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**DRAFT PAY POLICY STATEMENT 2013/2014**

Committee: Council

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[M352]

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1.0 **ISSUE**

- 1.1 To present the Council's draft Pay Policy Statement 2013/14 (Appendix 1), a requirement under the Localism Act 2011.
- 1.2 For ease of reference, changes from the 2012/13 statement are shown in bold.

2.0 **RECOMMENDATION**

- 2.1 Council is recommended to approve the 2013/14 draft Pay Policy Statement and for it to be published on the Council's website.

3.0 **BACKGROUND**

- 3.1 The Localism Act requires the Council to have approved and published an annual Pay Policy Statement by 31 March, having due regard to guidance provided by the Secretary of State.
- 3.2 The statement must be updated each year.
- 3.3 The statement covers posts on the Council's establishment, designated as 'Chief Officer' (Chief Officer as defined under the Localism Act).
- 3.4 The statement includes sections on the following:
- Salary scales
  - Expenses and allowances (including the differentiation between remuneration and other employee related expenses)
  - Bonuses and other additional payments
  - Performance Related Pay
  - Severance Payments
  - Payment of Election Fees
  - Re-Engagement of ex-employees
  - Employee pension contributions
- 3.5 The Localism Act also requires the Council to define within the statement the ratio of pay between the lowest and highest earning employees.
- 3.6 The Council will be required to act within the terms of its statement (e.g. if deciding to fill a vacancy) unless later amended by a resolution of Council.

#### 4.0 FINANCIAL IMPLICATIONS/EQUALITY IMPACT ASSESSMENT

4.1 The Pay Policy Statement is a statutory requirement of the Localism Act 2011.

4.2 There are no new financial implications as it simply restates and codifies the policies upon which the Council's salary budgets have been based upon.

4.3 All of the expenditure on pay consequent from this statement is contained within the Council's 2013/14 budget and Medium Term Financial Strategy.

4.4 Equality Impact Assessment (INRA) not required.

#### 5.0 APPENDICES

5.1 Appendix 1 East Cambridgeshire District Council Draft Pay Policy Statement 2013/14

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<b><u>Background Documents</u></b>	<b><u>Location</u></b>	<b><u>Contact Officer</u></b>
The Localism Act 2011 - Chapter 8 Pay Accountability	Room 119 The Grange Ely	Andrew Killington Deputy Chief Executive (01353) 665555 E-mail: <a href="mailto:andrew.killington@eastcambs.gov.uk">andrew.killington@eastcambs.gov.uk</a>
Recruitment and Selection Policy Handbook		
Single Equality Scheme 2012 - 2015		

**EAST CAMBRIDGESHIRE DISTRICT COUNCIL**  
**DRAFT PAY POLICY STATEMENT 2013/14**

## **INTRODUCTION**

The Localism Act 2011 requires English local authorities to produce an annual Pay Policy Statement which sets out the salary scales for each of its Chief Officer posts (as defined under the act) other payments received (including any bonuses) together with the ratio between the highest and lowest paid employees.

### 1.0 **SCOPE**

1.1 This Pay Policy Statement covers the following levels of post.

- Chief Executive
- Deputy Chief Executive
- Heads of Service (Level 1 and Level 2)

1.2 The number of Heads of Service has reduced from **eight to seven**.

### 2.0 **SALARIES**

2.1 The current salary scales for the staff in 1.1 are as presented in the table below.

2.2 Progression through the salary scale is by annual incremental progression following appointment subject to acceptable performance being achieved.

<b>POST</b>	<b>SALARY SCALE £'S</b>				
	<b>MINIMUM</b>				<b>MAXIMUM</b>
Chief Executive	113,277	116,109	118,941	121,773	124,605
Deputy Chief Executive	84,000	86,103	88,203	90,303	92,403
Head of Service Level 1 (4 staff)	61,029	62,559	64,083	65,610	67,137
Head of Service Level 2 ( <b>3 staff</b> )	50,388	51,645	52,903	54,162	55,428

### 3.0 **PAY AWARDS**

3.1 There has been a pay freeze on salary scales since an increase in 2009.

3.2 The Council is budgeting for an increase **of up to 1.5% in 2013/14**.

#### 4.0 TERMS AND CONDITIONS OF EMPLOYMENT

- 4.1 The terms and conditions of employment for the Chief Executive is in accordance with the Joint Negotiating Committee for Chief Executives, Scheme of Conditions of Service and as varied by local agreement.
- 4.2 The terms and conditions of employment for the Deputy Chief Executive are in accordance with the Joint Negotiating Committee for Chief Officers, Scheme of Conditions of Service as varied by local agreement.
- 4.3 The terms and conditions of employment for the Head of Legal and Democratic Services (the Council's Monitoring Officer) and the Head of Finance (the Council's S.151 Officer) are in accordance with the Joint Negotiating Committee for Chief Officers, Scheme of Conditions of Service as varied by local agreement.
- 4.4 The terms and conditions of employment for all other Heads of Service are in accordance with the National Joint Council for Local Government Services as varied by local agreement.

#### 5.0 REMUNERATION ON RECRUITMENT

- 5.1 Recruitment of Chief Executive and 'Chief Officer' (as defined by the Localism Act) posts are as set out in the Council's Constitution Part 4, Section 6, Officer Employment Procedure Rules.
- 5.2 The starting salary of appointed officers will be in accordance with the principles set out in the Council's Recruitment and Selection Policy and Handbook designed to avoid inequality. Ordinarily officers will be appointed at the minimum of their respective pay scale.

#### 6.0 BONUSES AND OTHER ADDITIONAL PAYMENTS

- 6.1 There are no bonus arrangements in place for any of the posts set out in paragraph 2.2 of this statement.
- 6.2 **The following are annual employer contributions to leased cars:-**

<b>Chief Executive</b>	<b>£6,651</b>
<b>Deputy Chief Executive</b>	<b>£5,919</b>
<b>Head of Environmental Services</b>	<b>£3,925</b>
<b>Head of ICT and Customer Services</b>	<b>£3,925</b>

#### 7.0 PERFORMANCE RELATED PAY

- 7.1 There are no performance related pay schemes in place for any of the posts set out in paragraph 2.2 of this statement.

## 8.0 SALARIES OVER £100,000 PER ANNUM

8.1 The post of Chief Executive is the sole post which carries a basic salary of over £100,000 per annum.

## 9.0 PUBLICATION OF SALARY DATA

9.1 Once approved the Pay Policy Statement 2013/14 will be made available on the Council's website.

9.2 In addition to the statement, the job profiles for those posts will also be attached.

9.3 The Council's Statement of Accounts sets out details of those officers earning in excess of £50,000 per annum.

## 10.0 ALLOWANCES AND EXPENSES

10.1 The eligible allowances and expenses payable to the posts set out in paragraph 2.2 of this statement are as set out:

- Professional subscription (where defined in the person specification as 'essential')
- Lease car allowance (Chief Executive, Deputy Chief Executive, Head of Environmental Services and Head of ICT and Customer Services are eligible to participate in the scheme. Note the scheme is now closed).
- Childcare (as per the Council's Childcare policy)
- Relocation Scheme (where applicable for new staff)

10.2 The Deputy Chief Executive and Head of Legal and Democratic Services receive an extra responsibility allowance of £5,000 per annum for additional duties assumed following the management restructuring of 2010.

10.3 The Council will meet or reimburse authorised (nationally determined) travel, accommodation and subsistence expenses for attendance away from the normal place of work on approved Council business. The Council does not regard such expenses as remuneration but as non-pay operational expenses. The same approach applies to legitimate Health and Safety reimbursements.

## 11.0 SEVERANCE PAYMENTS/PENSION BENEFITS

11.1 Severance payments (i.e. redundancy, pay in lieu of notice) are made in accordance with the Council's approved employment policies (e.g. Redundancy Policy).

11.2 Redundancy payments are calculated in accordance with the statutory scheme based on actual contractual weekly pay.

11.3 Where there is a business case for doing so the Council (and/or as delegated) may approve to exceed the level of statutory payments (redundancy) (and pension

enhancements) to enable longer-term savings, thereby seeking to achieve best value for the Council.

- 11.4 An employee who is aged 55 or over and has their employment terminated (for non disciplinary reasons) will be entitled to immediate payment of their pension benefits (if a member of the Local Government Pension Scheme and they satisfy the qualifying criteria).
- 11.5 Once an employee is in receipt of early payment of pension benefits, if their total pay and pension benefits added together (if re-employed by another employer within the Local Government Pension Scheme) exceed their salary at the date of leaving, the excess difference will be claimed back from pension payments.
- 11.6 An employee will lose their entitlement to redundancy pay if they take up a post with another body covered by the Redundancy Payments, (Local Government) (Modification) (Amendment) Order 1985 within 4 weeks of the date of redundancy and the offer of the new job has been made before the end of the original contract.
- 11.7 The Chief Executive, (Head of Paid Service), Head of Finance (Section 151 Officer) and the Head of Legal and Democratic Services (Monitoring Officer) occupy statutory positions and specific rules on termination apply (as set out in the respective Scheme of Conditions of Service Handbook).
- 11.8 The Council also has an agreed flexible retirement policy which can be utilised in the event of mutual benefit to the Council and the officer.

## 12.0 PENSION CONTRIBUTIONS

- 12.1 The Local Government Pension Scheme is a contributory scheme.
- 12.2 The contribution rate made by the employees set out in paragraph 2.2 of this report are as follows:

Post	Contribution Rate
Chief Executive	7.5% of pensionable earnings
Deputy Chief Executive	7.5% of pensionable earnings
Head of Community Services Level 1	7.2% of pensionable earnings
Head of Environmental Services Level 1	7.2% of pensionable earnings
Head of Planning and Sustainable Development Level 1	7.2% of pensionable earnings
Head of Finance Level 1	7.2% of pensionable earnings
Head of Legal and Democratic Services Level 2	7.2% of pensionable earnings
Head of HR and Facilities Management Level 2	7.2% of pensionable earnings
Head of ICT and Customer Services Level 2	7.2% of pensionable earnings

Note: The employers contribution remains at 19.5%.

- 12.3 The Council's discretions on pension enhancements are set out in the approved Pensions Discretion Statement. **This was approved by the Personnel and Corporate Services Committee at its meeting of 20<sup>th</sup> September 2012.**

### 13.0 RELATIONSHIP BETWEEN HIGHEST AND LOWEST GRADE OF STAFF

- 13.1 The lowest paid grade for East Cambridgeshire District Council is Scale 1 of the National pay structure. The pay range for Scale 1 is currently £12,312 - £14,733 per annum. The highest paid post is that of Chief Executive with a pay scale of £113,277 - £124,605 per annum.
- 13.2 The ratio between the highest pay scale and lowest pay scale is 1:92 at the minimum pay point and 1:8.46.
- 13.3 The Council does not have a specific policy on pay ratios between the highest and lowest graded posts.
- 13.4 All of the posts on the Council's establishment are assessed under a factor based job evaluation scheme with the commensurate pay lines approved by the relevant Council Committee(s).

### 14.0 ELECTION FEES

- 14.1 The Returning Officer has the overall responsibility for the conduct of elections.
- 14.2 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 Returning Officer is one of a personal nature and is separate and distinct from their duties as an employee of the Council.
- 14.3 Election fees are paid for electoral duties and are separate and additional to basic salary.
- 14.4 The Chief Executive is the Council's Returning Officer.
- 14.5 The fees for local elections are set on a countywide basis through the Association of Electoral Administrators, Cambridgeshire Group.
- 14.6 The fees for all other elections are set by the Electoral Commission.
- 14.7 Other officers, including some of the posts set out in paragraph 2.2, may receive additional payments for specific election duties.
- 14.8 Only fees for District Council elections are met by this Council.

### 15.0 RE-ENGAGEMENT OF EX EAST CAMBRIDGESHIRE DISTRICT COUNCIL STAFF WITHIN THE SCOPE OF THIS DOCUMENT

- 15.1 All permanent and/or fixed-term posts are advertised in accordance with the Council's Recruitment Policy and appointment is made purely on merit.

15.2 The Council will not normally engage ex-employees who have received a severance or redundancy payment from the Council under a contract for services.