



# Pay Policy Statement 2020/21

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## 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 43 but the Council has locally extended this to SCP 54. This pay spine is divided into 15 pay bands, which contain between two and five incremental points. Band 2 is the lowest and Band 16 is the highest of these pay grades.
- 1.2 As part of national pay negotiations in 2018, a review of the pay spine was undertaken. This has resulted in the lowest point, point 1 starting at £9.00 per hour - £17,364 pa. The new pay spine has resulted in slight changes to the allocation of spinal points to the bands which was implemented in 2019.
- 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 Cabinet 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 1 April 2019 the annual full time equivalent (FTE) range for the grade of this post is £98,838 – £109,242. 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.
- 2.5 There are four Directors who report directly to the Chief Executive and who, where appropriate are able to deputise for them. As at 1 April 2019 that annual FTE range for the grade of this post is £67,626 - £78,030. 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 Strategic Planning and Delivery 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 the Director for Governance and Regulatory Services. The role of "Section 151" Officer is currently being undertaken by Director for Corporate Services. There are no additional payments made for the undertaking of these roles.
- 2.9 The role of Deputy Monitoring Officer is undertaken by the Legal and Governance Manager. The Role of Deputy Section 151 Officer is undertaken

by the Corporate 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 Council's Relocation 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

Directors 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 a Director 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 Supplement 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.

3.11 The Council will reimburse professional fees where it is an essential requirement of the job to be a member of a professional body.

- 3.12 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.
- 3.13 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.
- 3.14 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**

The current pay levels within the Council define the multiple between the average full time equivalent salary and the Chief Executive as being 4.6:1. The calculation is based on all staff excluding casual and relief staff. The full time equivalent salary is ranked and the salary taken at the midway point which is currently £22,462. The salary of the highest paid earner (the Chief Executive which is £103,000) is then divided by this salary to give the multiplier.

Salary information is correct as at January 2020.