

# **The Vale of Glamorgan Council**

## **Cabinet Meeting: 5 February, 2018**

### **Report of the Leader**

#### **Employee Pay Policy 2018/19**

##### **Purpose of the Report**

1. To ask Cabinet to consider and endorse the Council's Pay Policy for 2018/19 prior to its submission to Council for final approval.

##### **Recommendations**

1. To note the required changes to the Council's Pay Policy for 2018/19 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 15th February 2018 and for final consideration and approval by Council on the 28th February 2018.

##### **Reasons for the Recommendations**

1. To respond to the legal requirements 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 relation to 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 2018/19. The statement needs to be approved and published by 31 March 2018.
3. The Pay Policy Statement for 2018/19 has once again been produced on the basis of statutory guidance, advice from Welsh Local Government Association and guidance from Welsh Government.
4. The document provides 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 2018/19

5. The Pay Policy 2018/19 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 6.32 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 in the document “Pay Accountabilities in Local Government in Wales” as updated 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.
  - Necessary refinements as a result of changes to the Council’s senior management structure over recent years.
  - The effects of nationally negotiated pay awards and the emerging provisions of the National Living Wage as introduced in 2016
9. The Pay Policy also reflects specific changes to the Council’s pay and grading arrangements as approved by Cabinet and Council during 2017/18. These include:-
  - The removal of the first two pay points in the Single Status/Green Book Grading Structure as approved by Cabinet on 9th October 2017 and which took effect from 1st December 2017.
  - Minor changes to the payment arrangements associated with the Chief Officer Appraisal Scheme as approved by Council on the 13th December 2017. Such changes will mean that from 1st April 2018 all incremental pay increases will be processed on a monthly rather than an annual basis.
10. There will over the coming year 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 outcome of the 2018/19 pay negotiations for NJC Green Book employees and the effect of such negotiations on the current NJC Pay Structure.
  - The potential requirement for any modifications to the Council’s own local Green Book/Single Status Pay Structure as a result of the above national negotiations.
  - 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.

- Any changes to election payments as a result of the Welsh Government's Electoral Reform Review and as part of the provisions of the Wales Act 2017.
11. Members will clearly be kept apprised of the evolving detail on all of the above issues and any necessary changes will be incorporated within in future Pay Policy Statements.
  12. As will be noted, the Pay Policy needs to be approved and re-published by the 31st March 2018 in order to comply with the provisions of the Localism Act.

### **Resource Implications (Financial and Employment)**

13. There are no direct financial implications arising from the publication of the 2018/19 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**

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

### **Legal Implications (to Include Human Rights Implications)**

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

### **Crime and Disorder Implications**

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

### **Equal Opportunities Implications (to include Welsh Language issues)**

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

### **Corporate/Service Objectives**

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

### **Policy Framework and Budget**

19. This is a matter for decision by the Full Council.

### **Consultation (including Ward Member Consultation)**

20. 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**

21. Corporate Resources

### **Background Papers**

Localism Act 2011 Section 38 to 43

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

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**Officers Consulted**

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