

**REPORT OF THE CORPORATE COMMITTEE No. 4, 2013/14
COUNCIL 24 March 2014**

Chair:
Councillor George Meehan

Deputy Chair:
Councillor Kaushika Amin

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 the 20 March 2014.

SUMMARY

2.1 Pay Policy Statement 2014/15

We considered the 2014/15 Pay Policy Statement, which the Council is required to produce annually to comply with the requirements of the Localism Act 2011. We noted that the only substantive changes to the previous year's statement were updates to the delegations regarding the approval of remuneration and severance packages of £100,000 or more. Currently, such packages required the approval of Full Council, however it was proposed that Full Council agree to delegate such approvals to a Special Committee in accordance with section K4 of the Council's Constitution, and that such decisions then be reported up to Full Council for noting. We noted that the reason for this proposed change was that it was not always possible to time the recruitment process for senior posts such that approval of the remuneration package by Full Council was practicable.

- 2.2 In response to a question regarding benchmarking of remuneration packages, Jacquie McGeachie, Interim Assistant Director Human Resources, advised that as part of recent recruitment exercises to senior posts, benchmarking had been undertaken against other London Councils, and remuneration had been set at the median of the range. We also noted that, were the proposal to delegate approval of remuneration packages to Special Committees agreed, it would be necessary for the Special Committee to have the relevant information available at the time of its meeting, in order to reach a decision. We were advised that benchmarking for posts was undertaken before going to advertisement, and that candidates were also asked about their salary expectations at the outset of the process, in order that a decision on remuneration could be taken by the Special Committee at the point of an appointment being agreed.

- 2.3 Going forward, it was suggested that the Assistant Director Human Resources might be asked to undertake a benchmarking exercise annually for certain posts and bring this information back to us for a discussion of pay and grading issues, and where the Council wished to position its pay structure in respect of other London Councils.

- 2.4 We asked about the Council's policy in respect of contractors paying the London Living Wage, as there had been a suggestion at a recent meeting that a contractor was recruiting at the National Minimum Wage instead. With regard to the specific contractor named, it was understood that their contract with the Council required them to pay the London Living Wage, and that this was being explored currently, with the involvement of the Trade Unions. We further noted that officers were currently looking into the potential costs to the Council of moving to a policy whereby all contractors working for the Council were required to pay the London Living Wage, and that the findings of this work would be brought back for consideration by Members later in the year.
- 2.5 We asked about training for Members in respect of making decisions around remuneration, and it was expected that these issues would be covered as part of the comprehensive training programme for Members after the elections later in the year. In response to a question about the possible reintroduction of a Members working group on senior remuneration, we noted that the Chief Executive was currently working on issues around reward and remuneration, and would be reporting back to the Committee on proposals in due course. We emphasised the importance of considering remuneration packages as a whole, not just salaries in isolation, as part of this work.

WE RECOMMEND

- i. The approval of the Pay Policy Statement, included at Appendix A of the attached covering report on the Pay Policy Statement 2014/15.