

**Nuneaton
&
Bedworth**



United to Achieve

Pay Policy Statement

**Issued by Human Resources
May 2017**

EMP.35

NUNEATON & BEDWORTH BOROUGH COUNCIL

PAY POLICY STATEMENT

Quality Record

Record No.	Date	Comments	Approved
1.	25 April 2012	Approval by Single Member Decision	Yes
2.	11 July 2012	Approval by Council	Yes
3.	8 April 2013	Approval by Single Member Decision	Yes
4.	10 July 2013	Approval by Council	Yes
5.	29 May 2014	Trade Union Consultation	N/A
6.	July 2014	Equalities Impact Assessment	N/A
7.	5 August 2014	Approval by Single Member Decision	Yes
8.	24 September 2014	Approval by Council	Yes
9.	2015	Trade Union Consultation	N/A
10.	2015	Equalities Impact Assessment	N/A
11.	2015	Approval by Single Member Decision	
12.	2015	Approval by Council	
13.	2016	Approval by Council	
14.	2017	Approval by Council	

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PAY POLICY STATEMENT

1. Introduction and Purpose

1.1 Under section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”. This Pay Policy Statement (the ‘statement’) sets out the Council’s approach to pay in accordance with the requirements of Section 38 of the Localism Act 2011. The purpose of the statement is to provide transparency with regard to the Council’s approach to setting the pay of its employees by identifying the following:-

- the methods by which salaries of all employees are determined;
- the detail and level of remuneration of its most senior staff i.e. ‘chief officers’, as defined by the relevant legislation;
- the Panel responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to full Council.

1.2 This policy statement is subject to review on an annual basis in accordance with the Localism Act 2011.

2. Legislative Framework

2.1 In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. With regard to the Equal Pay requirements contained within the Equality Act, the Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality proofed mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.

3. Pay Structure

3.1 The majority of the workforce is covered by the Council's local Job Evaluation Methodology that was implemented in March 2012. The Nationally negotiated Salary Pay Spine is used to determine individual Salary Grades. Further details can be obtained from Human Resources. All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council Policy.

3.2 The Managing Director, Directors and Local Grading positions are determined by the Council’s Remuneration Panel following consideration of a report from an independent adviser.

3.3 In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain

employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.

- 3.4 New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate, in line with the Council's Recruitment and Selection policy. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.

4. Senior Management Remuneration

- 4.1 For the purpose of this statement, senior management means 'chief officers' as defined within S43 of the Localism Act and include:

- a) Managing Director [Head of Paid Service]
- b) Director of Finance & Procurement – Section 151 Officer [Chief Officer]
- c) Director of Governance & Recreation – Monitoring Officer [Chief Officer]
- d) All other Directors reporting directly to the Managing Director [Chief Officers]
- e) All Managers reporting directly to Directors [Deputy Chief Officers]

- 4.2 The salary ranges and number of staff for these positions is as follows:

POSITION	SALARY RANGE	NUMBER OF STAFF
Head of Paid Service	£89,502 - £100,032	1
Section 151 Officer [Chief Officer]	£64,889- £72,523	1
Monitoring Officer [Chief Officer]	£62,652 - £70,022	1
Director [Chief Officer]	£60,414 - £67,522	4
Managers [Deputy Chief Officer]	£46,662 - £47,606	4
Managers [Deputy Chief Officer]	£44,767 - £45,715	2
Managers [Deputy Chief Officer]	£42,899 - £43,821	8
Managers [Deputy Chief Officer]	£41,025 - £41,967	6
Managers [Deputy Chief Officer]	£39,177- £40,057	5
Managers [Deputy Chief Officer]	£37,306 - £38,237	1
Managers [Deputy Chief Officer]	£35,444 - £36,379	4
Managers [Deputy Chief Officer]	£33,437 - £34,538	4
Managers [Deputy Chief Officer]	£28,485 - £30,153	1
Managers [Deputy Chief Officer]	£25,951 - £27,668	1

NOTES

1. FTE Salary as at April 2017
2. Incremental progression is subject to satisfactory performance
3. Increments are paid every two years on 1 April.
4. Managers [Deputy Chief Officers] are those staff that report directly to Directors [Chief Officers]

5. Recruitment of Chief Officers

- 5.1 The Council's policy and procedures with regard to recruitment of chief officers is set out in the Constitution. When recruiting to all posts the Council will take full and proper account of its own Recruitment & Selection, Equal Opportunities, Change Management and Redeployment Policies. The determination of the remuneration to be offered to any newly appointed chief officer 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 to a post at the designated grade, it will consider the use of temporary market forces supplements in accordance with its relevant policies.
- 5.2 Where the Council remains unable to recruit chief officers under a contract of employment, or there is a need for interim support to provide cover for a vacant substantive chief officer post, the Council will, where necessary, consider engaging and utilise individuals under 'contracts for service'. These will be sourced through a relevant procurement process ensuring the council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service.

6. Additions to Salary of Chief Officers

- 6.1 The Council does not apply any bonuses or performance related pay to its chief officers
- 6.2 In addition to basic salary, set out below are details of other elements of 'additional pay' which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfillment of duties;
- Managing Director - Fees for Returning Officer Duties paid by Electoral Commission.
 - Director of Governance & Recreation - Fees for Deputy Returning Officer Duties paid by the Electoral Commission.

7. Payments on Termination

- 7.1 The Council's approach to statutory and discretionary payments on the termination of employment of chief officers, prior to reaching normal retirement age, is set out within its Discretions Policy Statement in accordance with:
- Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006
 - Regulations 12 and 13 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007
 - The Local Government Pensions Regulations 2013

A copy of the policy is available from Human Resources.

8. Publication

- 8.1 Upon approval by the full Council, this statement will be published on the Council's Website. In addition, for posts where the full time equivalent salary is

at least £50,000, the Council's Annual Statement of Accounts will include a note setting out the total amount of:

- salary, fees or allowances paid to or receivable by the person in the current and previous year;
- any bonuses paid or receivable by the person in the current and previous year;
- any sums payable by way of expense allowances that are chargeable to UK income tax;
- any compensation for loss of employment and any other payments connected with termination;
- any benefits received that do not fall within the above

9. Lowest Paid Employees

- 9.1 In April 2014, the Council introduced a minimum salary for all employees that was equivalent to the Living Wage. Therefore as at 1 April 2017, the salary for the lowest paid employees is £16,302 per annum (37 hours FTE). This does not include Apprenticeship Schemes.
- 9.2 The relationship between the rate of pay for the lowest paid and chief officers is determined by the processes used for determining pay and grading structures as set out earlier in this policy statement.
- 9.3 The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton enquiry was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that the relationship to median earnings was a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median salary of the whole of the authority's workforce.
- 9.4 The current pay levels within the Council define the multiple between the lowest paid full time equivalent (FTE) employee and the Head of Paid Service as 1 : 6 and; between the lowest paid FTE employee and median salary of Chief Officers as 1 : 4. The multiple between the median FTE earnings and the Head of Paid Service is 1 : 4.55 and; between the median FTE earnings and median salary of Chief Officers is 1 : 3.
- 9.5 As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the council will use available benchmark information as appropriate.