
PAY POLICY STATEMENT 2015/2016

Committee: Full Council

Date: 26th February 2015

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[P195]

1.0 **ISSUE**

1.1 To present the Council's Pay Policy Statement 2015/16 (Appendix 1), a requirement under the Localism Act 2011.

2.0 **RECOMMENDATION**

2.1 It is recommended that Members approve the 2015/16 Pay Policy Statement.

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 Local Government & Housing Act 1989).

3.4 The statement includes sections on the following:

- Chief Officer Salaries
- Remuneration of Employees
- Terms and Conditions of Employment
- Remuneration on Recruitment
- Bonuses and other additional payments/allowances/benefits payable to Chief Officers
- Severance Payments/Pension Benefits
- Pension Contributions
- Election Fees

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 2015/16 draft 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 2015/16

<u>Background Documents</u>	<u>Location</u>	<u>Contact Officer</u>
The Localism Act 2011 - Chapter 8 Pay Accountability	Room 127 The Grange Ely	Kathy Batey HR & Facilities Services Manager (01353) 616230 E-mail: kathy.batey@eastcambs.gov.uk
Local Government & Housing Act 1989		
Recruitment and Selection Policy Handbook		

EAST CAMBRIDGESHIRE DISTRICT COUNCIL
PAY POLICY STATEMENT 2015/16

INTRODUCTION

The Localism Act 2011 (Section 38 to 43) requires English local authorities to produce a Pay Policy Statement for each financial year.

The Act and supporting statutory guidance provides details of matters that must be included in the Pay Policy Statement but also recognises that each local authority has the autonomy to determine its own pay structure and pay policies. The Pay Policy Statement must be formally approved by Full Council by the end of March each year (although it can be amended in-year), must be published on the authority's website and must be complied with when setting terms and conditions for Chief Officers as defined in the Act.

1.0 **SCOPE**

1.1 This Pay Policy Statement includes a policy on:

- a) The level and elements of remuneration for each Chief Officer;
- b) The remuneration of the lowest paid employee;
- c) The relationship between the remuneration of Chief Officers and other officers;
and
- d) Other specific aspects of Chief Officer remuneration such as fees, charges and other discretionary payments.

1.2 Remuneration in this context is defined widely to include not just pay but also charges, fees, allowances, benefits in kind, increases in enhancements of pension entitlements and other discretionary payments.

1.3 Under the Act a 'Chief Officer' is defined as:

- The head of the authorities paid service designated under section 4(1) of the Local Government and Housing Act 1989
- Its monitoring officer designated under section 5(1) of that Act
- A statutory chief officer mentioned in Section 2(6) of that Act
- A non-statutory chief officer mentioned in Section 2(7) of that Act
- A deputy chief officer mentioned in section 2(8) of that Act.

1.4 At East Cambridgeshire District Council, this would apply to the following posts:

- Chief Executive
- Director (Regulatory Services)
- Director (Support Services)
- Corporate Unit Manager
- Financial Services Manager (s151 Officer)
- Principal Solicitor (Temporary Monitoring Officer)

2.0 CHIEF OFFICER SALARIES

2.1 The current salary scales for the staff in 1.4 are as presented in the table below.

2.2 Progression through the salary scale is currently by annual incremental progression following appointment subject to acceptable performance being achieved through the Council's performance appraisal scheme.

POST	SALARY SCALE £'S					
	MINIMUM				MAXIMUM	
Chief Executive	116,928	119,849	122,771	125,696	128,618	
Director (Regulatory Services)	62,994	64,576	66,149	67,724	69,300	
Director (Support Services)	62,994	64,576	66,149	67,724	69,300	
Corporate Unit Manager *	52,011	53,308	54,608	55,908	57,214	
Financial Services Manager (wef 1.9.15**)	52,011	53,308	54,608	55,908	57,214	
Principal Solicitor (Temp Monitoring Officer) (p/t - 35 hours per week)	40,635	41,612	42,630	43,646	44,666	45,684

*This post is currently filled through an internal secondment until 31st December 2015.

**The rate of pay for the existing Financial Services Manager is protected at £69,300 until 31st August 2015 following the staffing and departmental restructuring during 2014.

2.3 In addition, the following posts also attract additional payments for extra or special responsibilities as set out below:

POST	REASON FOR ALLOWANCE	AMOUNT
Financial Services Manager (wef 1.9.15)	S151 Officer	£5,000 per annum
Principal Solicitor	Temporary Monitoring Officer	£3,573 per annum

2.4 With the exception of the Principal Solicitor post, all Chief Officer posts have been evaluated using the HAY Job Evaluation Scheme. The Principal Solicitor post has been evaluated using the NJC Job Evaluation Scheme.

2.5 The salaries have been increased in accordance with the 2015/16 Pay Award as determined by the National Joint Council for Local Government Services.

3.0 REMUNERATION OF EMPLOYEES

- 3.1 All staff below Chief Officer level are employed on terms and conditions in accordance with the NJC National Agreement on Pay and Conditions of Service (commonly known as the “Green Book”). The Council currently uses a pay spine that commences at Spinal Column Point (SCP) 5 and ends at SCP 57, although SCP 5 will be deleted from 1st October 2015 in accordance with the 2015/16 Pay Award. The pay spine currently in use is divided into 13 pay scales, which contain various incremental points. Scale 1 is the lowest scale and Scale 13 is the highest of these pay scales. Posts are allocated to a scale through a job evaluation process. The values of the SCPs are increased by the pay award notified from time to time by the National Joint Council for Local Government Services.
- 3.2 Progression through the salary scale is currently by annual incremental progression following appointment subject to acceptable performance being achieved through the Council’s performance appraisal scheme.
- 3.3 For the purposes of this Pay Statement, “Green Book” employees on Scale 1 are defined as our lowest paid employees as there are no employees of the Council paid at a SCP that is lower than a point contained in Scale 1. The bottom of Scale 1 is current SCP 5 (SCP 6 from 1st October 2015) and the top is SCP 11. At 1st January 2015 (following the implementation of the pay award), the full-time equivalent (FTE) annual values of these two SCPs were £13,500 (SCP 5), and £15,207 (SCP 11).

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 two Directors and the Financial Services Manager (the Council’s s151 Officer) 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 all other staff (including the remaining posts set out in 2.0) 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 all newly 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.

6.0 BONUSES AND OTHER ADDITIONAL PAYMENTS/ALLOWANCES/BENEFITS PAYABLE TO CHIEF OFFICERS

- 6.1 There are currently no bonus or performance related pay arrangements in place.
- 6.2 The Chief Executive receives an employer contribution to the provision of a leased car of £8,028 per annum. This scheme is now closed to staff.
- 6.3 The eligible allowances and expenses payable to the posts set out in paragraph 2.0 of this statement are as set out:
- Professional subscriptions
 - Childcare (as per the Council's Childcare policy)
 - Relocation Scheme (where applicable for new staff)
- 6.4 The Chief Executive is eligible for free BUPA membership at a cost to the authority of £494.68 per annum. This scheme is now closed to staff.
- 6.5 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.

7.0 SEVERANCE PAYMENTS/PENSION BENEFITS

- 7.1 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).
- 7.2 Redundancy payments are calculated in accordance with the statutory scheme based on actual contractual weekly pay.
- 7.3 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.
- 7.4 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).
- 7.5 The Chief Executive, (Head of Paid Service), Financial Services Manager (Section 151 Officer) and the Principal Solicitor (Temporary Monitoring Officer) occupy statutory positions and specific rules on termination apply (as set out in the respective Scheme of Conditions of Service Handbook).
- 7.6 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.

8.0 PENSION CONTRIBUTIONS

8.1 All staff who are members of the Local Government Pension Scheme make individual contributions to the scheme in accordance with the following table.

Band	Pay Bands	Contribution Rates
1	Up to £13,500	5.5%
2	£13,501 - £21,000	5.8%
3	£21,001 - £34,000	6.5%
4	£34,001 - £43,000	6.8%
5	£43,001 - £60,000	8.5%
6	£60,001 - £85,000	9.9%
7	£85,001 - £100,000	10.5%
8	£100,001 - £150,000	11.4%
9	£150,001 or more	12.5%

8.2 The Council makes employer's contributions into the scheme, which are reviewed by the actuary. The current rate is 17.0%.

8.3 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 20th September 2012.

9.0 RELATIONSHIP BETWEEN HIGHEST AND LOWEST GRADE OF STAFF

9.1 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 £13,500 - £15,207 per annum. The highest paid post is that of Chief Executive with a pay scale of £116,928 - £128,618 per annum.

9.2 The ratio between the highest grade and lowest grade is 8.45:1 at the scale minimum pay point and 8.46:1 at the scale maximum pay point.

9.3 The Council does not have a specific policy on pay ratios between the highest and lowest graded posts, but will continue to monitor the ratio each year within the Pay Policy Statement.

10.0 ELECTION FEES

10.1 The Returning Officer has overall responsibility for the conduct of elections.

10.2 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.

10.3 Election fees are paid for electoral duties and are separate and additional to basic salary.

- 10.4 The Chief Executive is the Council's Returning Officer.
- 10.5 The fees for local elections are set on a countywide basis through the Association of Electoral Administrators, Cambridgeshire Group.
- 10.6 The fees for all other elections are set by the Electoral Commission.
- 10.7 Other officers, including some of the posts set out in paragraph 2.0, may receive additional payments for specific election duties.
- 10.8 Only fees for District Council elections are met by this Council.
- 11.0 DISCLOSURE
- 11.1 This Pay Policy Statement will be published annually by 31st March and made available on the Council's website. The Council already publishes details of all staff paid above £50,000 on the Council's website.
- 12.0 REVIEW
- 12.1 The Pay Policy Statement will be updated annually as required by the Localism Act.