

# **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

## **PERSONNEL COMMITTEE**

**25<sup>th</sup> FEBRUARY 2019**

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

### **SECTION A – MATTER FOR INFORMATION**

**WARDS AFFECTED – ALL**

#### **PAY POLICY STATEMENT 2019 / 2020**

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

1. To inform Members of Personnel Committee of the Pay Policy Statement for 2019 / 2020, to be presented to Council for approval on 27<sup>th</sup> February 2019. The Statement is attached as Appendix 1.

##### **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 2019 / 2020, 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 2019 / 2020 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. 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, unless full Council determines otherwise. In 2018, rates of pay applicable from 1<sup>st</sup> April 2018 and 1<sup>st</sup> April 2019 were agreed at a national level for the Chief Executive, Chief Officers, and Local Government Services employees and in respect of Soulbury Officers and Youth & Community Workers, rates of pay applicable from 1<sup>st</sup> September 2018 and 1<sup>st</sup> September 2019. The Council will apply these pay awards as set out in the pay agreements.

8. In respect of Local Government Services employees the pay agreement provided for a % increase pay award to apply from 1<sup>st</sup> April 2018 and a new pay spine to apply from 1<sup>st</sup> April 2019. In order to implement the new pay spine the Council has developed and agreed a revised pay and grading structure with the relevant trade unions, via collective agreement, in order to ensure that pay arrangements remain equality proofed.

### **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 : 8:21
Median employee FTE* earnings: Chief Executive	1 : 6.01
Lowest paid employee earnings: average Chief Officer earnings	1 : 5.22
Median employee FTE* earnings: average Chief Officer earnings	1 : 3.82

\* FTE= Full Time Equivalent

### **Financial impact**

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

### **Equality impact assessment**

11. 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**

12. 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**

13. It is a requirement under the Localism Act 2011 that the Council produces a Pay Policy Statement for the financial year 2019 / 2020 and that it is considered and approved by full Council, and subsequently published on the Council's website.

### **Risk Management**

14. Failure to consider and approve a Pay Policy Statement for the financial year 2019 / 2020 will place the Council in breach of the Localism Act 2011.

### **Consultation**

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

### **Recommendation**

16. It is recommended that Members consider and approve the Pay Policy Statement for 2019 / 2020 for publication on the Council's website.

## **FOR DECISION**

### **Reason for proposed decision**

17. To ensure that the Council complies with the requirements of the Localism Act 2011.

### **Implementation of Decision**

18. The decision is proposed for implementation after the three day call in period.

### **Appendices**

19. Appendix 1 – Pay Policy Statement 2019 / 2020

### **List of Background Papers**

Localism Act 2011

### **Officer contact**

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