

CORPORATE COMMITTEE 24 JANUARY 2019

Report title: Pay Policy Statement 2019/20

Wards: All

Portfolio: Deputy Leader of the Council (Jobs, Skills and Performance) Councillor Jack Hopkins

Report Authorised by: Christina Thompson: Interim Strategic Director for Corporate Resources

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Report summary

Section 38(1) of the Localism Act 2011 requires English and Welsh local authorities to produce a Pay Policy statement from 2012/13 and for each financial year after that. Section 40 of the Act includes provision for the Secretary of State to issue guidance on the content and application of senior pay statements. Supplementary Guidance was subsequently issued by the Department for Communities and Local Government (DCLG) in February 2013.

This report summarises the requirements of the Localism Act and the Supplementary Guidance and asks Council to approve the Pay Policy Statement for 2019/20 (a copy of which is attached as Appendix A). The report also updates senior pay across the Council's pay bands from the report presented to Corporate Committee on 23 January 2018 reflecting some local changes to the Council's staffing establishment.

Finance summary

There are no specific financial implications arising from this report.

Recommendations

1. To approve the updated Pay Policy Statement for 2019/20 attached at Appendix A.
2. To note the appointments made to posts attracting remuneration in excess of £100,000 per annum and severance packages in excess of £100,000 to date.

1. CONTEXT

- 1.1 Section 38(1) of the Localism Act 2011 requires English and Welsh local authorities to produce a Pay Policy statement for 2012/13 and for each financial year after that. Section 40 of the Act includes provision for the Secretary of State to issue guidance on the content and application of senior pay statements. Relevant authorities must have regard to this guidance in the exercise of their functions under the pay accountability provisions. It is recommended Full Council will approve the Pay Policy Statement for 2018/19 at its meeting in 21 February 2018 and this Statement will be published on the Council's website once approved by Full Council.
- 1.2 DCLG issued Supplementary Guidance in February 2013, and authorities in England must take account of this and the original Guidance when preparing their Pay Policy Statements for 2013/14 and each subsequent financial year. This Supplementary Guidance deals mainly with salaries on appointment and severance payments at a threshold of £100,000 and over, setting out that Full Council should be offered the opportunity to vote on such packages. The Council's Pay Policy Statement was, therefore, reviewed in the light of this guidance and Council, at its meeting on 22 May 2013, endorsed the existing Council process for the appointment and setting of senior pay as set out in the Council's Constitution and the existing Council process for determining termination payments on redundancy, as required by legislation. In addition, Full Council endorsed the proposal that, in the interests of improving accountability and transparency, all appointments made to posts attracting remuneration in excess of £100,000 per annum and all severance packages in excess of £100,000 shall be highlighted in the annual report to Council of the Pay Policy Statement.

2. PROPOSAL AND REASONS

- 2.1 In the financial year 2018/19 to date there were three appointments made to a post attracting remuneration in excess of £100,000 per annum as follows:
- Chief Executive;
 - Acting Strategic Director, Adults & Health;
 - Acting Director, IT & Customer Services; and,
 - Director, Children's Social Care (commencing from 07 January 2019).
- 2.2 As at 31 December 2018, there are no employees who were paid in the timeframe of this report overall severance packages in excess of £100,000 for the financial year 2018/19.
- 2.3 Before it takes effect the Pay Policy Statement has to be approved by a resolution of Full Council.
- 2.4 Council is asked to approve the Pay Policy Statement for 2018/19 as required by Section 38 (1) of the Localism Act 2011

3. FINANCE

- 3.1 There are no specific financial implications arising from this report.

4. LEGAL AND DEMOCRACY

- 4.1 The body of this report sets out the statutory basis for the requirement to have a Pay Policy under the provisions of the Localism Act 2011.
- 4.2 This report has been considered by the Deputy Leader of the Council (Jobs, Skills and Performance) and senior officers

5. CONSULTATION AND CO-PRODUCTION

5.1 Corporate Committee at its meeting on 11 January 2012 advised there was no need to set up a remuneration committee so long as there was regular reporting on the extent to which the Council is meeting the requirements of the Localism Act 2011. Update reports have subsequently been taken to Corporate Committee on the following dates:

- 9 January 2013;
- 2 April 2014;
- 25 March 2015;
- 28 January 2016;
- 26 January 2017;
- 28 September 2017; and,
- 23 January 2018.

A further report will be produced following the implementation of the new senior-level restructure as outlined in the report to Corporate Committee 26 July 2018.

6. RISK MANAGEMENT

6.1 No potential risks have been identified associated with the recommendations set out in this report.

7. EQUALITIES IMPACT ASSESSMENT

7.1 The pay policy affects the entire workforce (excluding schools). The Council has robust processes in place for collecting and reporting on a range of employee data as it relates to appointment and severance for staff with protected characteristics. These reports are considered by a range of Members and officers and are intended to represent a culture of openness and transparency. Significant changes or trends identified will be subject to a full equalities impact assessment.

8. COMMUNITY SAFETY

8.1 None.

9. ORGANISATIONAL IMPLICATIONS

Environmental

9.1 None

Staffing and accommodation

9.2 None arising from this report.

Procurement

9.3 None.

Health

9.4 None

10. TIMETABLE FOR IMPLEMENTATION

10.1 Not applicable.

AUDIT TRAIL

Consultation

Name/Position	Lambeth directorate / department or partner	Date Sent	Date Received	Comments in paragraph:
Councillor Jack Hopkins	Deputy Leader (Jobs, Skills and Performance)	21.12.18	11.01.19	
Christina Thompson, Interim Strategic Director	Corporate Resources	21.12.18	09.01.19	
Dean Shoesmith, Interim Director HR	Corporate Resources	21.12.18	21.12.18	Throughout
Alison McKane, Legal Services	Corporate Resources	21.12.18	15.01.19	
David Rose, Democratic Services	Corporate Resources	21.12.18	15.01.19	
Nisar Visram, Finance	Corporate Resources	21.12.18	08.01.19	

REPORT HISTORY

Original discussion with Cabinet Member	N/A
Report deadline	21.12.18
Date final report sent	21.12.18
Part II Exempt from Disclosure/confidential accompanying report?	No
Key decision report	No
Date first appeared on forward plan	N/A
Key decision reasons	N/A
Background information	<ul style="list-style-type: none"> • Localism Act 2011 • Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011 • Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011 (Supplementary Guidance): February 2013 • Council (20.05.15): Pay Policy: report and minutes • Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011 (Supplementary Guidance): February 2013 • HM Treasury – draft Public Sector recovery of exit payment regulations – December 2015 • HM Treasury – draft Public Sector exit payment regulations 2016 • Part-time Employment (Prevention of Less Favourite Treatment) Regulations 2000 • The Agency Worker Regulations 2010 • Transfer of Undertakings (Protection of Employment) Regulations 2006 • Local Government and Housing Act 1989
Appendices	Appendix A – Lambeth Pay Policy Statement Appendix B – Addendum to Pay Policy Statement