

BABERGH AND MID SUFFOLK DISTRICT COUNCILS; PAY POLICY STATEMENT 2019/20

1 INTRODUCTION

- 1.1 Babergh and Mid Suffolk District Councils recognise that, in the context of managing scarce public resources, remuneration at all levels needs to be adequate to secure and retain high quality employees dedicated to the service of the public, but at the same time needs to avoid being unnecessarily generous or otherwise excessive.
- 1.2 It is important that local authorities are able to determine their own pay structures in order to address local priorities and to compete in the local labour market. In particular, it is recognised that senior management roles in local government are complex and diverse, functioning in a politicised environment where often national and local pressures conflict.
- 1.3 The Councils' ability to continue to attract and retain high calibre leaders capable of delivering this complex agenda, particularly during times of financial challenge, is critical if the Councils are to retain and improve their current performance levels, and to deliver for local people.
- 1.4 The councils publish their joint Pay Policy Statement and details of the Chief Officers' remuneration on their websites: www.babergh.gov.uk and www.midsuffolk.gov.uk

2 CONTEXT

- 2.1 Babergh and Mid Suffolk District Councils have an integrated workforce structure, supported by a single pay and grading structure and supporting policies and terms and conditions of service which were achieved through a collective agreement across both Councils.
- 2.2 National job evaluation schemes for local government were used to create the grading structure for all posts within the operational delivery teams and the management structure.

3 LEGISLATION

- 3.1 Section 38(1) of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement for each financial year.
- 3.2 This document comprises the Pay Policy Statement being recommended for adoption.
- 3.3 This statement must include the Councils' policy on the following:

- 3.3.1 Level and elements of remuneration for each chief officer. This is defined by the Councils as Chief Executive (Head of Paid Service), Strategic Directors (Non-Statutory Chief Officers) and Assistant Directors (two of whom cover the roles of Section 151 and Monitoring Officers).
- 3.3.2 The remuneration of the Councils' lowest paid employees.
- 3.3.3 The relationship between the remuneration of the Councils' chief officers and others.

4 REMUNERATION OF EMPLOYEES WHO ARE NOT CHIEF OFFICERS

- 4.1 For employees subject to the National Agreement on Pay and Conditions of Service of the National Joint Councils for Local Government Services (commonly known as the 'Green Book'), the Councils currently use a total of 11 pay grades. Posts have been allocated to a pay band through a process of job evaluation.
- 4.2 Each grade has between 1 and 7 increments. The value of the pay increments (known as the 'Spinal Column Points') increases when the Councils are notified of pay awards by the National Joint Council (NJC) for Local Government Services. In addition, the Councils review all pay levels every April to determine who is eligible for incremental progression.
- 4.3 There is also a group of staff on the 'National Agreement on Pay and Conditions of Services for Local Authority Craft and Associated Employees (commonly known as the 'Red Book'). The Councils use a spot salary for this staff group and all are currently paid at £27,841 per annum.
- 4.4 For the purposes of this Policy Statement, employees on the lowest increment within the Grade 1 pay band are defined as our lowest paid employees. This is because no employee of the Council is paid at an hourly salary level that is lower than this grade. At 31st March 2019 the full time equivalent (FTE) annual value of the lowest increment used within Grade 1 is £17,391. This rate exceeds the National Minimum Wage and the Living Wage set by the Living Wage Foundation. This excludes some apprentices who are paid the National Minimum Wage rates for apprentices.

5 REMUNERATION OF CHIEF OFFICERS

- 5.1 The Councils share the following posts, which fall within the definition of 'Chief Officer' for the purposes of this Pay Policy:
- Chief Executive (the Councils' Head of Paid Service)
 - Strategic Directors x 2
 - Assistant Directors x 8

5.2 The Chief Executive post was evaluated in 2016; the remaining posts were evaluated in 2011 using the Local Government Senior Managers' evaluation scheme. The pay grades for these posts were established following recommendations by an independent Local Government Association (LGA) consultant who drew on current data on salary levels within the sector.

5.3 The value of the incremental points (Spinal Column Points) within each of the pay grades will be increased by the pay awards notified from time to time by the Joint Negotiating Committees for Local Authorities.

5.4 Chief Executive

5.4.1 The Chief Executive is the Councils' Head of Paid Service. As at 31 March 2019 the annual full time equivalent (FTE) salary range for the grade of this post is £113,322 to £131,866. There are five incremental points in the grade. The Chief Executive is currently on the second point in the grade at £117,958.

5.4.2 It is the Councils' policy that the FTE salary range for the post of Chief Executive will normally be no greater than 8 x the FTE salary range of a Grade 1 'Green Book' employee. The FTE salary for the Chief Executive does not exceed this range.

5.4.3 The Chief Executive also receives a Returning Officer fee in respect of District and Parish Council Elections, and a Deputy Returning Officer fee for County Council elections. Each Council has agreed a scale of fees for this function dependent upon the number of contests at any given election. Fees for conducting UK Parliamentary Elections, European Parliamentary Elections and national referenda are determined by way of a Statutory Instrument.

5.5 Strategic Directors and Assistant Directors

5.5.1 The Strategic Directors report to the Chief Executive. The Assistant Directors report to the Strategic Directors. As at 31 March 2019 the annual FTE range for the Strategic Director grade is £78,403 to £92,366.

5.5.2 There are five incremental points in the grade.

5.5.3 It is the Councils' policy that the FTE salary range for Strategic Directors will normally be no greater than 7 x FTE salary range of a Grade 1 'Green Book' employee. The FTE salary for the Strategic Directors does not exceed this range.

5.5.4 The Assistant Directors report to the Strategic Directors. As at 31 March 2019 the annual FTE salary range for the Assistant Director grade is £56,923 to £70,886. There are five incremental points in this grade.

5.5.5 It is the Councils' policy that the FTE salary range for the Assistant Director posts will normally be no greater than 4.5 x the FTE salary range of a Grade 1 'Green Book' employee. The FTE salary for Assistant Directors does not exceed this range.

- 5.5.6 The Councils' Monitoring Officer and Section 151 Officer are shared between both councils at Assistant Director grade. In addition, there is an allowance for the Councils' Monitoring Officer and Section 151 Office for undertaking a statutory officer role across two councils within the range of £7,975 and £11,697 per annum.

6 GENERAL PRINCIPLES APPLYING TO REMUNERATION OF CHIEF OFFICERS AND EMPLOYEES

Recruitment

- 6.1 On recruitment individuals (including Chief Officers) will be placed on an appropriate pay increment within the pay grade for the post that they are appointed to. Access to appropriate elements of the Councils' Relocation Scheme may also be granted in certain cases when new starters need to move to the area.

Pay Increases

- 6.2 The value of pay increments within the grades may increase as a result of the Joint Negotiating Committee for Local Authorities negotiating pay rises. Individuals (including Chief Officers) may also progress within their pay grade. Individuals cannot progress beyond the top increment within their pay grade. Progression arrangements within the grade will be dependent upon competency and performance.

6.3 Termination of Office/Employment

On ceasing to hold office or be employed by the Councils, individuals (including Chief Officers) will only receive compensation:

- 6.3.1 in circumstances that are relevant (e.g. redundancy)
- 6.3.2 that is in accordance with council policies on how to exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS), and/or
- 6.3.3 that complies with the specific term(s) of a settlement agreement.

Additional Remuneration

- 6.4 The Councils pay market supplements to some posts within the Development Management Team. A policy has been agreed to make sure that these are relevant, appropriate and regularly reviewed.
- 6.5 The Councils do not currently pay honoraria awards, but this will be reviewed during 2019/20.
- 6.6 The Councils pay Essential and Casual Car User allowances in accordance with agreed policy. The payment of Essential Car User allowances will be reviewed now that there is data available for a full year following the move to Endeavour House. The rates for essential car user mileage are based on the rates set by the National Joint Consultative Council for Local Government Services. The Councils only apply the rates up to a 1199cc engine size; and do not pay the 1200cc to 1450cc (i.e. the top band). The rates for casual car user mileage are based on the rates set by HMRC.

There are also rates in force for individuals who use their bicycle or motorcycle which are also based on the rates set by HMRC.

6.7 Subsistence allowances that are paid will be determined locally.

6.8 Chief Officers are not paid a bonus or any other performance-related pay.

7. REVIEW

7.1 The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each financial year. Our next Statement is scheduled to be for 2020/21 and will be submitted to Full Council for approval.

7.2 If it should be necessary to amend this 2019/20 Statement during the year that it applies, an appropriate resolution will be made to Full Council.