

# AGENDA ITEM 15

## FULL COUNCIL

8 FEBRUARY 2017

### REPORT OF HEAD OF COMMUNICATIONS

#### PAY POLICY STATEMENT

##### 1.0 PURPOSE OF REPORT

- 1.1 To gain approval for the 2017/18 Annual Pay Policy Statement so that it can be published in line with the requirements of the Localism Act 2011.
- 1.2 To implement changes to the Pay Policy from 2017/18 in relation to the Living Wage as recommended by Budget and Strategic Working Group and approved by Policy Finance and Administration Committee

##### 2.0 RECOMMENDATIONS

- 2.1 **That the attached Pay Policy Statement for 2017/18 be approved.**
- 2.2 **That HR procedures are applied to move forward the implementation of the National Living Wage to replace the Living Wage Foundation rate.**

##### 3.0 KEY ISSUES

- 3.1 The Localism Act 2011 requires the Council to prepare a Pay Policy Statement each year.
- 3.2 The Pay Policy Statement must articulate the Council's approach to a range of issues relating to the pay of its workforce. This is the sixth year that the Pay Policy Statement has been prepared. Since 1 April 2013 the Council has been paying employees the rate equivalent to the rate recommended by the Living Wage Foundation.
- 3.3 From 1 April 2016 the Government introduced a new National Living Wage. The Policy Finance and Administration Committee approved a report on 13 April 2016 to amend the Pay Policy from 2017/18 and pay the National Living Wage as a replacement to the Living Wage Foundation rate currently being paid to employees. It was also approved that this arrangement would apply to all employees with the exception to those on approved apprenticeship programmes and not just over 25 years old as required under the legislation. These changes have been applied to the Pay Policy Statement for the financial year 2017/18

##### 4.0 POLICY AND CORPORATE IMPLICATIONS

- 4.1 Moving from the Living Wage Foundation rate to the National Living Wage rate will come into effect from 1 April 2017. This will result in a potential decrease in the hourly rate for some employees however these will be protected on their current salary for a period of two years or until the National Living Wage is equal to or is higher than the Living Wage Foundation rate (currently £8.25 per hour)
- 4.2 It is anticipated there will be pay differentials for some staff due to the implementation of the new rates.

##### 5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

5.1 The impact of the National Living Wage has already been built into the Medium Term Financial Strategy. There are no other financial implications as a result of the Pay Policy Statement

## 6.0 LEGAL IMPLICATIONS/POWERS

6.1 There are no direct legal implications to this Pay Policy. It is a legal requirement for this Pay Policy to be produced and reported to Council. The payment of the National Living wage is a statutory requirement for staff over 25 years of age.

## 7.0 COMMUNITY SAFETY

7.1 There are no direct community safety implications to this report.

## 8.0 EQUALITIES

8.1 The equality issues of this Pay Policy have been considered as part of the individual policies and agreements that make up the statement where applicable.

## 9.0 RISKS

9.1 There are no direct risks to this Policy.

## 10.0 CLIMATE CHANGE

10.1 There are no climate change risks to this Policy.

## 11.0 CONSULTATION

11.1 Management Team and Joint Staff Working Group (including recognised Trade Union representatives) have been previously consulted on policies included in this statement.

## 12.0 WARDS AFFECTED

12.1 All

Contact Officer            A Roberts, Head of Communications  
Date:                         April 2016

Appendices :                Appendix A Pay Policy Statement

Background Papers:        PFA report 13 April 2016

Reference :                  X : Committees\Council\27 April\AT Pay Policy