

NEATH PORT TALBOT COUNTY BOROUGH COUNCIL
COUNCIL

2nd July 2020

Report of the Head of Human Resources – Sheenagh Rees

Matter for decision

Wards affected: all wards

Pay Policy Statement 2020 / 2021

Purpose of the Report:

To approval of the Pay Policy Statement for 2020 / 2021 for publication on the Council's website. The Statement is attached as Appendix 1.

Executive Summary:

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 2020 / 2021, 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:

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.

The statement must be prepared annually, considered and approved by full Council and published on the Council's website.

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 31st March each subsequent year.

The Pay Policy Statement for 2020 / 2021 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 this report.

Members should note that the attached statement was reviewed by the Council's Personnel Committee on 24th February 2020 and was then due to be reported to the Council meeting scheduled for 25th March 2020 in order to meet the deadline of 31st March, but unfortunately the meeting was cancelled as a result of the Covid-19 emergency.

Pay related developments

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 1st April 2018 and 1st 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 1st September 2018 and 1st September 2019. These are the rates of pay reflected in the attached statement.

Negotiations in respect of pay awards to apply from 1st April 2020 (or in the case of Soulbury Officers and Youth & Community Workers, to apply from 1st September 2020), have not yet concluded. The Council will apply these pay awards, as and when they are agreed, and as set out in the respective pay agreements.

Pay Multiples

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:

Basis	Pay Multiple
Lowest paid employee earnings: Chief Executive's earnings	1 : 8:21
Median employee FTE* earnings: Chief Executive	1 : 5.98
Lowest paid employee earnings: average Chief Officer earnings	1 : 5.28
Median employee FTE* earnings: average Chief Officer earnings	1 : 5.98

* FTE= Full Time Equivalent

Financial impacts:

The Council spends 47% of gross expenditure on its workforce.

Integrated impact assessment:

A first stage impact assessment has been undertaken to assist the Council in discharging its legislative duties (under the Equality Act, the Welsh Language Standards (No.1) Regulations 2015, the Well-being of Future Generations (Wales) Act 2015 and the Environment (Wales) Act 2016. The first stage assessment, attached at appendix 1 has indicated that a more in-depth assessment is not required. A summary is included below:

“A full impact is not required as there is no impact on any protected group as a result of this report – the Pay Policy Statement reflects pay decision already taken, and is simply a statement summarising those decisions. It also has no negative impact on bio-diversity or the Welsh Language. However, it should be noted that, 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”.

Valleys Communities Impacts:

No implications

Workforce impacts:

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:

It is a requirement under the Localism Act 2011 that the Council produces a Pay Policy Statement for the financial year 2020 / 2021 and that it is considered and approved by full Council, and subsequently published on the Council’s website.

Risk Management Impacts:

Failure to consider and approve a Pay Policy Statement for the financial year 2020 / 2021 will place the Council in breach of the Localism Act 2011.

Consultation:

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

Recommendation:

It is recommended that Members consider and approve the Pay Policy Statement for 2020 / 2021 for publication on the Council’s website.

FOR DECISION

Reason for proposed decision:

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

Implementation of Decision:

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

Appendices:

Appendix 1 – Pay Policy Statement 2020 / 2021

List of Background Papers:

Localism Act 2011

Officer contact:

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