



PAY POLICY STATEMENT

February 2023

To be revised in 2024

Pay Policy Statement 2023/24

1. Scope of Policy

- 1.1 The Pay Policy Statement sets out the Council's approach to pay and remuneration in accordance with the requirements of Section 38 to 43 of the Localism Act.
- 1.2 The Pay Policy must be formally approved by full Council by the end of March each year and can be amended in year. Once approved by full Council, this policy statement will come into immediate effect and will be subject to further review on an annual basis.
- 1.3 The scope of the policy articulates the Council's approach on a range of issues relating to the remuneration of Chief Officers and ensures the policies on pay and reward of the most senior staff are set clearly within the context of the pay of the wider workforce.
- 1.4 The definition of Chief Officers (as defined under the Act and Section 2 (6) of the Local Government and Housing Act 1989) for the purpose of this pay policy covers:
 - Head of Paid Service (Chief Executive)
 - Deputy Chief Executive, Transformation
 - Statutory Officers
 - Directors
 - Heads of Service
- 1.5 A key requirement of the Localism Act is to set senior pay in the context of pay of the wider workforce and specifically the lowest paid staff.

2. The Aims of the Policy

- 2.1 The Policy aims to:
 - a) Provide clarity on the level and elements of remuneration of Chief Officers
 - b) Provide definition of its lowest paid staff and compare the pay relationship between the lowest and highest pay
 - c) Provide clarity on other specific aspects of Chief Officers remuneration

3. Remuneration

- 3.1 In 2009/2010 the Council undertook a pay and grading review of all posts using the Hay scheme (now Korn Ferry Hay). National Joint Council (NJC) and Joint Negotiating Committees (NJC) spinal points were used however the pay structure is locally agreed.
- 3.2 The Council's lowest grade is Grade two. Grades two and three have three incremental points in each grade. From grades four up to and including grade 14 (Deputy Chief Executive) there are four incremental points in each grade. The Head of Paid Service (Chief Executive) pay model currently has five incremental

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points, the fifth one being an additional discretionary increment related to performance.

4. Remuneration of the Wider Workforce

- 4.1 HDC staff are subject to the “National Agreement on Pay and Conditions of Service of the National Joint Council (NJC) for Local Government Services” (known as the “Green Book”), the national agreed pay spine ends at SCP 43. SCP’s 44-66 are locally agreed.
- 4.2 In determining the pay and remuneration of the council’s staff, the council will comply with all relevant employment legislation and ensures that all pay arrangements can be objectively justified through the use of Job Evaluation methods.
- 4.3 The grade of a post is determined through the Council’s job evaluation scheme and Job Evaluation Policy which directly establishes the relative levels of posts according to know-how, accountabilities and problem-solving requirements of the roles. The evaluated score will determine the banding level paid within a locally agreed banding structure. The Council presently use Hay Job Evaluation to evaluate all posts.
- 4.4 The Council remains aligned to national pay negotiations led by the National Employers in consultation with national trade unions (Unison, Unite and GMB).
- 4.5 The pay award from April 2022 was agreed in November 2022 at a fixed annual rate of £1925 for grades up to 14, see Appendix B for the current pay scales.
- 4.6 Negotiations for the 2023/24 pay award are yet to be negotiated and agreed.
- 4.7 All other pay-related enhancements and payable allowances/expenses are the subject of either nationally or locally negotiated and/or determined rates.

5. Remuneration of Chief Officers

5.1 Chief Executive/Head of Paid Service

- 5.2 The terms and conditions of employment applicable to the Head of Paid Service, whose role is carried out by the Chief Executive, are as determined by the Joint Negotiating Committee (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.
- 5.3 There are five incremental points in the grade and progression through the first four increments is annually normally on 1st April each year, progression to the fifth point is discretionary and performance based.
- 5.4 In November 2022, the pay award for Chief Executives was agreed, and a fixed annual amount of £1,925 was awarded, effective from 1st April 2022.

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See Appendix B for the current Chief Executive pay scales for 22/23.

The pay award effective from April 2023 is yet to be negotiated and agreed.

5.6 Directors and Deputy Chief Executive

5.7 All remaining chief officers are under NJC terms and conditions.

5.8 A Deputy Chief Executive (grade 14) and four Directors (grade 13) all of whom report directly to the Chief Executive. There are four incremental points in their respective grades.

5.9 Heads of Service and other Officers Who Fall Within the Scope of this Statement

There are a total of four Heads of Service who report directly to the Director of Resources (Section 151 Officer). The remaining eight Heads of Service report directly to the Director of Planning, the Director of Communities & Wellbeing or the Deputy Chief Executive.

5.10 Statutory Officers

5.11 The Chief Executive is the Returning Officer. The fees in respect of Returning Officer duties at Local Government elections are included in the Chief Executive's salary. The fees are set externally by legislation and based on a formula linked to the number of electors.

5.12 The role of Monitoring Officer is undertaken by The Director for Law and Governance. The role of Section 151 Officer is undertaken by the Director of Resources.

5.13 The role of Deputy Monitoring Officer is currently undertaken by the Senior Solicitor. The role of Deputy Section 151 Officer is undertaken by the Head of Service for Financial Service.

5.14 Allowances are paid for officers undertaking a statutory role:

- a) S.151 and Monitoring Officer receive £1,500pa
- b) Deputy s.151 and Deputy Monitoring Officer receive £1000pa

6. Relationship of Senior Pay to the Pay of the Wider Workforce

6.1 The Localism Act requires Councils to calculate the pay multiples between the highest and lowest earners.

6.2 For the purposes of this policy, the Council defines its lowest paid staff, who are not undergoing an apprenticeship, as those on the lowest salary grade (Grade 2). Based on the April 2022 pay scales, this is £21,189pa (£11.09per hour) to ££21,968pa (£11.39 per hour).

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6.3 The lowest paid staff (grade 2) are paid an annual salary of £21,968pa and the highest paid £113,109 pa. This equates to a multiple of 5.14:1. This falls well within the limits of a multiple of 20:1 as commented on in the Review of Fair Pay in the Public Sector report (Will Hutton 2011).

6.4 The median average pay of the Council's non chief officer staff (excluding overtime payments) is £30,500 which, when compared to the salary of the most highly paid senior officer at £113,109pa, produces a pay multiple of 3.7:1

7. General Principles

7.1 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 and based on relevant skills and experience. Access to the Councils Resettlement Scheme may also be granted in certain cases.

7.2 Progression within each band will normally be by annual increment on 1st April each year subject to:

- a) Satisfactory performance
- b) The top of the band not being exceeded

7.3 The Council does not apply performance-related pay or bonuses.

7.4 Other elements which make up remuneration include:

- a) Stand by and/or call out payments
- b) Additional hours and Overtime payments
- c) Public and Extra Statutory Days
- d) Annual Leave
- e) Public Holidays
- f) Car User Allowances
- g) Additional Responsibility payments (honoraria)
- h) Payment of Professional Fees
- i) Language Skills payment
- j) Designated First Aider payment
- k) Market related pay

7.5 These payments apply to posts or to any individuals across the Council and are not limited to Chief Officers. Details of the policies that applies to the above mentioned elements are in the Council's Pay and Conditions of Service dated March 2022.

7.6 In accordance with the Travel User Policy, essential and casual car user allowances are paid in appropriate circumstances and form part of an officer's terms and condition of employment.

8. Termination Payments

- 8.1 In relation to the termination of employment, the Council will have due regard to the making of any appropriate payments where it is in the Council's best interests. Any such payments will be in accordance with contractual or statutory requirements and take into account the potential risk and liabilities to the Council, including any legal costs, disruption to services, impact on staff relations and management time.
- 8.2 The Council will have specific regard to the legal requirements which apply to the termination of employment of statutory officer posts, Head of Paid Service, S.151 Officer, and the Monitoring Officer.
- 8.3 All Council staff have the option to join the Local Government Pension Scheme. The Scheme is a statutory scheme with contributions from staff and from employers.
- 8.4 The Council has a single redundancy scheme which applies to all staff. Redundancy payments are based on age, length of continuous local government service and salary calculated on an actual weekly pay. Redundancy payments are in accordance with the Council's Organisational Change Policy and Procedure and relevant employment legislation. The Council does not provide any further payment to staff leaving the Council's employment other than in respect of accrued annual leave.
- 8.5 The National Local Government Pension Scheme Regulations (Scheme) provide those staff aged over 55 years of age, an automatic payment of their pension if they are made redundant by the Council, there can then be an associated pension Capital cost payable by the Council.
- 8.6 Pension discretions are provided by the Local Government Pensions Service and are contained within the Council's Discretionary Pension Policy 2009 (June 2019 addendum) as previously approved by Council.
- 8.7 Neither the Scheme nor the Council adopt different policies regarding benefits for any category of staff and the same terms apply to all staff. The Council policies relating to pension discretions have previously been determined by Council.

9. Implementing the Policy and Procedure

- 9.1 This should be read in association with the HDC Pay and Conditions of Service (September 2020) and the Pensions and Retirement Discretionary Powers.
- 9.2 The policy will be complied with when HDC sets the terms and conditions for any Chief Officer.
- 9.3 The JNC conditions of service are incorporated in Chief Executives' employment contract. During employment with the Authority unless agreed locally, nationally agreed pay awards, any other payments, standard hours of work, entitlement to holidays, holiday pay, sick leave and sick pay and certain other conditions of

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service will be in accordance with the JNC for Chief Executives of Local Authorities Scheme of Conditions of Service as adopted by the Authority from time to time and as supplemented and applied by the Authority's terms, conditions, policies and procedures.

- 9.4 For all other staff, NJC conditions of service are incorporated into employment contracts. During employment unless agreed locally, the rate of pay, including nationally agreed pay awards, overtime and other payments, standard hours of work, entitlement to holidays, holiday pay, sick leave and sick pay and certain other conditions of service will be in accordance with the Scheme of Conditions of Service of the National Joint Council for Local Government Services (Green Book) as adopted by the Council from time to time and as supplemented, applied and amended by the Council's terms, conditions, policies and procedures.

10. Disclosure of Chief Officer Pay

- 10.1 The threshold level for disclosure of senior pay for future years will be from pay grade 11, SCP 44.
- 10.2 The Council acknowledges that pay is not the only means of rewarding staff across the whole workforce for their work and will look to provide other non-financial incentives to support recruitment, retention and the attraction of high quality people. This includes good working conditions, flexible and hybrid working, mental and physical health and wellbeing initiatives, generous annual leave and learning and development opportunities.

11. Policy for Future Years

- 11.1 This pay policy statement will be reviewed each year and will be presented to full Council each year for consideration in order to ensure that a policy is in place for the Authority for each financial year.

12. Publication

- 12.1 The Council will publish this pay policy statement on its website as soon as is reasonably practicable after it has been approved by Council. Any subsequent amendments to this pay policy statement made during the financial year to which it relates will also be similarly published.