

SOUTH STAFFORDSHIRE COUNCIL

PAY POLICY STATEMENT FOR 2022/23

1 INTRODUCTION

This Pay Policy Statement covers all employees and as such, it goes wider than the minimum legal requirements of the Localism Act 2011.

2 KEY PRINCIPLES

- To be fair, reasonable, and transparent
- To be affordable
- To maintain rates of pay which reflect the need to attract and retain key skills

3 LEGISLATIVE FRAMEWORK

In determining the pay and remuneration of employees, the Council will comply with all relevant employment legislation, including the Equality Act 2010, Part Time Employment Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations.

4 ACCOUNTABILITY AND DECISION MAKING

In accordance with the Constitution of the Council, the Chief Executive will continue to be responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the Council noting the specific arrangements set out in the Local Authorities (Standing Orders) (England) Regulations 2001 (as amended) and matters delegated to the Personal Development Review and Appointments Panel and Council. Any future material changes to this Pay Policy Statement will also require the approval of Council.

5 SALARY GRADING

The Council's terms and conditions of employment are governed by the following national agreements: JNC for Local Authority Chief Executives; JNC for Chief Officers and the NJC for Local Government Services.

Regarding equal pay and salary grading, the Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified using a relevant equality proofed Job Evaluation scheme which relates salaries to the requirements, demands and responsibilities of the role.

All other pay related matters are the subject of statutory provisions or nationally or locally negotiated rates, having been determined in accordance with collective bargaining and/or as determined by Council Policy.

The Council remains committed to national pay bargaining with the Joint Negotiating Committee (JNC) and the National Joint Council (NJC), subject of course to affordability. Where changes result from statutory provisions or national collective bargaining and are agreed, these are automatically applied and incorporated into the employment contracts of staff whether they are union members or not.

6 SENIOR PAY

The remuneration of posts falling within the reporting requirements of S43 of the Localism Act is as follows,

- a) Chief Executive. The current salary of the post is £120,259. A separate payment is made for returning officer duties. This payment is calculated on an agreed national or county wide formula and further details are published on the Council's website. The Terms and Conditions of Employment staff group is the JNC.
- b) Corporate Directors. There are three Corporate Director posts covering Communities and Wellbeing, Finance and Resource (S 151) and Infrastructure and Business Growth. This is a spot salary of £84,689. The Terms and Conditions of Employment staff group is the JNC. A separate market supplement payment of £5,323 is made to the Corporate Director Finance and Resource (S 151).
- c) Director Legal and Governance (Monitoring Officer) £74,103. The Terms and Conditions of Employment staff group is the JNC. A separate annual responsibility allowance of £3,000 is payable for managing an external shared legal service. Separate payments apply for deputy returning officer duties. This payment is calculated on an agreed national or county wide formula and further details are published on the website.
- d) Assistant Directors. This is a salary range of £64,019 to £66,105. The Terms and Conditions of Employment staff group is the JNC.
- e) Team Managers, salary range is £32,798 to £47,665. The Terms and Conditions of Employment staff group is the NJC.
- f) A Deputy S 151 allowance of £3,240 applies to one post-holder.
- g) A Deputy Monitoring Officer allowance of £2,000 and a shared service responsibility allowance of £2,000 applies to one post-holder.
- h) There are also Market Forces Supplements attached to some posts in some services for hard to recruit posts in line with the Council's Market Supplement Policy.

JNC Conditions apply to members of Corporate and Extended Leadership Team.

a) to d) includes the pay award for 1 April 2021, 1.5% for JNC posts agreed nationally on 3rd February 2022 (Chief Executives) and 9 February 2022 (Chief Officers).

e) includes the pay award for 1 April 2021, 1.75% for NJC posts agreed nationally on 28 February 2022.

The figures do not include any pay award for 2022/23 which is yet to be confirmed.

In the case of senior pay (JNC Conditions) market rates will be assessed every two years. Increases to senior pay bands (including job evaluation outcomes/market pay)

- Corporate Leadership Team will be reviewed by the Personal Development Review and Appointments Panel who will make recommendations to Council.
- Assistant Directors will be reviewed and determined by the Personal Development Review and Appointments Panel.
- Pay matters concerning all other staff (NJC) conditions is delegated to the Chief Executive.

The above does not apply to

* Annual pay awards which are negotiated nationally

**Temporary payments for senior managers. These are delegated to the Chief Executive in consultation with the Chairman of the Personal Development Review and Appointments Panel providing the total salary does not exceed £100,000 in which case this will be referred to Council in accordance with the provisions of the Localism Act 2011.

In accordance with the 2011 Code of Recommended Practice for Local Authorities (Data Transparency), information on senior salaries is published on the Council's website. Payments over £50,000 in a year are also published in the Council's statement of accounts.

7 OTHER EMPLOYEES

Salary scales for other employees are on the website. Apprentices and/or other categories of workers are in accordance with the Council's Apprentice and Graduate Policy and in line with the nationally prescribed minimum wage rates which increase and are applied annually.

8 PAY AWARDS

Annual pay awards are negotiated nationally by the JNC for Local Authority Chief Executives; the JNC for Chief Officers and the NJC for Local Government Services. Once pay awards are confirmed (by the National Employers for Local Government Services) they are applied to the Council's pay and grading structure.

9 STARTING PAY

Employees when appointed to new posts are paid on an incremental scale and will normally be appointed at the lowest SCP in the grade. However, in certain circumstances it may be appropriate to appoint to a higher point within the pay grade providing this can be justified. Where this applies this will be in accordance with pay advice provided by Human Resources.

10 MARKET PAY

The Council recognises that at times it may be difficult to recruit new employees from time to time due to market rates for certain roles. To ensure the Council attracts and retains a skilled and experienced workforce, salary supplements may be paid in addition to the grade of the post. This will be in accordance with the Council's Market Supplement Policy.

The Council is under no obligation to match market pay. However, where it chooses to do so for business reasons it will seek to match the middle pay quartile range subject to affordability. In cases of exceptional recruitment/retention difficulties, the Council can refer to the upper pay quartiles of market pay data with the agreement of the Chief Executive or where applicable the Personnel Development Review and Appointments Panel or Council as set out in section 6.

11 OTHER PAYMENTS

In addition to annual salary the Council can (subject to an approved business case) pay extra payments to employees to recognise additional work undertaken, including:

- Acceleration through the grade.
- Overtime (as set out in the employee handbook).
- Act up payments* (Based on the grade/% of duties of the act up role)
- Honoraria* in relation to covering vacancies, absence, projects, additional duties, and partnership working. Honoraria are time limited and should not normally exceed 12 months.
- Allowances approved by CLT.
- Other rewards linked to the Council's workforce strategy approved by CLT.
- Performance related pay (subject to a scheme or pilot approved by CLT).

**During sick leave payment is only made up to the next pay date.*

Such payments are most likely to apply to employees below senior management level and will be made in accordance with pay advice provided by Human Resources in line with relevant Council policy and job evaluation outcomes.

Business cases/payments relating to the above are subject to authorisation by the relevant senior line manager (i.e., Chief Executive, Corporate Director, Assistant Director).

Those officers who have statutory positions in relation to elections i.e., Returning Officer, Acting Returning Officer and Deputies also receive a fee in recognition of these roles. There are also fees paid to staff who conduct the annual canvass of the electoral register and who undertake additional work at the time of the election – poll staff, inspectors, count staff, etc.

The payments referred to are calculated on an agreed national or county wide formula and further details are published on the Council's website.

Payments for untaken annual leave and/or time off in lieu is at the discretion of the relevant senior manager (i.e., Chief Executive, Corporate Director, Assistant Director).

Car allowance/mileage rates are on the Council's website.

12 TERMS AND CONDITIONS OF EMPLOYMENT

The Council adopts best practice, applies terms, conditions, and benefits equitably in accordance with the relevant staff group national conditions, South Staffordshire Council contracts of employment, HR policies and the staff handbook derived from its Single Status agreement and consultation with UNISON.

13 OTHER BENEFITS (NON-CONTRACTUAL)

The Council aims to adopt best practice and recognises employee benefits are an important part of recruitment and retention. All employees (subject to qualifying conditions) are entitled to access these benefits which include the following:

- Childcare vouchers or other benefits through salary sacrifice schemes¹
- Buying of annual leave scheme
- Employee assistance (Counselling and Physiotherapy)
- Assistance with continuing professional development

14 REDUNDANCY, PAY PROTECTION AND PENSION PAYMENTS

- Where an employee is placed on a lower grade because of employer led change, time limited salary protection will apply in accordance with the Council's, Redundancy and Early Retirement Policy.
- Termination payments including redundancy and/or early release of pension before normal retirement age (NRA) will always be in accordance with the relevant law, applicable Local Government Pension Scheme (LGPS) Regulations and Council Policy including the Council's Redundancy and Early Retirement and Employer Pensions Discretions Policies.
- The Chief Executive (or Council in the case of the Head of Paid Service, Monitoring Officer or S151 Officer) has the discretion to approve voluntary or deferred voluntary redundancy at an enhanced rate up to but not exceeding a multiplier of 2.

¹ As of 4 October 2018, childcare vouchers closed for new parent registrations

- Arising from the auto-enrolment regulations (2013), new starters are enrolled into the Local Government Pension Scheme (LGPS), subject to certain conditions, unless they choose to opt out.
- The employee pension contribution rates vary between a range of 5.5% and 12.5% according to specified salary ranges. The Employer contribution rates are set by Actuaries advising the Pension Fund and reviewed on a triennial basis to ensure the scheme is appropriately funded. The contribution rate applicable from 1st April 2022 is 16.4% of salaries paid plus a lump sum deficit repair contribution for the year which has been calculated to be £782,000.
- The fact that an individual is receiving a pension under the LGPS regulations does not prevent the Council from appointing them. However, if an employee is in receipt of a pension from a previous employer that is a member of the LGPS and they are appointed it is their responsibility to notify their existing pension provider of re-employment, even if they do not elect to join the Council's pension scheme. It is the existing pension provider's responsibility to review their pension and if necessary, make any reduction due to the level of earnings.
- Under current legislation and LGPS regulations employees who have joined the LGPS will receive their pension at their normal retirement age (NRA), with an additional entitlement to leave with a reduced pension at age 55. Pension payments may be released early in certain other circumstances. These is not an automatic entitlement and is subject to criteria and affordability as set out in the Council's Redundancy and Early Retirement policy, Employer Pensions Discretions Policy, and where applicable the Council's Flexible Retirement Policy. Payments are at the discretion of the Council in accordance with the legislation and regulation that apply at the time of the exit payment.
- When recruiting to all posts the Council will take full and proper account of, the Constitution and relevant policy. The determination of the remuneration to be offered to any newly appointed senior manager or employee will be in accordance with the pay structure and relevant policies in place at the time of recruitment.
- Where the Council is unable to recruit under an employment contract or there is a need for interim support to provide cover/additional capacity, the Council will, where necessary, consider and use a range of options. These can include engaging individuals under 'contracts for service,' or via an agency. Senior Managers will ensure these are sourced through a relevant procurement process and be compliant with IR35 (Off-payroll working rules in the public sector for intermediaries).

15 RE-ENGAGEMENT OF FORMER SENIOR MANAGERS

The Council's policy is not to re-employ a senior manager who has left South Staffordshire Council and gained access to their pension through redundancy, efficiency or ill health retirement or previously received a redundancy compensation payment from South Staffordshire Council. This does not apply to Returning Officers, election duties or where the Council has a critical business need subject of course to any appointment being compatible with employment and pension legislation with due regard to the public confidence test. As regards all other staff the policy on re-engagement is set out in the Council's Redundancy and Early Retirement policy.

16 PAY MULTIPLES

A pay multiple is the ratio between the salary of the highest paid employee and the median full-time equivalent salary of the organisation. The Hutton Report (Fair Pay in the Public Sector) introduced pay multiples as a method of assessing pay dispersion.

The current pay levels within the Council defines the multiple² between the lowest paid full-time equivalent employee and the Chief Executive as 1:6.6 and between the lowest paid employee and average chief officer as 1:4.2. The multiple between the median average full-time equivalent earnings and the Chief Executive is 1:5.5 and between the median average full-time equivalent earnings and average Chief Officer is 1:3.5.

**NB the above is based on the NJC scheme's lowest SCP and excludes apprentices/categories of workers who are not included within the definition 'lowest paid employees'*

17 GENDER PAY GAP

Gender Pay Gap reporting became mandatory for the Public Sector with first reports published on 31 March 2017 and then annually. The Council publishes this information on its website on an annual basis.

18 LIST OF POLICIES/INFORMATION RELEVANT TO THIS PAY POLICY STATEMENT³

- Employer Pensions Discretions Policy
- Flexible Retirement Policy
- Redundancy and Early Retirement Policy
- Market Supplement Policy
- Election fees
- NJC salary scales
- Car Mileage rates

² Note multiple or ratio rounded up or down where applicable as defined in the Localism Act.

³ These policies are updated to reflect any changes to the Pay Policy Statement approved by Council.