

NORTH WEST LEICESTERSHIRE DISTRICT COUNCIL

COUNCIL – 25 MARCH 2014

Title of report	PAY POLICY STATEMENT 2014/15
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Purpose of report	The Council is required by the Localism Act 2011 to prepare and approve a pay policy statement in respect of each financial year, before the commencement of that financial year. This report has been produced to provide the relevant information in accordance with the relevant provisions of the Act.
Council Priorities	Value for Money.
Implications: Financial/Staff Link to relevant CAT Risk Management Equalities Impact Assessment Human Rights Transformational Government	 The pay policy statement will apply to all of the most senior employees in the organisation. There are no additional costs to the Council resulting from the information in this report. Not Applicable. None. Has been completed. No equality issues identified. Held with the Author of the report as Background papers. No implications. This relates to the new ways in which council's are being asked to deliver their services.
Comments of Head of Paid	The report is satisfactory.

Service	
Comments of Section 151 Officer	The report is satisfactory.
Comments of Monitoring Officer	The report is satisfactory.
Consultees	The report and pay statement has been provided to the Senior Officers of the Council for information.
Background papers	Held in Room 128 of the Council Offices. Some of the Background papers are confidential because they relate to individual employees.
Recommendations	THAT COUNCIL APPROVES THE COUNCIL'S PAY POLICY STATEMENT 2014/15, AS ATTACHED AT APPENDIX 1 OF THIS REPORT.

1.0 BACKGROUND

- 1.1 Under Section 38 of the Localism Act 2011, the Council is required to produce a Pay Policy Statement for each financial year, which must be approved by full Council before the beginning of the financial year to which it relates.
- 1.2 The Statement must set out the Council's policies in relation to:
- Senior Officers
 - Its lowest paid employees; and
 - The relationship between the pay of Senior Officers and the pay of other employees
- 1.3 For the purposes of this statement 'pay' includes basic salary, bonuses and all other allowances arising from employment.
- 1.4 The proposed pay policy statement attached sets out the Council's policy and explains the processes that apply to performance management and assessment. The Policy Statement also details the other benefits payable to Senior Officers and the approach to the engagement of Interim Senior Officers who may be in receipt of a previous public sector pension.
- 1.5 In accordance with the requirements of the Localism Act, the statement details the Council's pay multiple, which is 5.8 (the relationship between the median average pay of the Council's workforce compared to the salary of the most Senior Officer (the Chief Executive)). This multiple has reduced from a factor of 6 in last year's pay statement because the Local Government workforce received a cost of living increase of 1% in 2013/14, but no cost of living increase was agreed for Senior Officers. It is important to note that the salary of the most Senior Officer in the Council has not changed.

2.0 **CHANGES**

2.1 The following changes are worthy of mention in this year's pay statement:-

- (Paragraph 3.9) No cost of living award has been made for 2014/15 (determined at national level) at the time of writing this report.
- (Paragraph 4.4) The Car allowance rates have not changed. They remain at the same level as during 2013/14.
- (Paragraph 5.0) The Local Government Pension Scheme is changing significantly from April 2014. This will mean that the Senior Officers covered by the Pay Statement will be required to pay increased employee contributions to the scheme if they elect to join or remain in the scheme. Current Senior Officer employee Contribution rates are between 7.2 and 7.5% of salary. The rates will increase to a range of 8.5 to 11.4% of salary.
- (Paragraph 11.2). The Council has agreed to adopt the "Living Wage" for all of its employees from 1st April 2014. The lowest salary paid to employees will increase from £12,435 to £14,460 from that date.