



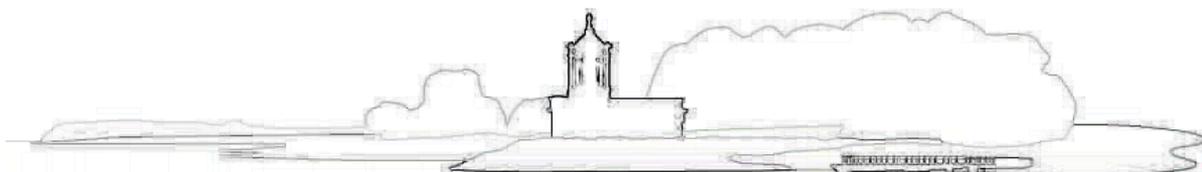
Rutland

County Council

PAY POLICY STATEMENT 2019/20

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| Approved by Full Council | |
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Introduction

This 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 2011 and takes account of the guidance of "Openness and Accountability in Local Pay" as issued by the Department for Communities and Local Government.

The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees. The Council is committed to:

- Rewarding employees with a fair, equitable and competitive employment offer
- Recruiting and retaining high quality staff to achieve our strategic aims and objectives and thrive as part of the One Council team
- Maintaining rates of pay which are both competitive in the market place and reflect the need to retain key skills
- Fairness, openness and transparency in our pay and reward systems.

Once approved by Full Council, this policy statement will come into immediate effect and will be subject to further review on an annual basis.

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1. 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 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. SCOPE

- 2.1 This Pay Policy Statement includes a policy on:
 - The level and elements of remuneration for the Chief Executive and Senior Managers
 - The remuneration of the lowest paid employee group
 - 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 Appendix 1 provides explanation/glossary of terms used within this Pay Policy.

3. CHIEF EXECUTIVE PAY

- 3.1 The Chief Executive in Rutland discharges the accountability of Head of Paid Service – a statutory role defined by the Local Government and Housing Act. The grade of this post is determined by a job evaluation process (supported by the Local Government Association) and is assigned as Grade CX – this is the only post within this grade.
- 3.2 The pay range is determined locally and reviewed periodically against salary comparisons against similar posts in other local authorities. Due to Rutland's scale, direct comparators to a similar authority is more complex and the Council therefore reviews a range of salary models across Shires, Unitaries, Counties, District and Boroughs.
- 3.3 Progression within the pay band takes place on 1 April each year up to the top of the grade. However, annual progression will be withheld if the post holder is subject to formal capability or disciplinary.

- 3.3 Pay points within the CX grade will be uplifted in accordance with any Joint National Council (JNC) for Chief Executives pay awards on an affordability basis, ie. the Council retains the provision to not apply the full JNC pay award if it is considered cost prohibitive. In 2018, National Employers agreed a two year pay deal with the trade unions which provided for a 2% uplift on 1 April 2018 and 1 April 2019. Other conditions of service are as prescribed by the Joint National Council (JNC) for Local Authority Chief Executives national conditions.
- 3.4 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.
- 3.5 The fees in respect of Returning Officer duties at Local Government elections are included in the Chief Executive's salary. A separate fee is received for elections such as the Police and Crime Commissioner, European and Parliamentary elections, and Referendum.

4. SENIOR MANAGEMENT PAY

- 4.1 These senior employees are responsible for working with elected members to determine the overall strategic direction of the Council, to develop the efficiency and effectiveness of the services we deliver and to provide day to day leadership of those services. These roles are defined as:
- Strategic Directors and Deputy/Assistant Directors (Grades C01, C02 and C03)
 - Heads of Service across all Directorates (Grades HOS1 and HOS2)
- 4.2 Senior Management pay is determined locally on the following basis:
- (a) Job evaluation (supported by the Local Government Association) to establish the job size and rank order
- (b) Assigned grade - based on job evaluation points to grade. The pay range is determined locally and reviewed periodically against salary comparisons against similar posts in other local authorities. Due to Rutland's scale, direct comparators to a similar authority is more complex and the Council therefore reviews a range of salary models across Shires, Unitaries, Counties, District and Boroughs.
- (c) Spinal column points within a grade range – progression taking place on April each year to the top of the grade. Progression to the next spinal column point will be withheld if the post holder is subject to formal capability or disciplinary.

(d) Alignment to national pay bargaining, Terms and Conditions as determined by the Joint National Conditions (JNC) for Chief Officer posts. In 2018, National Employers agreed a two year pay deal with the trade unions which provided for a 2% uplift on 1 April 2018 and 1 April 2019. The Council retains the provision to not apply the full JNC pay award if it is considered cost prohibitive.

- 4.3 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.
- 4.4 In addition to basic salary, senior managers are entitled to:
- reimbursement of membership fees incurred in relation to membership of professional bodies (essential to the role)
 - business mileage undertaken – based on HMRC mileage rates
 - reimbursement of expenses which may be claimed as applicable to all other employees of the Council
 - payments for election duties.
- 4.5 Grades, pay ranges and spinal column points of are shown in Appendix 2 (2019-2020 values).
- 4.8 Salary levels of posts that meet the definition of Senior Management posts are shown in Appendix 3 – this has been expanded to include management posts that form part of Directorate Management teams or are defined as a Statutory or Non-Statutory Chief Officer as defined by the Local Government and Housing Act 1989.

5. OTHER PAY PROVISIONS – NJC Green Book

- 5.1 The majority of the Council's staff have their terms and conditions determined by the National Joint Council (NJC) Green Book. The Council remains aligned to national pay negotiations led by the LGA in consultation with national trade unions. In addition employees receive annual increments on 1 April each year until they reach the top of their grade. For Career graded posts, employees proceed through the scheme based on meeting defined criteria and demonstration of competence within the framework.
- 5.2 During 2018, National Employers and the recognised Trade Unions negotiated and reached agreement on an amended pay scale to be implemented on 1 April 2019. The features of the new pay scale include:
- Minimum hourly rate of £9.00 per hour
 - A further increase of between 2.3% and 7.3% for current pay points 6 to 28 (Grades 1 to 6)
 - An increase of 2% for current scp 29 (Grade S01) and above
 - Replacing the existing points 6 to 17 with 6 new pay points (1 to 6)
 - Changing from '6 to 49' pay points, to '1 to 43' pay points.

- 5.3 The Council has worked closely with Unison regarding the assimilation and implementation of the new scale and reached a collective agreement in January 2019 which comprised:
- (a) Employees are assimilated across to the appropriate new scp based on:
 - application of the annual increment (within current grade) and then
 - assimilate across to the new pay scale
 - (b) Grade break points matching current breaks as far as possible, the exception being:
 - o Scale 1- new pay points 1 to 3
 - o Scale 2 - new pay points 3 and 4
 - o Scale 3 – new pay points 5 and 6.
 - (c) Removal of 5 new additional pay points which would have lengthened the number of points in associated grades.
- 5.4 The Council has continued to expand the pay spine beyond existing point 48 to accommodate a management grade of P05 – this is retained on a local basis with new points of 44 to 48.
- 5.5 The new pay scale is shown in Appendix 4.
- 5.6 All posts on this pay structure are assessed for job size and rank order through a job evaluation scheme to ensure transparency and equity and satisfy equal pay requirements.
- 5.7 The Council adopts the provision in the NJC Green Book and Statement of Written Particulars that enables the withholding of April increments for 'unsatisfactory service'.

6. OTHER PAY PROVISIONS – other groups of staff

- 6.1 Common with other local authorities, the Council employs staff on other terms and conditions of employment as relevant to their professional group, as follows:
- FENJC (Further Education National Joint Council) – applicable to Adult Learning Tutors
 - Youth and Community Workers (Pink Book).

7. ALLOWANCES AND PAYMENTS

- 7.1 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. A list of the current range of allowances and benefits is attached at Appendix 5. These are updated in line with national rates.

- 7.2 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 (new) scp 22.
- 7.3 The Council recognises that at times it may be difficult to recruit new employees or retain existing staff in key posts. To ensure the Council attracts and maintains a skilled and experienced workforce, market supplements, recruitment and retention payments may be paid in addition to the post grade subject to a strategic review with substantial evidence and data. These will be agreed by the Chief Executive. Due regard will be given to the Financial Procedure Rules.
- 7.4 Market Supplements, as authorised by the Chief Executive, are based on a clear business case and rationale of market evidence on demand for these skills to ensure equity and fairness. The Council's approach takes into account, Technical Note 15: Market Supplements produced by the Local Government Association and research from other authorities within the region. Market supplements should not compromise the pay and grading structure nor jeopardise the integrity of job evaluation and thereby undermine budgetary control.
- 7.5 Relocation expenses may be paid to employees to cover additional costs they may incur as a result of relocating. These are in accordance with the Relocation Policy.
- 7.6 Employees temporarily acting up or covering additional responsibilities for a role which is graded higher than their substantive grade may be paid an appropriate level for the duties they are asked to perform. Such arrangements are provided for in the Council's Acting Up and Additional Responsibility Allowance Policy.
- 7.7 The Council will pay professional subscription fees on behalf of employees where the subscription or membership is an essential requirement to the duties of the post.
- 7.8 The Council reimburses subsistence expenditure necessarily incurred by the employees on Council business in line with the Council's Travel and Expenses Policy.
- 7.9 Employees will be in receipt of salary protection resulting from a change of role, grade and salary as part of a service review or restructure, in accordance with the Council's Restructure Policy.

8.0 LOCAL GOVERNMENT PENSION SCHEME

- 8.1 All staff who are members of the Local Government Pension Scheme make individual contributions to the scheme depending on their salary. Provisional contribution rates for 2019-2020 range from 5.5% to 12.5%.

8.2 The Council makes employer's contributions into the scheme, which are reviewed by the actuary. The rate for 2019-20 will be 23.7%.

9.0 MULTIPLIERS

9.1 For the purposes of this policy, the Council defines its lowest paid employees as those in the lowest salary grade (Grade 1) on the nationally agreed scales (NJC Green Book). The minimum value will rise to £9.00 per hour wef 1.4.19 to reflect the new National Living Wage and new pay scale.

9.2 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 calculation and ratio for 1.4.19 will be calculated when the full assimilation exercise has been processed for the new April 2019 pay scale. (Excludes Apprentices)

| | |
|----------------------|----------|
| Chief Exec's Salary | £132,664 |
| Median salary | |
| "pay multiple" ratio | |

9.3 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 9.1. Based on a lowest value of £9.00 (1.4.19) per hour the ratio are:

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|--|----------|
| Chief Exec's salary | £132,664 |
| Lowest salary from lowest paid staff group | £18,065 |
| "pay multiple" ratio (lowest salary) | 7.34 :1 |
| Average salary of lowest paid staff group | £18,065 |
| "pay multiple" ratio (average salary) | 7.34 :1 |

10. DISCRETIONARY PAYMENTS

10.1 The policy for the award of any discretionary payments is the same for all staff regardless of their pay level.

10.2 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 Section 151 Officer (Strategic Director Resources) and the Monitoring Officer (Deputy Director Resources).

- 10.3 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.
- 10.4 Discretions that are provided by the LGPS are contained within a separate policy.

11. RE-ENGAGEMENT OF EMPLOYEES

- 11.1 Employees who are offered another post with any organisation covered by the Modification Order Act prior to their redundancy leaving date and commence within 4 weeks of leaving, are not eligible to receive a redundancy payment.
- 11.2 Employees who have been made redundant are eligible to apply for vacancies which may arise after they have left the Council's employment. Any such applications will be considered together with those from other candidates and the best person appointed to the post. Any necessary adjustment to pension would be made in accordance with the scheme regulations.
- 11.3 The Council will not re-engage an ex-employee in the capacity of a consultant, interim or agency worker within 2 years of leaving the Council. A shorter period may be considered in exceptional circumstances only (eg. significant skills shortage) and by approval of the Chief Executive.

12. GENDER PAY GAP REPORTING

- 12.1 In accordance with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which came into force on 31 March 2017, employers with at least 250 employees are required to publish annual information as at 31 March each year. This information is published on the Council's website and on the Government's Gender Pay Gap website. It is also reported to Employment and Appeals Committee on an annual basis.

13. APPENDICES

- 1 Glossary of terms
- 2 Grade and pay structure of Chief Executive and posts on JNC
Chief Officers pay
- 3 Senior Managers Pay
- 4 Pay Scale – NJC Green Book
- 5 Allowances and Benefits

A large print version of this document is available on request



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