

The Vale of Glamorgan Council

Cabinet Meeting: 6 February, 2017

Report of the Leader

Employee Pay Policy 2017/18

Purpose of the Report

1. To ask Cabinet to consider and endorse the Council's Pay Policy for 2017/18 prior to its submission to Council for final approval.

Recommendations

1. To note the required changes to the Council's Pay Policy for 2017/18 as set out in this report and as incorporated in the revised statement at [Appendix A](#).
2. To endorse the Pay Policy and refer it for consideration by Scrutiny Committee (Corporate Performance and Resources) on the 16th February 2017 and for final consideration and approval by Council on the 1st March 2017.

Reasons for the Recommendations

1. To respond to the legal requirement under the Standing Orders (Wales) Amendment Regulations 2014, the Local Government (Wales) Act 2015 and related advice from Welsh Government.
2. To respond to the legal requirement under the Localism Act and to provide openness and accountability in how the Council rewards its staff.

Background

2. Members will also be aware that the Council has a statutory requirement under the Localism Act 2011 to prepare a pay policy statement for the new financial year 2017/18. The statement needs to be approved and published by 31st March 2017.
3. The Pay Policy Statement for 2017/18 has once again been produced on the basis of statutory guidance, advice from the Welsh Local Government Association and guidance from Welsh Government.
4. The document will provide a framework for ensuring that employees are rewarded fairly and objectively, in accordance with the service needs of the Council and that there is openness and transparency in relation to the process.

Relevant Issues - Pay Policy Statement 2017/18

5. The Pay Policy 2017/18 has been produced in accordance with the requirements of section 38 (1) of the Localism Act 2011. The Act requires all local authorities to develop and make public their policy on all aspects of Chief Officer remuneration.
6. Notwithstanding the above, efforts have continued to be made to take a broader approach to the requirements of the Act and, as such reference has been made to the pay of other relevant groups within the policy statement.
7. In addition, paragraphs 6.25 to 6.31 of the Pay Policy set out the details of remuneration arrangements for staff undertaking duties in respect of elections and referenda/ballots.
8. Members will be aware that the Pay Policy has been incrementally developed since 2012 to incorporate the following:-
 - Guidance from Welsh Government as contained within the document "Pay Accountability in Local Government in Wales" as updated in January 2016.
 - Changes as prescribed by the Local Authorities Standing Orders (Wales) (Amendment) Regulations 2014 which took effect from 1st July 2014.
 - Changes as prescribed required by the Local Government (Wales) Act 2015 to ensure that any proposed changes to the salary of Chief Officers (as defined in the Localism Act 2011) are made following consultation with the Independent Remuneration Panel for Wales.
 - The effects of nationally negotiated pay awards and the emerging provisions of the National Living Wage as introduced in 2016.
9. The Pay Policy has been (and will continue to be) reviewed to ensure it reflects the range of general principles relating to the transparency of senior pay as contained in a Welsh Government Written Statement issued on 7th December 2015 (Transparency of Senior Remuneration in the Devolved Welsh Public Sector).
10. As indicated above, the Policy Statement has also been continually refined to reflect changes in the Council's senior management structure over recent years.
11. There will over the coming year be a number of other changes which will impact on the Council's current pay arrangements and which will need to be reflected in future pay policy statements. Such changes include:-
 - The impact of the review of the Local Government NJC Pay Structure in response to the incremental effects of the National Living Wage. It is anticipated that this will result in a significant streamlining of the current national pay point range.
 - The impact of the UK Government's Enterprise Act 2016, and specifically in relation to a restriction on local authority severance payments. It will be important to monitor how these provisions will be reviewed, translated and implemented by Welsh Government within the Welsh public sector.
12. Members will clearly be kept apprised of the evolving detail on all of the above issues and any necessary changes will be incorporated within future Pay Policy Statements.
13. As will be noted, the Pay Policy needs to be approved and re-published by the 31st March 2017 in order to comply with the provisions of the Localism Act.

Resource Implications (Financial and Employment)

14. There are no direct financial implications arising from the publication of the 2017/18 Pay Policy Statement. Certain pay details for those paid £60,000 per annum and above are published on an annual basis as part of the Statement of Accounts.

Sustainability and Climate Change Implications

15. There are no sustainability and climate change implications as a result of this report.

Legal Implications (to Include Human Rights Implications)

16. To respond to the legal requirements of the Localism Act.

Crime and Disorder Implications

17. There are no crime and disorder implications arising as a result of this report.

Equal Opportunities Implications (to include Welsh Language issues)

18. The Pay Policy will ensure openness and transparency in relation to the Council's approach to pay and reward.

Corporate/Service Objectives

19. The pay arrangements within the Pay Policy Statement help to support service delivery and the meeting of corporate/service objectives.

Policy Framework and Budget

20. This is a matter for decision by Full Council.

Consultation (including Ward Member Consultation)

21. The Trade Unions are aware of the requirements of the Localism Act and a copy of the statement has been shared with them.

Relevant Scrutiny Committee

22. Corporate Resources.

Background Papers

Localism Act 2011 Section 38 to 43

Pay Accountability in Local Government in Wales: Welsh Government February 2014

Transparency of Senior Remuneration in the Devolved Welsh Public Sector: Welsh Government December 2015

Officers Consulted:

Corporate Management Team

Responsible Officer:

Reuben Bergman, Head of Human Resources