

# Supplementary Agenda



*Rural Capital of Food*

<b>Meeting name</b>	<b>Meeting of the Full Council</b>
<b>Date</b>	<b>Thursday, 22 February 2018</b>
<b>Start time</b>	<b>6.30 pm</b>
<b>Venue</b>	<b>Parkside, Station Approach, Burton Street, Melton Mowbray LE13 1GH</b>
<b>Other information</b>	<b>This meeting is open to the public</b>

<b>Meeting enquiries</b>	Lena Shuttlewood
<b>Direct Dial</b>	
<b>Email</b>	<a href="mailto:ishuttlewood@melton.gov.uk">ishuttlewood@melton.gov.uk</a>

<b>No.</b>	<b>Item</b>	<b>Page No.</b>
13.	<p><b>ANNUAL PAY POLICY 2018/19</b>            The Director for Corporate Services to submit a report to gain Full Council approval for the Annual Pay Policy Statement for 2018/19 so that it can be published in line with the requirements of the Localism Act 2011.</p>	1 - 8

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## FULL COUNCIL

22 FEBRUARY 2018

### REPORT OF DIRECTOR FOR CORPORATE SERVICES

#### PAY POLICY STATEMENT

##### 1.0 PURPOSE OF REPORT

- 1.1 To gain approval for the 2018/19 Annual Pay Policy Statement so that it can be published in line with the requirements of the Localism Act 2011.

##### 2.0 RECOMMENDATIONS

- 2.1 That the attached Pay Policy Statement for 2018/19 be approved.

##### 3.0 KEY ISSUES

- 3.1 The Localism Act 2011 requires the Council to prepare a Pay Policy Statement each year.
- 3.2 The Pay Policy Statement must articulate the Council's approach to a range of issues relating to the pay of its workforce.
- 3.3 This is the seventh year that the Pay Policy Statement has been prepared. The policy reflects the recent national pay negotiations and the changes to the management structure as a result however there are no significant changes to the policy statement from the previous years.
- 3.4 The Pay Policy for 2017/18 made changes as a result of the new National Living Wage (NLW) Protection arrangements were put in place for two years for staff who were being paid the Living Wage Foundation rate and were moving to the (NLW). There is one year of protection remaining as part of this arrangement.
- 3.5 National Employers have proposed a two year pay award which includes a review of the current pay spine. To date this proposal has not been accepted by the unions and therefore is not reflected in the Pay Policy Statement 2018/19

##### 4.0 POLICY AND CORPORATE IMPLICATIONS

- 4.1 There are no direct Policy and Corporate implications of approving the Pay Policy Statement for 2018/19.

##### 5.0 FINANCIAL AND OTHER RESOURCE IMPLICATIONS

- 5.1 There are no direct financial implications to this report. This details the current arrangements.
- 5.2 There are no direct HR implications to this report. This details the current arrangements.

##### 6.0 LEGAL IMPLICATIONS/POWERS

- 6.1 There are no direct legal implications to this Pay Policy. It is a legal requirement for this

Pay Policy to be produced and reported to Council.

**7.0 COMMUNITY SAFETY**

7.1 There are no direct community safety implications to this report.

**8.0 EQUALITIES**

8.1 The equality issues of this Pay Policy have been considered as part of the individual policies and agreements that make up the statement where applicable.

**9.0 RISKS**

9.1 There are no direct risks to this Policy.

**10.0 CLIMATE CHANGE**

10.1 There are no climate change risks to this Policy.

**11.0 CONSULTATION**

11.1 Management Team and Joint Staff Working Group (including recognised Trade Union representatives) have been previously consulted on policies included in this statement.

**12.0 WARDS AFFECTED**

12.1 All

Contact Officer S O'Connor – HR & Communications Manager  
Date: February 2018

Appendices : Pay Policy Statement

Background Papers:

Reference :



# Pay Policy Statement 2018/19

# Pay Policy Statement 2018/19

## Introduction

The Localism Act 2011 (the Act) requires the Council to prepare a pay policy statement each year. The pay policy statement must articulate the Council's approach to a range of issues relating to the pay of its workforce.

This statement will be subject to annual review and approval by Full Council each subsequent year. In exceptional circumstances the statement may be reviewed/amended mid-year by the Full Council.

This statement will be published on the Council's website following each review and approval by Full Council.

The purpose of this statement is to provide transparency with regard to the Council's approach to setting the pay of its employees by identifying:

- the methods by which salaries of all employees are determined;
- the detail and level of remuneration of the Council's most senior staff;
- the remuneration of the Council's lowest-paid employees, and
- the relationship between the remuneration of chief officers and those employees who are not chief officers.

## **1. Remuneration of Employees**

- 1.1 For employees subject to the "National Agreement on Pay and Conditions of Service of the National Joint Council for Local Government Services" (known as the "Green Book"). The national pay spine ends at SCP 49 but the Council has locally extended this to SCP 60. This pay spine is divided into 15 pay bands, which contain between two and four incremental points. Band 2 is the lowest and Band 16 is the highest of these pay grades.
- 1.2 In April 2013 the Council recognised the Living Wage Foundation (LWF) rate as the minimum hourly rate for employees. This has been frozen at the rate of £8.25 per hour. From 1 April 2017 the Council recognised National Living Wage (NLW) as the revised minimum hourly rate which from 1 April 2018 will be £7.83 per hour. Employees who were being paid the LWF rate on the 1 April 2017 are protected on £8.25 for two years, until 1 April 2019, after which time they will revert to the NLW rate.
- 1.3 The Band of a post is determined through Councils job evaluation scheme which directly establishes the relative levels of posts according to the requirements, demands and responsibilities of the role. The evaluated score will determine the banding level paid within a locally agreed banding structure. The Council presently use the Local Government Single Status Job Evaluation Scheme (the NJC scheme) to evaluate all posts with the exception of Chief Officer roles.

- 1.4 The Council presently adopts the national pay bargaining arrangements in respect of the revision of pay spines
- 1.5 All other pay related enhancements and payable allowances/expenses are the subject of either nationally or locally negotiated and/or determined rates.

## **2. Remuneration of Chief Officers**

- 2.1 The terms and conditions of employment applicable to these officers are as determined by the JNC for Chief Officers of Local Authorities (or JNC for Chief Executives of Local Authorities) as amended/supplemented or superseded by decisions on conditions of service made by the Council from time to time.
- 2.2 The salary paid to Chief Officers is determined by the Appointment Sub Committee, Policy, Finance and Administration and approved by Full Council. It takes into consideration guidance from the JNC National Framework and market forces through a benchmarking exercise. The Council apply JNC nationally agreed cost of living pay awards to the salaries of Chief Officers.
- 2.3 The Chief Executive is the Council's Head of Paid Service. As at 31 March 2018 the annual full time equivalent (FTE) range for the grade of this post is £95,000 – £105,000. There are six incremental points in the grade and progression through the grade is by annual increment which normally happens on 1<sup>st</sup> April each year.
- 2.4 The Deputy Chief Executive is the Director for People and Communities. As at the 31 March 2018 the annual FTE range for the grade of this post is £70,000 - £80,000. There are six incremental point in the grade and progression through the grade is by annual increment which normally happens on 1<sup>st</sup> April each year.
- 2.5 There are three other Directors who report directly to the Chief Executive. As at 31 March 2018 that annual FTE range for the grade of this post is £65,000 - £75,000. There are six incremental points in the grade and progression through the grade is by annual increment which normally happens on 1<sup>st</sup> April each year.
- 2.6 The Assistant Director for Statutory Planning and Regulatory Services meets the statutory definition of a chief officer due to the strategic management responsibilities of the role. This post is on NJC terms on conditions and has been evaluated at Band 16 using the Council's job evaluation scheme.
- 2.7 The Chief Executive also acts as Returning Officer for all Council elections for which an additional allowance is payable in relation to the overall supervision and ultimate responsibility for the conduct of Council elections. The fee payable is calculated jointly with Leicestershire Electoral Administrators Group, currently based on a set amount for the number of electors for each ward, £56.77 per 500 local government electors or part thereof in a contested election. Elections take place on a 4 year cycle although by-elections may take place at other times.

- 2.8 The role of Monitoring Officer is currently being undertaken by Deputy Chief Executive but will transfer to the Director for Legal and Democratic Services once an appointment has been made to that post. The role of “Section 151” Officer is currently being undertaken by Director for Central Services. There are no additional payments made for the undertaking of these roles.
- 2.9 The role of Deputy Monitoring Officer will be undertaken by the Principal Solicitor when the legal service transfers back in house later in 2018. The Role of Deputy Section 151 Officer is undertaken by the Central Services Manager. Both these roles attract an additional four increments on top of existing salaries.

### **3 General Principals**

- 3.1 New appointments will normally be made at the minimum of the relevant pay scale for the grade, although recruiting managers, in consultation with Human Resources have discretion to offer a higher scale point to secure the best candidate. Access to the Councils Relocations Scheme may also be granted in certain cases.
- 3.2 Progression within each band will normally be by annual increment at 1 April each year subject to;
- Satisfactory performance
  - The top of the band being exceeded
  - Six months service in role

Management Team have discretion to advance an individual employee's incremental progression within the band on the grounds of special merit.

- 3.3 The Council does not apply performance related pay or bonuses.
- 3.4 The minimum point of a pay band will not be lower than the maximum point of the preceding band.
- 3.5 Any temporary supplement to the salary scale for taking on additional duties or responsibilities must be approved by Management Team in consultation with HR.
- 3.6 From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified in line with the Market Increment Policy .
- 3.7 Essential and Casual Car User allowances are paid in appropriate circumstances. These allowances are in accordance with “Green Book” rates.



- 3.8 Subsistence is paid at the rate agreed locally.
- 3.9 Employees who are required to work overtime are entitled to rates outlined in the Overtime Policy. This does not apply to employees paid at band 13 or above or Chief Officer.
- 3.10 Enhancements of night work and bank holidays are paid in accordance with "Green Book" rates.
- 3.12 The Council will reimburse professional fees where it is an essential requirement of the job to be a member of a professional body.
- 3.9 On ceasing to be employed by the council, individuals will only receive compensation:
- a) In circumstances that are relevant ie redundancy
  - b) In accordance with our policy on employer discretions provided by the Local Government Pension Scheme (LGPS)
  - c) That complies with the specific term(s) of a settlement agreement.
- 3.10 Individuals aged 55 years or over who reduce their hours or band (or both) may apply to receive all or part of their LGPS in line with the flexible Retirement Policy.
- 3.11 The Council acknowledges that pay is not the only means of rewarding employees for their work and will look to provide other non-financial incentives to support recruitment and retention of high quality people. This includes good working conditions, flexible working, well being initiatives, generous annual leave and development opportunities.

#### **4 Financial Data**

As at 31 March 2018, the lowest grading level within the Councils pay spine is Band 2 which encompasses point 6 £15,014 this rate falls below the NLW therefore starting points to this band will sit at point 7 which is the equivalent of £7.83 per hour £15,115. (Effective 1 April 2018 NLW rate is £7.83 per hour)

The current pay levels within the Council define the multiple between the average full time equivalent salary (excluding chief officer posts) and the Chief Executive as being:

Median average 3:3 (figures based upon median average FTE salary of £29,323 and Chief Executive's salary of £95,000)

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