

## **PAY POLICY STATEMENT 2018**

The Localism Act 2011 ('the Act') (sections 38 to 40) requires English local authorities to produce a Pay Policy Statement for each year. The Act states that the policy must include the Council's approach to pay and other remuneration for Chief Executive, chief officers and other employees, including the lowest paid.

The Act defines remuneration widely, to include pay, charges, fees, allowances, benefits in kind, pension and termination payments.

The Pay policy Statement:

- must be approved formally by Full Council by the end of March each year
- can be amended during the year

### **1.0 Scope**

1.1 The Pay Policy Statement applies to the following posts at South Cambridgeshire District Council:

- Chief Executive (Head of the Paid Service)
- Executive Director (Section 151 Officer)
- Joint Director Planning and Economic Development
- Directors
- Heads of Service

### **2.0 Salary**

2.1 The current salary scales for Chief Executive, Executive Directors, Directors, and Heads of Service are presented in the table below.

Chief Executive	110,357	113,510	116,662	119,815	122,969	126,121
Executive Directors	89,337	92,490	95,642	98,794	101,948	105,101
Director (Grade11)	71,438	74,208	76,979	79,752	82,522	85,296
Head of Service (Grade 10)	60,660	62,817	64,971	67,127	69,283	71,438
Head of Service (Grade 9)	52,961	54,502	56,042	57,581	59,121	60,660

- 2.2 Progression through the pay grade is determined by assessment of the employee's performance in line with the Council's Performance and Development Review process.

### **3.0 Pay Awards**

- 3.1 The Council has local arrangements for the negotiation of annual pay awards with trade unions recognised by the council, namely GMB and Unison. Reference is made to the nationally negotiated pay award for Chief Executives, Chief Officers and other local government employees. The national negotiating bodies are:

- Joint Negotiating Committee for Chief Executives
- Joint Negotiating Committee for Chief Officers
- National Joint Committee for Pay and Conditions of Service for Local Government

The Council will also have regard to the Living Wage Foundation rate when it agrees annual pay awards for its staff each year. The Council, however, does not intend to seek formal accreditation from the Living Wage Foundation.

### **4.0 Terms and Conditions of Employment**

- 4.1 The terms and conditions of employment for the Chief Executive are determined in accordance with collective agreements, negotiated by the Joint Negotiating Committee for Chief Executives.
- 4.2 The terms and conditions of employment for the Executive Directors are determined in accordance with collective agreements, negotiated by the Joint Negotiating Committee for Chief Officers.
- 4.3 The terms and conditions of employment for the Directors and Heads of Service are determined in accordance with collective agreements, negotiated by the National Joint Committee for Pay and Conditions of Service for Local Government.
- 4.4 These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

### **5.0 Remuneration on Recruitment**

- 5.1 The Council will approve the appointment of the Head of the Paid Service, Executive Directors, Chief Finance Officer and Monitoring Officer and following the recommendation of such appointments by the Employment Committee or Sub-committee of the Council, which must include at least one member of the Executive. The full Council may only make or approve the appointment of these posts where no well-founded objection has been made by any member of the Executive. The salary on recruitment will be within the current salary range of these posts at that time.

- 5.2 The Employment Committee or Sub-Committee of the Council, which must include at least one member of the Executive, will appoint Directors. An offer of employment as a Director can only be made where no well-founded objection from any member of the Executive has been received. The salary on recruitment will be within the current salary range of these posts at that time.
- 5.3 Appointment of Heads of Service is the responsibility of the Chief Executive or his/her nominee and may not be made by Councillors. The salary on recruitment will be within the current salary range of these posts at that time.

Rules governing the recruitment of the Chief Executive, Executive Directors, Directors and Heads of Service are set out in the Council's constitution in section: Part 4 Rules of Procedure - Officer Employment Procedure Rules.

## **6.0 Bonus Payments**

- 6.1 There are no bonus arrangements payable to the Chief Executive, Executive Directors, Directors or Heads of Service.

## **7.0 Progression through Pay Grades**

- 7.1 The salary of employees within the scope of this policy rises by increments to the top point of their salary grade, subject to good performance. Progression through the pay grade is determined by assessment of the employee's performance in line with the Council's Performance and Development Review process.

## **8.0 Salaries over £100,000**

- 8.1 The posts of Chief Executive and Executive Directors are the only posts that carry salaries of over £100,000.

## **9.0 Publication of salary data**

- 9.1 Salary data for the Chief Executive, Executive Directors, Directors and Heads of Service is published on the Council's website

For the Chief Executive and Executive Directors this includes name, job title, actual salary, expenses and any election fees paid. For Directors and Heads of Service this includes salary by post title.

This Pay Policy Statement once approved by Full Council will be published on the Council's website.

## **10.0 Expenses**

- 10.1 The expenses which may be payable to the Chief Executive, Executive Directors, Director or Head of Service are as follows:
- Car/Motorcycle/Bicycle allowance – these are stated in the Council's Mileage policy which is set out in the Single Status Agreement approved by trade unions in May 2012.

- Re-imbursement of travel and subsistence – this is in accordance with the Council’s stated policy as at June 2011
- Payments under the eye test scheme as stated within the Council’s Health & Safety policy

## **11.0 Market Supplement Policy**

- 11.1 There are occasions when the salary determined by the grading for a post results in an inability to successfully recruit to or retain staff in particular posts or specific occupational areas, this may be due to fluctuations in the job market supply. These recruitment and retention problems can affect ability to deliver services to our residents. In such cases it may be appropriate to pay a market supplement in addition to the salary where there is evidence to justify that market factors are the “material reason” for the post attracting a higher rate of pay than other posts graded similarly. Any additional market supplement will be made in accordance with the Council’s Market Supplement Policy.

## **12.0 Other Benefits**

- 12.1 All Council employees including those within the scope of this policy are entitled to participate in the Council’s Childcare Voucher scheme in conjunction with Sodexo Say Care Childcare Voucher Provider. Employees can sacrifice part of their salary for childcare vouchers. These vouchers are exempt from income tax or National Insurance contributions and therefore represent a saving for employees who then use them to purchase childcare. Employees within the scope of this policy can purchase an annual maximum of £2916 worth of childcare vouchers through the scheme. Employee savings can amount up to £933 per annum.
- 12.2 The employees within the scope of this policy are entitled to participate in the Council’s Cycle Scheme whereby employees can sacrifice part of their salary to lease cycles for travel to work. The amount sacrificed is exempt for income tax and national insurance contributions and therefore represents a saving for participating employees.

## **13.0 Severance Payments**

- 13.1 Severance payments are made in accordance with the Council’s Organisational Change and Redundancy policy and are the same for all staff.
- 13.2 Employees with more than two years service will be entitled to redundancy pay in line with local government guidelines and statutory calculations. Where the employee is entitled to a redundancy payment, the calculation is based on the employee’s actual weekly pay.
- 13.4 The Council provides career counselling and out placement support for employees facing redundancy, this includes job search and interview skills.
- 13.5 Settlement agreements will only be used in exceptional circumstances where they represent best value for the Council.

## **14.0 Pension and Pension Enhancements**

- 14.1 All employees within the scope of this policy are entitled to and receive pension contributions from the Local Government Pension Scheme (LGPS). This is a contributory scheme and they contribute between 8.5 and 11.4% of their salary to the scheme. Changes to the LGPS regulations were implemented in April 2014, and this changed contribution rates and changed the scheme from a final salary scheme to a career average (CARE) scheme.

## **15.0 Election Fees**

- 15.1 The Returning Officer is the person who has the overall responsibility for the conduct of elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council the role of the Returning Officer is one of a personal nature and distinct and separate from their duties as an employee of the Council. Elections fees are paid for these additional duties and they are paid separately to salary.

The Chief Executive is the Council's Returning Officer.

The fees for Parliamentary, Police Commissioner, Combined Authority Mayoral and Euro Elections are set by the Government.

Fees for local elections are set locally and are currently £373.72 per contested ward and £55.20 per uncontested ward.

Other officers, including senior officers within the scope of this policy, may receive additional payment for specific election duties.

## **16.0 Relationship to lowest paid employees**

- 16.1 The lowest pay grade of the Council's pay structure is Grade 1. For this reason we have chosen staff employed on Grade 1 as our definition of the 'lowest paid' for the purposes of this policy. Ratios are based on base salary and do not include other payments.

Grade 1 currently ranges from £13,796 to £15,449 per annum. The lowest paid employee on the council's pay scale is currently £13,796 per annum.

The Chief Executive's current salary scale ranges from £110,357 to £126,121.

The current ratio between the highest and the lowest pay points is - 1:9.1

The current ratio between the Chief Executive's current salary and the lowest pay point is 1:8.9

The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff.

- 16.2 The gender balance of the highest grades of SCDC earners is 56% females to 44% males.

## 17.0 Gender Pay Gap Reporting

- 17.1 In 2017 new equality regulations were introduced on Gender Pay reporting. South Cambridgeshire District Council is required to publish information under the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017. The definitions and types of information to be reported are defined in the regulations and to aid understanding the definitions are shown below, together with the data.

17.2 The mean gender pay gap

The difference between the mean hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees. This is shown as a percentage.

The mean gender pay gap is - **4.99%** in favour of females

A **mean** average involves adding up all of the numbers and dividing the result by how many numbers were in the list.

17.3 The median gender pay gap

The difference between the median hourly rate of pay of male full-pay relevant employees and that of female full-pay relevant employees (see regulation 9). This is shown as a percentage.

The median gender pay gap is -**17.12%** in favour of females

A **median** average involves listing all of the numbers in numerical order. If there is an odd number of results, the median average is the middle number. If there is an even number of results, the median will be the mean of the two central numbers.

17.4 The median bonus gender pay gap

The median bonus gender pay gap is not applicable as we do not pay bonuses.

17.5 The proportion of males and females in each quartile pay band

This calculation requires an employer to show the proportions of male and female full-pay relevant employees in four quartile pay bands, which is done by dividing the workforce into four equal parts.

There are four sections (called quartiles) with an equal number of employees in each section (or as close as possible to this). The quartiles (from the lowest to highest) are called the lower quartile, the lower middle quartile, the upper middle quartile, and the upper quartile.

Quartile	Female	Male	Grand Total	Female %	Male %
1. Lower Quartile	34	89	123	28%	72%
2. Lower Middle Quartile	59	64	123	48%	52%
3. Upper Middle Quartile	75	48	123	61%	39%
4. Upper Quartile	68	55	123	55%	45%

- 17.6 The mean and median figures in points 17.2 and 17.3 above reflect the fact that the Council's workforce in the bottom quartile is mainly male as the Council directly employs refuse operatives and drivers in a shared service for two Councils (SCDC and Cambridge City Council).

## **18.0 Tax Avoidance**

- 18.1 The Council takes tax avoidance seriously and will seek to appoint individuals to vacant positions using the recruitment procedures on the basis of contracts of employment and apply direct tax and National Insurance deductions from pay through the operation of PAYE.
- 18.2 Where consultants are recruited the Council will seek to avoid contractual arrangements which could be perceived as being primarily designed to reduce significantly the rate of tax paid by that person, such as paying the individual through a company effectively, controlled by him or her.
- 18.3 These principles will be embedded in contract clauses and guidance for managers when employing consultants.

## **19.0 Re-engagement of former South Cambridgeshire District Council staff within the scope of this policy**

- 19.1 All permanent or fixed term posts are advertised in accordance with the council's recruitment policies and appointment is made on merit, in accordance with the rules governing the recruitment of the Chief Executive, Executive Directors, Directors and Heads of Service set out in the Council's constitution in section: Part 4 Rules of Procedure - Officer Employment Procedure Rules.
- 19.2 Interim management appointments are made in accordance with the council's procurement policies and the provisions for contract for services.
- 19.3 Chief Executive, Executive Director, Directors  
The Council will not normally re-engage under a contract of services or re-employ any individual who has previously been employed by the Council and, on ceasing to be employed, is in receipt of a severance or redundancy payment.
- 19.4 All other grades of employee  
The Council will not normally re-engage under a contract of services or re-employ any individual who has previously been employed by the Council and, on ceasing to be employed, is in receipt of a severance or redundancy payment within three years from cessation of employment, this includes casual bank assignments.

Only in exceptional circumstances will re-engagement be considered in line with the council's re-engagement policy.

- 19.5 Employment of those in receipt of an LGPS pension  
Where the Council employs as a Chief Executive or Chief Officer a person who is in receipt of a pension under the LGPS, the rules on abatement of pensions adopted by the Council's Administering Authority for the LGPS, pursuant to Regulations 70 and 71 of the Local Government Pension Scheme (Administration) Regulations 2008 will be applied.

## **20.0 Apprentices**

- 20.1 The Council has engaged a number of apprentices. The apprentice roles are created by services as development opportunities to support the apprenticeship programme. These roles are usually existing posts within service area structures. Apprentices are paid at Grade 1 during the term of their apprenticeship.

## **Publication of the Pay Policy Statement**

This pay policy statement once approved by Full Council will be published on the Council's website.