

16<sup>th</sup> March 2022

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## **WLGA PAY POLICY STATEMENT and GENDER PAY GAP REPORT**

### **Purpose**

1. For the WLGA Council to approve the WLGA Pay Policy Statement and Gender Pay Gap Report for 2022-23.

### **Summary**

2. The WLGA publishes an annual Pay Policy Statement in line with the practice in all local authorities in Wales; this practice also applies in other parts of the devolved public service in Wales.
3. For the first time WLGA has included a Gender Pay Gap Report within the Pay Policy Statement appendices.
4. The proposed WLGA Pay Policy Statement and associated Gender Pay Gap Report for 2022-23 is included in Annex 1 for members' approval.

### **Recommendations**

5. **That members approve:**

#### **5.1 The WLGA Pay Policy Statement and Gender Pay Gap Report for 2022-23.**

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1<sup>st</sup> April 2022

### 1. Introduction

The Welsh Local Government Association (WLGA) recognises the importance of remuneration decisions that are appropriate, transparent, provide value for money and reward employees fairly for the work that they perform. This Pay Policy Statement sets out the key approaches to pay and reward for our employees, it further includes a gender pay gap report at Appendix C.

### 2. Aims of Policy

This Policy aims to outline the WLGA's approach to the pay and reward of its employees in the interests of openness and transparency.

### 3. Scope

This Policy is to provide the public with the WLGA's policy on all aspects of pay and reward, including senior posts and the lowest paid posts, explaining the relationship between remuneration for senior post holders and other groups.

### 4. Principles

This is the WLGA's 2022/23 annual Pay Policy Statement for the period 1<sup>st</sup> April 2022 to 31<sup>st</sup> March 2023 and provides the framework for decision making on pay and, in particular, decision making on senior pay.

The WLGA recognises that there is public interest in public sector pay and, therefore, the importance of being transparent in its decisions relating to pay. It is recognised that senior posts in the WLGA are accountable for the delivery of the current strategic objectives of the organisation, including demonstrating value for money and the role that senior leadership plays in the quality of service delivery.

The Association publishes a Pay Policy Statement for each financial year detailing:

- a) The WLGA's definition of senior posts;
- b) The WLGA's definition of lowest paid employees;
- c) Reasons for adopting these definitions; and
- d) The relationship between the remuneration of senior posts and that of the lowest paid employees.

Senior posts are currently defined as:

- Chief Executive
- Director of Resources
- Director of Social Services and Housing



- Director of Regeneration and Sustainable Development
- Head of Policy (Improvement and Governance)
- Head of Workforce & Executive Business Manager
- Head of Education

In addition to this Pay Policy Statement, a reference to remuneration is also included in the WLGA's Annual Statement of Accounts.

## **5. Policy Legislative Framework**

In determining the pay and remuneration of all its employees the WLGA will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulation 2000, The Agency Workers Regulations 2010 and where relevant the Transfer of Undertakings (Protection of Earnings) Regulations.

With regard to Equal Pay requirements contained with the Equality Act, the WLGA aims to ensure there is no pay discrimination within its pay structure and that all pay differentials can be objectively justified.

## **6. Responsibility for the Approval of the Pay Policy**

In accordance with the WLGA's Constitution the approval of this Pay Policy Statement and of any amendments to it is a matter for the WLGA Council.

## **7. Responsibility for WLGA Pay Structure**

The Pay and Conditions of service for the Chief Executive will be determined by a Committee designated for the purpose by the WLGA Council.

Senior Managers' remuneration will be subject to prior consultation with the Leader of the Association and any other designated Elected Members.

The determination of pay and conditions of service for all other posts rests with the Chief Executive.

The current salary ranges for these posts can be found in Appendix A.

## **8. Terms and Conditions of Service**

Conditions of Service for WLGA employees are set out in the National Joint Council (NJC) Scheme of Conditions of Service for Local Government Services, as varied by the Association from time to time.



## **9. Delegated Authority**

All decisions on pay grades are made by the Chief Executive, in consultation with members of the Association's Strategic Management Team.

## **10. National pay bargaining arrangements**

The WLGA uses nationally negotiated pay spines as the basis for its own pay structure. The WLGA is committed to national pay bargaining in respect of the national pay spines and the implementation of any pay increases negotiated at a national level from time to time.

## **11. Process for grading posts**

The Association uses the NJC for Local Government Services national pay spine as the basis for its grading structure up to and including grade 6.

In setting remuneration levels for all posts, including new posts, the WLGA takes account of the need to ensure value for money against the ability to recruit and retain appropriately skilled and experienced employees who can deliver the high quality services required by the Association.

## **12. Recruitment and appointment of Chief Executive**

The Chief Executive of the Association is appointed by a Committee designated for the purpose by the WLGA Council on its behalf upon such terms and conditions as the Committee considers appropriate; such appointments will only take effect upon ratification by the WLGA Council.

## **13. The role of the Chief Executive**

The Chief Executive is the senior officer who leads and takes responsibility for the operation of the organisation. The WLGA employs around 88 staff and is responsible for delivering a wide range of core and grant funded services.

The Chief Executive role is a high-profile national role requiring a very experienced credible individual. The WLGA is a national body which represents twenty two local authorities and a range of associate members including fire and rescue authorities and national parks in Wales. The post requires a proven track record of achievement in Wales and a significant profile in Welsh public policy. It demands working and interfacing at the highest levels of devolved government, local government leadership and at a wider Westminster level. Knowledge of the public policy environment and all key stakeholders within the devolved context across the UK is



essential. Considerable experience in terms of working closely with politicians and dealing with sensitive and complex issues is essential.

#### **14. Post of Chief Executive**

The salary for the Chief Executive is set out in **Appendix A**.

The Chief Executive routinely works during evenings and weekends as well as a standard Monday to Friday business week. The Chief Executive also leads the Association's out of hours "on call" arrangements, particularly to cover emergency planning requirements.

The Chief Executive is a member of the LGPS pension scheme; details are set out in the Association's Annual Accounts. There have been no locally agreed increases or enhancements to the Chief Executive's pension arrangements.

The notice period for this role is 3 calendar months.

#### **15. Recruitment and Appointment of Senior Officers**

The Chief Executive may appoint individuals on behalf of the Association as may be necessary for the purpose of implementing the Association's aims and objectives upon such terms and conditions as the Chief Executive deems appropriate; Directors will be appointed in a process established by the Chief Executive that will involve relevant WLGA Office Holders or Spokespersons.

Post holders are selected on merit, against objective criteria, either following an internal restructuring or following public advertisement, as appropriate

#### **16. Salary on Appointment**

New appointments will normally be made at the minimum of the relevant grade for the post. In exceptional circumstances, or where there are other justifiable reasons, an employee may be appointed to a higher incremental starting pay point.

Exceptional reasons may include the need to secure the best candidate and / or having regard to the knowledge, skills and competencies of the individual as well as their current and previous salary levels.

All decisions to appoint above the minimum of the grade must be agreed by the relevant Director or Head of Policy, in consultation with the Director of Resources, before any salary offer is made to the candidate. In the case of Senior Officers, all



requests to appoint above the minimum of the grade must be agreed by any designated Elected Members.

All employees are remunerated in accordance with their contracts of employment which provides for employer pension contributions and the reimbursement of one professional fee where it is an essential requirement of the post.

### 17. Pay Structure

The pay structure for WLGA employees is as follows:

Grade	Spinal Column Point (scp) Range
1	1 to 12
1*	6 to 14
2	11 to 19
3	17 to 24
3*	25 to 29
4	30 to 35
4/5	30 to 41
5	33 to 41
6	38 to 43
7	50 to 55
8	52 to 57
9	55 to 61
Chief Digital Officer	£101,750k including Market Pay Supplement
Chief Executive	Chief Executive

A number of employees are paid a single spot salary which recognises the responsibility level and autonomous work they undertake.



## **18. Pay Differentials**

The current pay levels within the Association define the multiple between the lowest paid (full time equivalent) employee (£20,043) and the Chief Executive (£130,798) as [1:71].

These figures are based on basic salary on 1st April 2021.

## **19. Living Wage Employer**

In November 2020, the Association was accredited as a Living Wage Employer by the Living Wage Foundation and is committed to ensuring that our lowest paid employees are paid, as a minimum, in accordance with the 'Real' or Voluntary Living Wage, which is calculated annually by the Resolution Foundation and overseen by the Living Wage Commission.

## **20. Pay Progression for NJC for Local Government Employees**

Pay grade increments will be paid on 1st April each year until the maximum of the pay grade is reached, subject to the following:

1. In exceptional circumstances, increments may be accelerated within the grade at the discretion of the Association on the grounds of special merit or ability, subject to the maximum point of the pay grade not being exceeded; this will only occur after the careful evaluation of all relevant factors and the provision of advice by Human Resources regarding any equal pay considerations.
2. Employees with less than six months 'service in the pay grade by 1st April shall be granted their first increment six months from the starting date of their appointment, promotion or re-grading. All subsequent increments will be paid on 1st April each year.

Incremental pay progression will be suspended in cases of unsatisfactory performance where formal capability procedures are being followed in accordance with the Association's Managing Unsatisfactory Performance - Policy and Procedure. Any such pay increment withheld will be reinstated subsequently if the employee's performance improves, but will not be applied retrospectively.

The principles associated with incremental pay progression will also apply in secondment situations, as appropriate.



## **21. Additional Duties Payment Scheme (Acting up)**

There may be occasions when an employee is asked to carry out duties which are additional to those of their substantive post, for a period of time. In such circumstances an additional payment may be made in line with the Association's policy on payment of Honoraria.

## **22. Professional Fees**

The WLGA will pay or reimburse the cost of one professional / registration fee, where appropriate.

## **23. Market Pay Supplements**

Within a diverse workforce encompassing highly skilled professional and technical roles, the WLGA recognises that there may be occasions where market pay forces produce a situation where, in exceptional circumstances, the WLGA may need to pay an additional temporary market pay supplement for a specific post, usually on a time-limited basis.

The WLGA has a Market Pay Scheme to ensure that requirement for any market pay supplements is objectively justified.

Market Pay Supplements are subject to regular review and can be withdrawn where no longer considered justifiable.

## **24. Travel and Subsistence**

The WLGA pays a standard mileage rate of 45 pence per mile for the first 10,000 miles and 20 pence per mile thereafter (based on the relevant HMRC rate) to its employees where they use their private vehicle on Association business; for longer journeys hire cars are generally used.

The Association also reimburses other reasonable expenses incurred by employees on behalf of the Association on production of receipts and in accordance with its travel and subsistence policy.

## **25. Local Government Pension Scheme (LGPS)**

Subject to qualifying rules, all WLGA employees have a right to belong to the Local Government Pension Scheme (LGPS).



## Employee Contribution Table 2022/2023

Pensionable Pay for an Employment	Main section Gross Contribution	50/50 section Gross Contribution
£0 - £15,000	5.5%	2.75%
£15,001 - £23,600	5.8%	2.90%
£23,601 - £38,300	6.5%	3.25%
£38,301 - £48,500	6.8%	3.40%
£48,501 - £67,900	8.5%	4.25%
£67,901 - £96,200	9.9%	4.95%
£96,201 - £113,400	10.5%	5.25%
£113,401 - £170,100	11.4%	5.70%
£170,101 or more	12.5%	6.25%

The WLGA is a member of the Merseyside Pension Fund, which sets the Employer contribution rate on an annual basis in order to ensure the Scheme is appropriately funded.

### 26. Other Employee Benefits

The WLGA seeks to support the health, wellbeing and welfare of its employees to assist them to perform to the best of their ability. As part of this approach, and in line with comparable employers, the WLGA offers employee benefits to its workforce in line with its statutory employment obligations and employment good practice including:

- annual leave entitlement, in addition to bank holiday entitlement
- opportunity to purchase up to 10 days of additional annual leave each year
- learning and development opportunities
- flexible working arrangements
- employee wellbeing schemes
- childcare vouchers
- cycle-to-work scheme
- travel to work loans
- refunds for eye test fees



- DSE referrals
- Health and Wellbeing facilities, e.g. counselling support

## **26. Detriment Arrangements**

Any employee who would experience detriment in pay as a consequence of redeployment would be pay protected to a maximum of 12 months from commencement to the redeployed role.

## **27. Termination of Employment**

Where an employee's employment is brought to an end by the Association on grounds of redundancy or employer-granted early retirement, they will receive a payment on termination of their employment in accordance with the WLGA's Managing Change Policy and any discretionary payments relating to the WLGA's Local Government Pension Scheme Policy Statement.

## **28. Re-employment following termination**

Employees who have left the Association's employment on grounds of redundancy or early retirement will not be re-employed by the Association unless there is an exceptional business reason to do so.

## **29. Workforce Information**

It is recognised that accurate data is critical to the management of the WLGA's most valuable and costly resource, its workforce, and to the implementation of this Pay Policy. The Director of Resources will be responsible for analysing the data that is currently collected in order to inform any future proposed changes to this policy / related policy and in order to fully understand the financial context.

## **30. Social Partnership with Trades Unions**

The WLGA recognises that it is to the mutual benefit of the Association and its workforce for all employees to be represented by a trade union. GMB and UNISON are promoted as social partners, but each employee will be free to join any trade union of his / her choice.

The principle of collective bargaining at both national and local level is strongly supported.

A formal social partnership framework has been agreed between the WLGA and GMB / UNISON which supports and promotes the early and effective involvement of



employees, and their representatives, in influencing decisions and in joint information sharing, learning and problem solving.

GMB and UNISON are both recognised for collective bargaining purposes in relation to those employees covered by NJC Local Government Services Conditions of Service. These collective bargaining rights are in addition to the rights of GMB and UNISON to represent their members on an individual basis.

### **31. Publication**

Following approval by the WLGA Council this Pay Policy will be published on the WLGA's Website.

### **32. Policy Review**

This Pay Policy Statement outlines the current position in respect of pay and reward within the WLGA. It will be reviewed and reported to the WLGA Council on an annual basis to ensure it meets the principles of fairness, equality, accountability and value for money for the Association and its members.

**Appendix A**

Chief Executive	One post	The salary for this post is £130,798 per annum with no incremental pay progression.
Director of Resources  Director of Social Services and Housing  Director of Regeneration and Sustainable Development	Three posts	The salary for these posts fall within a range of between £87,884 to £93,555 per annum.
Head of Policy (Improvement and Governance)  Head of Workforce & Executive Buisness Manager  Head of Education	Three posts	The salary for these posts fall within a range of between £64,333 to £76,224 per annum.



## Appendix B

### 2021/22 Grading Structure

SCP	£ per annum
1	£18,333
2	£18,516
3	£18,887
4	£19,264
5	£19,650
6	£20,043
7	£20,444
8	£20,852
9	£21,269
10	£21,695
11	£22,129
12	£22,571
13	£23,023
14	£23,484
15	£23,953
16	£24,432
17	£24,920
18	£25,419
19	£25,927
20	£26,446
21	£26,975
22	£27,514
23	£28,226
24	£29,174
25	£30,095
26	£30,984
27	£31,895
28	£32,798
29	£33,486
30	£34,373

31	£35,336
32	£36,371
33	£37,568
34	£38,553
35	£39,571
36	£40,578
37	£41,591
38	£42,614
39	£43,570
40	£44,624
41	£45,648
42	£46,662
43	£47,665
Spot	£49,248
Spot	£51,327
50	£52,506
51	£56,457
52	£60,397
53	£64,333
Spot	£65,773
54	£68,291
55	£72,234
56	£76,224
57	£80,204
58	£84,184
Spot	£87,884
59	£88,160
60	£89,458
Spot	£93,555
61	£96,051
<b>Chief Digital Officer</b>	£101,750
<b>Chief Executive</b>	£130,798

# Gender Pay Gap Report 2021/22

1<sup>st</sup> April 2022

## Appendix C

Employers in Great Britain with more than 250 staff are required by law to publish information showing the difference between what women earn as a group compared to what men earn as a group in a workplace. This is known as the **gender pay gap**.

Legally the WLGA is not required to publish gender pay gap information. This is because it employs less than 250 staff. However, the WLGA is committed to operating within the spirit of the legislation governing its member councils and therefore publishes its gender pay gap information.

In March 2022 (the required snapshot date), the WLGA employ 88 staff. Of these, **65.9%** are female and **34.1%** are male.

### Difference in hourly rate

#### ▼ About mean and median

The mean hourly rate is the average hourly wage across the entire organisation - so the mean gender pay gap is a measure of the difference between women's mean hourly wage and men's mean hourly wage.

The median hourly rate is calculated by ranking all employees from the highest paid to the lowest paid, and taking the hourly wage of the person in the middle - so the median gender pay gap is the difference between women's median hourly wage (the middle paid woman) and men's median hourly wage (the middle paid man).

#### **Women's mean hourly rate is 14.38% lower than men's**

In other words when comparing mean hourly rates, women earn 85.62p for every £1 that men earn.

#### **Women's median hourly rate is 13.31% lower than men's**

In other words when comparing median hourly rates, women earn 86.69p for every £1 that men earn.

### Proportion of women in each pay quartile

#### ▼ About quartiles

Pay quartiles are calculated by splitting all employees in an organisation into four even groups according to their level of pay. Looking at the proportion of women in each quartile gives an indication of women's representation at different levels of the organisation.

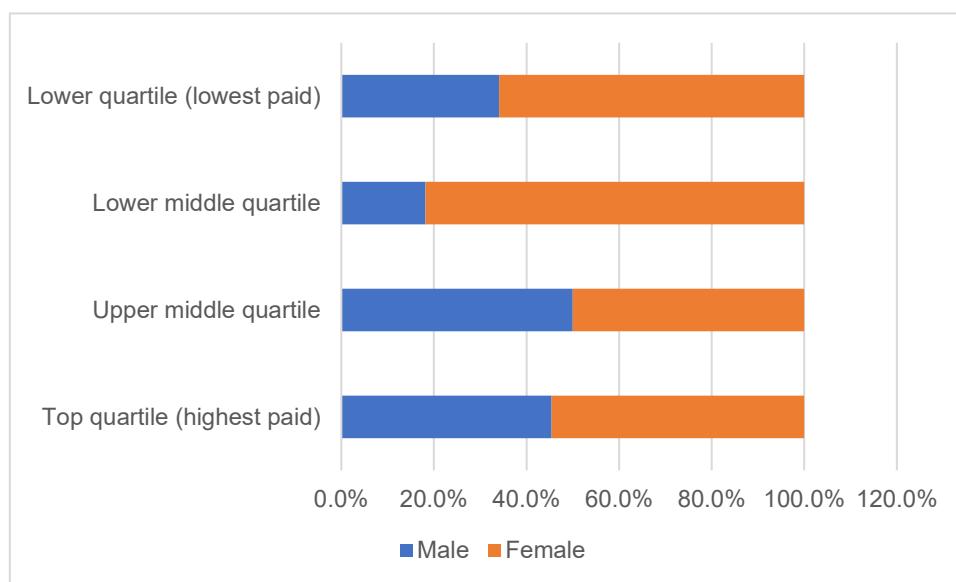


Top quartile (highest paid) **54.5% of the top quartile are women**

Upper middle quartile **50% of the upper middle quartile are women**

Lower middle quartile **81.8% of the lower middle quartile are women**

Lower quartile (lowest paid) **65.9% of the lower quartile are women**



### Who received bonus pay

No bonuses were paid.

### What we are doing

The WLGA is developing an action plan to address the pay gap. We also monitor our pay gap on a 6-monthly basis using real-time data.