

## PAY POLICY STATEMENT 2014 / 2015

The Localism Act 2011 ('the Act') (sections 38 to 40) requires English local authorities to produce a pay policy statement for each financial year. The DCLG statutory guidance on the Localism Act refers to "Openness and accountability in local pay" and covers such matters as pay fairness in the public sector by increasing transparency over pay and tackling disparities between the lowest and the highest paid in public sector organisations. The Act states that the policy must include pay and other remuneration for 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 in-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)
- Directors
- Heads of Service (including Legal & Democratic Services Manager (Monitoring Officer))

### 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	106,050	109,080	112,110	115,140	118,170	121,200
Executive Director	85,850	88,880	91,910	94,940	97,970	101,000
Director (Grade11)	68,651	71,313	73,975	76,640	79,302	81,967
Head of Service (Grade 10)	58,292	60,365	62,436	64,507	66,580	68,651
Head of Service (Grade 9)	50,895	52,375	53,855	55,335	56,814	58,292

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 the 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

### **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 Director 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 Director, 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 Director, 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 can 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 Director this includes name, job description, 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, an Executive Director, 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-imbursment 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 Other Benefits**

- 11.1 The employees 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.
- 11.2 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.

## **12.0 Severance Payments**

- 12.1 Severance payments are made in accordance with the Council's Organisational change and Redundancy policy as approved by Cabinet in November 2013 and are the same for all staff.
- 12.2 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.
- 12.4 The Council provides career counselling and out placement support for employees facing redundancy, this includes job search and interview skills.
- 12.5 Settlement agreements will only be used in exceptional circumstances where they represent best value for the Council.

## **13.0 Pension and Pension Enhancements**

The 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 7.2 and 7.5% of their salary to the scheme. Changes to the LGPS regulations are expected in April 2014, this is likely to change contribution rates and change the scheme from a final salary scheme to a career average (CARE) scheme.

## **13.0 Election Fees**

- 13.1 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 and Euro Elections are set by the Electoral Commission.

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.

#### **14.0 Relationship to lowest paid employees**

- 14.1 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 £13,257 to £14,500 per annum. The lowest pay point on the council's pay scale is currently £13,257 per annum.

The Chief Executive's current salary scale runs from £106,050 to £121,200.

The current ratio between the lowest and highest pay points on grade 1 is - 1:1.09

The current ratio between the lowest and highest pay points on the Chief executive grade is 1:1.14

The ratio of the lowest pay point to the current chief executives salary is 1:9.1

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

- 14.2 The gender balance of the highest 5% of SDCDC earners is 45% females to 55% males.

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

- 15.1 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.

- 15.2 Interim management appointments are made in accordance with the council's procurement policies and the provisions for contract for services.
- 15.3 **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. Only in exceptional circumstances will re-engagement be considered in line with the council's re-engagement policy.
- 15.4 **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 earlier re-engagement be considered in line with the council's re-engagement policy.
- 15.5 **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.

## **16.0 Zero Hours Contracts**

- 16.1 'Zero Hours contracts' are contracts of employment which do not specify any number of hours that the employee will be required to work. The contract will state that instead of working a specific number of hours per week, an employee must be available and ready to work whenever they are asked by the employer. A Zero Hours contract means that the employee will only be paid for the time they work, however they will have to wait on work premises or be at home waiting by the phone, they will not be paid for this waiting time.

The Council will not use Zero Hours contracts.