

HAVANT BOROUGH COUNCIL

HUMAN RESOURCES COMMITTEE – 9th March 2023

Pay Policy Statement and Pensions Policy

FOR DECISION

Portfolio Holder: Councillor Tony Denton

Key Decision: No

Report number: HBC/120/2023

1. Purpose

- 1.1 This paper is submitted to the Human Resources Committee, in order for the Authority to:
- Meet a statutory responsibility to prepare and publish a Pay Policy Statement annually.
 - Publish and keep under review a Statement of Policy on certain discretions contained in Pension Regulations.
- 1.2 The recommendations of the Committee will be laid before Full Council, for their approval.

2. Recommendation

- 2.1 HR Committee are requested to recommend to Full Council to approve:
- The Proposed 2023/24 Pay Policy Statement, as tabled in Appendix A
 - The Statement of Policy on Pensions, as tabled in Appendix B.

3. Executive Summary

- 3.1 The Localism Act 2011 places specific obligations on local authorities to be transparent and accountable for the way in which pay and awards are applied. The Act therefore requires each authority to produce a pay policy statement annually, to ensure pay information is available to members of the public for all levels of staff from chief officer level to the lowest paid employee.
- 3.2 A recommended Pay Policy Statement for 2023/24 has been prepared for consideration by the HR Committee, and then for onward approval by Full Council. This accounts for elements related to the ending of the Joint Management Team Agreement with East Hampshire District Council, and the implementation of new management and governance structures subsequent to that.
- 3.3 A full copy of the Pay Policy is provided in Appendix A.
- 3.4 In addition, under Pension Regulations, which came into force on 1 April 2014, each employer must publish and keep under review a Statement of Policy on certain discretions contained in the Regulations. An updated Policy has therefore been prepared, the main change in which concerns a Shared Additional Voluntary Contribution Scheme the Authority intends to introduce from April 2023.
- 3.5 A copy of the Pensions Policy Statement is provided in Appendix B.

4. Additional Budgetary Implications

- 4.1 No additional budget is being requested specifically pursuant to this policy. Committee will be aware, however, that the policy does require the Authority to consider National Joint Council deliberations on Local Government and Chief Officer Pay, and Joint National Council determinations on Chief Executive Pay. This is as per previous years. The pay policy may need to be reviewed in light of any agreements reached on pay and conditions this year, if there are material impacts.

5. Background and relationship to Corporate Strategy and supporting strategies and policies

5.1 The publication of these statements are statutory and regulatory requirements, therefore not optional. In addition, transparency in these areas is vital, in regards to the recruitment and retention of staff, and for the purposes of local accountability.

6. Options considered

6.1 Not drafting, agreeing and publishing these policies will put the Authority in breach of relevant statutes and regulations.

6.2 Whilst there can be no option to “Do Nothing”, elements of each policy can be considered. At this time, the main factors accounted for relate to the ending of the Joint Management Team Agreement with East Hampshire District Council, changes to the management team and governance, and a proposed decision to administer a Shared AVC scheme.

6.3 Longer term, the Authority will, in light of continuing economic and financial challenges nationally, fully review its pay policy, and individual elements of the pension discretions. This will be done by December 2023, and outcomes laid before the Committee for consideration.

7. Resource implications

7.1 Financial implications

7.1.1 The proposed policy does not, of itself, create any new or additional financial implications, beyond those already in place in regards to existing and previous iterations of this document. However, as the pay policy sets out the basis upon which staff are remunerated, and what additional benefits they receive, application of this policy will accrue financial consequences, for example, linked to the national pay negotiations. As a consequence, the outcomes of any national negotiations may trigger a review of the Policy, or consideration of financial impacts, under budget setting or review of the Medium Term Financial Strategy.

Section 151 Officer comments

As stated in the main body of the report the approval of the recommendations within this report do not in themselves have a direct financial implication.

7.2 Human resources implications

7.2.1 The policy itself does not create any new and material HR implications. The document has been revised to account for changes already made in structures and governance.

7.3 Information governance implications

7.3.1 No material impacts.

7.4 Climate and environment implications

7.4.1 No material impacts.

8. Legal implications

8.1 The publication of the pay policy statement is a legal requirement, under the Localism Act 2011.

8.2 In addition, under Pension Regulations, which came into force on 1 April 2014, each employer must publish and keep under review a Statement of Policy on certain discretions contained in the Regulations.

8.3 The Act sets out specific information that must be included in any Pay policy statement, which is as follows:

- the pay framework, level and elements of remuneration for Chief Officers;
- the pay framework and remuneration of the 'lowest paid' employees;
- the relationship between the remuneration of the Chief Officer and other officers;
- other policies relating to specific aspects and elements of remuneration such as pay increases, other allowances/payments, pension and termination payments.

Monitoring Officer comments

There is a statutory requirement for the council to consider and approve a pay policy statement each financial year.

The legislation referenced in the body of the Report sets out a clear expression of Parliament's desire that taxpayers can access information about how public money is spent on it's behalf. It translates this into a requirement for improved transparency over both senior officers' pay and that of the lowest paid employees within the organisation; manifesting itself in the policy statement which is the subject of this report.

9. Risks and mitigations

- 9.1 No specific risks associated with agreeing and publishing the tabled policies. The need to review both, in light of the emerging developments regarding pay negotiations, will allow consideration of mitigations should material impacts arise.

10. Consultation

- 10.1 Prior to tabling at the Human Resources committee, these policy statements have been subject to consultation with:

- The Management Team
- Cabinet
- Unison

11. Communications

- 11.1 Once approved by Full Council, both of these policies will be published on the Havant Borough Council internet and intranet.

12. Appendices

Appendix A – The 2023/24 Pay Policy Statement

Appendix B – Pensions Policy Statement

13. Background papers

None

Agreed and signed off by:

Portfolio Holder: Councillor Tony Denton

Executive Head: Matt Goodwin, 17 Feb 2023

Monitoring Officer: Mark Watkins, 17 February 2023

Section 151 Officer: Wayne Layton, 28 Feb 2023

Contact officer:

Name: Matt Goodwin

Job title: Executive Head, Internal Services

Email: matt.goodwin@havant.gov.uk