

Committee: Council

Date of Meeting: 23rd July, 2020

Report Subject: Pay Policy Statement 2020/21

Portfolio Holder: Cllr Nigel Daniels, Leader of the Council / Executive Member Corporate Services

Report Submitted by: Andrea Prosser, Head of Organisational Development

Report Written by: Lee McDonald, HR Development Officer

| Reporting Pathway | | | | | | | | |
|-----------------------------|---------------------------------|--------------------------|-----------------|-------------------------------|--------------------|---------------------|----------|-----------------------------------|
| Directorate Management Team | Corporate Leadership Team | Portfolio Holder / Chair | Audit Committee | Democratic Services Committee | Scrutiny Committee | Executive Committee | Council | Other (please state) |
| 17/2/20 | Virtually on 28/2/20 & 02/07/20 | | | | | | 26/07/20 | Trade Unions virtually on 28/2/20 |

1. **Purpose of the Report**
 - 1.1 The purpose of this report is to seek approval of the Pay Policy Statement for 2020/21 (appendix 1) 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 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 should consider 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 two year national pay deal for 2018/19 and 2019/20 which included a new pay spine from 1 April 2019 is in place and a new pay deal is currently being negotiated for 2020/21.

3. **Options for Recommendation**

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

The Pay Policy Statement has been circulated to CLT – virtually on 28 February 2020.

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

3.3 **Option 2:** Not to approve 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. Any financial implications linked to pay awards are negotiated nationally and are still pending for 2020/21.

5.2 ***Risk***

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 ***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.

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

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

6.3 ***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.

6.4 ***Collaboration / partnership working***

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

6.5 ***EqIA (screening and identifying if full impact assessment is needed)***

A full Equality Impact Assessment was carried out on the implementation of the new NJC pay spine and there is no adverse impact has been identified.

7. **Monitoring Arrangements**

- 7.1 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 2020/2021