

## PLYMOUTH CITY COUNCIL

**Subject:** Updated Pay Policy  
**Committee:** Council  
**Date:** 18 March 2019  
**Cabinet Member:** Councillor Peter Smith, Deputy Leader of the Council  
**CMT Member:**  
**Author:** Linda Torney  
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**Ref:**  
**Key Decision:** No  
**Part:** I

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### **Purpose of the report:**

Council is being asked to update its pay policy statement for 2019-2020. Plymouth City Council is part of national collective bargaining for all staffing groups. The minimum NJC rate of pay from 1 April 2019 is the same level as the foundation living wage. The amendment does not affect the salary level of the highest paid employee and the pay ratio does not change from the pay policy statement 2019/20 approved in January 2019.

The Act also requires that the Council includes in its pay policy statement its approach to the publication and access to information relating to the remuneration of chief officers. The Pay Policy Statement contains links to the published Statement of Accounts for 2017/18 and other remuneration data on the council's website.

The Pay Policy Statement, which is prescribed in terms of content, sets out the Council's policies in respect of remuneration. The statement is simply a summary of the key provisions as required by the Localism Act.

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### **Corporate Plan:**

The Corporate Plan, approved in June 2018, outlines the strategic direction of the council for the next three years. Recommendations within this report align to the current Plymouth City Council Corporate Plan. The proposal enables the corporate plan to be achieved by attracting and retaining the best senior leadership talent to lead and deliver the Corporate Plan.

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### **Implications for Medium Term Financial Plan and Resource Implications: Including finance, human, IT and land:**

The costs of this exercise can be contained within the Plymouth City Council established budget. Future appointments will be managed carefully to ensure that appointments are made at the correct point to reflect the market value of the post which will vary depending on, for example previous experience and achievements.

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**Other Implications: e.g. Child Poverty, Community Safety, Health and Safety and Risk Management:**

There is no negative impact

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**Equality and Diversity:**

Has an Equality Impact Assessment been undertaken? Yes

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**Recommendations and Reasons for recommended action:**

That Council:

Updates its Pay Policy for 2019/20 as set out in Appendix One

To reflect the decision of the Appointments Panel to:

- Attract and retain senior leadership talent through broad based, market related salary bands
  - Replace Market Factor Supplements with broad pay bands and an enhanced performance management system.
  - Amend relocation policy to better support Chief Officers with relocation expenses
  - Create a strategic workforce plan to support succession planning and career development.
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**Alternative options considered and rejected:**

Council is required to publish and maintain its pay policy for this reason no alternative options have been considered.

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**Published work / information****Background papers:**

Title	Part I	Part II	Exemption Paragraph Number						
			1	2	3	4	5	6	7
COAP 15 March 2019 Chief Officer Total Reward Update		x							

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**Sign off:**

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Originating SMT Member													
Has the Cabinet Member(s) agreed the content of the report? Yes													

## **Background**

1.0 Plymouth City Council's current People Strategy, which was approved at Cabinet in May 2017 is based on three themes, Talent, Leadership and Culture. These themes continue to inform our work on transforming Plymouth City Council to be an organisation where a motivated, engaged and skilled workforce focusses on meeting the needs of our customers and citizens. An updated People Plan will support the People Strategy and provide the underpinning detail about, for example, Organisational Design principles.

1.2 A Talent Attraction and Retention Strategy is another element of the wider People Plan or Strategy and is a key factor in ensuring the right capability and capacity in our people.

1.3 On 28 April 2017 the Chief Officer Appointment's Panel (COAP) received a report on Senior Management Pay and Reward Review, where agreement was obtained that an external provider undertake work to review the arrangements and report back to COAP. An interim HR Consultant was then appointed to undertake this piece of work.

1.4 Members received updates from the HR Consultant at the COAP on 29 June 2018 and 28 September 2018. Following a cross party joint Member briefing on 29 November 2018 Members were then provided with a further update at the COAP panel on 5 December 2018 where it was agreed that a cross party working group of the COAP was established to undertake further focussed work on the issue of a Total Reward Scheme for Chief Officers.

1.5 A small cross party working group was established to take this project forward with the following members:

- Councillor T Evans OBE
- Councillor P Smith
- Councillor I Bowyer
- Councillor T Beer

1.6 Initial work by the HR Consultant suggested there were three options and these formed the starting point for initial discussion with Members.

- (1.) Retain current practice (AS IS)
- (2.) Create and implement market based broad pay bands
- (3.) Use market based broad pay bands and performance related pay.

## **2.0 SUPPORTING ELEMENTS OF REWARD STRATEGY**

2.1 There are a number of elements that support Talent Attraction and the reward strategies and these are outlined below.

- Relocation Allowances
- Role Profiles
- Performance Management
- Strategic Workforce Planning.

### **3.0 Changes to the Pay Policy statement**

3.1 Under Section 38(1) of the Localism Act 2011 the Council is required to prepare a Pay Policy Statement by 31 March each year, for the following financial year, which is approved by the City Council and then published on the council's website. The provisions of the Act do not apply to local authority schools.

3.2 This includes remuneration and policies for the highest and the lowest paid employees. Plymouth City Council is part of national collective bargaining and will be adopting the new national pay structure with effect from 1 April 2019. The lowest pay point is the same level as the foundation living wage on 1 April 2019.

3.3 The Act also requires that the Council includes in its pay policy statement its approach to the publication and access to information relating to the remuneration of chief officers. The Pay Policy Statement contains links to the published Statement of Accounts for 2017/18 and other remuneration data on the council's website.

3.4 If changes are made during the year, it may be amended by Full Council during the financial year.

3.5 The Pay Policy Statement, which is prescribed in terms of content, sets out the Council's policies in respect of remuneration. The statement is simply a summary of the key provisions as required by the Localism Act and has been updated to reflect the work of the Chief Officer Appointments Panel.