**NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

**PERSONNEL COMMITTEE**

**27th February 2022**

**Report of the Head of People and Organisational Development – Sheenagh Rees**

**Matter for information**

**Wards affected: all wards**

**Pay Policy Statement 2023 / 2024**

**Purpose of the Report:**

To provide Members of the Committee with the Pay Policy Statement for 2023 / 2024 prior to presentation for approval at Council on 15th March 2023. 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 2023 / 2024, and attached at Appendix 1, has been developed in line with guidance produced by the Welsh Government "Pay Accountability within Local Government" published in November 2021 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 2023 / 2024 is attached at Appendix 1. The format of the document has been developed with reference to the guidance produced by the Welsh Government "Pay Accountability within Local Government" published in November 2021 and the content has been updated to take account of national and local pay related developments, outlined in this report.

**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.

The attached statement reflects pay awards agreed for Chief Executive, Chief Officers, and Local Government Services applying from 1st April 2022, and Youth & Community Workers, applying from 1st September 2022. At the time of writing this report, negotiations in respect of a pay award for Soulbury Officers to apply from 1st September 2022 have not yet concluded. The Council will apply any pay award subsequently agreed and the Pay Policy Statement will be updated to reflect this.

**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 : 7.10 |
| Median employee FTE* earnings: Chief Executive | 1 : 5.36 |
| Lowest paid employee earnings: average Chief Officer earnings | 1 : 4.41 |

| | |
|---|---|
| Median employee FTE* earnings: average Chief Officer earnings | 1 : 3.33 |

* FTE= Full Time Equivalent

**Financial impacts:**

The Council spends 46% 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 2023 / 2024 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 2023 / 2024 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 note the Pay Policy Statement for 2023 / 2024 for presentation to Council on 15th March 2023.

**FOR INFORMATION**

**Appendices:**

Appendix 1 – Pay Policy Statement 2023 / 2024

Appendix 2 - IIA

**List of Background Papers:**

Localism Act 2011

**Officer contact:**

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