



Report to: Cabinet Meeting - 21 February 2023

Portfolio Holder: Councillor Keith Girling, Organisational Development & Governance

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Report Summary	
<b>Type of Report</b>	Open Report, Non-Key Decision
<b>Report Title</b>	Pay Policy Statement 2023/24
<b>Purpose of Report</b>	To approve the proposed Pay Policy Statement for 2023/24 which we are required to produce annually in accordance with Section 38 (1) of the Localism Act 2011.
<b>Recommendations</b>	That Cabinet: a) approve the Pay Policy Statement for presentation to Full Council including amendments as detailed at section 2 of the report; and b) note the ongoing issues with recruitment and endorse a review of pay and market supplements.
<b>Alternative Options Considered</b>	No alternatives - the publication of the Pay Policy Statement is required by the Localism Act 2011.
<b>Reason for Recommendations</b>	Compliance with Section 38 (1) of the Localism Act 2011.

## 1.0 Background

1.1 In accordance with Section 38 (1) of the Localism Act 2011, Newark and Sherwood District Council along with all other English and Welsh local authorities were required to produce a Pay Policy Statement each financial year commencing April 2012. In complying with the duties in respect of pay accountability the Council must have regard to any guidance issued or approved by the Secretary of State in summary. Therefore, a Pay Policy Statement must set out the authority's policies for the financial year relating to:

- the remuneration of the authority's lowest-paid employees (together with a definition of "lowest-paid employees") and the reasons for adopting that definition;

- the relationship between remuneration of Chief Officers and that of other officers (pay multiples); and
  - the remuneration of Chief Officers.
- 1.2 The statement should also set out the authority's policies for the financial year relating to:
- a) the levels and elements of remuneration for each Chief Officer;
  - b) remuneration of Chief Officers on recruitment;
  - c) increases and additions to remuneration for each Chief Officer;
  - d) the use of performance related pay for each Chief Officer;
  - e) the use of bonuses for each Chief Officer;
  - f) the approach to the payment of Chief Officers on their ceasing to hold office under or to be employed by the authority, and
  - g) the publication of and access to information relating to remuneration of Chief Officers.
- 1.3 The term 'remuneration' covers:
- a) the salary or the amount payable in the case of Chief Officers engaged by the authority under a contract for services;
  - b) payments made by the authority to the Chief Officers for those services;
  - c) any bonuses payable by the authority to Chief Officers;
  - d) any charges, fees or allowances payable by the authority to Chief Officers;
  - e) any benefits in kind to which the Chief Officers are entitled as a result of their office or employment;
  - f) any increase in or enhancement of the Chief Officer's pension entitlement where the increase or enhancement is as a result of a resolution of the authority; and any amounts payable by the authority to the Chief Officer on the Chief Officer ceasing to hold office under or be employed by the authority other than amounts that may be payable by virtue of any enactment.
- 1.4 Existing legislation already required the Council to publish statements relating to certain elements of officer remuneration, details of which are set out below:
- regulation 7 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 requires an authority to formulate, review and publish its policy on making discretionary payments on early termination of employment;
  - regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008 requires the Council to publish its policy on increasing an employee's total pension scheme membership and on awarding additional pension.
- 1.5 Appropriate links to published policies and information are included within the final version of the Pay Policy Statement.
- 1.6 The Transparency Code also carries specific legal requirements to publish pay multiples, a list of employees with remuneration above £50k (in brackets of £5k), names of employees earning in excess of £150k and a chart for the top 3 tiers of the organisation which includes details regarding levels of responsibility for people/budgets and services.

1.7 Guidance issued by the Department for Communities and Local Government (DCLG) during 2013/2014 set out the arrangements for approval of severance packages in excess of £100,000. The 2014/2015 pay policy statement adopted by the Council included arrangements for approving severance packages over £75,000 and arrangements for delegation regarding Settlement Agreements.

## 1.8 **Pay Claim for 2023/24**

Pay Claims have been received as follows:

### **NJC – ‘Green Book’**

- An increase of RPI + 2% on all spinal column points
- Consideration of a flat rate increase to hourly rates of pay in order to bring the minimum rate up to £15 per hour within two years
- A review and improvement of NJC terms for family leave and pay
- An additional day of annual leave for personal or well-being purposes
- A homeworking allowance for staff for whom it is a requirement to work from home
- A reduction in the working week by two hours
- A review of the pay spine, including looking at the top end, and discussions about the link between how remuneration can be used to improve retention.

### **JNC - Chief Officers**

Awaiting claim

### **ALACE - Chief Executives**

ALACE seeks a pay increase for all chief executives in April 2023 and subsequent years that is the same as the percentage increase for the top point on the scale for local government staff covered by the National Joint Council for Local Government Services. As set out above, if the pay offer is expressed in £s rather than a percentage for the NJC scale, we are seeking a pay increase for chief executives that is not less than the percentage increase for the top point on the NJC scale.

A pay briefing has been arranged by the LGA for 8<sup>th</sup> February.

The Council have budgeted for a 5% pay increase across all grades.

## 1.9 **Pay Issues – The National Living Wage**

The National Employers for local government services (LGS) represent the employers of over 1.5m local government workers in England, Wales and Northern Ireland. The local government workforce is the largest public sector workforce in the country and on average is also the lowest paid. Employees work in all parts of the community delivering vital public services for councils, schools, fire authorities, social care and thousands of other areas.

1.10 Since its introduction in 2014, the NLW has proven to be a challenge because of its constant close proximity to the bottom end of the LGS national pay spine, which is used by most councils. This has led to pay increases over the past few years to be bottom loaded at the bottom of the pay spine and has eroded the differentials in pay. For example:

The 2022 local government pay award of £1,925 on each pay point on the pay spine meant pay was increased by 10.5% on the bottom pay point to 4% at the top of the pay spine.

- 1.11 The chart below shows how the differentials have been eroded at the low end of the pay spine which means that unskilled and semi-skilled workers receive similar pay. This does not include the voluntary uplift through the Living Wage Foundation which was implemented in 2013 to support those on low pay and is reviewed annually. The current rate is £10.50 per hour and therefore is not currently applied to any posts.

	2016	2017	2018	2019	2020	2021	2022	% increase
NS1	£7.52	£7.78	£8.50	£9.00	£9.25	£9.50	£10.50	40%
NS2	£7.66	£7.90	£8.62	£9.00	£9.25	£9.60	£10.60	38%
NS3	£8.04	£8.19	£8.82	£9.36	£9.62	£9.79	£10.79	34%
NS4	£8.54	£8.70	£9.16	£9.55	£9.81	£9.99	£10.98	29%
NS5	£9.10	£9.21	£9.68	£9.94	£10.21	£10.19	£11.39	25%
Differential per hour between NS1 & NS5	£1.58	£1.43	£1.18	£0.94	£0.96	£0.69	£0.89	-43%

- 1.12 The following chart indicates roles on these lowest grades for comparison.

Post	Grade	Salary / Hour	Difference to NS1 / hour
Cleaner / Bar or Coffee Shop Staff	NS1	£10.50	n/a
Catering Assistant	NS2	£10.60	10p
Domestic Services Assistant / Technical Assistant / Lorry Park Attendant	NS3	£10.79	29p
Business Admin Assistant / Street Warden / Visitor Information Assistant	NS4	£10.98	48p
ICT First Line Tech / Waste Management Operative / Tenancy Assistant	NS5	£11.39	89p

- 1.13 The 2022 pay award also included the deletion of scale point 1, NS1, from 01 April 23, and therefore all NS1 graded staff, subject to consultation with the Unions, will be progressed onto NS2 effective 01 April 23.

#### 1.14 The Current Recruitment Market

Recruitment remains challenging with more jobs than jobseekers, coupled with the cost of living, jobseekers are being choosy and selecting roles that pay more. Many sectors are also experiencing skills shortages. Whilst our benefits are generous, we are behind on base pay in the jobs market across a wide range of roles.

#### 1.15 Job Evaluation

SLT have recently approved a review of other Job Evaluation models to determine whether these would better suit the needs of the Council in relation to pay to ensure it remains competitive and can attract and retain top quality employees. The current LGPS scheme was implemented in 2005 and has not been updated since, and as such no longer accurately reflects what is important or valuable in the modern world of work.

## 2.0 Proposal and Reasons for Recommendation

### 2.1 Summary of Proposed Changes to the 2023/24 Pay Policy Statement

**Given that basic salaries on the pay spine will exceed the Living Wage Foundation rate, the voluntary application of the uplift is ceased on 31 March 2023.**

This uplift has been in place at NSDC since 2013 and was initially implemented to support the lowest paid staff and has been applied annually since then. No employees have received this uplift in the current financial year since the 2022/23 pay increase was applied as the bottom loaded pay increases have meant that basic pay has come up significantly and is now in line with the 2022/23 rate of £10.50.

The new rate for the LWF from 01 April 2023 is £10.90 per hour and in light of NS1 being deleted from 01/04/23 and the pending pay increase due on 01/04/23 it is unlikely to have any impact, particularly given that NLW is tracking to reach £11.50 by 01/04/24 and the 2023/24 pay negotiations will have to take account of this (as negotiations are not normally in place before the due date).

	Pay 2022/23	Pay 2023/24	LWF 01/04/23
NS1	£10.50	deleted	£10.90
NS2	£10.60	tbc	£10.90
NS3	£10.79	tbc	£10.90
NS4	£10.98	tbc	n/a
NS5	£11.39	tbc	n/a

### 2.2 **Amendment to s5.6.2 to reflect the introduction of Vivup Staff Benefits Platform.**

The Council is in the process of introducing a staff benefits and lifestyle/shopping discounts platform, Vivup. There is no direct cost to the Council and staff will be able to access discounts on shopping, days out and other leisure activities using an online portal. Staff will also have access to purchase or lease items through a salary sacrifice scheme. Some of these items may be classed as benefit in kind.

2.3 A copy of the full Pay Policy Statement has been appended to this report for review (refer to **Appendix A**). Please note that where the Statement includes links to other policies these will be set up once the document is published on the Council's website.

## 3.0 Implications

In writing this report and in putting forward recommendations, officers have considered the following implications: Data Protection, Digital and Cyber Security, Equality and Diversity, Financial, Human Resources, Human Rights, Legal, Safeguarding, Sustainability, and Crime and Disorder and where appropriate they have made reference to these implications and added suitable expert comment where appropriate.

### 3.1 **Financial Implications**

All costs associated with this document have been accounted for in the 2023/24 budget. As described above 5% has been budgeted for increases in pay across all grades.

### 3.2 **Equality Implications**

Due regard has been given to equality in relation to this document. As base pay has considerably increased over the past few years due to NLW to a comparative level to the LWF and therefore the proposal to remove the LWF as at 31/03/22 will not have a detrimental effect on any individual in itself.

Consideration should be given to the fact that there are more female than male employees in the lowest grades (NS1-4) it is likely the 2023/24 increase in pay will be negotiated to take account of the predicted NLW for 01/04/24 and exceed the LWF rate for 2023/24.

### **Background Papers and Published Documents**

Except for previously published documents, which will be available elsewhere, the documents listed here will be available for inspection in accordance with Section 100D of the Local Government Act 1972.

**NEWARK & SHERWOOD DISTRICT COUNCIL**

**Pay Policy Statement 2023/24**

**1. Introduction**

1.1 This document sets out a Statement of Pay Policy for Newark & Sherwood District Council (the Council) for 2023/24 as required under Section 38 (1) of the Localism Act 2011. The Pay Policy Statement includes details about the remuneration of Chief Officers at the time of recruitment as well as arrangements relating to increases and additions to remuneration, the level and elements of remuneration including salary, bonuses and benefits in kind, the use of performance related pay and bonuses as well as the approach to the payment of Chief Officers on ceasing to hold office. The Statement also considers the lowest pay and median pay levels in the organisation. Pay details within this Statement are shown at rates as at 1 April 2022 pending finalisation of negotiations with the recognised Trades Unions for the period of 2023/24. Once the 1 April 2023/24 pay award has been agreed this Statement will be revised to reflect the new rates.

**2. Objectives of the Policy**

2.1 The objectives of the policy are to ensure:

- transparency in respect of the arrangements for rewarding staff in the organisation and fairness in respect of the reward relationship between the highest and lowest paid; and
- that all decisions on pay and reward for Chief Officers comply with the parameters defined within this Pay Policy Statement.

**3. Policy Statement**

3.1 The Council recognises the importance of administering pay in a way that:

- attracts, motivates and retains appropriately talented people needed to maintain and improve the Council's performance and meet future challenges;
- reflects the market for comparable jobs, with skills and competencies required to meet agreed delivery and performance outcomes;
- operates within the provisions of Chief Officers pay and conditions as set out in the Joint Negotiating Committee for Chief Executives and Chief Officers of Local Authorities;
- operates within the provisions of the national agreement on pay and conditions of service as set out in the National Joint Council for Local Government Services; and
- is affordable and transparent.

#### **4. Scope of the Policy**

##### **4.1 Individuals Affected**

This policy covers all employees within the organisation including those defined as Chief Officers within Section 2 of the Local Government and Housing Act 1989.

##### **4.2 Council Policies**

4.2.1 This statement sets out the Council's policy with regards to:

- the remuneration of the authority's lowest-paid employees (together with a definition of "lowest-paid employees") and the reasons for adopting that definition;
- the relationship between remuneration of Chief Officers and that of other officers (pay multiples); and
- the remuneration of Chief Officers.

4.2.2 The statement also sets out the Council's policy on:

- a) the levels and elements of remuneration for each Chief Officer;
- b) remuneration of Chief Officers on recruitment;
- c) increases and additions to remuneration for each Chief Officer;
- d) the use of performance related pay for each Chief Officer;
- e) the use of bonuses for each Chief Officer;
- f) the approach to the payment of Chief Officers on their ceasing to hold office or being employed by the authority, and
- g) the publication of and access to information relating to remuneration of Chief Officers.

##### **4.3 Pay Bargaining - the National Context**

4.3.1 The Council is a member of the Local Government Employers Association for national collective bargaining purposes in respect of Chief Executives, Chief Officers and other employees of the Council. Separate negotiations and agreements are in place for each of these groups. Changes arising from national negotiations linked to remuneration generally take effect from 1 April each year and on occasions when negotiations conclude after this day any amendments to pay become retrospective to 1 April.

4.3.2 In accordance with the terms and conditions of employment for Council employees it is the Council's policy to implement national agreements regarding pay. In circumstances where nil pay is awarded as part of the collective bargaining process the Council will apply the same principle.

##### **4.4 Remuneration of the Council's Lowest Paid Employees**

4.4.1 All posts with the exception of Chief Officers engaged on JNC terms are evaluated using the Greater London Provincial Council (GLPC) Job Evaluation Scheme. This scheme was introduced during 2005 following the conclusion of single status negotiations. At the same time the Council also introduced a new grading structure to establish the link between evaluated posts and the Council's pay scales.



4.4.2 For the purpose of this policy the Council's "lowest paid employees" are defined as those employees on the lowest pay point available for use by the Council for substantive roles as determined through use of the approved job evaluation scheme and grading structure. This does not include grades or pay points set aside as trainee or development scales but relates to the minimum point for a competent employee appointed in to a defined role.

4.4.3 In accordance with the current pay scales the lowest substantive point at which a Council officer can be paid is £20,258 for a full time post. This is in accordance with the nationally approved pay scales which are subject to change in line with the national collective bargaining arrangements as detailed above.

#### 4.5 Pay Multiples

4.5.1 The Council does not explicitly set the remuneration of any individual or group of posts by reference to a simple multiple of another post or group of posts. The use of multiples cannot capture the complexities of a dynamic and highly varied workforce in terms of job content and skills required. Nor can it ensure that employees are treated fairly and equitably in respect of the value and level of a role that they undertake.

4.5.2 In terms of overall remuneration packages the Council's policy is to differentiate by setting different levels of basic pay to reflect the level of responsibility in line with the approved job evaluation scheme or as determined locally for Chief Officers engaged on JNC terms.

4.5.3 In determining pay for Chief Officers engaged on JNC terms, the Council would not expect remuneration of its highest paid employee to exceed **10** times that of the lowest group of employees, nor would the Council expect the remuneration of the highest paid employee to exceed **7** times that of the median<sup>1</sup> average earnings across the Council.

Pay multiples document [\[link to document to be inserted\]](#)

### 5. Remuneration of Chief Officers

5.1 For the purpose of this policy Chief Officer includes Chief and Deputy Chief Officers as defined by Section 2 of the Local Government and Housing Act 1989, some of whom may not be employed on Chief Officers' terms and conditions of service. For ease of reference a list of posts to which this policy applies along with the relevant sub sections of the Local Government and Housing Act 1989 has been set out below:

- Chief Executive/Head of Paid Service (Section 2 (6) of the Act);
- Deputy Chief Executive (Section 2 (6) and (7) of the Act);
- Directors (Section 2 (7) of the Act);
- Assistant Director (Section 2 (7) of the Act);
- Statutory Officers (Section 2 (6) of the Act);
- Business Managers on Zone 1 or above (Section 2 (8) of the Act).

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<sup>1</sup> Within the Hutton Review it was suggested that the most appropriate pay multiple to track is that of top executive earnings to the median earnings of each organisation's workforce. Refer to para 2 Hutton Review of Fair Pay in the Public Sector: Final report (March 2011).

5.2 For the purpose of this policy the term remuneration includes:

- a) the salaries or the amounts payable to Chief Officers engaged by the authority under contracts of employment and / or contracts for services;
- b) payments made by the authority to the Chief Officers for those services;
- c) any bonuses payable by the authority to Chief Officers;
- d) any charges, fees or allowances payable by the authority to Chief Officers;
- e) any benefits in kind to which the Chief Officers are entitled as a result of their office or employment;
- f) any increase in or enhancement of pension entitlement where the increase or enhancement is as a result of a resolution of the Authority, and
- g) any amounts payable by the authority to a Chief Officer on ceasing to hold office under or be employed by the authority, other than Amounts that may be payable by virtue of any enactment.

5.3 Chief Executive/Head of Paid Service

5.3.1 Terms and Conditions of Service

The Chief Executive is engaged on Local Authority Chief Executives’ conditions of service, negotiated by the Joint Negotiating Committee (JNC). The Chief Executive also assumes the role of Head of Paid Service on behalf of the Council.

Terms and Conditions for Chief Executive [\[link to document to be inserted\]](#)

5.3.2 Remuneration

In line with the nationally agreed terms the salary paid to a Chief Executive is determined locally by the employing authority. The salary scale for the post of Chief Executive was approved by the Chief Officers Appointments Panel. Details of the salary scale are included below:

Chief	Scale Point	Salary
	1	£114,766
	2	£119,106
	3	£123,446
	4	£127,787
	5	£132,128

Note: The role of Head of Paid Service forms an integral part of the Chief Executive’s role and is rewarded as part of the substantive role.

5.3.3 Remuneration on Recruitment

When determining the most appropriate scale point at which to offer the post, consideration is given to the individual’s qualifications, experience and current level of remuneration (where appropriate). Having considered all of these factors the Chief Officers Appointment Panel will then determine the most appropriate scale point at which to make an offer to the successful candidate so as to ensure that the offer is attractive and one which is likely to be accepted.

In the event that the post of Chief Executive became vacant a report including recommendations relating to the salary scale to be applied would be submitted to the Chief Officers Appointments Panel for their consideration before the post was advertised.

#### 5.3.4 Increases and Additions to Remuneration

- Incremental Progression  
Progression through the incremental scale will be subject to performance appraisal by nominated members to be assessed against agreed annual objectives.
- Pay Awards  
Any pay awards are negotiated as part of the collective bargaining arrangements as detailed earlier within the policy.
- Expenses  
In accordance with nationally agreed terms the Council shall pay reasonable out-of-pocket expenses actually incurred.

#### 5.3.5 Arrangements for the Post of Returning Officer

In accordance with the national agreement the Chief Executive is entitled to receive and retain the personal fees arising from performing the duties of Returning Officer, Acting Returning Officer, Local Counting Officer, Deputy Returning Officer or Deputy Acting Returning Officer and similar positions which he or she performs subject to the payment of pension contributions thereon, where appropriate.

In accordance with the agreement the Chief Executive's salary is deemed to be inclusive of all other fees and emoluments with the exception of Returning Officer duties where separate policy arrangements apply. Details of the policy relating to the appointment and remuneration of Returning Officer are set out below.

The Chief Executive has been formally appointed to act as the Council's Returning Officer. This extends to the role of Deputy Acting Returning Officer for UK Parliamentary Elections and Local Returning Officer for Nottinghamshire Police and Crime Commissioner Elections and Counting Officer for any national referendums. The fees associated with these elections/referendums are determined nationally by the Cabinet Office.

The Chief Executive also acts as Deputy Returning Officer for Nottinghamshire County Council elections, fees for which are determined by Nottinghamshire County Council. These appointments are independent of the Council.

For local government elections the Returning Officer can claim specific fees which are determined on a county wide basis across Nottinghamshire having regard to the fees set for national elections. These fees were subject to review and a benchmarking exercise in 2023 to ensure they were comparable with other county areas and appropriate given the National Minimum Wage. [\[link to document to be inserted\]](#)

### 5.3.6 General Terms and Conditions

In accordance with the national agreement the Chief Executive enjoys terms and conditions in all other respects no less favourable than those accorded to other officers employed by the Council.

### 5.4 Deputy Chief Executive/Directors/Business Managers graded at NS17 on JNC terms

#### 5.4.1 Terms and Conditions of Service

The Deputy Chief Executive, Directors and Business Managers graded at NS17 are all engaged on the Conditions of Service for Chief Officers of Local Authorities negotiated by the Joint Negotiating Committee (JNC). In addition to the above some of the post holders assume statutory roles which are recompensed in accordance with the Statutory Officers' Honorarium Scheme.

Terms and Conditions for Chief Officers [[link to document to be inserted](#)]  
Statutory Officers Honorarium Scheme [[link to document to be inserted](#)]

#### 5.4.2 Remuneration

In line with the nationally agreed terms the salary paid to a Deputy Chief Executive or Director is determined locally by the employing authority.

The current salary scale for Chief Officers engaged on Chief Officer's terms is set out below.

#### 5.4.3 Pay Scale for Deputy Chief Executives

Deputy	Scale Point	Salary
	1	£97,827
	2	£102,408
	3	£105,459
	4	£108,946

Note: The role of Deputy Head of Paid Service forms an integral part of the Deputy Chief Executive's role and is rewarded as part of the substantive role. The Council's Deputy Chief Executive also holds the title of Director of Resources. No additional remuneration is payable beyond the salary scale as detailed above. A list of posts included for the purpose of this policy has been set out below:

Deputy Chief Executive and Director of Resources

#### 5.4.4 Pay Scale for Directors

Director	Scale Point	Salary
	1	£77,847
	2	£80,950
	3	£83,491
	4	£86,595
	5	£89,135

A list of posts included for the purpose of this policy has been set out below:

- Director – Customer Services & Organisational Development
- Director – Planning and Growth
- Director – Communities & Environment
- Director – Housing, Health & Wellbeing

**5.4.5 Pay Scale for Assistant Director**

94%		
Director	Scale Point	Salary
	1	£73,176
	2	£76,093
	3	£78,481

A list of posts included for the purpose of this policy has been set out below:

- Assistant Director – Law & Democratic Services

**5.4.6 Pay Scale for Business Managers (NS17) engaged on JNC terms**

Zone	Scale Point	Salary
Zone 1	101	£52,726
	102	£53,855
	103	£54,984
	104	£56,111
Zone 2	201	£57,242
	202	£58,371
	203	£59,499
	204	£60,629
Zone 3	301	£61,756
	302	£62,886
	303	£64,016
	304	£65,147
Zone 4	401	£66,277
	402	£67,407
	403	£68,538
	404	£69,669

The arrangements for assigning officers to Zones are included in the Pay and Grading Arrangements document for Officers engaged on JNC Chief Officer Terms and Conditions of Service. [\[link to document to be inserted\]](#)

A list of post holders engaged under JNC terms has been included below:

- Business Manager – Public Protection
- Business Manager – Financial Services
- Business Manager – Planning Development
- Business Manager – Revenues & Benefits
- Business Manager – Environmental Services

Business Manager – Housing & Estates Management  
Business Manager – Regeneration & Housing Strategy  
Business Manager – ICT & Digital Services  
Business Manager – Elections & Democratic Services  
Business Manager – Housing Maintenance & Asset Management  
Business Manager – Housing Income & Leaseholder Management  
Business Manager – Heritage & Culture  
Business Manager – Customer Services  
Business Manager – HR & Training  
Business Manager – Corporate Property  
Business Manager – Economic Growth & Visitor Economy  
Business Manager – Planning Policy & Infrastructure

#### 5.4.7 Remuneration on Recruitment/Appointment

When determining the most appropriate scale point at which to offer a post consideration is given to the individual's qualifications, experience and current levels of remuneration (where appropriate). Having considered all of these factors the panel will then determine the most appropriate scale point at which to make an offer to the successful candidate so as to ensure that the offer is attractive and one which is likely to be accepted.

In circumstances where Business Managers are offered revised terms of employment on JNC conditions of service they will be aligned to the nearest pay point on the pay scale.

#### 5.4.8 Increases and additions to Remuneration

- Incremental Progression

Incremental progression for Directors and Assistant Directors is by annual increment until the top point of the grade is reached.

Full details of the Pay and Grading Arrangements for Officers engaged on JNC Chief Officer Terms and Conditions of Service can be accessed by following the attached link: [\[link to document to be inserted\]](#).

Once a Business Manager has been appointed to JNC conditions of service they will receive annual increments until they reach the top of the salary scale.

- Pay Awards

Pay awards are negotiated as part of the collective bargaining arrangements as detailed earlier within the policy.

- Honoraria and Ex-gratia Payments

The Council currently operates an honorarium scheme for officers undertaking statutory officer roles. There are three statutory officer roles within the Council, details of which are set out below:

- Head of Paid Service \*
- Monitoring Officer \*
- Chief Finance Officer\* (commonly referred to as the Section 151 Officer)

*\*No Honorarium is paid for carrying out these duties at the substantive level where these are reflected in the terms and conditions of service but a payment is made to those deputising at this level.*

In addition to the above the scheme also outlines the arrangements for recompensing officers who assume the role of Deputy Monitoring Officer and Deputy Section 151 Officer.

Details of the scheme including information relating to the post holders that are currently in receipt of such payments can be accessed by following the attached link: [\[link to document to be inserted\]](#)

- Expenses

In accordance with the national agreement the Council pays reasonable out-of-pocket expenses actually incurred.

#### 5.4.9 Arrangements for Election Duties

In accordance with the national agreement Officers are entitled to receive and retain the personal fees arising from carrying out the duties of Deputy Returning Officer and/or Deputy Acting Returning Officer (where applicable) and Deputy Counting Officer.

#### 5.4.10 General Terms and Conditions

In accordance with the national agreement except whether other terms and conditions are referred to in the agreement the Deputy Chief Executive and Directors shall enjoy terms and conditions not less favourable than those accorded to other officers employed by the Council.

#### 5.4.11 Appointment of Officers to JNC Terms and Conditions of Appointment

In circumstances where a Business Manager post is evaluated under the Council's approved Job Evaluation Scheme and receives a score of 739 they will be offered a revised contract of employment on JNC terms. If they accept the offer they will be subject to the Pay and Grading Arrangements for Officers engaged on JNC Chief Officer Terms and Conditions of Service.

### 5.5 Business Managers

#### 5.5.1 Terms and Conditions of Service

One Business Manager is engaged on the National Agreement on Pay and Conditions of Service negotiated by the National Joint Council for local government services commonly referred to as NJC or Green Book terms.

The post holder engaged under NJC terms has been included below.

Business Manager – Administrative Services

Terms and conditions relating to Business Managers is available within the National Agreement on Pay and Conditions of Service document [[link to document to be inserted](#)].

### 5.5.2 Remuneration

In line with the nationally agreed terms the Council have adopted the Greater London Provincial Council (GLPC) Job Evaluation Scheme. The scheme became effective on the 1<sup>st</sup> October 2005 following completion of the negotiations relating to single status. The Council also has a pay policy outlining arrangements in respect of:

- Protection of Earnings
- Standby Payments
- Call-out Payments
- Weekend Working
- Night Working
- Shift Allowances
- Overtime Rates
- Bank Holiday Working

[[Link to protection of earnings document to be inserted](#)]

[[link to document\(s\) referenced above to be inserted](#)]

Market Supplement (which includes arrangements for officers engaged on JNC terms) [[link to document to be inserted](#)].

The current salary scale for the Business Manager engaged on NJC terms is set out below.

Scale/Band	Min SCP/Salary	Medium SCP/Salary	Maximum SCP/Salary	Post
NS13	34 – £37,890	35 - £40,478	36 - £42,503	Business Manager – Administrative Services

Note: Changes to grade may occur in year as a consequence of revisions to job descriptions requiring re-evaluation of the posts under the terms of the current job evaluation scheme.

### 5.5.3 Remuneration on Recruitment

When determining the most appropriate scale point at which to offer a post consideration is given to the individuals qualifications, experience and current levels of remuneration (where appropriate). Having considered all of these factors the panel comprising of a Deputy Chief Officer or above will then determine the most appropriate scale point at which to make an offer to the successful candidate so as to ensure that the offer is attractive and one which is likely to be accepted.



#### 5.5.4 Increases and Additions to Remuneration

- Incremental Progression  
Once an officer has been appointed they will receive annual increments until such time that they reach the top of the salary scale.
- Pay Awards  
Any pay awards are negotiated as part of the collective bargaining arrangements as detailed earlier within the policy.
- Other  
Officers engaged on NJC conditions of service may in some circumstances receive honoraria/ex gratia payments as a consequence of undertaking duties in part or full at a higher level. The amount payable will differ according to each individual set of circumstances to be determined by the respective Director in conjunction with the Human Resources Section. Further details relating to the terms outlined within the NJC conditions of service can be accessed here [\[link to document to be inserted\]](#).
- Market Supplements  
The Council recognises that financial pressures and pay restraints have impacted on the ability of public sector employers to compete in the labour market for some posts. Where the Council finds it difficult to recruit to specific posts and / or retain employees in those posts, the payment of a Market Supplement to base salary may be necessary as set out within the single status agreement. Typically, a Market Supplement is paid where the 'going rate' for a specific job or specialism is higher than that offered by the Council. In circumstances where this does occur the Council will follow the approved policy. [\[link to document to be inserted\]](#)
- Expenses  
In accordance with the agreement the Council pays reasonable out-of-pocket expenses actually incurred.
- Meals and Accommodation Charges  
Officers may receive subsistence rates based upon the approved rates. Further details in relation to current rates can be found in the Travel and Subsistence Policy [\[link to document to be inserted\]](#).

#### 5.5.5 Arrangements for Election Duties

In accordance with the national agreement Officers are entitled to receive and retain the personal fees arising from carrying out the duties of Deputy Returning Officer and/or Deputy Acting Returning Officer (where applicable).

#### 5.5.6 General Terms and Conditions

Parts 2 and 3 of the green book including local arrangements can be found in the National Agreement on Pay and Conditions of Service document [\[link to document to be inserted\]](#).

## 5.6 General Policies on Remuneration and Recruitment

*These policies apply irrespective of status and/or terms that officers of the Council are engaged on.*

### 5.6.1 Performance Related Pay and Bonuses

The Council does not currently operate any form of performance-related pay or bonus schemes.

### 5.6.2 Benefits in Kind

The Council will be implementing a staff discounts and benefits platform, some of these options may be considered as Benefits in Kind, however, all options that may fall into this category are funded by the employee via a salary sacrifice scheme.

### 5.6.3 The Local Government Pension Scheme and Policies with regard to exercise of discretion.

All employees of the Council have the option to join the Local Government Pension Scheme (LGPS). The scheme is a statutory scheme and operates on the basis of employee/employer contributions with employee contribution rates differing according to earnings. Details of the scheme including current contribution rates can be accessed by following the attached link. [www.lgpsregs.org](http://www.lgpsregs.org)

The scheme provides for exercise of discretion to allow for retirement benefits to be enhanced. The Council will consider each case on its own merits in accordance with the parameters defined within the policy. Details can be found in the Redundancy and Discretionary Compensation Policy [[link to document to be inserted](#)]. This policy applies to all officers of the Council irrespective of their status provided they have at least two years continuous service.

### 5.6.4 Payment of Chief Officers on their Ceasing to Hold Office or being employed by the Council

Arrangements relating to the provision of termination payments for the loss of office for Chief Officers and all other officers leaving the authority on the grounds of redundancy, efficiency and early retirement are outlined in the Council's policy. Details in relation to any discretion that may be afforded in respect of pension enhancements can be found in the Redundancy and Discretionary Compensation Policy (link above at 5.6.3). This policy applies to all officers of the Council irrespective of their status provided they have at least two years continuous service.

### 5.6.5 Severance Packages over £75,000

Where a member of staff applies for voluntary redundancy, early retirement, termination on the grounds of efficiency or is made compulsorily redundant the pension and redundancy entitlements are determined by the Chief Executive in consultation with the Discretionary Payments Panel which is made up of the Chief Executive, the Section 151 Officer and another Chief Officer. Where appropriate the panel may comprise the nominated deputy for the Chief Executive or the Section 151 Officer.

Appeals against the decisions of the Discretionary Payments Panel will normally be determined by an appeal panel comprising either the Chief Executive, their nominated deputy, the Section 151 Officer, their nominated deputy or another Chief Officer provided that they have not been involved in the initial determination. However in the case of Chief Officers any appeal shall be determined by the Policy & Finance Committee or a sub-committee appointed on their behalf acting as an appeals panel.

In the case of any voluntary redundancy, compulsory redundancy, efficiency or early retirement (including health-related which falls short of meeting the ill health early retirement regulations) in respect of a member of staff where the cost to the Council exceeds £75,000, the Chief Executive shall not determine the matter until he has first consulted a Member Panel comprising the Leaders of all political groups of the Council.

In determining the “*cost to the Council*” for the purposes of this policy, the following will be included:

- the cost of early release of pension (pension strain);
- the cost of any pension enhancement;
- the cost of any redundancy payment (statutory and discretionary);
- the cost of any holiday pay, other fees or pay in lieu of notice.

In determining the “*cost to the Council*”, pension benefits which have been purchased by the employee will be disregarded.

Note: The Council will have regard to the Statutory Instrument laid before parliament on the 24 January 2017 which brought s41 of the Enterprise Act 2016 into force on 1 February 2017 (this is an enabling provision which allows the cap regulations to be made). Final details regarding the regulations and associated guidance is now awaited from East Midlands Councils and once received the Statement along with any other associated policies/procedures will be updated to reflect legislative requirements.

#### 5.6.6 Settlement Agreements

The Chief Executive has delegated authority to determine the terms of Settlement Agreements relating to any member of staff.

In the case of any proposed Settlement Agreement in respect of a Chief Officer, the Chief Executive shall not determine the terms of the Settlement Agreement until he has first consulted a Member Panel comprising the Leaders of all political groups of the Council.

#### 5.6.7 Recruitment of Officers in receipt of Local Government / Fire Fighters Pension, Severance or Termination Payments

When considering whether to employ individuals in receipt of local government pension or fire fighter pensions the Council is required to have regard to the policy on Pension Abatement as determined by the relevant Administrative Body for the Pension Scheme. It should be noted that the Administrative Body for the purposes of discretion may differ according to where the individual was previously employed.

The Council's current policy on the appointment of former staff as consultants requires that any ex-employee who has taken voluntary redundancy or early retirement not be engaged as a consultant (including under a contract for services) without a formal committee resolution.

The Council will not refrain from re-employing former employees who have received payments for redundancy, severance or any other reasons defined under the terms of a settlement agreement or those individuals who have received similar payments from organisations listed on the Redundancy Modifications Order if it is satisfied that the individuals are the best candidates for the posts.

Where appropriate the Council will also have regard to the regulations and any associated guidance notes produced concerning Exit Pay Recovery for officers returning to the public sector follow exit.

This policy applies to all posts that are advertised within the Council irrespective of their status and is in-keeping with the Council's policy on Recruitment and Selection in respect of ensuring equality of opportunity.

#### 5.6.8 Use of "Off Payroll" Arrangements

For the purpose of this policy "off payroll" arrangements refer to individuals engaged directly under a contract for services (rather than being employed direct by the Council) operating at the Chief Officer level. The Council will only engage individuals under contracts for services in exceptional circumstances and only for a temporary period of time.

### **6. Publication and Access to Information**

6.1 A copy of this document will be published on the Council's website along with any supporting documents referenced in it.

6.2 Local authorities must display details of the following data on their websites:

- the number of employees whose remuneration in that year was at least £50,000 in brackets of £5,000;
- the name of each employee and details of their remuneration, for employees whose salary is at least £150,000;
- details of remuneration and job title of certain senior employees whose salary is between £50,000 and £150,000 and a list of responsibilities (for example, the services and functions they are responsible for, budget held and number of staff) for all employees whose salaries exceeds £50,000.

### **7. Equality Implications**

7.1 This policy has been developed with due regard and consideration to Equalities matters and other policies, procedures and agreements currently in operation within the Council.

### **8. Approval/Review**

8.1 Before it takes effect, the Pay Policy Statement has to be approved by a resolution of the Council.

- 8.2 In accordance with existing Constitutional arrangements proposed amendments to terms and conditions of employment are referred to Cabinet for consideration and approval, before being referred through to the Joint Consultative Committee (JCC) to allow for consultation and/or negotiation (where appropriate). Approval of Human Resources policies and procedures is delegated to the Head of Paid Service after prior consultation at the JCC.
- 8.3 Given that the Pay Policy Statement relates to terms and conditions of employment as well as making reference to Human Resources policies and procedures it is appropriate for it to be considered by Cabinet and any amendments made thereto before it is referred on to Full Council for approval.
- 8.4 Any proposed changes to terms and conditions of employment including salaries arising from collaboration activities (e.g. shared services) will be subject to the prior approval of Cabinet.
- 8.5 A review of the Pay Policy Statement will take place annually. It will be referred to Full Council for approval in advance of the financial year to which it relates. In certain circumstances it may be necessary to review the policy in year as a consequence of changes to legislation and/or organisational requirements. In the case of legislative changes where the Council has no discretion the Pay Policy Statement will be automatically amended to reflect the revised legislation. In any case where there is discretion or where it is proposed to make in year changes to reflect organisational requirements such changes may be approved by Cabinet.