



COUNCIL – 7TH MARCH 2017

SUBJECT: PUBLICATION OF PAY POLICY STATEMENT - LOCALISM ACT 2011

REPORT BY: ACTING HEAD OF HUMAN RESOURCES AND ORGANISATIONAL DEVELOPMENT

1. PURPOSE OF REPORT

1.1 To seek approval from full Council for the publication of the Authority's Pay Policy.

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 The Public Services Staff Commission in Wales have recently (December 2016) produced observations and advice to Welsh Government in respect of the Transparency of Senior Pay in the Devolved Public Sector. The Welsh Government response to this work is awaited and hence the attached Pay Policy follows existing guidance.

3. LINKS TO STRATEGY

3.1 The report links to the efficient and effective management of the Council's activities. The remuneration of employees is an integral feature of our People Strategy and frameworks, and is a fundamental feature of the employment relationship.

4. THE REPORT

The Pay Policy Statement

4.1 The Pay Policy Statement attached contains the full details of the remuneration position for the Council that it is required to publish under legislation.

4.2 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.

- 4.3 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.
- 4.4 This year's Pay Policy is able to include the salary details that will be in place with effect from April 2017, due to national pay awards already agreed.
- 4.5 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.
- 4.6 Members will be aware that the Council is currently a Living Wage Employer. The previous Living Wage rate was £8.25 per hour as covered in last year's Pay Policy. With effect from the 1 November 2016 this rate was increased to £8.45 per hour. As part of the budget setting process for 2017/18, Council, at the meeting held on 22 February 2017, approved the adoption of the new rate as our lowest paid salary point. This has been backdated to take effect from the 1 November 2016. The figures contained in the pay multiples reflect this decision.

Changes to Regulations

- 4.7 With effect from 1 April 2017, all Youth and Youth Support Workers employed by Local Authorities, schools, colleges schools and the voluntary sector will need to be registered with the Education Workforce Council (EWC). School and FE Teachers and Learning Support staff already register with the EWC. Following a consultation, the Welsh Government has set a fee of £45 for the Youth Worker category (those who hold a level 6 qualification) and £15 for Youth Support Workers (those who hold lower level qualifications). 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. Youth and Youth Support Workers will now fall into this category, resulting in a cost to the Authority of approximately £4k per annum, which is being paid for within the budget for the Youth Service.
- 4.8 The UK Government is in the process of introducing a number of changes which impact on public sector exit payments. The UK Government introduced legislation (Enterprise Act 2016) which included provisions to cap the total value of public sector exit payments, (including payment of compensation and pension strain) at £95,000. The cap is not yet in place as HM Treasury are yet to finalise the Regulations. It is expected that this will be completed by the Autumn of 2017 at the latest.
- 4.9 Until these Regulations are finalised, Welsh Government cannot decide how they may wish to exercise some of their powers. A further report will be brought to Council when more information is known about these changes.

5. WELL-BEING OF FUTURE GENERATIONS

- 5.1 Having considered the five ways of working, payment of the Living Wage illustrates the Council's commitment to the prevention of poverty.
- 5.2 Long term, this should also support the Council's ability to retain employees.

6. EQUALITIES IMPLICATIONS

- 6.1 There are no direct potential equalities implications of this report, as it is a statement of current arrangements; 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.

6.2 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.

7. FINANCIAL IMPLICATIONS

7.1 The £4k cost of the Youth and Youth Support Workers staff registration with the Education Welfare Council as detailed in 4.8 is being paid for within the budget for the Youth Service.

8. PERSONNEL IMPLICATIONS

8.1 The personnel implications arising from the Pay Policy statement and the measures proposed are outlined in the body of the report.

9. CONSULTATIONS

9.1 All consultation responses have been reflected in this report.

10. RECOMMENDATIONS

10.1 Council is asked to agree the attached Pay Policy Statement (Version 6) for publication on the Council's website.

11. REASONS FOR THE RECOMMENDATIONS

11.1 To comply with the legislative requirements of the Localism Act 2011.

12. STATUTORY POWER

12.1 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 – Version 6