



COUNCIL – 5TH MARCH 2019

SUBJECT: PUBLICATION OF THE PAY POLICY STATEMENT 2019 /20 AND IMPLEMENTATION OF THE NEW NJC PAY AND GRADING STRUCTURE

REPORT BY: CORPORATE DIRECTOR FOR EDUCATION AND CORPORATE SERVICES

1. PURPOSE OF REPORT

- 1.1 The purpose of the report is to seek approval from full Council for the publication of the Authority's Pay Policy 2019 / 20 and also approval to implement and publish the revised CCBC National Joint Council (NJC) pay and grading structure.

2. SUMMARY

- 2.1 The Localism Act 2011 requires Local Authorities to develop and make public their Pay Policy. This includes all aspects of Chief Officer Remuneration (including on ceasing to hold office), and also in relation to the "lowest paid" in the Council, explaining their Policy on the relationship between remuneration for Chief Officers and other groups.
- 2.2 The provisions in the Localism Act 2011 which relate to Pay Policy statements only apply to employees directly appointed and managed by the Council. Employees who are appointed and managed by school head teachers/Governing Bodies are, therefore, not required to be included within the scope of Pay Policy statements. This reflects the unique employment legislation position whereby all schools employees are employed by the local authority, but decisions about the appointment and management of such employees are mostly discharged by head teachers/governing bodies, as appropriate.
- 2.3 Members will be aware that our National Joint Council (NJC) for Local Government Services pay and grading structure was achieved through a collective agreement with the Trade Unions, and implemented with effect from the 1st of April 2009.
- 2.4 The NJC pay award for 2018 – 20 provided that Local Authorities had to implement a new pay and grading structure with effect from 1 April 2019 i.e. the second year of the agreed pay award. The proposed revised NJC pay and grading structure (attached at appendix 2 and page 10 of appendix 1) is a result of a collective agreement with the Trade Unions.

3. RECOMMENDATIONS

- 3.1 Council is asked to agree:
- 3.1.1 the attached Pay Policy Statement 2019 / 20 (Version 8) for publication on the Council's website.

- 3.1.2 the payment of the Foundation Living Wage hourly rate of £9.00 with effect from 1st November 2018.
- 3.1.3 the revised NJC Pay and Grading structure to be effective from 1st April 2019.
- 3.1.4 the assimilate and then increment principle to effect the transfer of staff to the revised Pay and Grading Structure with effect from 1st April 2019

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 Council is asked to agree the recommendations:
 - 4.1.1 to comply with the legislative requirements of the Localism Act 2011 with the publication of the Pay Policy 2019 / 20.
 - 4.1.2 to comply with the requirements of the NJC pay award for 2018 – 20 with the implementation of the revised NJC pay and grading structure with effect from 1st April 2019.

5. THE REPORT

Pay Policy Statement 2019 / 20

- 5.1 The Pay Policy Statement attached contains the full details of the remuneration position for the Council for 2019 / 20 that it is required to publish under legislation.
- 5.2 The Pay Policy will be published on the Council's Website, and will be available for access by members of the public, press and interested pressure groups.
- 5.3 It should be noted that the Pay Policy is required to be published on an annual basis, once accepted by Council. There is a requirement under the Localism Act for this to be undertaken before the 31st March each year.
- 5.4 The Hutton Review - "Review of Fair Pay in the Public Sector" (2010) – highlighted issues around Senior Pay, and the relativities with others in the organisation. The policy statement publishes these relativities, and CCBC is well within the advisory guidelines provided. The salary utilised for the Chief Executive calculations is the salary of the Interim Chief Executive, and not that of the substantive post holder.
- 5.5 The Council is currently a Foundation Living Wage Employer. The previous Foundation Living Wage rate was £8.75 per hour as covered in last year's Pay Policy. With effect from the 1 November 2018 this rate increased to £9.00 per hour.
- 5.6 Members will be aware that the Council currently pays the cost of registration with a specific registration body if there is a requirement to be registered in order to practice. With effect from 2018, Domiciliary Care Workers are now able to register with Social Care Wales and this will be mandatory for them to register from 2020. Adult Care Home Workers will also be able to register from 2020 and this will be mandatory for them to register from 2022. This will mean that the majority of the social care workforce will be regulated, which Social Care Wales confirms is a statement of the professionalism expected of the care sector in the years to come. The cost of this registration will be paid for within the Adult Service budget.

NJC Pay and Grading Structure

- 5.7 As a result of the NJC pay award 2018 - 20, the Council is required to introduce a revised NJC Pay and Grading structure to be effective from 1st April 2019 i.e. year 2 of the pay award.

- 5.8 The Council, on the introduction of Single Status in 2009, based its Grade 1 - 12 pay and grading structure around the existing pay structure adopted nationally i.e. the NJC for Local Government Services Pay Spine. Grades 1 - 12 currently cover the whole of the NJC pay spine, incorporating spinal column points 6 to 49, without any local variations, save for the Council introducing the Foundation Living Wage rate in 2012.
- 5.9 The NJC pay agreement for 2018 - 2020 includes the introduction of a new NJC for Local Government Services Pay Spine with effect from 1st April 2019. Agreement was reached for this new pay spine through the NJC collective agreement process and it will entirely replace the current NJC pay spine and consequently the Council's NJC pay and grading structure with effect from 1st April 2019. On this date, Grades 1 - 12 must assimilate into the new NJC pay spine, incorporating points 1 to 43.
- 5.10 The main differences between the current NJC pay spine and the 1st April 2019 NJC pay spine include:
- the current NJC pay spine points 6 to 17 inclusive are paired up as follows (6+7); (8+9); (10+11); (12+13); (14+15); (16+17) to create the new spinal column points 1 – 6
 - following the pairing up of spinal column points at the bottom end of the pay scale, the new pay spine stretches out again to include new spinal column points 10, 13, 16, 18 and 21. There are no corresponding points on the current NJC pay spine that link to these.
 - the introduction of these new spinal column points on to the new NJC pay spine leads to a 2.0% differential in incremental value across the whole of the spine, i.e. between points 1 and 2 and consistently throughout up to points 42 and 43.
- 5.11 Officers have therefore formally consulted with the Trade Unions to agree a pay spine that mirrors the transparent pay spine that is currently in place.
- 5.12 In proposing a pay and grading structure that fits the new NJC pay spine, consideration had to be given to the Council's substantial investment in 2009 to develop and implement its current NJC pay and grading structure. The aim of the negotiated single status pay and grading structure introduced in April 2009 was to ensure fairness; provide a transparent pay system that employees understand; avoid future legal challenges to the trade unions of management side; conform to equalities legislation; give all staff the opportunity to progress and develop in their job; simplify and standardise the method of progression through grades. Following this substantial investment, grading lines were drawn in relevance to affordability and sustainability.
- 5.13 In order to protect the principles of the agreed 2009 NJC pay and grading structure, the NJC pay and grading structure at Appendix 2 is proposed to Council for implementation with effect from 1st April 2019, following formal consultation with the Trade Unions.
- 5.14 To minimise disruption and confusion for employees, the Council has based its proposed NJC pay and grading structure around the 1st April 2019 NJC pay spine without any local variation. The main points of the new pay structure are:
- it maintains grades 1 to 12.
 - it contains no incremental overlaps from grade to grade. On the introduction of Single Status in 2009, the Council's NJC pay and grading structure incorporated a 2 spinal column point (SCP) grade overlap. In 2018 one increment overlap remains. This proposal withdraws the remaining SCP overlap, creating clear grades which will have a positive impact on starting salaries in post. It also promotes increased starting salaries in each grade.
 - it includes all 43 points of the 1 April 2019 NJC pay spine without local variation
 - the maximum salary point in each Grade is maintained supported by a corresponding pay point for pay assimilation purposes in every case.
 - it ensures no member of staff is at detriment.

- it ensures every member of staff is guaranteed a pay award increase.
- everyone in Grades 1-12 will benefit from this proposal. The overall impact is consistently 'positive' on all staff.
- all staff due an increment will benefit from a uniform 2% incremental increase. all staff within this pay spine will benefit from the NJC pay award.

- 5.15 In producing the revised NJC pay and grading, consideration has needed to be given as to whether employees are assimilated onto the new pay spine and incremented or incremented on to the new pay spine and then assimilated. For the vast majority of staff, the assimilation route proposed makes no difference to the overarching pay increase they can expect on transfer to the new pay structure.
- 5.16 The principle that accompanied the revised pay and grading structure in the Trade Union consultation exercise was assimilation then increment. This affords every member of staff who is due an increment, a 2% uniform incremental increase on the proposed pay scale. This assimilation principle combined with the overarching impact of the NJC pay award ensures that every member of staff who is due an increment in this assimilation exercise receives no less than a 4% increase in pay following their transfer to the new pay scale on 1st April 2019. All of the new pay points in the proposed pay and grading structure, including those without a corresponding salary value on the current pay scale, are used.
- 5.17 The Trade Unions during the consultation exercise requested that consideration be given to the increment then assimilation principle. Conversely, the increment and assimilation principle affords every member of staff who is due an increment, an incremental increase in the current pay scale. Assimilation via this route avoids using the new pay points on the proposed pay and grading structure and is advantageous to less than 5% of all staff due to assimilate.
- 5.18 Through the consultation exercise with the Trade Unions, agreement was reached to progress the new Pay and Grading structure through the assimilate and then increment route.
- 5.19 **Conclusion**
- 5.19.1 The Council has a legal requirement to publish a Pay Policy statement by 31st March each year. The Pay Policy statement attached at Appendix 1 is a statement of fact as national pay awards for 2019 / 20 have already been agreed.
- 5.19.2 The proposed pay and grading structure attached at Appendix 2 ensures that the Council complies with the requirements of the NJC pay award for 2018 – 20, whilst protecting the integrity of the Single Status Agreement 2009 and ensure all staff paid within this pay spine are not at detriment.

6. **ASSUMPTIONS**

- 6.1 There are no assumptions made within this report.

7. **LINKS TO RELEVANT COUNCIL POLICIES**

- 7.1 The remuneration of employees is an integral feature of our People Management Strategy and frameworks and is a fundamental feature of the employment relationship.

7.2 **Corporate Plan 2018-2023.**

The Pay Policy and the NJC pay and grading structure contributes towards or impacts the Corporate Well-being Objectives, as detailed below:

Objective 2 - Enabling employment

8. WELL-BEING OF FUTURE GENERATIONS

8.1 Having considered the five ways of working, the pay and grading structure contributes to the following Well-being Goal:

- A more equal Wales.

8.2 Payment of the Foundation Living Wage illustrates the Council's commitment to the prevention of poverty.

8.3 Longer term, the pay and grading structure should also support the Council's ability to recruit and retain employees.

9. EQUALITIES IMPLICATIONS

9.1 With regard to the Pay Policy 2019 / 20, there are no direct potential equalities implications, as it is a statement of arrangements with effect from 1st April 2019; therefore no specific Equalities Impact Assessment has been undertaken. Any previous changes to terms and conditions have been assessed for equalities issues, as have other reports relating to CCBC employee pay issues such as the Living Wage report.

9.2 In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation, including:

- The Equality Act 2010, including the requirements specifically in relation to Equal Pay
- Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000
- The Agency Workers Regulations 2010
- The Transfer of Undertakings (Protection of Employment) Regulations 2006, where relevant;
- The National Minimum Wage Act 1998.

9.3 An Equalities Impact Assessment has been undertaken on the revised NJC pay and grading structure and shared with the Trade Unions and there is no obvious negative impact on any particular 'protected characteristic' group.

9.4 The Council's current NJC pay and grading structure incorporating grades 1 to 12, was developed to eliminate bias and discrimination by showing that all jobs have been treated in the same way and to ensure that employees are paid fairly and equally for equal work. Using the Greater London Provincial Council (GLPC) Job Evaluation Scheme to determine the relative size of all posts, the Council is confident that all employees within the NJC Pay spine are paid on an objective and consistent assessment of the key factors of their job.

9.5 The Council has invested heavily in creating a non-discriminatory, transparent pay and grading structure and conditions of service that fully comply with the Equal Pay Act 1970 and any other anti-discriminatory legislation. Bonus Incentive Schemes and other enhancements were all withdrawn under the Council's Single Status Agreement in 2009. Transparent pay terms capable of being understood by all employees were introduced when the Trade Unions signed up to the Council's Single Status Agreement effective from April 2009.

10. FINANCIAL IMPLICATIONS

10.1 The report to Council on 21 February 2019 entitled 'Budget Proposals for 2019 / 20 and Medium Term Financial Plan 2019 / 20 to 2023 / 24' confirmed that:

- the pay award for the 2019 / 20 financial year has been fully funded as a growth pressure for APT&C staff.

- an increase of £65k is required to allow for the Foundation Living Wage annual increase.
- estimated growth of £635K is required to implement the proposed NJC pay and grading structure (£230k for schools and £405k for other services).

11. PERSONNEL IMPLICATIONS

- 11.1 The personnel implications arising from the Pay Policy statement and revised NJC pay and grading structure are outlined in the body of the report.

12. CONSULTATIONS

- 12.1 All consultation responses have been reflected in this report.

13. STATUTORY POWER

- 13.1 Local Government Act 1972
 Localism Act 2011
 Local Government (Wales) Measure 2011
 Local Government (Wales) Act 2015
 The Council's Constitution

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Appendices:

Appendix 1 Pay Policy Statement 2019 / 20 (Version 8)
 Appendix 2 Current NJC pay and grading structure and proposed NJC pay and grading structure with effect from 1 April 2019

Background Papers: Council report 21 February 2019, 'Budget Proposals for 2019 / 20 and Medium Term Financial Plan 2019 / 20 to 2023 / 24'.

Pay Policy Statement

Version:	Version 8
Policy Ratified by:	Full Council
Date:	5 March 2019
Area Applicable:	All Caerphilly employees (including Agency Workers) except School contracted employees.
Review Year	Financial Year 2019 - 20
Impact Assessed	Yes



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1. Introduction & Purpose

- 1.1 Under Section 112 of the Local Government Act 1972 the Council has the power “to appoint officers on such reasonable terms and conditions as the Authority thinks fit”. This Pay Policy statement sets out Caerphilly CBC’s approach to Pay Policy in accordance with the requirements of Section 38 to 43 of the Localism Act 2011. This required English and Welsh Local Authorities to produce and publish a Pay Policy Statement for 2012/2013 and for each financial year after that, detailing:
- a) The Council’s policies towards all aspects and elements of the remuneration of Chief Officers (Chief Officers are as defined in para 5.1 of this policy);
 - b) The approach to the publication of, and access to, information relating to all aspects of the remuneration of Chief Officers;
 - c) The Council’s policy on the remuneration of its lowest paid employees (including the definition adopted and reasons for it);
 - d) The relationship between the remuneration of its Chief Officers and other employees.
- 1.2 Guidance regarding these matters has been issued in Wales by the Minister for Local Government and Communities and, in accordance with section 40 (2) of the Act, Local Authorities in Wales must have regard to this Guidance when performing their functions in preparing and approving Pay Policy statements.
- 1.3 This is an update to the previous Pay Policy statement first issued in June 2012, and last updated with Council approval on 6 March 2018. This statement will come into immediate effect once fully endorsed by Council at its meeting on the 5 March 2019.
- 1.4 This pay policy statement needs to be placed in context. Caerphilly County Borough Council is a large complex organisation with a multi-million pound budget. CCBC for 2018/19 financial year has a workforce of almost 8,800 employees and a combined revenue and capital budget for 2018/2019 of over £619.5 million. We are in addition the largest single employer based in the County Borough.
- 1.5 As an employer we have a very wide range of functions and are responsible for the provision of many essential services at a local level. The general approach to employee remuneration levels may therefore differ from one group of employees to another to reflect specific circumstances at a local, Welsh or UK national level. The approach also needs to be flexible when required to address a variety of changing circumstances, whether foreseeable or not.

2. Legislative Framework

- 2.1 In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favorable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations.
- 2.2 With regard to the Equal Pay requirements contained within the Equality Act 2010, the Council aims to ensure there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality proofed Job Evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.

3. Scope of the Pay Policy

- 3.1 The Localism Act 2011 requires local authorities to develop and make public their Pay Policy on all aspects of Chief Officer remuneration (including on ceasing to hold office), and also in relation to the “lowest paid” in the Council, explaining their Policy on the relationship between remuneration for Chief Officers and other groups.

3.2 The provisions in the Localism Act 2011 which relate to Pay Policy statements only apply to employees directly appointed and managed by the Council. Employees who are appointed and managed by school Head Teachers/Governing Bodies are, therefore, not required to be included within the scope of Pay Policy statements. This reflects the unique employment legislation position whereby all schools employees are employed by the Local Authority but decisions about the appointment and management of such employees are mostly discharged by Head Teachers/Governing Bodies, as appropriate.

4. Pay Structure and Arrangements

4.1 Caerphilly utilizes the Greater London Provincial Council (GLPC) Job Evaluation process, and uses the nationally negotiated pay spine referred to as the National Joint Council (NJC) for Local Government Services, as the basis for its local grading structure. Our localised Pay & Grading structure was achieved through a collective agreement with the Trade Unions, and implemented with effect from the 1st of April 2009. The Pay & Grading structure has been updated, through a collective agreement with the Trade Unions as a result of the NJC's pay award for 2018 – 20. In terms of Chief Officers, the council uses the Hay Job Evaluation process which allows the posts to be effectively benchmarked against the internal and external markets, as approved by Cabinet in 2004. This determines the salaries of the large majority of the non teaching workforce, together with the use of other nationally defined rates where relevant.

4.2 The Council employs Chief Officers under Joint Negotiating Committee (JNC) terms and conditions which are incorporated in their contracts. The JNC for Chief Officers negotiates on national (UK) annual cost of living pay increases for this group, and any award of same is determined on this basis. Chief Officers employed under JNC terms and conditions are contractually entitled to any national JNC determined pay rises and this Council will therefore pay these as and when determined in accordance with current contractual requirements.

4.3 The terms and conditions for Chief Executives are agreed by a separate body i.e. the Joint Negotiating Committee (JNC) for Chief Executives, which also negotiates on a national basis.

4.4 In addition to the NJC and JNC arrangements referred to above, the Council recognises other Nationally negotiated arrangements including National Pay Grades under the Soulbury Agreement and the National Pay Grades under the JNC for Youth & Community Workers. The details of these scales are contained in Appendices A – D.

4.5 The Council also has in place local agreements achieved via collective agreements with the Trade Unions for these staff groups.

4.6 New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary, subject to the approval of Head of Service. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector and is incorporated in the Market Supplements Policy.

Pay Supplements

4.7 All other pay related allowances are subject to either nationally or locally negotiated rates, that are determined in accordance with collective bargaining machinery and/or Council Policy. In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money against the ability to recruit and retain appropriately skilled and experienced employees that can deliver high quality services to the public.

- 4.8 The Council has committed itself to being a Living Wage Employer. The previous Living Wage rate was £8.75 per hour as covered in last year's Pay Policy. With effect from the 1 November 2018 this rate was increased to £9.00 per hour. The Council will therefore continue to pay the difference between the relevant Spinal Column Point (NJC SCP's 6 – 12 are affected) as a supplement. This supplement is included in the hourly rate as pensionable pay. This is demonstrated in the Council's NJC Payscale as provided in Appendix A.

Honoraria / Acting Up arrangements

- 4.9 Periodically individuals may be assigned temporary duties or responsibilities over and above their normal role. The Council operates its Acting Up and Honoraria Schemes to ensure that individuals are appropriately remunerated in accordance with the evaluation policy that applies to their terms and conditions.

Early Retirement, Voluntary Severance & Redundancy

- 4.10 The Council has agreed policies in relation to Early Retirement by Mutual Consent, Redundancy and Voluntary Severance. Any cost to the Council for employees to leave its employment with unreduced access to pension (except for compulsory redundancy) must be agreed by the Pensions Compensation Committee i.e. the group of Elected Members with delegated powers to approve such payments. The schemes are in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007. All these Policies (except compulsory redundancy) are underpinned by the requirement for a robust business case which balances service delivery with cost and with Head of Service, Director, Section 151 Officer and Head of People Services approval. The Policies are all available on the HR Portal via the following links:

<http://sc-aptken1/KENTICO/Departments/HR/Policies-Procedures/Early-Retirement-By-Mutual-Consent-On-The-Grounds.aspx>

<http://sc-aptken1/KENTICO/Departments/HR/Policies-Procedures/Redundancy-Scheme.aspx>

<http://sc-aptken1/KENTICO/Departments/HR/Policies-Procedures/Voluntary-Severance-Scheme.aspx>

- 4.11 The Council is the major employer in the area. Indeed, a majority of the employees who work for the Council live within Caerphilly County Borough. As such, the Council must have regard to its role in improving the economic well-being of the people of the County Borough.
- 4.12 The availability of good quality employment on reasonable terms and conditions and fair rates of pay has a beneficial impact on the quality of life in the community as well as on the local economy. The Council also has a role in setting a benchmark on pay and conditions for other employers in the area for the same reasons.
- 4.13 The Council is committed to working in partnership with its recognised Trade Unions in relation to all pay and conditions of service matters. The 2009 and 2019 Collective Agreements to achieve our Pay & Grading Structures were achieved with the support of our Trade Union partners. We continue to review the impacts of the Medium Term Financial Plan on our workforce.

Mileage

- 4.14 The mileage rate is currently 45p per mile in accordance with the HMRC approved exempt amount.

5. Chief Officer Remuneration

5.1 Definitions of Chief Officer / Pay Levels

5.1.1 For the purposes of this Pay Policy statement, "Chief Officers" are as defined within Section 43 of the Localism Act. The table below details the current numbers of Chief Officers:

Post Title	Number of posts
Chief Executive	1
Director	3
Head of Service	14 (12 x Grade A 2 x Grade B)

5.1.2 There is currently an interim arrangement in place relating to the post of Chief Executive, which is funded from the core revenue budget for this post. There are also other Chief Officers in interim and acting arrangements and these are also funded from existing revenue budgets.

5.1.3 Following the Council meeting on the 17 January 2013, the pay structure for Chief Officers is as follows:-

- The substantive Chief Executive Officer's salary is set at a one off spot salary of £137,000, to remain frozen for the period of that administration (May 2017). It should be noted that this payment is not in line with the official pay range for the role (see Appendix D), but it is in accordance with the decision made by full Council on 17 January 2013.
- It should be noted that the current Interim Chief Executive was appointed on the first increment point of the approved Chief Executive salary range as per Appendix D;
- Corporate Directors - The salary of the posts falls within a range of four incremental points between £113,981 rising to a maximum of £126,645 per annum;
- Heads of Service (Band A) - The salary of the posts fall within a range of four incremental points between £86,999 rising to a maximum of £96,665 per annum
- Heads of Service (Band B) - The salary of the posts fall within a range of four incremental points between £67,222 rising to a maximum of £74,693 per annum
- No bonus or performance-related pay mechanism is applicable to any Chief Officers' pay.
- The higher band A+ has not been used for the period of the previous administration. The issue of Chief Officer pay has not been revisited in the lifetime of the previous administration. Any future proposal at any time would require a final decision by Full Council.

5.2 Recruitment of Chief Officers

5.2.1 The Council's Policy and Procedures with regard to the recruitment of Chief Officers is contained within the Officer Employment Procedure Rules as set out in Part 4 of the Council's Constitution.

5.2.2 The determination of the remuneration to be offered to any newly appointed Chief Officer will be in accordance with the pay structure and relevant Council policies in place at the time of recruitment.

- 5.2.3 Where the Council is unable to recruit a Chief Officer under a contract of service, or there is a need for support for a specific project or to provide cover for a vacant substantive Chief Officer post, the Council will, where necessary, consider engaging individuals under “contracts for service”. These will be sourced through a relevant procurement process (in accordance with standing orders and financial regulations), ensuring the Council is able to demonstrate value for money from competition in securing the relevant service. There are however no current examples of this arrangement.
- 5.2.4 Welsh Government recommends in addition to agreeing the parameters for setting the pay of Chief Officers, full Council should be offered the opportunity to vote on large salary packages that are to be offered in respect of new appointments in accordance with their agreed pay policy statements. The Welsh Ministers consider £100,000 is the right level for that threshold.
- 5.2.5 For this purpose, salary packages should be consistent with the categories defined for remuneration in the Accounts and Audit (Wales) Regulations 2014. This will include salary, bonuses, fees, allowances routinely payable, any expenses allowance chargeable to UK income tax, the relevant authorities’ contribution to the officer’s pension and any other benefits in kind to which the officer is entitled as a result of their employment.
- 5.2.6 There is a requirement to specifically consult the Independent Remuneration Panel on any future changes to the salary of the Head Of Paid Service (in our case Chief Executive) that is ‘not commensurate with a change to the salaries of the authority’s other staff’. The Council is then required to give due regard to their recommendations on the salary of the Head of Paid Service prior to considering any changes.

5.3 Additions to Salary of Chief Officers

- 5.3.1 In addition to basic salary, set out below are details of other elements of Chief Officer remuneration:
- The Council pays a standard mileage rate of 45p pence per mile to Chief Officers (consistent with all other employees) with effect from the 1 July 2015, where the Chief Officer uses his or her private vehicle on Council business. The Council also reimburses any other reasonable expenses, incurred by the Chief Officer on behalf of the Council whilst on Council business, on production of receipts and in accordance with JNC conditions and other local conditions
 - The cost of registration with a regulatory body if there is a requirement to be registered in order to practice and undertake their specific job role. This currently only applies to the post of Head of Legal Services.
- 5.3.2 The Council has a statutory duty to appoint a Returning Officer for specified Elections and Referenda. The post of Chief Executive holds responsibility to be the Returning Officer for the Council for all Elections held within the County Borough. The Returning Officer is personally responsible for a wide range of functions in relation to the conduct of Elections and Referenda and is paid for discharging these functions in accordance with prescribed fees. The prescribed fees for Caerphilly County Borough Elections are attached in Appendix F. Fees for other organisation’s elections are not determined by or paid for by the Council. e.g. the Welsh Government set the fees for their election etc. All the Returning Officer’s payments in any election are publicised as part of the council accounts on an annual basis.

5.4 Payments on Termination

- 5.4.1 The Council’s approach to statutory and discretionary payments on termination of employment of Chief Officers, prior to reaching normal retirement age, is set out within its policy statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 [and if adopted] Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution)

Regulations 2007. For clarity the Authority does not provide any augmentation (“added years”) of pension, in its payments on termination.

5.4.2 Any other payments falling outside the provisions or the relevant periods of contractual notice shall be subject to a formal decision made in accordance with the Scheme of Delegation as contained within the Council’s Constitution.

5.4.3 Full Council will be required to approve any severance package in excess of the current threshold determined by Welsh Ministers at £100,000. Members will be advised of any contractual or statutory elements of the severance package, along with the consequences of withholding these from an employment law context.

6. Publication

6.1 This is an update of the Pay Policy Statement. This statement will come into effect, once fully endorsed by Council in March 2019.

6.2 In addition, the Accounts and Audit (Wales) Regulations 2014 require the Authority to disclose the following information in respect of remuneration in its annual Statement of Accounts:

- The number of employees whose remuneration, excluding pension contributions, was greater than £60,000
- The remuneration and the components of remuneration for statutory chief officers and designated head of paid service who have responsibility for the management of the Authority
- The total number and cost of exit packages
- The remuneration ratio between the Chief Executive and the median remuneration of all employees.

7. Pay Relativities within the Council

7.1 The “lowest paid” persons employed under a contract of employment with the Council are employed at the new Living Wage (Foundation) rate of £9.00 per hour. All roles within our grading structure previously paid in accordance with the spinal column point 6 (SCP 6) to spinal column point 12 (SCP 12) of the NJC pay spine for Local Government Services employees, receive a supplement to make the rate £9.00 per hour. As at 1 November 2018, this is £17,363 (Full Time Equivalent Earnings) per annum for a 37 hour standard working week.

7.2 The relationship between the rate of pay for the “lowest paid” employees and the Council’s Chief Officers is regulated by the processes used for determining pay and grading structures as set out in this Pay Policy Statement.

7.3 The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton “Review of Fair Pay in the Public Sector” (2010).

7.4 Will Hutton was asked by the UK Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organization. Hutton concluded that the relationship to median earnings was a more relevant measure and the Government’s Code of Recommended Practice on Data Transparency recommends the publication of the ratio between the highest rate of pay and the median average pay of the whole of the Council’s workforce (but excluding teachers and other employees appointed and managed by schools, in the case of local authorities).

- 7.5 The salary utilised for the Chief Executive calculations of all the pay multiple data is £143,949 i.e. the salary of the Interim Chief Executive.

Pay Multiple Data

The data for the Authority is contained in the table below:

Salary Multiple	Ratio
the multiple between the annual salary of the lowest paid Council employee and the Chief Executive (full-time equivalent basis) as a ratio	1 : 8.29
the multiple between the annual salary of the lowest paid Council employee and the average Chief Officer (full-time equivalent basis) as a ratio	1 : 5.46
the multiple between median earning of Council employees and the Chief Executive (full-time equivalent basis) as a ratio	1 : 7.08
the multiple between median earning of Council employees and the average Chief Officer (fulltime equivalent basis) as a ratio	1 : 4.66

- 7.6 As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available salary benchmarking information as appropriate.

8. Accountability and Decision Making

- 8.1 In accordance with the Constitution of the Council, the Chief Executive is responsible for decision-making in relation to the recruitment, pay (apart from those detailed in 8.2), conditions of service and severance arrangements for all employees of the Council, except Teachers, as their main pay and conditions of service are determined on a legislative basis by the UK Government.
- 8.2 The Council will set remuneration for the Chief Executive and Chief Officers (as defined in paragraph 5.1.2).
- 8.3 The Council has established a delegated Sub Committee i.e. the Pensions Compensation Committee, to consider any requests by employees to leave the employment of the Council with unreduced access to pension with a cost to the Council (except compulsory redundancy), that are supported by the agreed business case process.

9. Re-Employment

- 9.1 No Chief Officer, or any other employee, who leaves the employment of the Council on the grounds of early retirement, severance or voluntary redundancy will be later re-employed as an employee of the Council or contracted under a “contract of service” (as per 5.2.3), without the express permission of the Chief Executive in consultation with the Cabinet Member for Corporate Services. Where the re-employment is regarding the post of the Chief Executive or a Chief Officer (as defined in paragraph 5.1.1), this decision will require full council approval.
- 9.2 An exception to this occurs where an employee leaves under an agreed Flexible Retirement arrangement, where their ongoing employment is approved as part of the business case for release of accrued pension benefits.

10. Reviewing the Policy

- 10.1 This Pay Policy outlines the current position in respect of pay and reward within the Council and it will be reviewed at least annually, and reported to the full Council, to ensure that it meets the principles of fairness, equality, accountability and value for money for the authority and its residents.

Appendix A

CCBC NJC Pay Structure – with effect from 1 April 2019

Proposed GRADE APRIL 2019	SCP	01-Apr-19
Grade 1	1	£17,364
Grade 2	2	£17,711
Grade 3	3	£18,065
	4	£18,426
Grade 4	5	£18,795
	6	£19,171
Grade 5	7	£19,554
	8	£19,945
	9	£20,344
	10	£20,751
	11	£21,166
Grade 6	12	£21,589
	13	£22,021
	14	£22,462
	15	£22,911
	16	£23,369
	17	£23,836
Grade 7	18	£24,313
	19	£24,799
	20	£25,295
	21	£25,801
	22	£26,317
	23	£26,999
Grade 8	24	£27,905
	25	£28,785
	26	£29,636
	27	£30,507
Grade 9	28	£31,371
	29	£32,029
	30	£32,878
	31	£33,799
Grade 10	32	£34,788
	33	£35,934
	34	£36,876
	35	£37,849
Grade 11	36	£38,813
	37	£39,782
	38	£40,760
	39	£41,675
Grade 12	40	£42,683
	41	£43,662
	42	£44,632
	43	£45,591

Notes: The Living Wage rate applies from the 1 November 2018.

1. Appendix B Soulbury Pay Structure

EDUCATIONAL PSYCHOLOGISTS – SCALE A		
Spine Point	Salary (from 1 Sep 2018)	Salary (from 1 Sep 2019)
1	£36,446	£37,175
2	£38,296	£39,062
3	£40,146	£40,949
4	£41,994	£42,834
5	£43,844	£44,721
6	£45,693	£46,607
7	£47,434	£48,383
8	£49,175	£50,159
9	£50,806*	£51,822*
10	£52,439*	£53,488*
11	£53,961*	£55,040*

Notes:

1. Pay scales to consist of 6 consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff.
2. * Extension to scale to accommodate structured professional assessment points.

SENIOR / PRINCIPAL EDUCATIONAL PSYCHOLOGISTS – SCALE B		
Spine Point	Salary (from 1 Sep 2018)	Salary (from 1 Sep 2019)
1	£45,693	£46,607
2	£47,434	£48,383
3	£49,175*	£50,159*
4	£50,806	£51,822
5	£52,439	£53,488
6	£53,961	£55,040
7	£54,586	£55,678
8	£55,754	£56,869
9	£56,911	£58,050
10	£58,089	£59,251
11	£59,243	£60,428
12	£60,420	£61,628
13	£61,617	£62,849
14	£62,774**	£64,029**
15	£63,986**	£65,266**
16	£65,186**	£66,490**
17	£66,395**	£67,723**
18	£67,602**	£68,954

Notes:

1. Pay scales to consist of not more than four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff.
2. * Normal minimum point for the Principal Educational Psychologist undertaking the full range of duties at this level.
3. ** Extension to range to accommodate discretionary scale points and structured professional assessments
4. Principals are paid on a 4 point scale 8 - 14 (this includes 3 spa points)

TRAINEE EDUCATIONAL PSYCHOLOGISTS		
Spine Point	Salary (from 1 Sep 2018)	Salary (from 1 Sep 2019)
1	£23,415	£23,884
2	£25,129	£25,632
3	£26,841	£27,378
4	£28,556	£29,128
5	£30,269	£30,875
6	£31,983	£32,623

ASSISTANT EDUCATIONAL PSYCHOLOGISTS		
Spine Point	Salary (from 1 Sep 2018)	Salary (from 1 Sep 2019)
1	£28,783	£29,359
2	£29,959	£30,559
3	£31,134	£31,757
4	£32,303	£32,950

EDUCATION IMPROVEMENT PROFESSIONALS		
Spine Point	Salary (from 1 Sep 2018)	Salary (from 1 Sep 2019)
1	£34,749	£35,444
2	£35,993	£36,713
3	£37,168	£37,912
4	£38,359	£39,127
5	£39,543	£40,334
6	£40,727	£41,542
7	£41,971	£42,811
8	£43,168*	£44,032*
9	£44,563	£45,455
10	£45,807	£46,724
11	£47,035	£47,976
12	£48,223	£49,188
13	£49,569**	£50,561**
14	£50,769	£51,785
15	£52,095	£53,137
16	£53,293	£54,359
17	£54,495	£55,585
18	£55,674	£56,788
19	£56,891	£58,029
20	£57,519***	£58,670***
21	£58,727	£59,902
22	£59,780	£60,976
23	£60,939	£62,158
24	£61,978	£63,218
25	£63,089	£64,351
26	£64,173	£65,457
27	£65,282	£66,588
28	£66,405	£67,734
29	£67,532	£68,883
30	£68,656	£70,030
31	£69,771	£71,167
32	£70,903	£72,322
33	£72,036	£73,477
34	£73,197	£74,661
35	£74,353	£75,841
36	£75,544	£77,055
37	£76,715	£78,250

38	£77,899	£79,457
39	£79,066	£80,648
40	£80,233	£81,838
41	£81,406	£83,035
42	£82,578	£84,230
43	£83,749	£85,424
44	£84,925	£86,624
45	£86,099	£87,821
46	£87,274	£89,020
47	£88,454	£90,224
48	£89,623	£91,416
49	£90,797	£92,613
50	£91,972	£93,812

*normal minimum point for EIP undertaking the full range of duties at this level.

**normal minimum point for senior EIP undertaking the full range of duties at this level.

***normal minimum point for leading EIP undertaking the full range of duties at this level.

Appendix C

JNC Youth and Community Workers Pay Structure

YOUTH AND COMMUNITY SUPPORT WORKER		
Spine Point	Salary (from 1 Sep 2018)	Salary (from 1 Sep 2019)
2	£16,757	
3	£17,267	£18,117
4	£17,681	£18,431
5	£18,141	£18,791
6	£18,556	£19,106
7	£19,009	£19,389
8	£19,645	£20,038
9	£20,456	£20,865
10	£21,090	£21,512
11	£22,116	£22,558
12	£23,118	£23,580
13	£24,153	£24,636
14	£25,225	£25,729
15	£25,955	£26,474
16	£26,718	£27,252
17	£27,468	£28,017

YOUTH AND COMMUNITY SUPPORT WORKER (SENIOR)		
Spine Point	Salary (from 1 Sep 2018)	Salary (from 1 Sep 2019)
13	£24,153	£24,636
14	£25,225	£25,729
15	£25,955	£26,474
16	£26,718	£27,252
17	£27,468	£28,017
18	£28,223	£28,787
19	£28,972	£29,551
20	£29,724	£30,318
21	£30,568	£31,179
22	£31,525	£32,155
23	£32,456	£33,105
24	£33,392	£34,060
25	£34,335	£35,022
26	£35,277	£35,983
27	£36,221	£36,945
28	£37,175	£37,918
29	£38,122	£38,884
30	£39,070	£39,851
31	£39,709*	£40,503*
32	£40,760*	£41,575*

**Appendix D CCBC Senior Management Pay Structure – JNC Staff –
with effect from 1 April 2019**

All of the levels in the grading structure are linked to their evaluation under the Job Evaluation deployed for Senior roles i.e. Hay. This currently comprises of the Chief Executive, Deputy Chief Executive & Directors posts, and 6 further bands from A+ to E. Band A & B are Heads of Service and band C - E covers all other senior posts in the JNC arrangements.

	Increment 1	Increment 2	Increment 3	Increment 4
Chief Executive	143,949	149,275	154,602	159,944
Deputy Chief Executive	126,562	131,244	135,928	140,623
Director	113,981	118,199	122,414	126,645
Band A+ Heads Of Service	97,094	100,686	104,280	107,883
Band A - Heads Of Service	86,999	90,218	93,436	96,665
Band B	67,222	69,710	72,198	74,693
Band C	52,682	54,438	56,193	57,952
Band D	46,726	48,285	49,844	51,399
Band E	41,636	42,591	43,539	44,473

In accordance with the decision of full Council on 17 January 2013:

- there are no Officers employed currently in the Band A+
- the Council does not employ a Deputy Chief Executive

- the substantive Chief Executive is employed on a spot salary of £137,000 in accordance with the Council decision of 17 January 2013.

Appendix E

All Employee Groups - Main Conditions of Service

ANNUAL LEAVE	
<ul style="list-style-type: none"> • Chief Executive & Directors (JNC) 	33 days pa (No access to flexi leave)
<ul style="list-style-type: none"> • Chief Officers (JNC) • NJC • Soulbury 	<p>28 days pa *</p> <p>24 days pa rising to 28 days after 5 years' service.</p> <p>24 days pa rising to 28 days after 5 years' service.</p> <p>Where relevant individual employees are members of the flexible working hours scheme, they are entitled to 6 days flexi leave per 12 week period.</p> <p>*There are four officers who have protected leave at 33 days pa</p>
<ul style="list-style-type: none"> • Youth & Community Workers 	24 days pa rising to 28 days after 5 years' service.
HOURS OF WORK	
<ul style="list-style-type: none"> • Chief Executive (JNC) • Chief Officers (JNC) • NJC • Soulbury • Youth & Community Workers 	Standard working week is 37 hours, unless contractually employed on set hours.
OVERTIME PAYMENTS	
<ul style="list-style-type: none"> • Chief Executive (JNC / Hay) • Chief Officers (JNC / Hay) 	None
<ul style="list-style-type: none"> • NJC • Soulbury • Youth and Community Workers 	<p>All employees who are required to work additional hours beyond the 37 hour working week (or beyond their contracted working pattern that averages a 37 hour working week (e.g. rota/annualized hours) are entitled to receive enhancements at the rate of basic pay at time and a half except for Public and Extra Statutory holidays where basic pay at double time will be paid.</p> <p>Part-time employees are entitled to these enhancements only at times and in circumstances in which full-time employees would qualify. Otherwise a part-time employee shall work a full working week (i.e. 37 hours) before these enhancements apply.</p> <p>Employees required to work on an a Public and / or extra bank holiday as part of their normal working week shall, in addition to the normal pay for that day, be paid at plain time for all hours worked and will, in addition, receive a day's leave in lieu on each day.</p> <p>Employees required to work on a Public or extra bank holiday on</p>

	<p>their rest day shall be paid at double time for all hours worked and will, in addition, receive a day's leave in lieu on each day.</p>
SICK PAY SCHEME	
<ul style="list-style-type: none"> • Chief Executive (JNC / Hay) • Chief Officers (JNC / Hay) • NJC • Soulbury • Youth & Community Workers 	<p>During 1st year of service – 1 month's full pay and (after completing 4 months service), 2 months half pay.</p> <p>During 2nd year of service – 2 months full pay and 2 months half pay.</p> <p>During 3rd year of service – 4 months full pay and 4 months half pay.</p> <p>During 4th and 5th year of service – 5 months full pay and 5 months half pay.</p> <p>After 5 years' service – 6 months full pay and 6 months half pay.</p>

Appendix F

CAERPHILLY COUNTY BOROUGH COUNCIL - LOCAL ELECTION FEES

A) RETURNING OFFICERS FEE

For conducting the Election(s) giving the prescribed Notices, preparing and supplying Nomination papers, deciding on validity, appointing and remunerating staff, arranging and / or conducting the Poll, conducting the Count, declaring the result(s), making all necessary returns and generally performing all the duties which a Returning Officer is required to do under the Representation of the People Acts and Regulations – including all payments, disbursements and expenses as may be necessary.

1) <u>CONTESTED ELECTIONS</u>	1/4/2019
For each Electoral Division / Community Ward	£
For each 1000 Electors (or part)	83.18
For next 1000 Electors (or part)	47.32
For every subsequent 250 Electors (or part)	15.98
2) <u>UNCONTESTED ELECTIONS</u>	
For each uncontested Division / Ward	75.40
3) <u>POSTAL VOTES – (Supervision)*</u> to be paid to DRO and or Asst. DRO's	
*NB – in this event no fee should be claimed by the DRO or Asst. DRO's from the clerical fund for these duties.	
Issue (for each paper)	0.33p
<i>(minimum per Division / Ward)</i>	<i>(25.21)</i>
<i>(minimum per casual vacancy)</i>	<i>(72.84)</i>
Receipt (for each paper)	0.33p
<i>(minimum per Division / Ward)</i>	<i>(25.21)</i>
<i>(minimum per casual vacancy)</i>	<i>(72.84)</i>
4) <u>POLL CARDS (Supervision)*</u> to be paid to DRO and or Asst. DRO as above	
Per 1000 or part issued	30.47
<i>(minimum per casual vacancy)</i>	<i>43.51</i>

GRADE APRIL 2018		SCP	01-Apr-18
	Grade 1	5	
		6	£16,394
Grade 2		7	£16,495
		8	£16,626
	Grade 3	9	£16,755
		10	£16,863
		11	£17,007
		12	£17,173
Grade 4		13	£17,391
		14	£17,681
		15	£17,972
	Grade 5	16	£18,319
		17	£18,672
		18	£18,870
Grade 6		19	£19,446
		20	£19,819
		21	£20,541
	Grade 7	22	£21,074
		23	£21,693
		24	£22,401
Grade 8		25	£23,111
		26	£23,866
		27	£24,657
	Grade 9	28	£25,463
		29	£26,470
		30	£27,358
Grade 10		31	£28,221
		32	£29,055
		33	£29,909
	Grade 11	34	£30,756
		35	£31,401
		36	£32,233
Grade 12		37	£33,136
		38	£34,106
		39	£35,229
	Grade 11	40	£36,153
		41	£37,107
		42	£38,052
	Grade 11	43	£39,002
		44	£39,961
		45	£40,858
	Grade 11	46	£41,846
		47	£42,806
		48	£43,757
	Grade 12	49	£44,697

Proposed GRADE APRIL 2019	SCP	01-Apr-19
Grade 1	1	£17,364
Grade 2	2	£17,711
Grade 3	3	£18,065
	4	£18,426
Grade 4	5	£18,795
	6	£19,171
Grade 5	7	£19,554
	8	£19,945
	9	£20,344
	10	£20,751
Grade 6	11	£21,166
	12	£21,589
	13	£22,021
	14	£22,462
Grade 7	15	£22,911
	16	£23,369
	17	£23,836
	18	£24,313
Grade 8	19	£24,799
	20	£25,295
	21	£25,801
	22	£26,317
	23	£26,999
Grade 9	24	£27,905
	25	£28,785
	26	£29,636
Grade 10	27	£30,507
	28	£31,371
	29	£32,029
Grade 11	30	£32,878
	31	£33,799
	32	£34,788
Grade 12	33	£35,934
	34	£36,876
	35	£37,849
Grade 11	36	£38,813
	37	£39,782
	38	£40,760
	39	£41,675
Grade 12	40	£42,683
	41	£43,662
	42	£44,632
	43	£45,591

Living Wage Rate £9.00 per hour from 1 Nov 2018.
Aligns to minimum SCP in April 2019