



# Pay Policy Statement 2022

## Purpose

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

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.
4	01/07/17	Updated to comply with regulations.
5	01/06/18	Updated to comply with regulations
6	01/05/19	Updated to comply with regulations
7	04/05/20	Updated to comply with regulations
8	04/05/21	Updated to comply with regulations
9	01/03/22	Updated to comply with regulations & pay award

Document Approvals	
Author:	Claire Eckett, Pay & Reward Specialist Consultant
Approval:	Corporate Leadership Team Personnel Board Full Council

## Contents

---

1. Purpose.....	3
2. Definitions used in this document.....	3
3. Pay Policy from April 2022.....	4
4. Policies on redundancy and pension enhancement.....	6
5. Pay ratios in the Council .....	6
6. Review .....	8
7. Other relevant Council documents .....	8

## 1. Purpose

- 1.1 This pay policy statement for the financial year 2022/2023 meets the statutory duty under sections 38 to 43 of the Localism Act 2011, to provide information on remuneration arrangements for staff directly employed by the Council, for approval by full council (as a Part 1 item) and to publish on the Council's website.
- 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 as soon as is reasonably practicable following the meeting.
- 1.3 In drawing up this statement, we have taken into consideration the guidance issued by the Department for Communities and Local Government in February 2012 and the supplementary guidance issued in February 2013.
- 1.4 This statement does not include staff based in our schools as this is outside the scope of the legislation.
- 1.5 Wokingham Borough Council fully endorses and supports the requirement to be open and transparent about the pay of our employees.
- 1.6 This statement was approved by Full Council on (insert date).

## 2. Definitions used in this document

This statement sets out the Council's policy with regard to:

- the remuneration of "chief officers"
- the remuneration of the lowest paid employees
- the relationship between chief officers' remuneration and that of other officers

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

- (a) Chief Executive (Head of the Authority's Paid Service)
- (b) Deputy Chief Executive and Director, Resources & Assets (S151 Officer)
- (c) Director, Adult Social Care & Health
- (d) Director, Children's Services
- (e) Director, Place & Growth
- (f) Assistant Director, Human Resources (part of Chief Executive's Office)
- (g) Assistant Director, Digital & Change (part of Chief Executive's Office)
- (h) persons who, as respects all or most of their duties, report directly to or are directly accountable to the Head of the Council's Paid Service
- (i) persons who, as respects all or most of their duties, report directly to or are accountable to the posts listed in (b), (c), (d), (e), (f), and (g) above (other than staff whose duties are of a clerical or support nature).

The senior management structure of the organisation can be found on the Council's website [Senior council staff - Wokingham Borough Council](#) and in section 1 of the Council's Constitution [Constitution - Wokingham Borough Council \(moderngov.co.uk\)](#).

- 2.2 This policy does not cover the remuneration of other ‘workers’ employed by the Council, as employees of agencies or as self-employed consultants.
- 2.3 The highest paid employee is the Chief Executive (head of paid service) with a basic salary of £156,437 per annum (full-time).
- 2.4 The Council defines its lowest paid employee as an employee who is paid on the lowest level of pay for staff on non-casual or apprenticeship contracts of employment. The salary is £19,308 per annum full-time (37 hours per week) or £10.01 per hour.
- 2.5 Median salary is £33,486 (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 is £35,579.43 (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.

### 3. Pay Policy from April 2022

#### 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.

3.1.2 The spot salaries are: Deputy Chief Executive £127,652 and Directors £117,531.

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

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

3.1.3 There is a performance related pay (‘PRP’) scheme for Chief Officers, excluding the Chief Executive Officer, which pays up to 10% of salary against the achievement of targets. The bonus does not form part of base pay and is not pensionable. The performance of the Chief Officers is reviewed annually by the Chief Executive with involvement from the Lead Member to assess the extent to which objectives have been met and to determine the level of PRP to be paid.

3.1.4 Chief Officers receive the same level of employer’s pension contribution as all other employees.

3.1.5 Salary upon appointment will be made in line with 3.1.1

3.1.6 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 Assistant Directors report to either the Chief Executive or a Director and are paid in the range £73,110 to £87,011.

3.2.2 The Returning Officer is an officer of the Borough Council who is appointed under the Representation of the People Act 1983. The Assistant Director Governance performs the role of the Council's Returning Officer. Whilst appointed by the Borough Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from their duties as an employee of the Borough Council. As Returning Officer, they are paid a separate allowance for each election linked to duties undertaken for running national, or local elections/referenda. Payment arrangements for the local returning officer are in line with a formula operated by the Government for determining fees to all Returning Officers across the country.

3.2.3 All other terms and conditions are in line with all other employees and described in 3.3 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 All jobs below Director (excluding those covered by national Youth & Community and national teaching related Soulbury grades) are subject to job evaluation to determine the appropriate grade.

### 3.4 Salary on appointment

3.4.1 Appointments will normally be made to the minimum point of the grade. Managers may consider 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. Colleagues progress by one spinal column point each year until they reach the maximum for their grade, which reflects the acquisition of skill, knowledge and expertise that comes with experience. 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, evening or weekend working, shift working, or for exceptional working conditions.
- 3.6.3 All employees can claim for qualifying payments under our travel and 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 The pay ratio, or pay multiple, is used to express the relationship between the remuneration of the chief officer/highest paid employee and that of other employees. The ratio between the highest paid employee, the Chief Executive, and the lowest paid employee is 8.1:1. The ratio between the highest paid employee and the median pay of all employees is 4.7:1.
- 5.2 This is based on the following salary packages:
- Highest paid (Chief Executive) = £156,437
  - Lowest paid (Grade 2 SCP 4) = £19,308
  - Median (average) = £33,486
- 5.3 The Hutton Review of Fair Pay in the public sector, published in March 2011, did not recommend a defined pay multiple, but instead recommended that the public sector should publish, track and explain their pay multiples over time. A new baseline of data was established last year, so it is not

possible to include comparisons with previous years. The table below compares the ratios for 2022 with those published for the previous year.

Ratio	2021	2022
Highest:Lowest	8.1 : 1	8.1 : 1
Highest: Median	4.8 : 1	4.7 : 1

There has been no significant change to the pay ratios since 2021.

**5.4** Revised implementation guidance regarding fair pay disclosures issued in 2021 requires the disclosure by public sector entities of top to median, lower quartile and upper quartile staff pay multiples (ratios) and to monitor them over time. In addition, for financial years 2021-22 onwards, there is also a requirement to publish:

- The percentage changes in the highest paid director's salary and allowances and performance pay and bonuses payable.
- For employees of the entity taken as a whole, the average percentage changes from the previous financial year of salary and allowances and performance pay and bonuses payable.

5.4.1 The pay ratios are as follows:

Year	Lower Quartile (25 <sup>th</sup> percentile)	Median (50 <sup>th</sup> percentile)	Upper Quartile (75 <sup>th</sup> percentile)
2022/23	6.3 : 1	4.7 : 1	3.7 : 1

This is based on the following salary packages:

- Employee on 25<sup>th</sup> percentile: salary £24,920
- Employee on 50<sup>th</sup> percentile: salary £33,486
- Employee on 75<sup>th</sup> percentile: salary £42,614

5.4.2 The Chief Executive's salary has increased in line with the nationally negotiated increases for 2020 (2.75%) and 2021 (1.5%).

5.4.3 Salaries for employees of the entity taken as a whole have increased by 5.77% over the past 12 months. The increase is due to a combination of:

- National pay agreement of 1.75% effective from 1 April 2021
- Incremental progression within grades
- New starters and leavers throughout the year
- Organisational Structural Changes



## 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