

Supporting Information and Impact Assessment

Service / Policy:	Human Resources
Executive Lead:	Cllr Derek Mills
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Section 1: Background Information

1.	<p>What is the proposal / issue?</p> <p>The publication of the Annual Salary Statement is a Statutory requirement under Section 38 (1) of the Localism Act 2011. If Council does not approve the Salary Statement then there is a significant risk that the Council will be in breach of the legislation.</p> <p>See Pay Policy Statement, Appendix 2, for full details.</p> <p>Under the current Pensions Regulations, Torbay Council is able to exercise a range of discretions in regard to how the Local Government Pension Scheme (LGPS) is applied to its employees who are members of the Scheme.</p> <p>The Employers Pensions Discretions must be reviewed and approved by Council annually in line with the LGPS regulations.</p>
2.	<p>What is the current situation?</p> <p>The position with the Pay Policy Statement has not changed significantly from last year. There are changes to the Multiplier information that assesses the median between the highest and lowest earners due to the introduction of the National Living Wage in April 2016. This has increased the lowest salary and has reflected a positive change in the highest and lowest paid officers within the Council. The policy has also been updated to reflect Hay 2016 rates low to and spinal scales.</p> <p>Employee and employer pension contribution rates have not yet been updated as these figures are not yet available although the employer contribution rates are expected in January 2017.</p>
3.	<p>What options have been considered?</p> <p>There are no options to be considered in regard to the publication of the Pay Policy Statement as it is a Statutory requirement of the requirement under Section 38 (1) of the Localism Act 2011.</p>

	<p>The Employers Pensions Discretions were changed and approved by Council in December 2015. Although they have to be agreed by Council on an annual basis, there is no requirement for these to be changed currently therefore no options have been explored.</p>
<p>4.</p>	<p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p>Ambitions: Prosperous and Healthy Torbay</p> <p>Principles:</p> <ul style="list-style-type: none"> • Use reducing resources to best effect • Reduce demand through prevention and innovation • Integrated and joined up approach <p>Targeted actions:</p> <ul style="list-style-type: none"> • Protecting all children and giving them the best start in life • Working towards a more prosperous Torbay • Promoting healthy lifestyles across Torbay • Ensuring Torbay remains an attractive and safe place to live and visit • Protecting and supporting vulnerable adults
<p>5.</p>	<p>Who will be affected by this proposal and who do you need to consult with?</p> <p>Torbay Council employees and those within the Council's Maintained Schools, including all employees who are members of the Local Government Pension Scheme.</p>
<p>6.</p>	<p>How will you propose to consult?</p> <p>Trade Unions representing staff within Torbay Council and its' Schools will be consulted at Joint Consultative meetings.</p>

Section 2: Implications and Impact Assessment

7.	<p>What are the financial and legal implications?</p> <p>There would be legal implications for Torbay Council if it does not publish its Annual Pay Policy Statement in accordance with the Localism Act 2011. The Pay Policy Statement and associated pay policies set out the processes and procedures by which the Council pays its staff. These practices are in accordance with the Equality Act 2010 and associated employment law and so must be approved in order to maintain compliance.</p>
8.	<p>What are the risks?</p> <p>Non-Compliance with Section 38 (1) of Localism Act 2011 mainly and employment law, see above. It is currently not determined as to whether there would be a financial penalty for non-compliance with the Localism Act however, under employment law non-compliance could result in heavy penalties for the Council (e.g. Equal pay and discrimination claims).</p>
9.	<p>Public Services Value (Social Value) Act 2012</p> <p>Both decisions will not relate to the above Act as there are no associated services or goods that need to be purchased or hired.</p>
10.	<p>What evidence / data / research have you gathered in relation to this proposal?</p> <p>Reference has been made to the Localism Act 2011 and supplementary guidance supplied by the Department for Communities and Local Government (“Openness and Accountability in Local Pay: Supplementary Guidance”).</p> <p>Advice and information has also been provided by the Local Government Association.</p>
11.	<p>What are key findings from the consultation you have carried out?</p> <p>The key findings to date from consultation have revealed nothing significant as this is a policy that affects Torbay Council staff. Consultation takes place with the Councils’ Trade Unions on behalf of its staff, the expectation is that the Council has a legally compliant pay policy in place that is fair and transparent.</p>

12.

Amendments to Proposal / Mitigating Actions

Feedback from internal facing departments has not suggested the need for any changes or mitigating action.

Equality Impacts

13	Identify the potential positive and negative impacts on specific groups			
		Positive Impact	Negative Impact & Mitigating Actions	Neutral Impact
	Older or younger people	Introduction of the National living Wage in April 2016 has had a positive impact to the pay for lowest earners within the Council.		Employers Pensions Discretions affecting employees who are 55 years and above. A neutral impact as the proposal is that the discretions will not change since they were last reviewed in 2016.
	People with caring Responsibilities	Introduction of the National living Wage in April 2016 has had a positive impact to the pay for lowest earners within the Council.		
	People with a disability	Introduction of the National living Wage in April 2016 has had a positive impact to the pay for lowest earners within the Council.		
	Women or men	Introduction of the National living Wage in April 2016 has had a positive impact to the pay for lowest earners within the Council.		
	People who are black or from a minority ethnic background (BME) <i>(Please note Gypsies / Roma are within this</i>	Introduction of the National living Wage in April 2016 has had a positive impact to the pay for lowest earners within the Council.		

<i>community)</i>			
Religion or belief (including lack of belief)	Introduction of the National living Wage in April 2016 has had a positive impact to the pay for lowest earners within the Council.		
People who are lesbian, gay or bisexual	Introduction of the National living Wage in April 2016 has had a positive impact to the pay for lowest earners within the Council.		
People who are transgendered	Introduction of the National living Wage in April 2016 has had a positive impact to the pay for lowest earners within the Council.		
People who are in a marriage or civil partnership	Introduction of the National living Wage in April 2016 has had a positive impact to the pay for lowest earners within the Council.		
Women who are pregnant / on maternity leave	Introduction of the National living Wage in April 2016 has had a positive impact to the pay for lowest earners within the Council.		
Socio-economic impacts (Including impact on child poverty issues and deprivation)	Introduction of the National living Wage in April 2016 has had a positive impact to the pay for lowest earners within the Council.		

	<p>Public Health impacts (How will your proposal impact on the general health of the population of Torbay)</p>			<p>Neutral, no public health impact identified as a result of proposals.</p>
<p>14</p>	<p>Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above)</p>	<p>Possibility of wider budget savings elsewhere within the Council may necessitate a change to the Employers Pensions Discretions when they are reviewed in future.</p>		