



# Pay Policy Statement 2016

## Purpose

This document covers the requirements to publish a pay policy statement under s38 of the Localism Act 2011.

Full Council has approved the Pay Policy Statement.

Version	Date	Description
1	01/04/12	Annual Review
2	01/09/15	Updated to comply with regulations.
3	01/07/16	Updated to comply with regulations.

Document Approvals	
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Approval:	Personnel Board Full Council

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## 1. Purpose

- 1.1 Under sections 38 to 43 of the Localism Act 2011, we are required to prepare, approve by full Council (as a Part 1 item) and publish on our website, a pay policy statement for the financial year 2016/17
- 1.2 We may amend this statement during the financial year in which it is effective; however any change must be approved by full Council. Any amended statement will be published on our website within 10 working days of the meeting.
- 1.3 In drawing up this statement, we have taken into account the guidance issued by the Department of Communities and Local Government and the advice supplied jointly by the Local Government Association and the Association of Local Authority Chief Executives (ALACE).
- 1.4 This statement does not include staff based in our schools as this is outside the scope of the legislation.
- 1.5 This updated statement was approved by full Council on 21 July 2016.

## 2. Definitions used in this document

- 2.1 Under the current structure of the Council, the following posts are included in the definition of 'Chief Officer':

- Chief Executive
- Director, Finance & Resources (S151 Officer)
- Director, Children's Services
- Director, Environment
- Director, Health & Wellbeing

- 2.2 Although falling within the definition of Chief Officer under the Localism Act, the pay policy applying to the following posts is as set out in Section 3 below for Senior Managers:

- Consultant in Public Health
- Head of Adult Social Care & Safeguarding
- Head of Children's Social Work & Early Intervention
- Head of Commercial Services
- Head of Community Services
- Head of Customer Services & IMT
- Head of Development Management & Enforcement
- Head of Development Policy & Planning
- Head of Finance
- Head of Governance & Improvement Services (Monitoring Officer & Returning Officer)
- Head of Highways & Transport
- Head of Housing
- Head of Integrated Mental Health
- Head of Learning & Achievement
- Head of SDL Delivery
- Head of Strategic Commissioning

- Head of Support Services
- Head of Town Centre Regeneration

2.3 Employees who are not chief officers; all other employees (including those employed on a casual basis) employed directly by the Council.

This policy does not cover the remuneration of other ‘workers’ employed by the Council, as employees of agencies or as self-employed consultants.

2.4 Lowest paid employee; minimum of grade 1 on the Council’s pay scales (£14,975 per annum full time (37 hours per week) or £7.76 per hour).

Apprentices aged 16-18, may be paid on the age-related National Minimum Wage. The Apprentice NMW rate is not used. Apprentices have been excluded from this definition on the basis that they are in specific posts created for training purposes.

2.5 Median salary; £24,717 (full-time equivalent). This is a measure of the ‘average’ salary for employees in the Council. It is defined as the ‘midpoint’ salary, such that there is an equal probability of falling above or below it.

2.6 Mean salary; £28,921 (full-time equivalent). This is an alternative measure of the ‘average’ salary for employees in the Council. The arithmetic mean is defined as the sum of all the salaries divided by the number of salaries.

2.7 Highest paid employee: the Chief Executive is paid £130,000 plus potential to earn a further 10% linked to performance related pay.

### 3. Pay Policy from April 2016

#### 3.1 Policy on level and elements of remuneration for Chief Officers

3.1.1 The Council benchmarks its pay rates against relevant comparator groups. For Chief Officers the Council pays “spot salaries” (i.e. no incremental range) and seeks to position itself appropriately in the market in terms of pay.

Their salary is increased by nationally negotiated increases agreed by the:

- Joint Negotiating Committee (JNC) for Chief Executives and;
- Joint Negotiating Committee (JNC) for Chief Officers

Similarly, terms and conditions agreed nationally by these bodies are also applied, with local variations as appropriate

3.1.2 There is a performance related pay (‘PRP’) scheme for Chief Officers, approved by the Personnel Board and based on an assessment of performance against objectives.

3.1.3 Salary upon appointment will be made in line with 3.1.1

3.1.4 In accordance with the Accounts and Audit (England) Regulations 2011 and the Code of Recommended Practice for Local Authorities on Data Transparency, we publish annually the remuneration of our senior staff on our [website](#).

#### 3.2 Policy on level and elements of remuneration for Senior Managers

3.2.1 Heads of Service report to either a Director of the Chief Executive. There are 4 levels, dependent upon responsibility as determined by budgets, headcount and impact on front line service delivery:

SM1: £52,770 to £57,939

SM2: £59,093 to £65,245

SM3: £66,549 to £73,481

SM4: £74,950 to £79,202

3.2.2 Payment arrangements for local returning officer are in line with the “Dorset Scheme” developed by Dorset County Council and uprated annually in line with any pay increase agreed by the National Joint Council (NJC) for local government services.

3.2.3 All other terms and conditions are in line with all other employees and described in 3.4 onwards.

### 3.3 All other employees

3.3.1 The Council applies the national pay agreements reached by the:

- National Joint Council (NJC) for Local Government Services
- National Joint Council (NJC) for Youth & Community Services
- Soulbury Committee

3.3.2 Local variations are applied as appropriate.

3.3.3 All jobs below Head of Service (excluding those covered by national Youth & Community and national teaching-related Soulbury grades) are evaluated using the Peodesy job evaluation system.

3.3.4 All jobs are assigned to a grade within the Wokingham Borough Council salary structure on the basis of the job evaluation score. The Council benchmarks its pay rates against a comparator group and will seek to position itself appropriate to the market in terms of pay.

### 3.4 Salary on appointment

3.4.1 Appointments will normally be made to the minimum point of the grade. Managers may take into account the previous experience and skills of the employee to offer appointment above the salary minimum for the post.

### 3.5 Incremental progression

3.5.1 Each of the Grades has a series of incremental steps, progression within which is subject to satisfactory performance. Increments can be withheld in the event of unsatisfactory performance.

3.5.2 Progression by more than one increment, up to the maximum of the grade, can be made in acknowledgement of exceptional performance.

### 3.6 Additional payments – all employees

- 3.6.1 The Council will consider the use of market supplements to be applied to specific posts in the event of recruitment and /or retention difficulties. Where such supplements are introduced they will be applied, reviewed and withdrawn in accordance with the Council's policy.
- 3.6.2 Additional payment may be made for additional hours, overtime, undertaking higher responsibilities, and for non-standard working arrangements such as stand-by or evening work, or for exceptional working conditions.
- 3.6.3 All employees can claim for qualifying payments under our travel & expense policy.

## 4. Policies on redundancy and pension enhancement

- 4.1 Our Policies and Procedures for Organisational Change, Retirement and Employer Discretions outline how we will approach redundancy including redundancy pay
- 4.2 We calculate redundancy pay using the individual's actual weekly salary.
- 4.3 We do not enhance the number of statutory week's redundancy pay an individual is entitled to under the Employment Rights Act 1996.
- 4.4 The Local Government Pension Scheme contains provision for employers to enhance pension payments. Employers are required to determine how they will use these discretionary provisions. We have determined generally not to use our discretion to enhance pension payments by either additional years or additional pension.
- 4.5 In certain circumstances, eligible employees may request early retirement or flexible retirement. (Flexible retirement gives access to accrued pension, whilst allowing the scheme member to continue working). In both these cases, there must be sufficient financial or other benefit to the Council for such retirements to be approved and if there is a cost associated with the request, approval sought from the Personnel Board.

## 5. Pay ratios in the Council

- 5.1 It is the policy of the Council to ensure that the ratio of the salary of the highest paid officer and the lowest paid officer is well below the 20:1 ratio recommended as a maximum in the terms of reference for the 2011 Hutton Review of Fair Pay in the Public Sector.
- 5.2 As at 1st April 2016, pay ratios within the Council stand as follows;
- Highest : lowest = 9.4:1
  - Highest : median = 5.7:1
- 5.3 This is based on the following salary packages;
- Highest paid (Chief Exec (incl. PRP element paid in 15/16) = £141,120
  - Lowest paid (Grade 1 SCP 9) = £14,975
  - Median (average) = £24,717

## 6. Review

- 6.1 This policy will be reviewed at least annually and more frequently if necessary to respond to any changes.
- 6.2 The Personnel Board is responsible for recommending the policy statement for approval

## 7. Other relevant Council documents

### **Policies & Procedures relating to:**

- Travel Expenses
- Retirement
- Honoraria
- Market Supplements
- Overtime
- Pension's discretions
- Organisational Change

### **Pay Scales relating to:**

- National Joint Council (NJC) for Local Government Services
- National Joint Council (NJC) for Youth & Community Services
- Soulbury Committee

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