

Sandwell Metropolitan Borough Council

7 March 2017

Annual Pay Policy Statement - 2017

1. Summary Statement

- 1.1 Each year the Council is required, by the Localism Act 2011, to prepare a Pay Policy Statement setting out its policies relating to: the remuneration of their chief officers; the remuneration of their lowest-paid employees; and the relationship between the pay of chief officers and that of other employees.
- 1.2 The Act determined that the Statement must cover a range of the authority's policies relating to the pay of Chief Officers including :-
- The level and elements of remuneration for each officer (including salary, bonuses, performance-related pay and benefits in kind);
 - remuneration of chief officers on recruitment;
 - increases and additions to remuneration and
 - the approach to the payment of chief officers on their ceasing to hold office or to being employed by the authority.
- 1.3. Supplementary Guidance has since added to and clarified the information required to be published, notably that the council should be given the opportunity to vote before:-
- “large salary packages (are) offered in respect of a new appointment” and “large severance packages are approved for staff leaving the organisation.”
 - and that the council should state the thresholds at which it wishes to require approval.
- The Guidance considered that £100,000 is an appropriate threshold.
- 1.4 Section 40 of the Localism Act requires the council to have regard to this guidance in the exercise of their functions under pay accountability provisions. The council follows the spirit of the guidance, should particular circumstances dictate, and this approach has duly been reflected in the Pay Policy Statement.
- 1.5. The Pay Policy Statement for the council for 2017, covering the period 1 February 2016 to 31 January 2017 is attached for approval prior to publishing.

Further details are attached for your information.

2. **Recommendation**

2.1. That the Pay Policy Statement for 2017, as now submitted, be approved.

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3. **Strategic Resource Implications**

Publication of the Pay Policy Statement is part of the range of obligations placed upon local authorities to be open and transparent.

The Corporate Risk Management Strategy (CRMS) has been complied with – to identify and assess the significant risks associated with this decision/project. This includes (but is not limited to) political, legislation, financial, environmental and reputation risks.

Based on the information provided, it is the officers' opinion that for the significant risks that have been identified, arrangements are in place to manage and mitigate these effectively. There are no current "red" risks that need to be reported.

4. **Legal and Statutory Implications**

Personal data relating to chief officers will appear in the public domain.

The council will be acting illegally if it does not comply with the requirement to publish a Pay Policy Statement as soon as is reasonably practical after its approved and, in any event, by the end of March in each year.

Section 40 of the Localism Act requires authorities to have regard to guidance issued by the Secretary of State in the exercise of their functions under pay accountability provisions.

5. **Implications for the council's Scorecard Priorities**

The proposals contained in this report link to the scorecard priority of Great Performance.

6. **Background Details**

There are no further details to add.