement 2016 for Fylde Council, included as Appendix 1 to this report, which has no proposed changes from the statement approved in 2015.

CORPORATE PRIORITIES

To Promote the Enhancement of The Natural & Built Environment (Place)		To Encourage Cohesive Communities (People)	
To Promote a Thriving Economy (Prosperity)	√	To Meet Expectations of our Customers (Performance)	√

SUMMARY OF PREVIOUS DECISIONS

The Pay Policy Statement was first established and approved by Full Council in 2012 and has been approved by Full Council every year since 2012.

REPORT

1. The Council is required as part of the Localism Act to produce a pay policy statement and to review and formally approve it each year.
2. The statement sets out the Council policy on:
 - I. Chief Officer Remuneration (recruitment, salary, bonus, performance related pay, charges, fees, allowances, benefits in kind, enhancement to pension at termination)
 - II. Remuneration of its lowest paid employees (covering the same elements as above) the definition used for this group and the reason for adopting that definition
 - III. The relationship between Chief Officer remuneration and that of other staff

This however is a minimum requirement and Councils can do more if they want.

3. The guidance from the DCLG provides details of what is expected in the Pay Policy Statement, and includes:
 - I. The opportunity for full council to vote on senior remuneration packages with a value over £100,000 prior to an offer of appointment being made
 - II. The relationship between Chief Officer remuneration and that of other staff and the ratio between the highest paid and median salary that the authority aims to achieve and maintain
 - III. The value of the system of earn back pay with an element of the basic pay at risk each year to be earned back through meeting pre-agreed objectives
 - IV. Any decision that the authority takes in relation to the award of severance to an individual Chief Officer
 - V. An explicit statement on whether or not they permit an individual to be in receipt of a pension in addition to receiving a salary
 - VI. Policies to deal with those who may have returned to the authority under a contract of service of any type having already received a severance or redundancy payment
4. In addition to this guidance it should be noted that the recommended practice for local authorities on data transparency states that Council's should disclose publically:
 - I. Senior employee salaries at £50,000 and above including disclosing the names, job descriptions, budgets and numbers of staff
 - II. An organisational chart
 - III. The pay multiple which is the ratio between the highest paid salary and the median average salary of the whole authority's workforce
5. The Council implemented a pay review process in 2007 and as part of that review a robust pay and grading evaluation scheme designed to ensure fairness and equity in terms of pay was introduced.
6. The Council complies with the recommended practice for local authorities on data transparency and publishes data that is required to be made publicly available.
7. The Council's Pay Policy Statement is included as Appendix 1 to this report. Central to the statement is the acknowledgement that each job has a value in terms of scope, specialist skills

and knowledge, size and impact that has been subject to the pay and grading evaluation scheme to determine an appropriate pay scale.

8. The Council's employee benefits policies are universally applied wherever possible and the financial arrangements for all employees leaving the organisation for whatever reason are based on the same principles regardless of grade.
9. The Statement has been subject to review and there has been no legislative or operational reason to change the policy over the last 12 months. The ratios between salary levels will change when they are republished in May 2016 to reflect pay increases. All the required information in relation to the pay policy is published online and updated after the financial year end on March 31st.

IMPLICATIONS	
Finance	There is no change to the financial position of the Council arising from the report.
Legal	The legal responsibilities in respect of the Pay Policy Statement have been included in the body of the report.
Community Safety	There are no community safety implications as a result of this report.
Human Rights and Equalities	The pay and grading scheme implemented at Fylde has been subject to equality impact assessment. There are no direct human rights and implications arising from the report.
Sustainability and Environmental Impact	There are no direct implications as a result of this report.
Health & Safety and Risk Management	There are no direct implications as a result of this report.

LEAD AUTHOR	TEL	DATE	DOC ID
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LIST OF BACKGROUND PAPERS		
Name of document	Date	Where available for inspection
Online Pay Policy and Data	April (annual update)	http://www.fylde.gov.uk/council/your-council/pay-policy-statement/ http://www.fylde.gov.uk/council/your-council/transparency/salary-ratios/ http://www.fylde.gov.uk/council/your-council/pay-scales/ http://www.fylde.gov.uk/council/your-council/management-team/

Attached documents

Appendix 1 – The Pay Policy Statement