

Meeting	Chief Officers' Appointments Committee
Date	16 February 2017
Title	Annual Review - Council's Pay Policy
Purpose	Agree on a recommendation to full Council
Author	Dilwyn Williams - Chief Executive
Cabinet Member	Councillor Peredur Jenkins

BACKGROUND

1. Since 2012 there is a statutory responsibility on all Councils to adopt a pay policy on an annual basis. This statutory requirement notes that it is a function for the full Council to approve that pay policy.
2. When adopting the pay policy for 2012/13, the full Council resolved to ask the Chief Officers' Appointments Panel to conduct an annual review of the pay policy's future sustainability and to submit recommendations to a meeting of the full Council in March each year.
3. Subsequently, and in accordance with the arrangements adopted since then, the Committee is asked to consider the content of the draft pay policy for 2017/18 and to submit a recommendation to the meeting of the full Council on the 2nd of March.

CHIEF OFFICERS

4. There were no changes in responsibilities amongst Heads of Department and Corporate Directors during 2016/17 and therefore no new evaluation has been conducted for 2017/18. However, current Chief Officer salaries are based on either the lower quartile or the median for jobs of corresponding size within the National Public Sector Market, as shown in January 2012.
5. This means that the comparison with jobs of corresponding size in the National Public Sector Market has not been conducted as part of the corporate pay policy review for five years. It is highly likely therefore that the salaries of Chief Officers in Gwynedd have fallen below the lower quartile and median of corresponding jobs in the meantime. It is suggested that such an exercise will need to be conducted for consideration by the Committee in January 2018.

6. The Joint National Council for Chief Officers and the Joint National Council for Chief Executives have already approved a 1% pay rise for 2017/18, for Chief Officers and Chief Executives and this rise is reflected in the figures which appear in Appendix 1.

POSTS BELOW CHIEF OFFICER LEVEL

7. The Council has established its minimum salary on point 8 within the National pay scale following a review of the 2015/16 Pay Policy, this in an attempt to move closer towards the "Living Wage", as defined by the Living Wage Foundation.
8. In his budget statement on the 8th July, 2015, the Chancellor of the Exchequer announced that he would establish £7.20 per hour as the "National Living Wage" as from the 1st April 2016, for workers aged 25 and above, with the intention to raise that hourly rate to a minimum £9 per hour by 2020. It was recently confirmed that this "National Living Wage" would rise to £7.50 as from the 1st April, 2017.
9. You will recall that the National Joint Council for Local Government Workers ensured a two year agreement in 2016 which means that there will be a pay rise of 3.2% in 2017/18 for those workers on the minimum salary within the Council with each pay point up to point 13 receiving a pay rise higher than the 1% which is to be offered to all other staff. This means that Point 8 (the Council's minimum salary) will be £7.90 per hour (compared with the £8.45 per hour recognised as the Living Wage by the Living Wage Foundation) as from the 1st April, 2017.
10. In light of these national initiatives to raise salaries on the lower levels of the pay structure and the fact that the Council remains in a position of needing to budget for the cost of any national agreement, there is no intention to recommend any further local changes to the minimum salary in 2017/18.
11. However, the Council is maintaining its dialogue with local representatives of the recognised unions and endeavouring to secure a collective agreement on a package which will enable the Council to raise its minimum wage even closer to the "Living Wage", as recognised by the Living Wage Foundation, by April 2018.

RECOMMENDATION

12. That the Committee submits the draft 2017/18 Pay Policy Statement (Appendix 1) to the Council for adoption.