

PAY POLICY STATEMENT 2017/18 AND APPOINTMENT OF SECTION 151 OFFICER

Committee: Full Council

Date: 23rd February 2017

Author: Nicole Pema, HR Manager

[R212]

1.0 ISSUE

- 1.1 To present the Council's Pay Policy Statement 2017/18, a requirement under the Localism Act 2011, and to appoint the Council's new Section 151 Officer.

2.0 RECOMMENDATION

- 2.1 It is recommended that Members:
- a) approve and adopt the 2017/18 Pay Policy Statement; and
 - b) designate Mr John Harrison as the Council's Section 151 Officer under the Local Government Act 1972 and 1988.

3.0 BACKGROUND

- 3.1 The Localism Act 2011 requires the Council to prepare a Pay Policy Statement for each financial year. The Statement must be prepared and approved by the end of March each year.
- 3.2 The Council's Pay Policy Statement for 2017/18 is attached at Appendix 1.
- 3.3 The statement must include the pay and remuneration for all posts on the Council's establishment designated as 'Chief Officer' in accordance with the Local Government and Housing Act 1989 (see Section 2.3 of the Pay Policy Statement).
- 3.4 The Pay Policy Statement has to include:
- The level and elements of remuneration for each Chief Officer;
 - The remuneration of the lowest paid employee; and
 - The relationship between the remuneration of Chief Officers and other Officers.
- 3.5 Remuneration in this context is defined widely to include not just pay but also charges, fees, allowances, benefits in kind, increases in enhancements of pension entitlements and other discretionary payments.
- 3.6 There are a number of pieces of forthcoming legislation for which provision has been made within the Pay Policy Statement, as follows:
- a) At 5.1, a new paragraph has been included to clarify that from April 2017, where individuals are working for the Council through an intermediary such as their own limited company or a consultancy firm, or an

employment agency, and are working in the same way as our own employees, the payer will be liable to pay associated income tax and National Insurance Contributions (NICs). Genuinely self-employed workers will not be covered by this requirement (commonly known as IR35) and will continue to make their own assessment and payment arrangements for income tax and NICs.

b) At 7.3, a new paragraph has been included to cover the forthcoming requirement for public sector staff earning over £80,000 to repay in full, or in part their termination payments if they are re-employed within the public sector within 12 months following the date of their termination.

c) At 10.5, a new paragraph has been added to cover the forthcoming legislation on the £95,000 cap on termination payments to staff. This figure will include all payments associated with the termination such as payments relating to pension augmentation and pension strain, redundancy payments, pay in lieu of notice, voluntary payments, holiday pay and any other contractual payments.

3.7 The Pay Policy Statement reflects the new Corporate Management Team structure, which consists of two Directors and the Legal Services Manager reporting to the Chief Executive.

3.8 The current S.151 Officer, Andy Radford, Director (Resources), is due to leave the Council on 2nd March 2017. Following discussions with Peterborough City Council, they have agreed for their Corporate Director: Resource (S151 Officer), John Harrison, to carry out the duties of the Interim S.151 Officer at ECDC. In order to facilitate this, it is proposed for the Council to enter into a Section 113 Agreement with Peterborough City Council. This agreement allows Peterborough City Council to place an officer of one at the disposal of the other for the purposes of discharging the latter's functions. Once appointed, the S.151 Officer role is deemed to be an officer of the Council for those purposes although Peterborough City Council remains at all time the employing Council.

4.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

4.1 The Council's Pay Policy Statement draws together existing policies relating to pay and reward and the financial implications of these policies were taken into account at the time they were established. There are no further financial implications arising from the policy proposals in this report.

4.2 An Equality Impact Assessment (EIA) is not required.

5.0 APPENDICES

5.1 Appendix 1 Draft Pay Policy Statement 2017/18

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
Local Government and Housing Act 1989	Room 118	Nicole Pema
The Local Government Transparency Code (Feb 2015)	The Grange Ely	HR Manager (01353) 616325 E-mail: nicole.pema@eastcambs.gov.uk
Openness and Accountability in Local Pay: Guidance under the Localism Act 2011		
The Public Sector Exit Payment Regulations 2016		
The Repayment of Public Sector Exit Payments Regulations 2015		