

**EMPLOYMENT COMMITTEE – 28 FEBRUARY 2012****PAY POLICY STATEMENT 2012/13****REPORT OF THE DIRECTOR OF CORPORATE RESOURCES****Purpose**

1. The purpose of this report is to seek the approval of the Employment Committee to the Council's Pay Policy Statement 2012/13.

**Background**

2. On 15<sup>th</sup> November 2011 the Localism Act received Royal Assent. Under Section 38 of the Act, local authorities in England and Wales are required to produce a Pay Policy Statement, which must be approved by Full Council. The Council is required to produce a Pay Policy Statement for the financial year 2012/13 and for each financial year thereafter.
3. This statement must set out the Council's policies in relation to:
  - i. the remuneration of its chief officers;
  - ii. the remuneration of its lowest-paid employees; and
  - iii. the relationship between the remuneration of its chief officers and the remuneration of its employees who are not chief officers.
4. For the purposes of this statement, remuneration includes basic salary, bonuses and other allowances or entitlements related to employment.
5. The Council is required to publish the Pay Policy Statement 2012/13 on or before 31<sup>st</sup> March 2012.

**Key Points**

6. The proposed Pay policy Statement attached sets out:
  - the Council's approach to job evaluation and grading of posts;
  - additional payments that employees are eligible to receive, such as night enhancement, overtime, etc;
  - the Council's pay multiple (the ratio between the highest paid employee and the mean average salary of the Council's workforce), which is 7.8 (8.5 ESPO);

- that there is no distinction between chief officers and other employees in relation to pension entitlements and severance payments.
7. As a result of the Council's recent Review of Terms and Conditions of Employment, it is proposed that a number of pay-related elements will be amended, subject to the agreement of the Employment Committee. The Pay Policy Statement 2012/13 reflects these proposed changes.
  8. In future, Employment Committee will be given the opportunity to consider salary packages (over £100,000) before new posts are established and advertised.

### **Trade Union Consultation**

9. A copy of the Pay Policy Statement 2012/13 will be shared with the recognised trade unions. Due to time constraints, it was not possible to consult with the trade unions on the statement on this occasion. This has been explained to trade union representatives and it has been agreed that as the statement will be reviewed on an annual basis, any comments will be considered in advance of the next statement being published in spring 2013.
10. Future Pay Policy Statements will be formally tabled for consultation at the Central Negotiating and Consultative Committee and the Teachers' Negotiating Committee.

### **Recommendations**

11. The Employment Committee is requested to:
  - (a) Approve the Council's Pay Policy Statement 2012/13; and
  - (b) Recommend the Pay Policy Statement to Full Council.

### **Background Papers**

12. None.

### **Officer to Contact**

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### **List of Appendices**

Appendix – Pay Policy Statement

### **Circulation under Local Issues Alert Procedures**

13. None.

### **Equal Opportunities Implications**

14. An equality impact assessment is being undertaken.