



Rutland

County Council

PAY POLICY STATEMENT 2015/16

Version & Policy Number	Version 4
Guardian	Human Resources
Date Produced	January 2015
Next Review Date	December 2015

Approved by SMT	February 2015
Approved by Employment and Appeals Committee	



Introduction

Rutland County Council recognises that remuneration at all levels needs to be adequate to attract and retain high quality employees dedicated to the service of the public. However, at the same time, with the current challenging financial climate, there is a need to avoid being unnecessarily generous or otherwise excessive.

It is important for local authorities to be able to determine their own pay structures in order to address local priorities and compete in the local labour market. This is really important for Rutland given our proximity to large Councils and how our roles are constructed and delivered in regard to our own organisational challenges and in response to community needs.

In particular, it is recognised that senior management roles in local government are complex and diverse functions in a highly politicised environment where often local and national pressures conflict. The Council's ability to continue to attract and retain high calibre leaders capable of delivering this complex agenda, particularly during times of financial challenge is crucial.

Contents

	<i>Page</i>
1.0 Legislation	4
2.0 Scope	4
3.0 Senior Management Pay	4
4.0 Chief Executive	5
5.0 Directors and Assistant Directors	5
6.0 Other Chief Officers and Deputy Chief Officers	6
7.0 Pay Structure	6
8.0 Allowances and benefits in kind	7
9.0 Payments, charges and contributions	8
10.0 Multipliers	8
11.0 Discretionary Payments	9
12.0 Appendices	9

1.0 LEGISLATION

- 1.1 Sections 38 to 43 of the Localism Act 2011 require local authorities to produce a Pay Policy Statement for each financial year.
- 1.2 The Act and supporting statutory guidance provides details of matters that must be included in this statutory pay policy but also recognises that each local authority has the autonomy to determine its own pay structures and pay policies. The Pay Policy must be formally approved by Full Council (delegated to Employment and Appeals Committee) by the end of March each year, 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.

2.0 SCOPE

- 2.1 This Pay Policy Statement includes a policy on:
 - a) The level and elements of remuneration for each Chief Officer¹
 - b) The remuneration of the lowest paid employee
 - c) The relationship between the remuneration of Chief Officers and other officers
 - d) Other specific aspects of Chief Officer remuneration such as fees, charges and other discretionary payments.
- 2.2 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 termination payments.
- 2.3 It is important to note that this policy is not proposing changes to the approach to the remuneration of Chief Officers, it is simply codifying the Council's current approach, as required by the Localism Act.
- 2.4 In exceptional circumstances, basic pay for any officer may be supplemented by a market supplement if market evidence on demand for these skills supports it. This will be agreed by the Chief Executive.

3.0 SENIOR MANAGEMENT PAY

- 3.1 The Council's policy on pay awards for all employees, including Chief Officers, is to follow national negotiations. In November 2014, National Employers and the Trade Unions agreed a pay deal for the period January 2015 to March 2016 for staff on NJC Conditions of service (does not apply to Chief Officers). This has included an uplift

¹ Chief Officer is defined in Section 43(2) of the Localism Act

- to pay points of at least 2.2% (higher levels for lower grades) with effect from 1 January 2015 together with a non-consolidated lump sum.
- 3.2 Salary levels of employees within the definition of Chief Officer and Deputy Chief Officer are shown in Appendix 1.

4.0 CHIEF EXECUTIVE

- 4.1 This is a local grade determined by the scope and degree of responsibility of the post and is approved by Full Council.
- 4.2 The salary range £100,000 - £110,000 was approved by the Full Council in 2006 prior to the current post holder's appointment. Due to annual inflationary awards (in line with JNC Pay for Chief Executives) up to 2009/10, the inflated pay scale is £106,345-£116,981.
- 4.3 Other conditions of service are as prescribed by the Joint National Council (JNC) for Local Authority Chief Executives national conditions.
- 4.4 The Chief Executive of Rutland County Council has been appointed as Returning Officer. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the Council, the role of 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.
- 4.5 The fees in respect of Returning Officer duties at Local Government elections are included in the Chief Executive's salary.

5.0 DIRECTORS AND ASSISTANT DIRECTORS

- 5.1 Although the Localism Act provides a definition of 'Chief Officer and Deputy Chief Officer', it is only the posts of Directors, Assistant Directors and some Heads of Service in the People Directorate that are on Chief Officer Conditions of Service.
- 5.2 The salary for posts on Chief Officer Terms and Conditions are local spot salaries determined by benchmarking comparable local authorities and with consideration to the wide range of high level duties as required by a small unitary authority. Such salaries are approved by Full Council. Comparisons are based on size, functions and scope. Each Director's salary are determined by the specific requirements and responsibilities of the Directorate/Services for which they are responsible.
- 5.3 The salary ranges for these posts are as follows:

Directors and Deputy Director - £70,000 - £100,000

Assistant Director Finance - £65,000

Heads of Services (where assigned to CAD range)- £55,031 to £61,720

- 5.4 There are no other additional elements of remuneration in respect of overtime, flexi-time, bank holiday working, stand-by payments, etc., paid to these senior managers as they are expected to undertake duties outside their contractual hours and working patterns without additional payment. Senior managers at Rutland County Council do have the benefit of time off in lieu (TOIL) according to the authority's policy.
- 5.5 In addition to basic salary, senior managers are entitled to:
- reimbursement of membership fees incurred in relation to membership of professional bodies
 - business mileage undertaken – based on HMRC mileage rates
 - telephone allowance
 - reimbursement of expenses which may be claimed as applicable to all other employees of the Council.
- 5.6 Other terms and conditions are as prescribed by the NJC for Local Authority Services.

6.0 OTHER CHIEF OFFICERS AND DEPUTY CHIEF OFFICERS

- 6.1 The salaries for all other Chief Officers and Deputy Chief Officers on National Joint Council Conditions of Service (Green Book) is determined nationally by the NJC Pay Scale (ie. pay scales up to P07).
- 6.2 Salaries are determined by the evaluated grade of the post through the Council's Job Evaluation Scheme. The Council will review its current Job Evaluation scheme during 2015-2016 in advance of the expiry of the current license in 2016. The salary range for Chief Officers and Deputy Chief Officers is £25,440 - £54,872.
- 6.3 Other terms and conditions are as prescribed by the NJC for Local Authority Services and as outlined in Para 7 below.

7.0 PAY STRUCTURE

- 7.1 All other Rutland County Council staff below Chief Officer levels are on terms and conditions as detailed below:

National Agreement on Pay and Conditions of Service (Green Book)
FENJC (Further Education National Joint Council)
Youth and Community Workers (Pink Book)
Soulbury (Blue Book)

A number of staff on FENJC conditions transferred to Peterborough Regional College in August 2014 – however, staff employed in the Community Learning service of Rutland Adult Learning Service are also currently on FENJC terms and conditions and pay scales.

Relevant pay scales for groups of staff employed on each of these conditions of service can be found at Appendices 2, 3, 4 and 5. These are all currently nationally agreed pay scales.

- 7.2 The Council currently adopts the national pay bargaining arrangements in respect of the revision to pay spines. As outlined in para 5.2, a nationally negotiated award was agreed for 2014-2016 including a pay increase wef 1.1.15 and a non-consolidated lump sum. The Council does not currently adopt the Living Wage.
- 7.3 For the purposes of this policy, the Council defines its lowest paid employees as those in the lowest salary grade on the nationally agreed scales (Green Book NJC scales). These are scale points 5 to 10 within grade 1. This equates to a full time equivalent basic pay rate of £13,500 per annum – scp 5 will be deleted from the National Pay scale on 1.10.15 meaning the lowest scp is 6 equivalent to £13,614.(£7.056 per hour).
- 7.4 All posts under Green Book terms and conditions are evaluated using a job evaluation scheme as adopted by the Council. The scheme allows for robust measurement against set criteria resulting in fair and objective evaluations and satisfies equal pay requirements.
- 7.5 Progression through grades is based on length of service which results in automatic annual increments until the employee reaches the top of his/her scale. Where the post is career graded, there are set criteria against which the employee is measured and must demonstrate competence before moving up to the higher grades. The Council does not apply performance related pay.

8.0 ALLOWANCES AND BENEFITS IN KIND

- 8.1 The majority of allowances and benefits are as prescribed by nationally agreed rates. However, there are a small number of local variations. In particular the Council introduced a local agreement for weekend enhancements in 2013-14.
- 8.2 Employees who are required to work overtime receive rates outlined in accordance with the National provisions (Green Book). Overtime is not payable to employees paid above scp 28.
- 8.3 A list of the current range of allowances and benefits is attached at Appendix 6.

9.0 PAYMENTS, CHARGES AND CONTRIBUTIONS

- 9.1 All staff who are members of the Local Government Pension Scheme make individual contributions to the scheme depending on their salary. Contribution rates range from 5.5% to 12.5% (2014-15 values).
- 9.2 The Council makes employer's contributions into the scheme, which are reviewed every three years by the actuary. The rate for 2015-16 will be 19.7% an increase from 18.7% for 2014-15.

10.0 MULTIPLIERS

- 10.1 It has been recommended by Will Hutton's 2011 Review of Fair Pay in the Public Sector that local authorities publish their "pay multiple" - the ratio between the highest paid salary and the median salary of the whole of the authority's workforce. This is in order to support the principles of fair pay and transparency.

The current calculation and ratio is as follows:

Chief Exec's Salary	£116,981.00
Median salary	£21,530.00
"pay multiple" ratio	5.43 : 1

- 10.2 Lowest paid staff comparison table:

There are 5 staff who are categorised as the Council's lowest paid staff as per the definition in paragraph 7.3. The lowest annual full time equivalent salary is £13,321.00 and the average is £13,746.50.

Chief Exec's salary	£116,981.00
Lowest salary from lowest paid staff group	£14,338 (scp 10)
"pay multiple" ratio (lowest salary)	8.16:1
Average salary of lowest paid staff group	£14,338.00
"pay multiple" ratio (average salary)	8.16 : 1

- 10.3 These multipliers will be monitored each year within the Pay Policy Statement.

11.0 DISCRETIONARY PAYMENTS

- 11.1 The policy for the award of any discretionary payments is the same for all staff regardless of their pay level.
- 11.2 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 employee relations and management time. The Council will have specific regard to the legal requirements which apply to the termination of employment of the Head of Paid Service (Chief Executive), the Monitoring Officer (Director for Resources) and Section 151 Officer (Assistant Director Finance).
- 11.3 Redundancy payments made by the Council are in line with regulation 5 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. This provides an overall lump sum of the statutory redundancy payment multiplier based on actual weeks' pay. This is payable to employees made redundant with two or more years local government service regardless of their age.
- 11.4 Discretions that are provided by the LGPS are contained within a separate policy and are approved by Full Council.

12.0 APPENDICES

- Appendix 1 Salary ranges of Chief Officers and Deputy Chief Officers
- Appendix 2 Salary Scales for staff on APT & C (National Joint Council agreement) Terms and Conditions (Green Book)
- Appendix 3 Joint Negotiating Committee Salary Scales for Youth and Community Support Workers
- Appendix 4 Salary scales for staff in Adult Education (FENJC) posts
- Appendix 5 Soulbury Salary Scales – for staff in relevant teaching posts
- Appendix 6 RCC Allowances and Benefits

**A large print version of this document is
available on request**



Rutland
County Council

Rutland County Council
Catmose, Oakham, Rutland LE15 6HP

01572 722 577
enquiries@rutland.gov.uk
www.rutland.gov.uk