



**Report of the Head of HR and Service Centre
Organisational Transformation Corporate Delivery Committee
25 October 2022**

Reward and Recognition

Purpose:	To inform the Committee of the Council's current reward and recognition strategy.
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1. Introduction

- 1.1 The Council's approach toward Reward and Recognition is detailed in the annual Pay Policy Statement 2022/23. It is a statutory requirement as per the Localism Act (2011) in which English and Welsh authorities must publish a Pay Policy Statement on an annual basis, setting out their approach to all aspects of pay and remuneration. Swansea Council last adopted the annual pay statement in March 2022.
- 1.2 The Pay Policy Statement covers the Council's approach to financial remuneration, market supplement, honoraria payments, the link to pay and performance, exit payments, voluntary severance and pension schemes. It does not cover any non-financial benefits.

2. Pay Policy Statement 2022/23

- 2.1 Pay is the single largest influencing contributor to overall remuneration packages and the Council adopts the nationally agreed pay award rates as and when they are agreed between national employers and trade unions.
- 2.2 The National Joint Council (NJC) covers most Council employees with the exception of Chief Executives, Chief Officers, teachers, Soulbury officers and Youth and Community workers. The NJC pay spine of 43 spinal column points is exceeded in Swansea by an additional 6 points, making the salary range Scp 1 £19,650 (£10.00 per hour) to Scp 49 £53,994 (£27.99 per hour).

Within that range there are 12 pay grades, most of which have 5 spinal column points. The lower pay grades have either 1, 2 or 3 spinal column points in them. Appendix A contains a full list of each pay grade.

- 2.3 Pay is determined by the process of job evaluation. All NJC posts were evaluated in 2014 and newly created roles emerging since that time have all been evaluated against the same scheme to determine the correct grade. A panel of trained job evaluators undertake evaluations.
- 2.4 Honoraria payments may be made where an employee is undertaking duties of a higher grade for a temporary period. Circumstances could include covering some duties for a manager who is on long term absence as opposed to the full role.
- 2.5 Pay is increased in line with nationally agreed pay awards each year.
- 2.6 The Council does not pay any bonus payments.
- 2.7 There may be rare occasions where recruitment shortages in a specific workforce group could lead to market supplements to pay being offered. The Council has a market supplement policy to determine how and when these payments might be considered appropriate.

3. Local Government Pension Scheme (LGPS)

- 3.1 Swansea Council employees are automatically enrolled into the Local Government Pension Scheme (LGPS) where they meet the entry criteria and where they do not elect to opt out.
- 3.2 The pension scheme provides a career average pension upon retirement as well as death in service and dependent pension provision. The scheme remains generous and an attractive part of the reward package compared to many employers as the employer contributions far outweigh the contributions made by individual members of the scheme
- 3.3 Members of the pension scheme can also choose to purchase Additional Voluntary Contributions (AVC's) to top up their pension benefits.

4. Terms and conditions of employment

- 4.1 The Council provides a range of terms conditions of employment that help provide a supportive, fair and inclusive package of benefits in order to both attract new recruits and retain members of the existing workforce.
- 4.2 Annual leave is based on length of service. Those with less than 5 years' service receive 24 days, those with 5-9 years' service receive 29 days and those with 10 years or more receive 33 days. The Council operates an additional annual leave purchase scheme where a proportion of pay can be

deducted across the calendar year to buy up to 10 additional annual leave days.

4.3 In addition to annual leave, the Council recognises that there are a minimum of 8 Bank Holidays each year which are given as paid time, and one extra statutory day. Special leave is also available for unexpected absence such as bereavement, serious illness of dependents, jury service and hospital appointments.

4.4 The occupational sickness scheme provides for financial support during periods of illness:

During 1 st year of service –	1 month full pay and (after completing 4 months' service) 2 months' half pay
During 2 nd year of service –	2 months full pay and 2 months half pay
During 3 rd year of service –	4 months full pay and 4 months half pay
During 4 th & 5 th year of service –	5 months full pay and 5 months half pay
After 5 years' service -	6 months full pay and 6 months half pay

4.5 The Council is supportive of flexible working to enable employees to have a healthy work/life balance and the Flexible Working Policy includes voluntary reduction of hours, part-time working, job sharing, annualised hours, compressed hours, term time working, home working and career breaks as options available to apply for.

Further, the Council operates a Flexi Time Scheme in which those workforce groups who are not on fixed shift patterns due to the nature of the service that they operate within, can use to manage their weekly hours. Employees on flexi time can accrue up to 12 hours on the clock in a period and take one day flexi leave per period (part time staff are pro rata).

4.6 Maternity/Paternity, Adoption, shared parental leave and time off for dependents policies are in place that go beyond the statutory minimum to support the workforce when becoming parents.

5. Non-financial benefits

5.1 The Council currently offers a range of non-financial benefits to staff alongside the nationally set annual pay award increases and the nationally and locally negotiated terms and conditions.

5.2 In September 2022 a new employee benefits platform, Edenred, was launched. This platform provides Swansea Council staff with access to the following:

- Cycle to Work Scheme
- Car Leasing Scheme
- Health Cash Plan
- MyAdvantages – discounts on retail, leisure and health

Additionally, other opportunities have been identified to promote to the workforce including the Civil Service Sports Council which provides membership for discounted leisure, spending discounts and volunteering opportunities, a mobile phone discount for staff and family members through EE Perk, First Cymru bus travel discount and a wide range of locally agreed discounts at hospitality venues, childcare and play facilities, leisure facilities and retailers.

All information on these offers is available on the Staff Intranet and instructions on how to access if staff do not have the Staff Intranet are also issued.

6. Recognising Performance

- 6.1 The Council does not reward financially on the basis of performance. A performance management policy is in place and regular discussions and appraisals are expected between managers and their direct reports. The purpose is to recognise good performance and identify any areas for development.

7. Staff Feedback

- 7.1 The last staff survey was undertaken in 2018 and feedback from the workforce regarding reward and recognition was sought.

When asked how satisfied they were, 77% answered positively to the statement 'The recognition I get for good work,' a slight increase from 75% in 2017. Staff surveys have taken a different approach during Covid due to the increase in displacement and a staff engagement group was established in July 2022 to discuss ways in which engagement can be improved.

8. Workforce Strategy 2022-2027

- 8.1 Reward and recognition is a key element of a successful attraction and retention strategy. To ensure workforce commitment and high performance, an effective approach to reward and recognition is necessary, and the Council will have to continuously review the pay, terms and conditions and non-financial benefits on offer to ensure they are relevant, appropriate and valued by the workforce.
- 8.2 The Council's Workforce Strategy 2022-2027 identifies 'An Employer of Choice' as one of its four central strands, and highlights 'Recruitment and Retention' and 'Recognising Performance' as the two objectives that will enable Swansea Council to strive to be seen as an employer of choice.
- 8.3 The Workforce Strategy action plan sets out the 'Recognising Performance' actions as follows:

Strand 7 – Recognising Performance

Review of pay and grading across the Council and for senior roles as identified through the senior management review	To optimise pay and grading arrangements. Review and deliver “future proof” Chief Officer scheme. Review potential for new Officer JE scheme.	TBD on appointment of Pay & Grading Officer	March 2023	Head of HR	Pay and Grading Officer Directors	Funding received for recruitment of Pay & Grading Officer.
Delivery of a revised, “fit for purpose” Performance Management approach, to reflect the future needs of the Council,	Delivery of “Performance and Goals performance management system through Oracle Fusion Delivery of revised Performance Management Policy Corporate and Directorate Objectives Reviewed and Agreed	Oracle Fusion implemented October 2022 Rollout to Council by March 2023	March 2023	Head of HR	Oracle fusion team HR&OD CMT Leadership Team Trade Unions	Engagement with Oracle Fusion team ongoing
Delivery of Action Plan to address Gender, Disability and Race Pay Gap Issues.	Delivery on Actions identified through Plan Develop readiness for Disability and Race Pay Gap issues	Establishment of Workforce Equalities Group Appointment of Pay and Grading Officer	September 2023	Head of HR	Workforce Equalities Group Pay and Grading Officer	Funding received for recruitment of Pay & Grading Officer
Consider re-introduction of “career grades” as part of Pay policy/ strategy	Identified through Staff Focus Group Process to address recruitment and retention issues	Appointment of Pay and Grading Officer	September 2023	Head of HR	Pay and Grading Officer	Funding received for recruitment of Pay & Grading Officer

9. Future considerations

9.1 The actions contained in the Workforce Strategy focus primarily on the financial reward element of being an employer of choice, focusing on pay and grading and performance management. Additional areas to explore could include:

- Salary sacrifice AVC schemes – this is becoming a popular choice in the public sector, supporting individuals retirement plans and reiterating the importance of saving for the future.
- Long service awards – whilst financial payments to recognise long service were phased out in 2014 there are non-financial ways in which long term contribution to public service can be recognised and thanked.
- Staff awards – recognising excellence and celebrating success stories by holding staff awards is a further way of demonstrating the value that staff have to the Council, it's senior leadership team and elected members. Allowing colleagues the opportunity to nominate peers helps engage wider audience and can shine a spotlight on individuals and teams deserving of wide recognition from across the organisation.

10. Integrated Assessment Implications

10.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure, and must in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.
- Deliver better outcomes for those people who experience socio-economic disadvantage
- Consider opportunities for people to use the Welsh language
- Treat the Welsh language no less favourably than English.
- Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs

10.2 The Well-being of Future Generations (Wales) Act 2015 mandates that public bodies in Wales must carry out sustainable development. Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in

accordance with the sustainable development principle, aimed at achieving the 'well-being goals'.

- 10.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.
- 10.4 There are no integrated assessment implications associated with this report. There is no impact identified on people and/or communities when considering all the impacts identified in the screening. This is a for information report and does not require any decision making which could impact on others.

11. Financial Implications

- 11.1 There are no financial implications directly associated with this report.
- 11.2 Several items referenced in the report could, if adopted, result in additional costs if Cabinet and Council were to pursue them . Any such policy choices would be appropriately considered at the time including affordability and changes if necessary made to budgets.
- 11.3 The single biggest component of cost each year will be the national pay award and whether it is fully funded or not in the settlement the Council receives from Welsh Government.

12. Legal Implications

- 12.1 There are no legal implications associated with this report.

Background Papers: None

Appendices:

Appendix A: Pay Policy Statement 2022/23

Appendix B: IIA