

# **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

## **PERSONNEL COMMITTEE**

**19<sup>th</sup> FEBRUARY 2018**

**Report of the Head of Human Resources – Sheenagh Rees**

### **SECTION B – MATTER FOR INFORMATION**

**WARDS AFFECTED – ALL**

### **PAY POLICY STATEMENT 2018 / 2019**

#### **Purpose of the Report**

1. To provide Members of Personnel Committee with the Neath Port Talbot County Borough Council Pay Policy Statement for 2018 / 2019, attached as Appendix 1, prior to presentation for approval at Council on 28<sup>th</sup> February 2018.

#### **Executive Summary**

2. It is a requirement of the Localism Act 2011 that the Council produces a Pay Policy Statement for each financial year, setting out specific information in relation to the pay of the Council's workforce. The Statement that has been prepared for 2018 / 2019, and attached at Appendix 1, has been developed in line with guidance produced by the Public Services Staff Commission "Transparency of Senior Pay in the Devolved Welsh Public Sector" and to reflect national and local developments in pay.

#### **Background**

3. The Localism Act 2011 requires local authorities to produce a Pay Policy Statement for each financial year articulating its policy towards a range of issues relating to the pay of its workforce, particularly in relation to senior staff and the lowest paid within the

workforce. This is with the aim of increasing accountability, transparency and fairness in the setting of local pay.

4. The statement must be prepared annually, considered and approved by full Council and published on the Council's website.
5. An initial Pay Policy statement was developed and approved by this Council in March 2012. As required by legislation, the Pay Policy Statement must be reviewed at least annually, and then approved and published by 31<sup>st</sup> March each subsequent year.
6. The Pay Policy Statement for 2018 / 2019 is attached at Appendix 1. The format of the document has been developed with reference to the Public Sector Staff Commission's guidance "Transparency of Senior Pay in the Devolved Welsh Public Sector" and the content has been updated to take account of national and local pay related developments, outlined in paragraphs 7 and 8 of this report.

### **Pay related developments**

7. The time limited pay provisions set out in the Workforce Strategy Collective Agreement 2013 come to an end on 31<sup>st</sup> March 2018. Accordingly, the pay scale for Local Government Services employees is restored with effect from 1<sup>st</sup> April 2018 and pay contributions cease on 31<sup>st</sup> March 2018. The Pay Policy Statement for 2018 / 2019 reflects this position.
8. It is the Council's policy that any nationally agreed pay awards, negotiated at a national level by the local government employers in conjunction with the recognised Trade Unions will be applied, including Chief Officers and the Chief Executive. At the time of producing this Pay Policy Statement, the outcome of discussions at a national level between employers and trade unions to seek to agree pay increases effective from 1<sup>st</sup> April 2018 are not yet known. The Council will apply any pay award as and when determined by national negotiations unless full Council determines otherwise.

### **Pay Multiples**

9. Whilst the Localism Act excludes schools from the scope of local authority Pay Policy Statements, the Pay Policy Statement for this Council sets out details of pay multiples both including and excluding employees who are appointed and managed by schools:

<b>Basis</b>	<b>Pay Multiple</b>
Lowest paid employee earnings: Chief Executive's earnings	1 : 9.12
Median employee FTE* earnings: Chief Executive	1 : 6.24
Lowest paid employee earnings: average Chief Officer earnings	1 : 5.76
Median employee FTE* earnings: average Chief Officer earnings	1 : 3.94

\* FTE= Full Time Equivalent

10. The pay multiples are identical in both scenarios, i.e. including and excluding support staff and teachers who are appointed and managed by schools.

### **Financial impact**

11. There are no financial impacts associated with this report.

### **Equality impact assessment**

12. In determining pay and remuneration, the Council complies with relevant employment legislation, including the Equality Act 2010, the Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, Fixed Term Employees (Prevention of Less Favourable Treatment) Regulations 2002, Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. The Council has sought to ensure that there is no pay discrimination within its pay structures and that pay differentials can be objectively justified primarily through the use of an equality proofed job evaluation mechanism which directly relates basic pay to the requirements, demands and responsibilities of each job role.

### **Workforce impacts**

13. The Pay Policy Statement sets out the impact of the Council's pay strategy on pay relativities within the workforce, and particularly the relationship between the highest and the lowest paid within the organisation.

### **Legal impacts**

14. It is a requirement under the Localism Act 2011 that the Council produces a Pay Policy Statement for the financial year 2018 / 2019 and that it is considered and approved by full Council, and subsequently published on the Council's website.

### **Risk Management**

15. Failure to consider and approve a Pay Policy Statement for the financial year 2018 / 2019 will place the Council in breach of the Localism Act 2011.

### **Consultation**

16. There is no requirement under the Constitution for external consultation on this item.

### **Recommendation**

17. It is recommended that Members NOTE the proposed Pay Policy Statement for 2018 / 2019 which will be presented to Council for approval on 28<sup>th</sup> February 2017.

### **FOR INFORMATION**

### **Appendices**

18. Appendix 1 – Pay Policy Statement 2018 / 2019

### **List of Background Papers**

Localism Act 2011

### **Officer contact**

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