

Name of Committee:	<b>Cabinet</b>
Date of Meeting:	<b>08/02/2024</b>
Relevant Scrutiny Committee:	<b>Corporate Performance and Resources</b>
Report Title:	<b>Pay Policy 2024/25</b>
Purpose of Report:	To ask Cabinet to consider and endorse the Council's annual Pay Policy for 2024/25 prior to its submission to Council for approval
Report Owner:	Executive Leader and Cabinet Member for Performance and Resources
Responsible Officer:	Rob Thomas, Chief Executive
Elected Member and Officer Consultation:	Legal and Finance advice as part of clearance process
Policy Framework:	This is a matter for decision of Full Council as advised in the Pay Accountability in Local Government in Wales 2021 guidance

**Executive Summary:**

- The Council has a statutory requirement under the Localism Act 2011 to prepare a pay policy statement for the new financial year 2024/25. The statement needs to be approved and published by 31st March, 2024. 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.

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 November 2021.
- Changes as prescribed by the Local Authorities Standing Orders (Wales) (Amendment) Regulations 2014 which took effect from 1st July, 2014.
- Changes as prescribed 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) were made following consultation with the Independent Remuneration Panel for Wales.
- Local Government and Elections (Wales) Act 2021 has been taken into account as part of the annual Pay Policy Statement.
- Necessary refinements as a result of changes to the Council's senior management structure over recent years.

- The effects of national and locally negotiated pay and associated benefit awards along with the provisions of the National Living Wage.

## **1. Recommendations**

1. That Cabinet considers the required changes to the Council's Pay Policy 2024/25 as set out in this report and as incorporated in the revised statement at Appendix A.
2. That in pursuance of recommendation 1, Cabinet endorses the Pay Policy and refers it for consideration by Scrutiny Committee (Corporate Performance and Resources) on 21st February, 2024 and for final consideration and approval by Council on 4th March, 2024. Should Scrutiny Committee make no further comments then Cabinet would consider the Pay Policy as agreed and therefore referred to Full Council for consideration.

## **2. Reasons for 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 the Welsh Government
2. To respond to the legal requirement under the Localism Act 2011 and to provide openness and accountability in relation to how the Council rewards its staff.

## **3. Background**

- 3.1 Members will 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 2024/25. The statement needs to be approved and published by 31st March, 2024.
- 3.2 The Pay Policy Statement for 2024/25 has once again been produced on the basis of statutory guidance from Welsh Local Government Association and guidance from Welsh Government.
- 3.3 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.
- 3.4 Members be aware that pay negotiations are ongoing therefore unlikely that pay increases for 2024/25 will be completed by 1st April, 2024. Any agreement reached will be backdated to 1st April, 2024 as required.

## **4. Key Issues for Consideration**

- 4.1 The Pay Policy 2024/25 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.

- 4.2** 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.
- 4.3** This Pay Policy Statement does not apply to Members of the Council as they are not employees and are governed by separate legislation and the requirements of the Independent Remuneration Panel for Wales.
- 4.4** In addition, paragraphs 7.29 to 7.35 of the Pay Policy set out the details of remuneration arrangements for staff undertaking duties in respect of elections and referenda/ballots.
- 4.5** 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 2021.
  - Changes as prescribed by the Local Authorities Standing Orders (Wales) (Amendment) Regulations 2014 which took effect 1st July, 2014.
  - Changes as prescribed by the Local Government (Wales) Act 2015 to ensure that any proposed changes to the salary of Chief Officer (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 effect of nationally negotiated pay awards and the provisions of the National Living Wage as introduced in 2016.
  - The Local Government Elections (Wales) Act 2021 have been taken into account as part of the annual Pay Policy Statement.
- 4.6** The Pay Policy also reflects specific changes to the Council's pay and grading arrangements as approved by Cabinet and Council during 2018 including the restructuring of the pay and grading structure following National negotiations to incorporate the National Living Wage minimum hourly rate.
- 4.7** Members will be aware that the £95,000 cap on public sector exit payments had been revoked. No Council staff were affected by the cap whilst it was in force.
- 4.8** Members will clearly be kept apprised of the evolving detail on all the above issues and any necessary changes will be incorporated within future Pay Policy Statements. As will be noted, the Pay Policy needs to be approved and republished by 31st March, 2024 in order to comply with the provisions of the Localism Act 2011.

## **5. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?**

- 5.1** Long Term  
The Pay Policy Statement is required to appear on the Council's external website and is a statutory requirement of the Localism Act 2011. The regular and long-term

review of remuneration will take into account future trends and the need to undertake regular reviews of the various pay structures.

**5.2 Prevention**

The pay arrangements within the Pay Policy Statement help to support service delivery and meeting corporate/service objectives and together with preventing future Equal Pay issues

**5.3 Integration**

The statement articulates the Authority's own policy towards a range of issues relating to the pay of its workforce, particularly its senior staff/chief officers and its lowest paid employees.

**5.4 Collaboration**

Development of the Council's Pay Policy (and application of the supporting grade/pay structure for NJC Green book employees) is an internal function. The pay and reward determination is predominantly determined through national negotiations. However, with the increasing collaboration of services, the remuneration of staff will continue to be considered on a regular basis from a regional perspective.

**5.5 Involvement**

It is an annual report which must be approved by Council and will ensure openness and transparency in relation to the Council's approach to pay and reward. It is considered unnecessary to undertake an Equality Impact Assessment on the policy given these would have been undertaken as part of the relevant national/local pay and reward negotiation process. The Cabinet, Corporate Performance & Resources Scrutiny Committee and the Corporate Management Team have been consulted and the Trade Unions are aware of the requirements of the Localism Act and a copy of the statement has been shared with them.

**6. Climate Change and Nature Implications**

- 6.1** There are no direct implications arising from the publication of the 2024/25 Pay Policy Statement.

**7. Resources and Legal Considerations**

**Financial**

- 7.1** There are no direct financial implications arising from the publication of the 2023/24 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.

**Employment**

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

**Legal (Including Equalities)**

**7.3** To respond to the legal requirements of the Localism Act 2011.

**8 Background Papers**

Localism Act 2011 Sections 38 to 43

[Localism Act 2011 \(legislation.gov.uk\)](https://www.legislation.gov.uk/ukpga/2011/22/sections/38-43)

Pay Accountability in Local Government in Wales: Welsh Government 2021

(Guidance under Section 40 of the Localism Act 2011) [Localism Act 2011](https://www.legislation.gov.uk/ukpga/2011/22/sections/40)

[\(legislation.gov.uk\) https://www.gov.wales/sites/default/files/pdf-versions/2021/11/2/1637064780/payaccountability-within-local-government-html-0.pdf](https://www.gov.wales/sites/default/files/pdf-versions/2021/11/2/1637064780/payaccountability-within-local-government-html-0.pdf)

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

[Transparency of senior remuneration in the devolved Welsh public sector \[HTML\] | GOV.WALES](https://gov.wales/sites/default/files/publications/2015/12/1637064780/transparency-of-senior-remuneration-in-the-devolved-welsh-public-sector-html-0.pdf)

[The Local Government and Elections \(Wales\) Act 2021](https://www.legislation.gov.uk/ukpga/2021/22)



### VALE OF GLAMORGAN COUNCIL EMPLOYEE PAY POLICY 2024/25

## 1. INTRODUCTION AND PURPOSE

- 1.1 The Vale of Glamorgan Council recognises the importance of managing pay fairly and consistently in a way that motivates staff to make a positive contribution. The decisions that are taken regarding pay are crucial to maintaining equality of pay across the Council and in delivering cost effective public services. The production of a Pay Policy supports this approach. This Pay Policy covers the period 1<sup>st</sup> April 2024 to 31<sup>st</sup> March 2025.

## 2. SCOPE

- 2.1 This Employee Pay Policy has been produced in accordance with the requirements of section 38 (1) of the Localism Act 2011 which requires authorities to develop and make public their pay policy on all aspects of Chief Officer remuneration (including severance payments to those who cease to hold office) and that relating to the 'lowest paid' in the authority and explain their policy on the relationship between remuneration for Chief Officer and other groups.
- 2.2 However, in the interests of transparency and accountability, the Council has taken a broader approach and has produced a policy covering all employee groups with the exception of school teachers (as the pay for this group is set by the Secretary of State and therefore not in local authority control).
- 2.3 This Pay Policy Statement does not apply to Members of the Council as they are not employees and are governed by separate legislation and the requirements of the Independent Remuneration Panel for Wales.

### **3. LEGISLATION**

- 3.1 In determining the pay and remuneration of all its employees, the Council will comply with all relevant legislation. This includes the: -
- Equalities Act 2010; including the Public Sector Equality Duty (Wales)
  - Part Time Workers (Prevention of Less Favourable Treatment) Regulations 2000
  - Fixed-Term Employees (Prevention of Less Favourable Treatment) (Amendment) Regulations 2002/2034
  - Agency Workers Regulations 2010
  - Transfer of Undertakings (Protection of Employment) Regulations 2014
  - National Minimum Wage Act 1998
  - The Local Government Elections (Wales) Act 2021
- 3.2 With regard to the equal pay requirements contained within the Equalities Act, the Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality proofed Job Evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of job roles.

### **4. DEFINITIONS**

- 4.1 For the purposes of this statement Chief Officers are defined within section 43 of the Localism Act. Such posts include the Chief Executive (as Head of Paid Service), all Service Directors, the Head of Legal Services (as Monitoring Officer), the Head of Finance and other officers who report directly to the Chief Executive (within the meaning of the Act).
- 4.2 The definition also includes those defined as Deputy Chief Officers within the meaning of the Localism Act including Heads of Service and Operational Managers who report directly to the Chief Executive or a Service Director.
- 4.3 The lowest paid persons under a contract of employment are, for the purposes of this statement defined as those employed on spinal column point 2 of the National Joint Council (NJC) 'Green Book' pay spine which is currently £22,366 per annum which has been in place since 1 April 2023. NJC Pay negotiations have begun for the period 2024/25, and are unlikely to be approved prior to this Pay Policy being published. Therefore, when approved any backdated pay award will be effective from 1<sup>st</sup> April 2024.
- 4.4 Those employed on apprenticeship contracts or government schemes such as Quickstart are not included within the definition of lowest paid persons.

## 5. KEY PRINCIPLES

- 5.1 The main aim of the Council's Pay Policy is to ensure that all staff are rewarded fairly for the work that they do, that the Council is able to attract and retain suitably skilled staff (from both public and private sector) and that the approach to pay and reward is affordable and supports the provision of cost effective public services.
- 5.2 The approach aims to reflect fairness and equality of opportunity, the need to encourage and enable staff to perform to the best of their ability and the desire to operate a transparent pay and grading structure. The Council reflects this in relation to annual data included in its Annual Equality Monitoring Report.
- 5.3 The Council recognises that pay is not the only means of rewarding and supporting staff and offers a wider range of benefits including flexible working, access to training and development, occupational health services, long service awards, an occupational pension scheme, shared cost AVC scheme for LGPS members, an employee assistance programme and benefits that support our commitment to sustainability and Project Zero, for example a Cycle to Work initiative. The Council is committed to the identification and fostering of talent to support succession planning and meeting the future business needs.
- 5.4 In order to embed the above principles the Council will make provision for clear and rational processes for setting/reviewing salaries and for ensuring sufficient flexibility to take into account the pay market and recruitment and retention factors, for example our market forces process.

## 6. ROLE OF THE CHIEF EXECUTIVE

- 6.1 As the most senior officer the Chief Executive is responsible for a wide range of services with a total net budget of £294.422 million (2023/24) and for the employment of 5,312 employees, including Big Fresh Catering and Schools (as at December 2023). The services are provided to a total population of 131,800 according to the 2021 Census (Office for National Statistics). The Council was recorded as having a Council housing stock of 3,925 and there were 23,288 pupils enrolled in our schools as at [September 2023](#).
- 6.2 The role of Chief Executive is a full time and permanent appointment. Post holders are selected on merit, against objective criteria, following public advertisement. They are appointed by the Senior Management Appointment Committee of the Council, comprising elected members.
- 6.3 The Chief Executive works closely with elected members to deliver the administration's Corporate Plan – a programme of action to create opportunity,



manage growth and reform public services, whilst ensuring that the benefits of success are felt by all residents.

## **7. PAY DETAILS**

### ***a. Pay Structure – National Joint Council Green Book/Single Status Staff***

- 7.1 The Council's pay structure for NJC 'Green Book' staff was implemented on the 1 March 2012 following the signing of a Collective Agreement with UNISON, GMB and UNITE. The pay structure was devised following the evaluation of all posts using the Greater London Provincial Council (GLPC) Job Evaluation Scheme.
- 7.2 Following the 2019/20 pay award implementation, a revised pay structure for NJC 'Green Book' staff was implemented on 1 April 2019 following the signing of a local Collective Agreement with UNISON, GMB and UNITE.
- 7.3 In May 2022 the Cabinet made a commitment to pursuing accreditation as a Living Wage Employer by the Living Wage Foundation. Work will continue to ensure our lowest paid, as a minimum are paid in accordance with the Real Living Wage calculated annually by the Resolution Foundation and overseen by the Living Wage Commission
- 7.4 As stated above in para 4.3, pay negotiations are still progressing for 2024/25.
- 7.5 The Council's local pay structure has 11 grades that span spinal column points 2 (£22,336) to 43 (£51,515). Each grade has a varying number of incremental points ranging from one to six. Incremental progression through the pay grades is based on service and satisfactory performance. New appointments will normally be made at the minimum of the relevant grade, although this can be varied, where necessary to secure the best candidate for the post in question.
- 7.6 All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining arrangements and including those as set out within the 'single status' collective agreement as implemented from 1<sup>st</sup> March 2012.
- 7.7 It is recognised that there will be exceptional occasions where the market rate for certain key jobs is higher than that provided for by the current pay and grading structure. In these circumstances, the grading of the post can be reviewed in accordance with the market forces policy, which has been developed for employees on 'Green Book' terms and conditions.
- 7.8 There may be occasions when an employee is asked to carry out additional duties to those of their substantive post for a period of time. In such

circumstances an additional payment may be made in line with the Council's Acting up or Honoraria Scheme depending on the duties and responsibilities undertaken by the employee.

#### **b. Pay Structure – Chief Executive/Chief Officers**

- 7.9 The Chief Executive is employed by the Council on Joint National Council (JNC) Chief Executive terms and conditions and the Directors and Heads of Service on JNC Chief Officer terms and conditions handbooks. Pay levels for all such officers are as evaluated using the Korn Ferry Hay Group Job Evaluation Scheme.
- 7.10 The Council also has a category of employees employed as Operational Managers. Such officers are also employed on JNC Chief Officer terms and conditions of employment although not all defined as Chief Officers within the meaning of section 43 of the Localism Act.
- 7.11 The salaries of officers as set out in 7.9 and 7.10 above are locally determined taking into account population size, the type of authority and related advice/support from the Korn Ferry Hay Group. The current rates are set out at 7.15 below.
- 7.12 As indicated, the Council employs Chief Officers under JNC terms and conditions which are incorporated in their contracts. The JNC negotiates on national (UK) annual cost of living pay increases for this group and any award of same is determined on this basis.
- 7.13 Chief Officers employed under JNC terms and conditions are contractually entitled to any JNC determined pay rises and this Council will therefore pay these as and when determined in accordance with current contractual requirements.
- 7.14 The number and gender profile of such officers is as set out below (information as at December 2023) :-

<b>Level</b>	<b>Male</b>	<b>Female</b>	<b>All</b>
Chief Executive	1	0	1
Director	4	1	5
Heads of Service	6	8	14
Operational Manager 1	18	13	31

Operational Manager 2	1	4	5
<b>Total</b>	<b>30</b>	<b>26</b>	<b>56</b>

7.15 The pay ranges for chief officers as in 7.9 to 7.10 are as set out below: -

<b>Level</b>	<b>Salary Range</b>	
<b>Chief Executive</b>	1	£ 147,639
<b>Director</b>	5	£ 113,004
	4	£ 110,230
	3	£ 107,453
	2	£ 104,680
	1	£ 101,903
<b>Head of Service</b>		
	5	£ 86,164
	4	£ 84,059
	3	£ 81,958
	2	£ 79,851
	1	£ 77,747
<b>Operational Manager 1</b>	5	£ 63,420
	4	£ 62,029
	3	£ 60,630
	2	£ 59,236

	1	£ 57,839
<b>Operational Manager 2</b>	5	£ 60,350
	4	£ 59,023
	3	£ 57,701
	2	£ 56,371
	1	£ 55,045

- 7.16 The salary references in the table at 7.15 above are based on the Chief Officers' Pay Agreement 2023/24 effective from 1<sup>st</sup> April 2023. As with the NJC pay negotiations, the pay award agreement is yet to be finalised from 1<sup>st</sup> April 2024.
- 7.17 When a Korn Ferry Hay Group Job Evaluation is carried out on Chief Officer posts, the company are asked to provide information about grade/salary levels based on their assessment of relative job sizes and benchmarking against market comparisons for posts of similar size and complexity.
- 7.18 Chief Officers Performance is reviewed quarterly following the introduction of a new Chief Officer Performance process during 2023/24 which consists of four quarterly touchpoints. Two formal and two informal. The formal touchpoints include a review and rating of past performance against performance expectations and behaviours against the Senior Leadership Competency Framework, and agreeing future expectations. The informal elements of the review include Self-Reflection, Peer Reviews and 360 Degree Feedback.
- 7.20 Any decision to determine or vary the remuneration of Chief Officers (as defined in paragraph 4.1) or those to be appointed as Chief Officers for reasons other than as negotiated as part of JNC pay awards will be subject to separate approval by Council.
- 7.21 In addition the Council will consult the Independent Remuneration Panel for Wales (IRP) in circumstances where it is proposed to make a change to the salary of any Chief Officer (as set out in paragraphs 4.1 and 4.2) except one which is commensurate with a change to the salaries of other employees. The Council will have regard to any recommendation received from the IRP when deciding whether or not to proceed with making the change.
- 7.22 There is no bonus applicable to Chief Officers' pay.

7.23 In addition to basic salary, set out below are details of elements of remuneration which apply to Chief Officers and also to other employees within the Council as appropriate:-

- Casual car user allowance paid in accordance with HMRC rates and where the use of a Council pool car is not available/appropriate
- Professional subscriptions where determined necessary by the Council for the post.
- Election payments as set out in paragraphs 7.29 to 7.35.
- Pension and redundancy/severance pay as set out in paragraphs 10.1 to 10.6.

7.24 Other duties are undertaken and recompensed by way of additional annual payments. The Section 151 Officer and Monitoring Officer, each receive a fixed annual allowance of £10,885 to reflect Senior Head of Service responsibilities within the Council's Resources Directorate and statutory responsibilities as appropriate. The Deputy Section 151 Officer and Deputy Monitoring Officer each receive a fixed annual allowance of £2,301.

7.25 All other pay related allowances for NJC 'Green Book' employees are the subject of either nationally or locally negotiated rates. The latter rates are set out in the Single Status Collective Agreement as referred to in paragraph 7.5.

7.26 The Council has a number of joint appointments at Chief Officer level to support the integration of services with other agencies. The joint appointments which are hosted by the Vale of Glamorgan Council include:-

A	Head of Adult Services and Locality Manager (a joint post with Cardiff and Vale University Health Board.
B	Head of Shared Regulatory Services (a joint post with Bridgend and Cardiff Councils.
C	Head of Audit (a shared post with Bridgend, RCT and Merthyr Councils)
D	Three Operational Managers (Shared Regulatory Services) joint posts with Bridgend and Cardiff Councils.

7.27 Post A and B is paid in accordance with the Council's Head of Service Salary Grade (plus a fixed annual allowance of £10,885). Post C is paid in accordance with the Council's Head of Service Grade and Posts D are paid in accordance with the Council's Operational Manager 1 Salary Grade.

7.28 The salary costs of all such appointments are shared proportionately under the terms of the formal agreements between the participating organisations.

### **c. Election Payments**

7.29 The Council's Chief Executive was formally designated as the Proper Officer for Electoral Registration and Returning Officers functions on an ongoing basis from 7<sup>th</sup> December 2021. No additional remuneration is payable for duties undertaken in respect of elections/referenda, save as referred to in 7.32 and 7.33 below\*.

7.30 The Returning Officer has a role in all Local Government, Parliamentary, Senedd Cymru, Police and Crime Commissioner elections, Referendums and any local by-elections.

7.31 In respect of Local Government Elections, The Local Government and Elections (Wales) Act 2021 contain provisions relating to the remuneration of the Returning Officer fees for the oversight of elections, as referenced below has changed.

7.32 Expenses properly incurred in running the Local Elections can be properly reclaimed, however, personal fees in respect of services rendered during the conduct of local government elections cannot be claimed as they are no longer to be categorised as "expenses".

The three key elements are:

- All expenditure properly incurred by a Returning Officer in relation to the holding of an election of a councillor for a county or county borough in Wales must, in so far as it does not, in cases where there is a scale fixed for the purposes of this section by the council for that area, exceed that scale, be paid by that council;
- All the expenditure properly incurred by a Returning Officer in relation to the holding of an election of a community councillor must, in so far as it does not, in cases where there is a scale fixed for the purposes of this section by the council of the county or county borough in which the community is situated ("the principal council"), exceed that scale, be paid by the principal council; and if the principal council so require, any expenditure so incurred must be repaid to them by the community council;
- Before a poll is taken at an election of a councillor for any local government area in Wales the council of that area or, in the case of an election of a community councillor, the council who appointed the returning officer must, at the request of the Returning Officer (including any person acting as Returning Officer), advance to the officer such reasonable sum in respect of the officer's expenses at the election as the officer may require.

- 7.33 Returning Officer fees for reserved i.e. non-local elections are set by legislation prior to the election within a Fees and Charges Orders\*.
- 7.34 In addition to the above, payments are made to staff administering and providing advice on election/referenda/ballot duties including payments for Presiding Officers, Poll Clerks, Counting Assistants and those undertaking the sending out and receipt of postal votes and other administration duties. Payment for such duties will depend on the type of election/referenda/ballot.
- 7.35 The Returning Officer currently has the authority to approve and amend the payments to staff for all elections/referenda/ballots. For non-local elections such determination is made in accordance with the Fees and Charges Order appropriate to that election (if any). Payment and fees for non-local elections are recoverable through funding from either the Westminster Cabinet Office, the Home Office or the Welsh Government.

#### d. Pay Ranges – Staff other than ‘Green Book’ and Chief Officers

- 7.36 The Council also has a small number of staff on other national terms and conditions including JNC Youth and Community Workers, Soulbury and Teacher terms and conditions. Pay for these employees are based on the relevant nationally agreed rates of pay.

## 8. GENDER PAY GAP

- 8.1 The following Gender Pay Gap information sets out the actual differences in pay between male and female employees (excluding schools) as at 31<sup>st</sup> March each year.

Date	Pay Gap (median)	Pay Gap (mean)
As at 31/3/2019	13.9%	6.2%
As at 31/3/2020	7.5%	3.4%
As at 31/3/2021	5.4%	4.0%
As at 31/3/2022	5.7%	4.7%
As at 31/3/2023	7.1%	6.4%

- 8.2 The **median** involves listing all the hourly rates in numerical order and choosing the middle number in the list. The **mean** average involves adding up all the

hourly rates and dividing the result by how many numbers were in the list. A positive percentage figure reveals that typically, or overall, employees who are female have lower pay than male employees. According to the national government's Gender Pay Gap information at [www.gov.uk](http://www.gov.uk), this is likely to be the situation for most employers.

## **9. RECRUITMENT OF CHIEF OFFICERS**

- 9.1 The Council's Policy and Procedures with regard to the recruitment of Chief Officers is contained within the Officer Employment Procedure Rules as set out in Section 11.9 of the Council's Constitution.
- 9.2 In accordance with the above, arrangements will be made for posts to be advertised in such a way that is likely to bring them to the attention of qualified persons. Where the proposed remuneration for a post is £100,000 or above (and the contract is longer than 12 months) arrangements will be made for the post to be specifically subject to public advertisement.
- 9.3 The determination of the pay to be offered to any newly appointed Chief Officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment. The Council does not employ any individual in a manner that seeks to avoid any taxation liabilities.
- 9.4 The Council will always seek to appoint Chief Officers at the lowest point of the band, however consideration will be given to appoint to any increment within the band to enable attraction of as wide a pool of talent as possible within the external market.

## **10. PENSIONS AND REDUNDANCY/SEVERANCE PAYMENTS**

- 10.1 All Council employees (with the exception of teachers) are entitled to join the local government pension scheme (LGPS). If employees are eligible they will automatically become a member of the scheme (to join they must have a contract for at least 3 months and be under the age of 75). Employees can decide to opt out of the scheme. The benefits and contributions payable as part of the scheme are set out in the LGPS regulations. Employees who are members of the LGPS can pay additional pension contributions into the new Shared Cost AVC scheme, where deductions are subject to both Tax and NI Savings, and the employer makes savings on employer NI costs. Employees' contribution rates are set by the LGPS regulations and range from 5.5% to 12.5% of pensionable pay depending on actual salary level. The Council's



employer contribution rate is set following each triennial fund valuation by the actuaries appointed by the Cardiff and Vale Pension Fund.

- 10.2 The Council's current policy in terms of the use of pension discretions as required by the Local Government Pension Scheme was reviewed by Cabinet on the 30<sup>th</sup> June 2014 and the report is available on the Council's website.
- 10.3 The Council's approach to statutory and discretionary payments on termination of employment of Chief Officers (and all other employees) is set out within its Early Retirement & Redundancy Policy in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006. Where appropriate an enhanced redundancy payment of up to 49.5 weeks pay may be granted (up to a maximum of £30,000).
- 10.4 The UK Government had introduced a cap on the amount of money a public sector employer can pay when an employee leaves their employment. It applied to employees leaving public sector employments from 4 November 2020 and restricted the payment of redundancy and severance payments to £95,000 for workforces of prescribed bodies.
- 10.5 The Government has now revoked its decision to impose a £95,000 cap on exit payments. The Council has not had any cases where the £95,000 cap had been utilised. Therefore, no further action is required by the Council.
- 10.6 Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007 do not apply as the Authority does not increase the total membership of active members (Regulation 12) or award additional pension (Regulation 13).

## **11. PUBLICATION**

- 11.1 Upon approval by the Council, this Pay Policy will be published on the Council's Website. The Council's Annual Statement of Accounts will also include additional information as required by the Accounts and Audit (Wales) Regulations 2005 (as amended) and in respect of posts where remuneration is £60,000 or more p.a.
- 11.2 The arrangements made in relation to senior appointments seek to ensure transparency and value for money for the residents of the Vale of Glamorgan and compliance with all legal and financial requirements.

## **12. PAY RELATIVITIES WITHIN THE AUTHORITY**

- 12.1 The lowest paid person employed under a Contract of Employment with the Council is employed on a full time [37 hours] equivalent salary in accordance with the minimum spinal column point currently in use within the Council's grading structure. This is currently £22,366 per annum
- 12.2 Based on current salary levels, the multiple between the lowest paid (full time equivalent) employee (£22,366) and the Chief Executive (£147,639) is 1:6.6
- 12.3 The multiple between the lowest paid employee (£22,366) and average Chief Officer (£72,980) is 1:3.3.
- 12.4 The multiple between the average full time equivalent pay (£31,967) and that of the Chief Executive (£147,639) is 1:4.6.
- 12.5 With the recent pay awards for employees on Grades 1 to 11 having higher overall percentage pay award increases due to the fixed amount increases, the multiples between the salaries of staff and Chief Officers/Chief Executive is reducing.

## **13. ACCOUNTABILITY AND DECISION MAKING**

- 13.1 In accordance with the Constitution of the Council, responsibility for the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the Council is a matter for the Council and its relevant committees.
- 13.2 The salary costs for the Council's workforce is a key component of the overall budget of the Council and a contributory factor in assessing the cost effectiveness of our services.
- 13.3 The Council and its Executive continue to ensure the appropriateness of staffing structures and through the robust application of job evaluation, the appropriateness of salary levels.

## **14. RE-EMPLOYMENT OF FORMER EMPLOYEES**

- 14.1 The re-employment of former employees can, in some circumstances, provide practical solutions to specific workload/project staffing needs. Former employees will also have a wealth of knowledge about and experience of the organisation.

- 14.2 The Council's approach regarding the re-employment of staff that have been made redundant or granted early retirement or indeed are in receipt of a pension from the Local Government Pension Scheme, is that the Council advertises vacancies externally as appropriate and will seek to employ the best candidate based on an objective selection process.
- 14.3 Any such arrangements must also be cost effective and provide best value in the use of Council resources.
- 14.2 The Council's pension discretionary policy does not provide for any abatement of pension in the circumstances where an officer, in receipt of a pension under the Local Government Pension Scheme is re-employed.

## **15. REVIEWING THE POLICY**

- 15.1 The Council will ensure the policy is updated annually, reviewed and considered by Cabinet and Scrutiny Committee (Corporate Performance & Resources) prior to consideration and approval by Council in line with the requirements of the Localism Act 2011. Any further necessary amendments, prior to the next annual review and following implementation of the new provisions referred to within the Local Government and Elections (Wales) Act 2021, as set out within the body of this policy can be undertaken under permitted powers pursuant to section 39 of the Localism Act 2011.

**January 2024**