

Conwy County Borough Council: Pay Accountability in Local Government

Pay Policy Statement 2021/22

1. Pay Policy Statement

This is the 2021/22 Annual Pay Policy Statement for the period 1st April 2021 to 31st March 2022. It was approved by the Council on 4th March 2021. The next full review will take place in January 2022.

2. Personal Statement from Leader of the Council and Cabinet Member for Modernisation

In Conwy our focus is on delivering quality services for both our residents and visitors and to do this we depend upon the hard work and commitment of all our staff. These last 12 months have shown the importance of our staff in delivering these essential services through what has been an extremely challenging set of circumstances as a result of the Covid-19 pandemic. This sense of public service and commitment has enabled our communities to be as safe as possible whilst supporting those who have been most at risk. Alongside this it is important to recognise the need for transparency when setting the pay scales of all members of staff but particularly in respect of our senior officers. This Pay Policy Statement demonstrates both our commitment to ensuring that staff are properly remunerated for the work they carry out but our commitment to ensuring value for money whilst delivering quality services.

3. Legislative Framework

The Localism Act 2011 requires Authorities to develop and make public their Pay Policy on all aspects of Chief Officer Remuneration (including on ceasing to hold office), and that pertaining to the 'lowest paid' in the Authority, explaining their Policy on the relationship between remuneration for Chief Officers and other groups. School teaching staff are excluded as the remuneration for this group is set by the Secretary of State and therefore not in Local Authority control).

In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes the

- a) Equality Act 2010
- b) Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000
- c) Agency Workers Regulations 2010 and where relevant, the
- d) Transfer of Undertakings (Protection of Earnings) Regulations
- e) Local Government (Democracy) (Wales) Act 2013.

- 3.1. With regard to the Equal Pay requirements contained within the Equality Act, the Council completed its Modernising Employment and Equal Pay Project in 2010. The objective of the Project was to achieve consistency in terms and conditions of employment of all staff groups employed on NJC terms and conditions of employment. The joint

project carried out a review of pay grades for all NJC conditioned jobs in accordance with the requirements of the National Conditions of Service. A new pay and grade structure and harmonised conditions of service were successfully introduced.

The current 2018-20 pay deal included a commitment for the National Joint Council to review its pay spine. This was recognised as a necessity because of the introduction of the National Living Wage and the consequential impact on pay differentials between different grades i.e. compacting of differentials at the lower end of the pay spine. The national pay deal included for 2019/20 (Year 2) significant proposed changes to the national pay spine. It was highlighted in the 2018/19 Local Pay Policy that the proposals would have a fundamental impact on our established local pay and grading structure. A substantial piece of work was undertaken to prepare for the local adoption of the necessary changes. The revised pay and grading structure that is the product of this exercise was successfully implemented on 1st April 2019 and is attached as Appendix B.

- 3.2. Under Section 112 of the Local Government Act 1972 the Council has ‘the power to appoint officers on such reasonable terms and conditions as the Authority thinks fit’.
- 3.3. This Pay Policy Statement sets out the Council’s approach in accordance with the requirements of s38 to 43 of the Localism Act 2011 which requires Welsh and English Local Authorities to produce a Pay Policy Statement each financial year, which must be published on the Council’s website by 31st March, detailing:
 - a) The Authority’s Policies towards all aspects and elements of the remuneration of Chief Officers.
 - b) Their approach to the publication of and access to information relating to all aspects of the remuneration of Chief Officers.
 - c) The approach to the payment of Chief Officers on their ceasing to hold office under or be employed by the authority.
 - d) The Authority’s Policies towards the remuneration of its lowest paid employees (including the definition adopted and reasons for it)
 - e) The relationship between the remuneration of its Chief Officers and other employees.

4. Decision Making, Transparency and Accountability

- 4.1. The Council is committed to an open and transparent approach to pay policy, which will enable councillors, members of staff, trade unions and Council tax payers to access, understand and assess information on remuneration levels of Council employees. To this end the following are provided as Appendices to this policy or their location for provision on request identified.

- 4.1.1. The UK Chancellor indicated in December 2020 that there would be a public sector pay freeze in 2021/22. The only exception indicated is a flat rate £250 a year increase for employees earning less than £24,000 per annum. Provision has been made for this in the budget for next year. However, in light of the position adopted by the UK Government no other provision has been made in the Council’s budget for 2021/22 for any other annual cost of living pay rises (this includes schools and their teaching staff). There has been some uncertainty about whether this “pay freeze” applies to local government workforce. It should be noted that the UK central government cannot impose a pay freeze / cap on local government as pay is determined between the employers and unions (either nationally or

locally). The Council's position may well be that without the provision of additional resources from the UK and Welsh Government no pay rise is affordable and the Council's budget is being set in the expectation that there will be no national pay uplifts in 2021/22. However, at the time this report was written the trade unions were preparing to "ask central government to fund a 'substantial' pay rise for council workers in 2021/22". In the event that there is any change to the UK Government's position or the Local Government Employers and National Trade Unions agree a pay rise, should it not be fully funded, then this will present a significant budgetary pressure on the councils and schools which, depending on the size of the increase, may necessitate "in year" budget cuts to fund the deficit.

- i) Conwy County Borough Council Local Employee Pay Scales 2020/21 which reflect the amendments to our pay and grading structure that were necessary to implement the "single year" pay deal that was agreed between the national employers and trade unions. These pay rates will be not be amended during 2021/22 unless there is an unexpected national cost of living increase agreed between local government employers and the trade unions.
- ii) Chief Executive's Pay Scale (Appendix C). These pay rates will be not be amended during 2021/22 unless there is an unexpected national cost of living increase agreed between local government employers and the trade unions
- iii) Strategic Director & Chief Officer Pay Scales (Appendix D). These pay rates will be not be amended during 2021/22 unless there is an unexpected national cost of living increase agreed between local government employers and the trade unions
- iv) Soulbury Conditioned Staff Pay Scales (Appendix E).
- v) JNC Chief Officer Terms and Conditions (available from Corporate Human Resources).
- vi) JNC Chief Officer Employment Procedures (Council Constitution; available from Corporate Human Resources).
- vii) The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006: Council's Discretionary Policy 27th January 2011 (Corporate Human Resources).
- viii) Welsh Government's "Revised Guidance Relating to Pay Policy Statements/Pay Accountability in Local Government in Wales" (December 2020).
- ix) Public Services Staff Commission: Transparency of Pay in the Devolved Public Sector: December 2016 (available from Corporate HR).
- x) Local Government Association 5th December 2017: Local Government Pay 2018 (available from Corporate HR).
- xi) Staff Information 31/3/20 (Appendix F).
- xii) Summary of Policy Recommendations/Decisions: Council 28th January 2020 (Appendix G).

4.2. The Appendices referred to above show the salaries of the larger majority of the non-teaching workforce together with the use of other nationally defined rates where relevant.

4.3. All other pay related allowances are the subject of either locally or nationally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council Policy.

- 4.4. New appointments will normally be made at the minimum of the relevant grade, although this can be varied following consultation and agreement with Corporate HR where necessary to secure the best candidate. Further information can be found in the Council's Recruitment and Selection Policy.
- 4.5. Job evaluation enables the council to set appropriate remuneration levels based on internal job size relativities within the Council. However, from time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity.
- 4.6. As part of the Modernising Employment and Equal Pay Project a Market Supplements Policy was devised to address this issue. The Market Supplements Policy ensures that the requirement for such payments is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector. It is the Council's policy that any such additional payments be kept to a minimum and be reviewed on a regular basis so that they can be withdrawn where no longer considered necessary. There were no known new market supplements applied during the previous year.
- 4.7. 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 Honoraria Policy.

5. Principles Underpinning the Council's Pay and Grading Structure

- 5.1. A pay and grading structure that was modern and equality proofed.
- 5.2. To harmonise grade arrangements to ensure all NJC conditioned staff were paid on an incremental scale. Prior to the introduction of the Council's new structure lower paid workers were paid on single "spot" salaries.
- 5.3. Anti-social hours' payments were harmonised as an equality measure to ensure that all NJC conditioned staff were entitled to such payments when working qualifying hours. Prior to the introduction of the new arrangements the receipt of such payments depended on which of the Council's services an employee worked in. As well as being inconsistent this represented a risk to the Council in respect of Equal Pay legislation.
- 5.4. The Council expects high levels of performance from all employees and has an Annual Performance Appraisal Scheme in place to monitor, evaluate and manage performance on an ongoing basis. The Council does not have Performance Related Pay at any level.
- 5.5. The primary aim of a reward strategy is to attract, retain and motivate suitably skilled staff so that the Authority can perform at its best and deliver quality services for the Council's customers. The biggest challenge for the Council in the current circumstances is to maximise productivity and efficiency within diminishing resources. Pay Policy then is a matter of striking a sometimes difficult balance between setting remuneration levels at appropriate levels to facilitate a sufficient supply of appropriately skilled individuals to fill the Authority's very wide range of posts, and ensuring that the burden on the Council's budget and the Council taxpayers does not become greater than can be fully and objectively justified.
- 5.6. In this context it does need to be recognised that at the more senior grades in particular remuneration levels need to enable the attraction of a suitably wide pool of talent (which

will ideally include people from the private as well as public sector and from outside as well as within Wales), and the retention of suitably skilled and qualified individuals once in post. It must be recognised that the Council will often be seeking to recruit in competition with other good public and private sector employers.

- 5.7. In addition, the Council is the major employer in the area. As such we must have regard to our role in improving the economic well-being of the residents of the County. The availability of good quality employment on reasonable terms and conditions and fair rates of pay has a beneficial impact on the quality of life in the community as well as on the local economy.
- 5.8. The Council is committed to safeguarding and promoting the welfare of children, young people and vulnerable adults and expects all staff, elected members and volunteers to share this commitment. Recruitment to all jobs in the Council will be on merit, and selection criteria used will be relevant to the job and promote equality of opportunity.

The principles of fair recruitment and selection apply equally to all posts including promotions, secondments, temporary, fixed-term and casual contracts. The Equality Act 2010 brought together and replaced all previous anti-discrimination laws with a single Act. The Act provides protection to people who have “protected characteristics”. These are race, sex, disability, age, gender reassignment, religion or belief, marriage and civil partnership, and pregnancy and maternity. The Act brought into force a single public sector General Duty. In Wales, to reinforce the General Duty, the Welsh Minister created the Statutory Duties (Wales) Regulations 2011.

- 5.9. The Council's Strategic Equality Plan 2020-2024 was approved by the Cabinet on 9th February 2021 and will be published on our website pages in due course. The Plan sets out how we will continue to improve equality outcomes for the people of Conwy and our employees. Annual reports on progress towards achieving our equality objectives are published on our website.
- 5.10. The Public Services Staff Commission recommends that the gender make up of “the senior team” is published in the Local Pay Policy. On 1st March 2021 the Chief Officers on the Senior Management Team comprised: 40% female: 60% male (15 members of the “Team” 6 female and 9 male). The change from last year's figures is due to a reduction in the number of posts because of a senior management restructuring and the replacement of a retired female Chief Officer with a male, following a recruitment exercise.

6. Senior Pay Remuneration: Chief Executive & Chief Officer Job Evaluation.

6.1. Chief Executive and Chief Officer Job Evaluation

- 6.1.1. “Reward must be commensurate with responsibility and role. Effective job evaluation is the first step towards this.” (Transparency of Senior Remuneration in the Devolved Welsh Public Sector: Minister for Public Services 7th December 2015). Head of Service and Director level posts were last job evaluated as a group in 2019 and the post of Chief Executive in 2007, using the HAY JE Scheme for Chief Officers in Local Government. The Council's Constitution describes the arrangements for appointing to the aforementioned categories of senior staff, the remuneration attached to the posts and severance arrangements (Officer Employment Rules and Responsibility for Functions). The Council and the Senior Employment Committee are the bodies that are responsible for “senior pay” matters. The SEC is charged with making recommendations to the Council

and any decision to determine or vary the remuneration of chief officers must be made by the Council.

- 6.1.2. The Council of 29th September 2015 resolved that the Senior Employment Committee be convened to explore the options for undertaking a review of the pay and grading of Heads of Service, Strategic Directors and Chief Executive. A report on the outcome of the review of senior pay and grading was presented to the SEC 29th April 2019 and recommendations presented to and approved by the Council on 9th May 2019. The recommendations were implemented and form the Council's established Pay and Grading Structure for Chief Officers (Appendix D).

6.2. Role of the Chief Executive

The Chief Executive is the senior officer who leads and takes responsibility for the implementation of the organisation's priorities. The Council has a turnover of £410M (£65M capital and £345M revenue) and is responsible for a wide range of services employing 3,404 full time equivalent posts.

As Head of the Paid Service the Chief Executive works closely with elected members and senior officers to deliver the Council's strategic objectives as set out in its Corporate Priorities Plan <http://www.conwy.gov.uk/en/Council/Strategies-Plans-and-Policies/Corporate-Plan/Corporate-Plan-2017-2022.aspx>

The Chief Executive provides leadership, direction and motivation for staff and is responsible for ensuring the effective use of resources. The role includes meeting and liaising with numerous external stakeholders in order to foster good partner relationships and to work collaboratively. The Chief Executive has personal responsibility in respect of a number of statutory obligations.

The role of the Chief Executive is a full time/permanent appointment. Post holders are selected on merit, against objective criteria and are appointed by the Council. The Chief Executive routinely works evenings and weekends as well as the standard Monday to Friday business week.

6.3. Chief Executive's Background

The Council's Chief Executive, Iwan Davies, has worked in local government since 1993. Prior to this he worked for a firm of solicitors in London before returning home to Conwy. He held a number of roles with the Council before being appointed Chief Executive in October 2011. Iwan is now one of the longest serving local authority Chief Executives in Wales. He lives locally with his family.

6.4. Chief Executive Pay

Salary for the Chief Executive is set out in the pay band CEA Scale Points 1 to 5; the current range from 1st April 2021 to 31st March 2022 is £112,311– £124,791. The Chief Executive may receive additional payments for the elections for where he is the Returning Officer. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council the role of the Returning Officer is one of a personal nature and distinct and separate from their duties as an employee of the Council. The Returning Officer is the person

who has the overall responsibility for the conduct of elections. Election fees are paid for these additional duties and they are paid separately to salary. The fees for national elections are set by Central Government. Fees for local elections are set locally and amount to £170 per contested electoral division/ward and £55 per uncontested electoral division/ward. Other officers, including chief officers within the scope of this policy, may receive additional payment for specific election duties in line with the agreed scale of fees.

Details of the Chief Executive's pay, including any additional payments are published in the Council's Annual Finance and Governance Report (Statement of Accounts) which is published separately.

The most recent version can be accessed here

<https://www.conwy.gov.uk/en/Council/Accountability/Budget-information/assets/documents-budgets/documents-statements/Annual-Finance-and-Governance-Report-2019-20.pdf>

Expenses such as for train, car mileage, overnight accommodation and parking are claimed back in accordance with the organisation's travel and subsistence policy. Where benefits-in-kind or other expenses are taken up these are disclosed within the Annual Finance and Governance Report (Statement of Accounts).

The Chief Executive is a member of the Local Government pension scheme and details are disclosed in the Annual Finance and Governance Report (Statement of Accounts). There have been no increases or enhancements to the pension outside of standard arrangements.

The notice period for the role is not less than 3 months.

6.5. Senior Staff

6.5.1. For the purposes of this statement, 'Chief Officers' are as defined within S43 (2) of the Localism Act. The posts falling within the statutory definition of S43 of the Localism Act are set out below: (details of the salary of each are included in Appendix C):

- a) Chief Executive/Head of Paid Service
- b) Strategic Directors/Section 151 Officer
- c) Heads of Service/Monitoring Officer
- d) Head of Democratic Services
- e) Direct reports to the above excluding administrative and secretarial staff.

6.5.2. No bonus or performance related pay mechanism is applicable to the pay of any of the above categories of Chief Officer.

6.5.3. The process for making changes to Chief Officer and Chief Executive salaries' requires the proposals to be sent to the Independent Remuneration Panel (IRP) for Wales under S143A of the Local Government (Wales) Measure Act 2011.

6.5.4. The WLGA obtained the agreement of the IRP that such nationally negotiated pay increases can be submitted to the IRP for their view (under S.39 of the Local Government (Wales) Act 2015) on a collective basis by the WLGA (as the

Employers Organisation in Wales) rather than Councils having to do so on an individual basis.

- 6.5.5. In accordance with the above agreement at the point where there are national agreements on pay awards for Chief Officers and the Chief Executive the WLGA will write to the IRP seeking approval.
- 6.5.6. Following this established protocol will ensure that the Council will satisfy its obligations under S143A of the Local Government (Wales) Measure Act 2011 in respect of having the necessary approvals in place to implement the aforementioned nationally negotiated pay awards for 2020/21.
- 6.5.7. The Council employs Chief Officers under JNC terms and conditions which are incorporated in their contracts. The JNC for Chief Officers negotiates on national (UK) annual cost of living pay increases for this group, and any award of the same is determined on this basis. Chief Officers employed under JNC terms and conditions are contractually entitled to any national JNC determined pay rises and this Council will therefore pay these as and when determined in accordance with current contractual requirements.
- 6.5.8. Should the Council at any time decide that it does not wish to implement nationally negotiated JNC pay increases then Council would be able to resolve accordingly and alter its Pay Policy Statement. The legal implications of such a proposal would be clearly set out to the Council.

7. Pay Relativities within the Authority

- 7.1. The lowest paid persons employed under a Contract of Employment with the Council are employed on full time [37 hours] equivalent salaries in accordance with the minimum spinal column point currently in use within the Council's grading structure. For the period 1st April 2019 to 31st March 2020, this is £17,842 per annum. The Council also employs apprentices on the National Minimum Wage rates.
- 7.2. The relationship between the rate of pay for the lowest paid and Chief Officers is determined by the processes used for determining pay and grading structures as set out earlier in this Policy Statement.
- 7.3. The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton Report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that the relationship to median earnings was a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the Authority's workforce.
- 7.4. The current pay levels within the Council define the multiple between the lowest paid (full time equivalent) employee £17,842 and the Chief Executive £124,791 Ratio =1:6:99 and; between the lowest paid employee and average Chief Officer as Low paid to Chief Officers - £ 17,842 and £84,391; Ratio =1:4:73.
- 7.5. As part of its overall and ongoing monitoring of alignment with external pay markets,

both within and outside the sector, the Council will use available benchmark information as appropriate.

8. Exit Policy/Re-engagement/Re-employment/Payments on Termination

- 8.1. The Council's approach to statutory and discretionary payments on termination of employment of Chief Officers (and all other employees), prior to retirement, is set out within its Discretionary Compensation Policy as approved by the Council on 27th January 2011, and the Redundancy Policy in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006.

This is in respect of a redundancy payment being based on actual weekly earnings (Regulation 5) and, when an enhanced redundancy payment of up to a maximum of 45 weeks' pay could be granted (Regulation 6) and, when discretionary compensation of up to 24 weeks could be granted for "interests of the efficiency of the service" terminations. 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).

- 8.2. The Council reduced its discretionary compensation provision when the revised Policy was approved on 27th January 2011 and reaffirmed its policy of paying redundancy based on an actual week's pay. The Discretionary Compensation Policy provisions have been re-affirmed by the Council in subsequent annual Local Pay Policy reports.
- 8.3. All proposals to award a discretionary compensation payment for redundancy or interests of the efficiency of the service, or a request to waive actuarial reduction of pension earliness costs to the employee, must be constructed as a business case on an appropriate standard template provided by Corporate HR. Where the business case relates to the Chief Executive, Strategic Director or a Head of Service and the sum does not exceed the threshold of £95k (Welsh Government Revised Guidance Relating to Pay Policy Statement 7th December 2020) the Senior Employment Committee (5 members of the SEC for this function) will consider the case and make a decision. If the threshold of £95k is exceeded for any post the SEC will make a recommendation to the Council. If supported by the Council Welsh Government Ministerial approval must be sought and obtained before proceeding with the severance payments. (These provisions are subject to review and amendment as set out in Paragraph 1 above) In all other cases delegated authority to exercise discretionary powers under the policy is granted to the appropriate Strategic Director/Chief Executive, Section 151 Officer (Strategic Director Finance & Resources), Head of Corporate HR and Head of Law and Governance in consultation with the Portfolio Holder for Modernisation, the relevant Portfolio Holder for the service and Leader of the Council for business cases in the Modernisation portfolio.
- 8.4. Exit payments associated with loss of employment including redundancy are important to employers' ability to reform and react to new circumstances. The pressure on the Council's budget and the need to continue to make substantial financial savings in the years ahead will inevitably result in further departures of staff. The pool of staff prepared to "volunteer" for redundancy has been significantly diminished as a consequence of previous cuts with a greater prospect therefore of more compulsory redundancies. In this operating environment the use of the Council's discretionary compensation policy provisions may be necessary more often

in order to deliver the level of savings needed. Exit payments provide important support for employees as they find new employment. Equally it is important that these payments are fair and offer value for money.

- 8.5. The detailed costs and numbers of exit packages are set out in the Council's Statement of Accounts 2019/20:

<https://www.conwy.gov.uk/en/Council/Accountability/Budget-information/assets/documents-budgets/documents-statements/Annual-Finance-and-Governance-Report-2019-20.pdf>

- 8.6. The Council must ensure that its employment policies and their application, do not result in direct or indirect discrimination contrary to law for people in any of the above "protected characteristics." To ensure that the Council does not discriminate, no applicant will be automatically debarred from consideration for employment or re-employment purely because they are in receipt of a public or private sector pension. To deny a person of pensionable age who may have been made redundant and as a consequence accessed pension benefits the right to seek re-employment (because they are in receipt of a pension) may be either direct or indirect age discrimination because it is highly likely that the impact of the Policy would have a disproportionate impact on individuals of a particular age e.g. over 55 in local government.
- 8.7. In addition to the terms of the Redundancy Payments (Continuity of Employment in Local Government) (Modification) Order (Amendment) 2010, the Council will not re-employ ex-employees who have been made redundant (or left in the "efficient exercise of the service") until a period of time has elapsed that is equal in length to the number of weeks' pay their compensation payment equates to, e.g. a redundant employee in receipt of 25 weeks redundancy pay would not be eligible for consideration for re-employment until 25 weeks after their termination date has passed. The same restriction will apply in respect of the placement of such ex-employees via Employment Agencies. Service Managers wishing to consider re-employing ex-employees must seek the approval of their respective Head of Service, Strategic Director and the Head of Corporate HR prior to the shortlisting stage of the recruitment process. For the avoidance of doubt there can be no re-employment before the relevant time period has elapsed. If there is a wish to re-employ the necessary approvals must be sought and obtained in advance. The need to seek approval is open ended not time limited.
- 8.8. Settlement Agreements "can be a useful means of protecting public bodies from legal challenges relating to early departures" (Wales Audit Office: Managing Early Departures Across Welsh Public Bodies February 2015). They are legally binding contracts that end the employment relationship and waive an individual's right to make a claim covered by the agreement to an employment tribunal or court. They usually provide for a severance payment. The Council does not routinely use Settlement Agreements. As a matter of policy the Council will not re-employ staff whose termination of employment is covered by a Settlement Agreement or COT3. The same restriction will apply in respect of the placement of such ex-employees via Employment Agencies. Delegated authority will be given to the Chief Executive (posts in Law & Governance), Strategic Directors (for posts in their respective services) Head of Corporate HR & Head of Law & Governance to consider any pre or post termination requests to waive this policy provision on a case by case basis.

A number of factors will be relevant in considering requests to waive this policy provision including, financial, working relationships, and trust and confidence (this is not an exhaustive list).

In the event that a request to waive is agreed, ex-employees will not be able to recommence employment with CCBC (after an open advertisement and successful outcome from a recruitment and selection process) until a period of time has elapsed that is equal in length to the number of weeks' pay their compensation equates to (see paragraph 8.7 above for an example).

8.9. The Council will not employ ex-employees under a "contract for services" i.e. self-employed /consultancy, unless a business case can be made that there are particular skills and expertise needed for service provision and such skills and expertise cannot be readily and efficiently sourced through other means. The business case would need to be prepared by the appropriate Head of Service and agreed with the respective Portfolio Holder(s) and the Senior Leadership Team. Again for the avoidance of doubt there is no qualifying period or time limit and no distinction is made between the reasons for departure and the policy provision. It is an absolute, if an individual leaves the Council's employment no matter on what basis and wishes to sell their services under a contract for services the aforementioned business case route must be followed in advance.

8.10. It should be noted that if a person is re-employed by the Council and they had previously retired and become entitled to an ill health pension at Tier 1 or Tier 2, Gwynedd council as the administering authority will abate an individual's pension, where pension in payment and earnings from new employment with an employer within the Local Government Pension Scheme over a 12 month period, exceed earnings in retirement. Also, if a person retired under early/redundancy retirement and received compensatory added years (pre-2006 LGPS Regs) the added years part only could be affected by re-employment. Any such instance will be checked with Gwynedd Council as the administering authority.

8.11. The Council re-confirms the continuation of delegated authority to the Head of Corporate HR and the Head of Law & Governance (Monitoring Officer) to make and publish minor changes to the Pay Policy.

8.12 In November 2020 UK Parliament and HM Treasury brought into force the **Restriction of Public Sector Exit Payments Regulations 2020 (SI 2020/1122)** This placed a cap of £95,000 on all exit payments and meant that all local authorities, health bodies, Voluntary-Aided and Foundation schools, and other public bodies were required to ensure that no exit payment is made to any employee or office holder that exceeds the £95,000 limit without Welsh Ministers' approval. These Regulations amended the previous recommendation for authorities to offer full council the opportunity to vote on any severance packages exceeding £100,000 to £95,000. On 22nd December 2020, three requests for Judicial Reviews of the Restriction of Public Sector Exit Payment Regulations 2020 were given permission to proceed. These requests contest the regulations on a number of grounds, including their effect on the LGPS regulations. On 12th February 2021 the UK Government unexpectedly announced that the Regulations and the £95k exit cap were to be revoked because of what are described as "unintended consequences." The Local Government Association has advised that Welsh Ministers will need to make their position on the matter clear. At the time this report was submitted the Welsh Government Statement had not been received. In the interim period until the Welsh Government's own revocation of the Regulations is received the £95k exit cap limit still applies along with the requirement to seek Ministerial approval of a Council recommendation for exit payments that exceed the cap. . As a consequence it will be necessary to present an additional report to Council when the Welsh Government position

is clear. It should also be noted that the aforementioned Judicial Reviews are continuing and are currently scheduled to be heard at the end of March 2021. Should the outcomes of the relevant Judicial Reviews necessitate a substantive change to our Local Pay Policy provisions a further report will be brought to Council.

8.13 As can be seen, this situation is not straightforward. The WLGA advice is that unless Councils are absolutely required to do something urgently it would be prudent to wait for further guidance and direction before taking any termination action that could be caught by the £95k/100k limit. Fortunately at the time of writing no such cases were pending in the Council.