

LONDON BOROUGH OF TOWER HAMLETS

REPORT OF THE HUMAN RESOURCES COMMITTEE

29 FEBRUARY 2012

To receive the report of the Human Resources Committee at its meeting held on Wednesday **29 February 2012.**

Councillors in attendance at the meeting: -

Human Resources Committee:

Councillor Mohammad Abdul Mukit MBE(Chair)

Councillor Joshua Peck (Vice-Chair)

Councillor Alibor Choudhury

Councillor Ann Jackson

Councillor Craig Aston (Deputising for Councillor Gloria Thienel)

Other Councillors:

None

1. Localism Act 2011 - Pay Policy Statement 2012/13

A report informed the Human Resources Committee that: -

- The Localism Act 2011 gained Royal Assent on 15 November 2011. Under Section 38(1) of the Act, the Council is required to adopt a pay policy statement for each financial year, commencing with 2012/13. The statement for 2012/13 should be approved and adopted by 31 March 2012 to enable it to be published by the start of the new financial year.
- The pay policy statement sets out the Council's current policies and practice in relation to pay for all parts of the workforce, with the exception of school based employees.

The Committee considered the report and during discussions about pay settlements a member asked whether officers had discussed the annual pay awards with trade unions. The Service Head of Human Resources and Workforce Development confirmed this and stated that the Council was part of national pay bargaining, with negotiations happening at a national level between the employers' side and trade unions. He agreed that this point could be made more explicit within the document.

With regards to any future proposed amendments to the pay policy, a member highlighted that the document does not explain the processes for making changes. The Service Head of Human Resources and Workforce Development, agreed to add to the policy (see paragraph 14 of the draft policy) more information on how any changes would be made within the year that the policy is effective for.

The Committee also discussed the process for agreeing negotiated settlements for senior executives in circumstances other than redundancy. Following receipt of legal advice, the following paragraph was proposed and is subject to final agreement:

If it is determined that a negotiated settlement is appropriate for a senior executive in circumstances which do not amount to a dismissal, the Service Head (Human Resources & Workforce Development) will deal with the detail, and the Council's Chief Executive after consultation with the Monitoring Officer (or in circumstances where it is not appropriate for one or other to be involved, the Chief Financial Officer) and the Chair of the Human Resources Committee, will agree the settlement if they consider that the terms of the offer constitute value for money and are appropriate, fair and reasonable in the circumstances.

The Committee then

RESOLVED that

1. the draft pay policy statement be agreed prior to publication and prior to onward recommendation to full Council for adoption; and
2. that if any changes to the 2012/13 Pay Policy Statement are proposed by HR Committee prior to publication of the statement, that the Chief Executive be authorised to agree the final version after consultation with the Chair of the Human Resources Committee, Assistant Chief Executive (Legal Services) and the Service Head (Human Resources & Workforce Development).

Council is therefore recommended to: -

1. Adopt the Pay Policy Statement, attached at Appendix A to this report.

**Councillor Md. Abdul Mukit MBE
Chair of Human Resources
Committee**

LOCAL GOVERNMENT ACT 1972 SECTION 100D (AS AMENDED)
LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF THIS REPORT

**Brief description
of "background paper"
number of holder**

**Tick if copy
supplied**

**If not supplied,
name and telephone**

Draft Cabinet minutes
08/02/12

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