



Cabinet

30 November 2016

Item
8(iii)

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| Report of | Assistant Chief Executive | Author | Jessica Douglas/ Chris Reed ☎ 282240 |
| Title | Officer Pay Policy Statement for 2017/18 | | |
| Wards | Not applicable | | |

This report concerns the Council's Officer Pay Policy Statement, which must be approved each year by Full Council under the Localism Act 2011.

1. Decision Required

- 1.1 To recommend the approval and adoption of the 2017/18 Statement by Full Council.

2. Reasons for Decision

- 2.1 The Localism Act requires "authorities to prepare, approve and publish pay policy statements articulating their policies towards a range of issues relating to the pay of its workforce, which must be approved by full Council annually. An authority's pay policy statement must be approved by a resolution of that authority before it comes into force".

3. Alternative Options

- 3.1 The only alternative would be to not recommend the approval of the Pay Policy Statement, but that would be contrary to the requirements of the Localism Act.

4. Supporting Information

- 4.1 Local authorities must publish a pay policy statement for the financial year. The Officer Pay Policy for 2016/17 was approved by Full Council on 10 December 2015.
- 4.2 The Localism Act specifies items that must be covered by the statement including 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 and bonuses for chief officers, the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and the publication of and access to information relating to remuneration of chief officers.
- 4.3 The Council's pay policy statement has been extended beyond the statutory requirements relating to chief officers as shown in 4.2 above to include all officers employed by the Council, in the interests of openness and transparency.
- 4.4 Please see the attached Officer Pay Policy. Appendix 1 of the policy contains the mostly numerical data which sits behind it, and the definitions of terms such as 'chief officers'. These two documents form the Council's pay policy statement.
- 4.5 The statement covers all pay and benefits for every employee of Colchester Borough Council. There are no financial allowances or bonuses other than those mentioned.
- 4.6 Mandatory requirements for data publication under the [Local government transparency code 2015](#), and for the Council's [Statement of Accounts](#) under the [Accounts and Audit Regulations 2015](#) have also been taken into account when preparing this year's update of the pay policy to ensure that the published data is complete and consistent.

5. Living Wage

- 5.1 The Council has chosen to pay the Living Wage since 2013 as part of its commitment to being a good employer, and its approach to [Social Value](#). The Council signed a 'Living Wage Employer' licence with the Living Wage Foundation in February 2016, which means the Council is also implementing a phased plan which rolls out as contracts come up for renewal so that these third-party contracted staff also receive the Living Wage.
- 5.2 The Council will continue to pay the Living Wage as a minimum standard for all employees. The Living Wage is set independently and calculated according to the basic cost of living in the UK (hourly rate is now £8.45, 18 and older), and it is higher than the compulsory National Living Wage brought in by central government in April 2016 (currently £7.20 if 25 or over / £6.70 if aged 21-24).
- 5.3 The Living Wage rate is set each November by the Living Wage Foundation. More than 300 permanent/casual Council staff and 40 third-party contracted employees (grounds maintenance contract from April 2016) had their wages increased to meet the £8.25 hourly Living Wage rate set in November 2015 (£8.45 from November 2016).

6. Looking ahead to 2017/18

- 6.1 The Council will need to comply with the effective dates and requirements of these legislative changes once these are known:
- The Government's further consultation on regulations for the £95,000 public sector exit payments cap, along with the recovery regulations on exit payments for those earning £80,000 or more, and an ongoing consultation into any use of salary sacrifice / benefits in kind.
- From April 2017:
- The Government will make public sector bodies and agencies responsible for operating the tax rules that apply to off-payroll working through limited companies in the public sector.
 - The national introduction of the Apprenticeship Levy.
 - All organisations which employ more than 250 employees will need to publish 'gender pay gap' information showing whether there are any differences in pay between male and female employees.

7. Strategic Plan References

- 7.1 The performance, remuneration and motivation of employees are key to delivering effective, efficient public services and the Strategic Plan's aspirations and priorities.

8. Publicity Considerations

- 8.1 The data contained within the Officer Pay Policy is publicly available on the Council's website via an online tool called '[Datashare](#)'. This brings a broad range of information into one place, and that helps to improve openness and transparency.

9. Financial implications

- 9.1 The pay policy statement provides transparency about the Council's approach to pay and benefits for its employees.

10. Equality, Diversity and Human Rights implications

- 10.1 The Equality Impact Assessment is on the Council's website [here](#).

11 Other Implications

- 11.1 There are no community safety, consultation, health and safety or risk implications.