

Committee: **Council**

Date of Meeting: **30<sup>th</sup> March, 2023**

Report Subject: **Pay Policy Statement 2023/2024**

Portfolio Holder: **Councillor Stephen Thomas, Leader of the Council/Cabinet Member Corporate Overview & Performance**

Report Submitted by: **Andrea Prosser, Head of Organisational Development**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Governance & Audit Committee	Democratic Services Committee	Scrutiny Committee	Cabinet	Council	Other (please state)
22/2/23	2/3/23						30/3/23	Emailed to Trade Unions on 22/2/23

1. **Purpose of the Report**

The purpose of this report is to seek approval of the Pay Policy Statement for 2023/24 (appendix 1) to progress to Council for endorsement in order to comply with the requirements of the Localism Act 2011.

2. **Scope and Background**

2.1 The Localism Act 2011, Chapter 8 (Sections 38 to 43), requires Local Authorities to prepare a Pay Policy Statement which must articulate the Authority's policies in respect of a range of issues relating to the pay of its workforce, particularly its senior staff (Chief Officers) and its lowest paid employees.

2.2 The Statement must comply with the following:

- Be prepared for each financial year, the first of which was approved for the financial year 2012/13.
  - Be approved by Full Council before 31 March each year.
  - Be published on the Council's website.
- Come into force and be complied with [S41 (2)] from the date of its approval and be subject to a review on a minimum of an annual basis in accordance with the relevant legislation prevailing at that time.

2.3 In “performing its functions” under S38 of the Act the Authority must also have due regard to any guidance issued by the Secretary of State and must as a minimum statutory requirement include the following:

- Set out the policies relating to the remuneration of its Chief Officers and its lowest paid employees.
- Set out the relationship between its Chief Officers and employees who are not Chief Officers.
- State its definition of “lowest paid employees” and the reasons for adopting it.
- Set out its policies on remuneration for the highest paid employees alongside their policies and remuneration towards its lowest paid employees.

2.4 The Act does not require Authorities to use their Pay Policy Statement to publish specific numerical data on pay and rewards. However, the Council considers how information set out within the Pay Policy Statement fits with data on pay and rewards required to be published under the Code of Recommended Practice on Data Transparency and the Accounts and Audit Regulations.

2.5 The Council uses the nationally negotiated pay spine referred to as the National Joint Council for Local Government Services (NJC) as the basis for its local grading structure. This determines the salaries of the large majority of the workforce. The NJC pay award for 2023/24 is currently pending.

2.6 Other local authorities have recently been engaged on their position with regards to the re-employment/re-engagement of staff who have left the Council via redundancy or any type of severance package that included a financial package. To ensure the Council is clear on its advice regarding re-engagement and to align with other local authorities, it is proposed to include the following text in the Pay Policy Statement:

*Staff who have left the employment of the Council by means of a voluntary redundancy or a voluntary severance which included a financial package, will not usually be re-employed or re-engaged in any way (i.e. by way of agency or consultancy). In exceptional cases only and where there has been a break of more than two years, re-engagement will be subject to CLT approval on the basis of a report outlining a critical business case. In cases that concern the Chief Executive, Directors or Chief Officers, Full Council approval will be required.*

3. **Options for Recommendation**

3.1 *To include Recommendation(s) / Endorsement by other groups, e.g. CLT/Committees/Other groups)*

The Pay Policy Statement has/will be circulated to the following:

- OD DMT on 22 February 2023
- Trade Unions on 22 February 2023
- CLT on 2 March 2023
- Council on 30 March 2023

3.2 **Option 1:** To consider and approve the Pay Policy Statement (preferred option).

3.3 **Option 2:** To make suggestions/comments to add to the Pay Policy Statement.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

The Pay Policy Statement will assist the Council to secure and maintain a suitable workforce which is required to deliver and develop its statutory responsibilities and also services covered in the Corporate Plan and Blaenau Gwent Well-being Plan.

5. **Implications Against Each Option**

5.1 ***Impact on Budget (short and long term impact)***

The Pay Policy Statement sets out the pay appropriate to various staff groups within the Council and any financial implications linked to pay awards are negotiated nationally.

5.2 ***Risk including Mitigating Actions***

The risk of not adopting the Pay Policy Statement is that the Council will not comply with its statutory obligations in line with the Localism Act 2011 and be in breach of the National Agreement on Pay and Conditions of Service as set out by the National Joint Council for Local Government Services.

5.3 ***Legal***

Approving the Pay Policy Statement ensures the Council complies with the requirements set out under the Localism Act 2011. This report supports the responsibility for the Council to produce an annual Pay Policy Statement under the Localism Act 2011.

5.4 ***Human Resources***

The Pay Policy Statement provides transparency in relation to the Council's approach to setting the pay of the workforce, particularly senior staff and lowest paid employees and meets the statutory duty of implementing national agreements on pay.

6. **Supporting Evidence**

6.1 ***Performance Information and Data***

N/A

6.2 ***Expected outcome for the public***

Producing an annual Pay Policy Statement provides the public with information to ensure the Council is open and transparent with regards to pay.

6.3 ***Involvement (consultation, engagement, participation)***

The involvement/roles and responsibilities of employees are detailed in the Pay Policy Statement and appendices.

The Trade Unions were consulted on the attached draft policy and a honoraria payment for a senior manager has been queried with the Corporate Leadership Team.

6.4 ***Thinking for the Long term (forward planning)***

The Council is committed to providing quality services which offer value for money. The Pay Policy Statement seeks to ensure the Council attracts, retains and motivates the best employees with the right skills.

6.5 ***Preventative focus***

N/A

6.6 ***Collaboration / partnership working***

The Pay Policy Statement has been updated in collaboration with key staff in Organisational Development.

6.7 ***Integration (across service areas)***

N/A

6.8 ***Decarbonisation and Reducing Carbon Emissions***

N/A

6.9a ***Socio Economic Duty Impact Assessment (complete an impact assessment to consider how the decision might help to reduce the inequalities of outcome associated with socio-economic disadvantage).***

N/A

6.9b. ***Equality Impact Assessment (screening and identifying if full impact assessment is needed)***

No adverse impact has been identified.

7. **Monitoring Arrangements**

7.1 *State how the work will be monitored e.g. through scrutiny or directorate performance management arrangements*

The Pay Policy Statement will be reviewed and updated by the Organisational Development Division on an annual basis.

**Background Documents /Electronic Links**

- Appendix 1 – Pay Policy Statement 2023/2024