

BLABY DISTRICT COUNCIL PAY POLICY STATEMENT 2018/19

1. Introduction

- 1.1 Section 38 of the Localism Act 2011 requires local authorities to produce an Annual Pay Policy Statement
- 1.2 This Pay Policy Statement includes:
 - (a) the level and elements of remuneration for Chief Officers;
 - (b) the remuneration of the lowest paid employees;
 - (c) the pay differential, known as the 'pay multiple' between the remuneration of Chief Officers and other officers and
 - (d) other aspects of Chief Officer remuneration, fees and charges and other discretionary payments

2. Principles

- 2.1 Blaby District Council recognises that, in the context of managing scarce resources, remuneration at all levels needs to be adequate to secure high quality employees who provide excellent services to the public, yet at the same time needs to avoid being unnecessarily generous or otherwise excessive. This pay policy sets out how the Council determines pay decisions across all aspects of pay and provides a framework to assist council Members in determining a pay strategy in a fair and equitable way within the council's Medium Term Financial Strategy.
- 2.2 The Public Sector Equality Duty also requires the Council to develop and publish a policy on how it is meeting its duty, having due regard to the need to eliminate unlawful discrimination particularly in relation to employment and pay. The council supports the principle of equal opportunities in employment and acknowledges that men and women should receive equal pay for the same or broadly similar work, for work rated as equivalent and for work of equal value. This Pay Policy sets out the Council's approach in ensuring equality of pay in line with those legal requirements.
- 2.3 It is important that local authorities are able to determine their own pay structures in order to address local priorities and to compete in the local labour market.

3. Scope

- 3.1 The policy covers all staff employed by the Council irrespective of grade and conditions of service. It will have reference to national agreements which affect pay and grading including:
 - National Agreement on Pay and Conditions of Service (the Green book, for all staff below Head of Service)

- Joint Negotiating Committee for Chief Officers
- Joint Negotiating Committee for Chief Executives

A copy of the Council's salary scales is at Appendix A.

4. Remuneration of senior officers

4.1 In this policy the senior pay group refers to posts within the top three tiers of the organisation. These include the Chief Executive (x 1), Directors (x 2), Group Managers (x 5) and Strategic Managers (x 2).

4.2 Chief Executive

4.2.1 The Chief Executive is the head of the council's paid service. The salary paid to the Chief Executive is approved by full Council at the time of appointment, and excludes Returning Officer fees which are paid separately.

4.2.2 The current salary range for the Chief Executive is £91,452 - £104,050 per annum. The range contains 5 increments and is subject to cost of living increases agreed by the Joint National Council (JNC). From 1 April 2018 an increase of 2% was agreed, and a further 2% was agreed to be in place with effect from 1 April 2019. This is a local grade which was established in 2011, following an analysis of the degree of responsibility in the role, benchmarking with other comparators and the ability to recruit and retain an exceptional candidate.

4.2.3 The Chief Executive Remuneration Panel, which comprises of the elected leader and the leaders of the opposition groups, determines incremental pay progression on an annual basis with the potential to increase one point every year subject to agreed priorities being met. The current Chief Executive is currently on point 4 of a 5 point scale.

4.2.4 Other conditions of service are as prescribed by the JNC for Local Authority Chief Executives national conditions.

4.3 Directors, Group Managers & Strategic Managers

4.3.1 The pay and grading for the Group Managers and Strategic Managers are evaluated using a local evaluation scheme. Its methodology reviews current job information including: job descriptions, staff structure including lines of accountability and capital and revenue budget responsibility. This information is used to determine the value of the job size and comparison with other Councils.

4.3.2 The grades are as follows:

Directors	Salary Range	£74,896 - £85,170
Group Managers	Salary Range	£57,120 - £69,015
Strategic Managers	Salary Range	£47,205 - £55,087

4.3.3 These salaries are subject to cost of living increases agreed by Joint Negotiating Committee for Chief Officers. From 1 April 2018 an increase of 2% was agreed, and a further 2% was agreed to be in place with effect from 1 April 2019. Other conditions of service are as prescribed by the JNC for Local Authority Chief Officers

4.4 **Other allowances**

4.4.1 The Council operates an essential car user scheme in accordance with JNC handbook.

4.4.2 Fees are payable for Returning Officer duties which are not part of the post holder's substantive role. Whilst appointed by the council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the council. Returning Officer fees are variable and paid based upon the number of electors per election. The Returning Officer for the council is the Chief Executive.

4.4.3 For any Chief Officer who undertakes duties that have been procured by another local authority, a discretionary payment (honorarium) will be made following an assessment of the additional time that the Chief Officer will spend in carrying out these additional duties.

4.4.4 There are two additional proper officer appointments within the Council; that of S151 Officer and the Monitoring Officer. The S151 Officer role is currently undertaken by a Strategic Director and recompense for this responsibility is subsumed within the current salary for this role. The Monitoring Officer appointment is currently carried out by a Group Manager who receives an additional responsibility allowance.

4.4.5 There are no other additional elements of remuneration in respect of overtime, bank holiday working, standby payments etc. paid to senior staff as they are expected to undertake duties outside their contractual hours and working patterns without additional payment.

5. **Pay Structure**

5.1 The current pay structure (Grades 1-9) applies to all employees excluding the senior pay group. Salaries within the pay spine are subject to pay awards as agreed by the National Agreement on Pay and Conditions of Service (NJC). From 1 April 2018 the lowest point on the pay spine is spinal point 6, which is based within Scale 1 and has a full time equivalent basic pay rate of £16,394 per annum. National changes to this pay spine have been agreed to be effective from 1 April 2019 and these will be reflected within next years Pay Policy Statement.

5.2 All posts are evaluated using the NJC Job Evaluation Scheme, which is recognized by public sector employers and unions nationally. This scheme

allows for robust measurement against set criteria resulting in fair and objective evaluations and ensures equal pay.

- 5.3 Progression within the grade for all staff takes place annually on 1 April, with the exception of newly appointed employees with start dates between November and March, who will receive their first increment six months after their start date. Any subsequent increments will then occur on 1 April in line with all other employees.
- 5.4 The grading structure aims to meet the current and/or market position for most jobs. At certain times some types of jobs are very scarce either because of national shortages or high demand for certain skills.

6. Other allowances

- 6.1 NJC employees may claim allowances which may be locally and nationally agreed in the course of their work duties. A list of typical allowances that employees can claim is set out at Appendix B.

7. Pension Arrangements

- 7.1 All employees of the council, irrespective of pay group, are entitled to join the Local Government Pension Scheme. The table below sets out the varied rates that employees are required to contribute based upon their whole time salary.

The employee contribution rates for 2018/19 are below:

Actual Pensionable Pay	Gross contribution rate
Up to £14,100	5.5%
£14,101 to £22,000	5.8%
£22,001 to £35,700	6.5%
£35,701 to £45,200	6.8%
£45,201 to £63,100	8.5%
£63,101 to £89,400	9.9%
£89,401 to £105,200	10.5%
£105,201 to £157,800	11.4%
More than £157,801	12.5%

The council, as an employer, currently contributes 20.59% of the employee's basic salary plus an overall flat rate cash contribution of £219,000 to the fund. This equates to approximately 23.3% of pensionable pay.

8. Multipliers

- 8.1 Publishing the pay ratio of the organisation's top earner to that of its lowest paid earner and median earner has been recommended to support the principles of Fair Pay (Will Hutton, 2011) and transparency.
- 8.2 In the context of the council's payroll the Chief Executive, who is the top earner in the Council, currently earns £102,568 per annum. This is 3.89 times the average earnings in the Council, 4.44 times the median earnings and 6.03 times the lowest earner.
- 8.3 The multipliers will be monitored each year as part of the review of the Pay Policy Statement.

9.0 Severance Payments

- 9.1 The council operates a voluntary severance scheme which is applicable to all employees of the Council. The scheme applies to:
- Redundancy
 - Voluntary early retirement

9.2 Redundancy

Redundancy payments are payable to Employees, who are dismissed on the grounds of redundancy and who have at least two years' continuous employment at the date of termination of employment. Redundancy payments use an actual week's pay (annual salary divided by 52 pro rata'd as appropriate) or the statutory capped figure, whichever is the higher.

9.3 Early Retirement – efficiency grounds

Employees who will be 55 or more and have at least 2 years' pensionable service in the Local Government Pension Scheme (LGPS) may retire early upon entering into a formal agreement with the Council which will include a mutually agreed retirement date, where it is considered to be in the interests of the efficient exercise of the Council's functions. The employee will not receive a severance payment or additional year's service but will have access to the pension scheme. The capital cost of early payment of pension benefits is subject to approval by Council

9.4 Flexible Retirement

An employee who is a member of the LGPS and 55 years or over may request, with the Council's consent, to reduce their hours and/or grade and make an election to the administering authority for payment of their accrued

benefits without having retired from employment. However the council will only agree to release pension where there is no capital cost to the authority.

10. Re-employment/engagement of senior managers

10.1 Where a senior manager, as defined under paragraph 4.1, has left the authority on redundancy or early retirement grounds, the authority will not normally re-employ at a later stage or re-engage the former employee as a consultant.

11. Decision Making

11.1 Decisions on remuneration are made as follows:

- (a) Chief Executive local pay structure approved by full Council
- (b) Performance progression of Chief Executive approved by Chief Executives Remuneration Panel
- (c) Pay structure for Directors and Chief Officers posts approved by full Council

Appendix A

BLABY DISTRICT COUNCIL SALARY SCALES

1 APRIL 2018

<u>Scale 1</u> (0-279)		<u>Scale 2</u> (280-379)		<u>Scale 3</u> (380-428)	
<u>S.P.</u>	<u>£</u>	<u>S.P.</u>	<u>£</u>	<u>S.P.</u>	<u>£</u>
6	16,394	12	17,173	18	18,870
7	16,495	13	17,391	19	19,446
8	16,626	14	17,681	20	19,819
9	16,755	15	17,972	21	20,541
10	16,863	16	18,319	22	21,074
11	17,007	17	18,672		

<u>Scale 4</u> (429-468)		<u>Scale 5</u> (469-554)		<u>Scale 6</u> (555-609)	
<u>S.P.</u>	<u>£</u>	<u>S.P.</u>	<u>£</u>	<u>S.P.</u>	<u>£</u>
23	21,693	28	25,463	35	31,401
24	22,401	29	26,470	36	32,233
25	23,111	30	27,358	37	33,136
26	23,866	31	28,221	38	34,106
27	24,657	32	29,055	39	35,229
		33	29,909		
		34	30,756		

<u>Scale 7</u> (610-639)		<u>Scale 8</u> (640-654)		<u>Scale 9</u> (655-669)	
<u>S.P.</u>	<u>£</u>	<u>S.P.</u>	<u>£</u>	<u>S.P.</u>	<u>£</u>
39	35,229	43	39,002	48	43,757
40	36,153	44	39,961	49	44,697
41	37,107	45	40,858		
42	38,052	46	41,846		
43	39,002	47	42,806		

Strategic Managers

Scale 11 (670-710)

S.P. £

A	47,205
B	50,693
C	51,389
D	53,238
E	55,087

Group Managers

Scale 12 (711 -)

S.P. £

A	57,120
B	60,831
C	64,543
D	66,836
E	69,015

Directors

Scale 14

S.P £

A	74,896
B	77,142
C	80,960
D	83,028
E	85,170

Chief Executive

Scale 16

S.P £

A	91,452
B	95,441
C	99,005
D	102,568
E	104,050

Appendix B

Local Allowances – NJC Staff

Saturday and Sunday Working:

If weekend working is not part of a normal working week (that is regular rostered weekend working) then the following payments apply.

Saturday	-	Time and half
Sunday	-	Time and half if basic pay above SCP 11 Double time if basic pay at or below SCP 11

If weekend working is part of a normal working week then plain time rates apply unless part of an approved overtime arrangements in which circumstance overtime rates will apply.

Additional Hours and Overtime Payments

Employees, on or below SCP 34, and required to work additional hours beyond a full 37 hour week (or average 37 hour week) are entitled to receive time and half for additional hours worked Monday to Saturday and double time for additional hours worked on a Sunday.

Part time workers are entitled to these enhancements only after a 37-hour week (or average 37 hour week) is exceeded, although **rostered** work on a Saturday and Sunday will attract the overtime allowance.

For employees on or above SCP 35 enhanced rates will not be paid. In exceptional circumstances the Group Manager may agree that overtime at plain time rates may be paid in order to clear backlogs or catch up on projects. In normal circumstance employees are expected to accrue and bank approved additional hours as time off in lieu. Managers have a responsibility under health and safety legislation to ensure that excessive hours are not worked and that accumulated TOIL is taken on a regular basis.

Overtime payments are full settlement and are not enhanced by any other allowance e.g. a shift allowance that is paid on normal working hours.

Public and Extra Statutory Days

Employees required to work on a public or extra statutory day shall be paid at plain time for all hours worked within their normal working hours for that day. In addition, time off with pay shall be allowed as follows:

Less than half normal hours worked – half day
More than half normal hour's worked – full day