

**REPORT OF THE CORPORATE COMMITTEE No. 04 2011/12  
COUNCIL 26 March 2012**

Chair:  
Councillor George Meehan

Deputy Chair:  
Councillor Rahman Khan

**INTRODUCTION**

- 1.1 This report to full Council arises from consideration of the Pay Policy Statement considered by the Corporate Committee at their meeting on 20 March 2012.

**SUMMARY**

2.1 Pay Policy Statement

We considered the pay policy as part of our responsibility for staffing pay and conditions. The Localism Act 2011 requires relevant authorities to prepare and publish an annual Pay Policy Statement which outlines the local authority's approach to the pay of its workforce and in particular the pay of its senior staff. Following DCLG (Department for Communities and local Government) guidance full Council will be given the opportunity to vote on large salary packages offered to new senior appointments. The posts that this would be applicable to had a starting salary of over £100k and were set out at paragraph 4.4 of the attached report. We considered this list of posts and asked legal representatives at the meeting to clarify if the Homes for Haringey Chief Executive should be included; as Homes for Haringey were a council owned company. If they did not need to conform to this aspect of the Localism Act, then it would still be important for the council to promote the objectives of transparency and accountability and encourage the company to publish a Pay Policy Statement.

We noted that the council will publish specific information on the pay and reward of staff earning more than £50,000 on its website in line with the Code of Recommended Practice for Local Authorities on data Transparency and the accounts Audit regulations 2011. Also for staff on senior manager grades, chief officer grades and the chief executive additional information will be supplied including employee salaries, names of employees (subject to their agreement), job titles, staff budget and number of staff. We considered an example of this at appendix C.

We noted that the Council will be obliged to publish a pay multiple, this was the ratio between the highest paid salary and the median average salary figure for all employees in the council. We learned that this was currently a ratio of 1 to 6.8 and a low figure compared to other local authorities.

We further considered the chief officer appraisal scheme at appendix D and were provided with clarification on how the bandings and starting points of the Chief Executive's salary were agreed. The committee recommended an amendment to the

Pay Policy Statement to convey that the salary banding of the Chief Executive should be determined by the recruitment panel and following this decision the Leader of the Council would determine the starting point in the salary banding.

Given our responsibility for employment terms and conditions and the pay structure of senior posts we needed to examine and have input on the Pay Policy statement. Given the relatively short timescale for pulling together this first Pay Policy Statement and the fact that its compilation will be an annual process, we felt that it would be helpful and prudent to establish an informal cross party working group to consider the pay policy arrangements going forward. This would include making recommendations on the make up and arrangements for salary bandings for senior managers and chief officers, including those for new appointments, and to have input on a new performance appraisal scheme for Chief Officers for 2013/14.

## **WE RECOMMEND**

- i. The approval of the Pay Policy Statement included at Appendix A of the attached covering report on the Pay Policy Statement 2012- Localism Act 2011.
- ii. That an informal cross party working group be established to facilitate consideration of pay and appraisal arrangements for chief officers before the next Annual Pay Policy Statement is due.