

**BRIDGEND COUNTY BOROUGH COUNCIL**

**REPORT TO COUNCIL**

**18 MARCH 2015**

**REPORT OF THE CABINET MEMBER - RESOURCES**

**PAY POLICY STATEMENT – 2015/16**

**Any recommendation expressed in this report reflects only the preliminary view of Cabinet. Where the Cabinet Members participate in the decision making process they will not make a final determination on this matter without consideration of the debate and any other relevant matter.**

**1. Purpose of Report.**

- 1.1.1 This report confirms that the Council is meeting its legal obligation following the Localism Act 2011.
- 1.1.2 The report has been prepared and written by the Chief Executive who is not directly affected by the content of the report as the pay negotiations in respect of Chief Executives' pay are on-going.
- 1.1.3 This Pay Policy statement provides an accurate summary of the Council's policy for the purposes of publication under the Localism Act. Council is not being asked to agree to a new or changed aspect of policy or take any decision that would impact directly upon the terms and / or conditions of the Chief Executive. This policy is not specifically about the author in an individual capacity otherwise than in a way that is commensurate with all staff within the Authority.

**2. Connection to Corporate Improvement Objectives/Other Corporate Priorities.**

- 2.1 None.

**3. Background.**

- 3.1 The Localism Act 2011 requires English and Welsh Local Authorities to produce and publish a Pay Policy Statement beginning 2012/13 and for each financial year thereafter.
- 3.2 Council has already fulfilled its obligations, as required by Section 39(1) Localism Act 2011, and the first Pay Policy Statement came into effect on 1<sup>st</sup> April 2012 with the subsequent Pay Policy Statements being published on 1<sup>st</sup> April 2013, 13<sup>th</sup> November 2013 and 17<sup>th</sup> September 2014.

**4. Current situation / proposal.**

- 4.1 The updated Pay Policy Statement for the Council for the year 2015/16 is attached as Appendix A.

- 4.2 This Pay Policy Statement is fully compliant with the Localism Act 2011.
- 4.3 There have been some national pay-related developments since the last Pay Policy statement:
- 4.3.1 Agreement was reached in respect of the NJC pay negotiations at the end of 2014 and this award, effective from 01.01.15 – 31.03.16 has been implemented.
- 4.3.2 Agreement was reached in respect of the JNC pay negotiations in early February 2015 with an award effective from 01.01.15 to 31.03.16 applicable only to those Chief Officers on a guaranteed FTE basic salary of £99,999 or less as at 31.12.14.
- 4.4 There has been no conclusion to the pay negotiations in respect of Chief Executives and those employed on and JNC Youth & Community Worker terms and conditions and therefore this pay policy statement may need updating when these negotiations have concluded.
- 4.5 The current Redundancy and Redeployment policy is attached to the Pay Policy Statement as required.
- 4.6 One significant change for Council's attention is the Welsh Government's amendment to the Local Authorities (Standing Orders) (Wales) Regulations 2006 effective from 1<sup>st</sup> July 2014 which introduced a new requirement
- “The relevant authority must determine the level, and any change in the level, of the remuneration to be paid to a chief officer”
- 4.7 The impact of this amendment is that all changes to chief officer pay must be voted upon by full Council, not just those changes which are determined locally. The amendment means that pay rises which have been nationally negotiated in respect of JNC Officers cannot be paid unless and until they have been agreed by full Council.
- 4.8 The Chief Officers employed in this Council are employed under JNC terms and conditions and these are incorporated into their contracts of employment. Council are advised that Chief Officers are contractually entitled to nationally negotiated pay rises for JNC Chief Officers and that a decision to withhold payment could result in claims against the Council for breach of contract and/or “unlawful deduction from wages.”
- 4.9 Council are advised that any deviation from national negotiations should only be taken after consultation and agreed changes to contractual terms and conditions.
- 4.10 Following the implementation of this amendment, the WLGA has entered into a debate with Welsh Government in order to achieve a pragmatic way forward. As a result it has been agreed that the requirement that full Council must determine nationally agreed pay rises for Chief Officers, to which they are contractually entitled, can be met by full Council voting to insert a suitable clause in the Pay Policy Statement to cover this issue. This clause is proposed as follows:

“The Council employs Chief Officers [ie, the Chief Executive, Corporate Directors, the Assistant Chief Executive and Heads of Service] on the nationally agreed JNC terms and conditions which are incorporated into their contracts of employment. This Council will implement any such increase as and when these are nationally determined and in accordance with Chief Officers’ contractual entitlement.

- 4.11 Should full Council determine at any time that it does not wish to implement nationally negotiated pay rises for JNC Chief Officers then the Pay Policy Statement would need to include a suitable clause to reflect that decision.

**5. Effect upon Policy Framework& Procedure Rules.**

- 5.1 None.

**6. Equality Impact Assessment**

- 6.1 An Initial Screening Equality Impact Assessment has been undertaken which indicates that the proposed Pay Policy Statement will positively assist in the delivery of the Council’s equality duties.

**7. Financial Implications.**

- 7.1 There are no financial implications arising from the recommendations in this report.

**8. Recommendation.**

- 8.1 Council is requested to approve the updated Pay Policy Statement as attached as Appendix A.
- 8.2 Council is requested to approve the proposals outlined in Paragraph 4.10 and 4.11 above.

Darren Mepham  
Chief Executive  
25.02.15

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