
Pay Policy Statement 2017 - 2018

This paper is submitted to Full Council in accordance with our obligations under Section 38 (1) of the Localism Act 2011, which requires local authorities to produce an annual pay policy statement.

1. Relevant Background Details

Background:

The attached Pay Policy Statement has been produced in accordance with our obligations under Section 38 (1) of the Localism Act.

The aim of Pay Policy Statements is to provide transparency around chief and senior officer remuneration in local government. The attached statement is not a policy in itself but a statement summarising the Council's various remuneration policies, as agreed.

Since its introduction, Pay Policy statements must be formally approved by Full Council; approved by the end of March each year and can be amended in year.

2. Report

The Pay Policy Statement is required to set out Council's policies in relation to:

- levels of remuneration for chief officers;
- remuneration of the lowest paid employees;
- relationship between the chief officer and other employees and
- other specific aspects of chief offer remuneration.

In addition, it sets out Council policy on the award of discretionary payments under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006

The attached Pay Policy Statement reflects the Living Wage Foundation increase being implemented from April 2017 and the Council's pension discretions. The Policy statement also contributes to the Council's adherence of its data publication obligations under the Local Government's Transparency Code 2014.

Public Sector Exit Payment Regulations (2016) is expected to come into force shortly. The draft provisions, which are not anticipated to change, have been incorporated into the pay policy statement under Section 3.5, where the severance payment limit reflects the regulatory cap of £95k.

3. Options to be considered (if any)

- a) to approve the attached pay policy statement. An approved statement will enable the authority to publish the statement in accordance with the requirements under the Act; or
- b) to reject the attached pay policy. This would leave us in breach of the Act, until such time as a revised policy can be agreed.

4. Issues to be taken into account:-

Policy Priorities

The statement sets out current council policy in relation to remuneration

Financial

Financial implications have already been considered within the relevant national or locally agreed policies applicable to the remuneration of officers within the scope of this paper. Payroll has provided advice and support in the composition of this statement.

Legal

The report meets with the Council's legal obligations under Section 38 (1) of the Localism Act and Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006

Public Sector Exit Payment Regulations (2016) have also been incorporated into the statement in anticipation of them coming into effect very shortly.

Legal Services have provided advice in the composition of this report in relation to compliance with data protection principals and relevant statutory obligations

Risk & Performance Information & Best Value

There are no issues in relation to these arising directly from this report

Human Rights & Equalities

There are no issues in relation to these arising directly from this report

Sustainability & Community Safety

No impact

5. Conclusion

The report is produced in accordance with our statutory obligations and in order to provide transparency around the remuneration of chief and senior officer within local government

6. Recommendation

That Full Council:-

- i) Approve the Pay Policy Statement 2017 - 2018.

Background Papers / External Consultations

None

List of Appendices

Attached report

Officer to Contact

Stella Jinks, Human Resources Manager Ext 4655



PAY POLICY STATEMENT: 2017/2018

1. Introduction:

- 1.1 Corby Borough Council recognises that remuneration at all levels needs to be adequate to attract and retain high quality employees dedicated to providing the public services we deliver.
- 1.2 In particular, it recognises that senior management roles in local government are complex and diverse functions within a highly politicised environment, where national and local pressures can often conflict.
- 1.3 It is important that local authorities are able to determine their own pay structures that address local priorities and can compete in the local labour market.
- 1.4 The aim of this statement is to provide transparency. It is not intended to be prescriptive, but designed to encourage good practice.

2. Policy Scope:

- 2.1 This Pay Policy Statement includes the Council's policies relating to:
 - the level and elements of remuneration for each chief officer
 - remuneration of its lowest paid employees
 - relationship between the remuneration of its chief officer and other officers
 - other specific aspects of chief officers remuneration
- 2.2 This statement applies particularly to Chief Officers and the Council's lowest-paid employees, but has general application regarding the Council's pay policy for all officers.
- 2.3 "Chief Officer" has the definition given in Section 43 (2) of the Localism Act 2011 and includes the following: Head of Paid Service, Chief Finance Officer, Monitoring Officer, Corporate Directors and Accountancy Manager
Other senior pay groups covered by this policy include Heads of Service.
- 2.4 Remuneration, in the context of this statement, is defined widely to include not just pay but charges, fees, allowances, increases / enhancements of pension entitlement and termination payments.

3. Policy on Remuneration:

3.1 The policy on remuneration for each group is as follows:

3.2 Chief Executive (Head of Paid Service)

(a) Remuneration of the Chief Executive (Head of Paid Service) is determined by Full Council and is in line with the NJC pay scales for Chief Executives which are currently within the following ranges:

Spinal Point 115 to 120 £96,716 to £102,339

(b) The remuneration package is considered an all inclusive rate of pay that does not attract shift allowance, overtime, flexitime etc. Appointments should commence at the bottom of the pay scale appropriate to the level of post. The Recruitment Panel is afforded discretion as to what factors are taken into account in deciding on what point of scale a recruit is appointed

(c) Other terms and conditions are as prescribed by the JNC Terms and Conditions for Local Authority Chief Executives or other locally agreed policies, as and where applicable.

3.3 Corporate Directors

(a) Remuneration of Corporate Directors is set against the National NJC pay scales and is currently within the following ranges:

Spinal Point 122 to 125; £73,890 to £77,092

(b) The Remuneration package is considered an all inclusive rate of pay that does not attract shift allowance, overtime, flexitime etc. Appointments should commence at the bottom of the pay scale appropriate to the level of post. The Recruitment Panel is afforded discretion as to what factors are taken into account in deciding on what point of scale a recruit is appointed.

(c) Other terms and conditions are as prescribed by either the JNC or NJC Terms and Conditions of service or other locally agreed policies, as and where applicable

3.4 Heads of Service

(a) Remuneration of Head of Service is set against the National NJC pay scales and is currently within the following ranges:

Spinal Point 101 to 107; £52,395 to £62,220

(b) Appointments should commence at the bottom of the pay scale appropriate to the level of post. The Recruitment Panel is afforded discretion as to what factors are taken into account in deciding on what point of scale a recruit is appointed on

(c) Other terms and conditions are as prescribed by the NJC Terms and Conditions of service or other locally agreed policies, as and where applicable

Further senior management details are available in Appendix One.

3.5 Appointments and Severance Payment

Where the Council proposes to appoint a chief officer, a Committee / Sub Committee (Appointment Panel) will appoint chief officers and deputy chief officers. Appointments below deputy chief officer level are the responsibility of the Head of Paid Service or their nominated deputy. Full Council will approve the appointment of the Head of Paid Service, the Monitoring Officer and the Section 151 Officer.

In relation to the termination of employment, the Council will have due regard to the making of any appropriate payments where it is in the Council's best interests. Any such payment will be in accordance with contractual or statutory requirements and take into account the potential risks and liabilities to the Council, including any legal costs, disruption to services, impact on employee relations and management time. The Council will have specific regard to the legal requirements which apply to the termination of employment of Statutory Officers; Head of Paid Service, Section 151 Officer and the Monitoring Officer. It will also ensure compliance with Public Sector Exit Payment Regulations (2016)

Severance packages for the Head of Paid Service (Chief Executive) will be subject to Full Council approval. Senior Management Team Officers (as shown in the attached family tree) and the Monitoring Officer may authorise severance payments for all other officers where the total severance payment does not exceed £95,000. Payments in excess of this amount will be subject to Full Council approval and compliance with any waiver exemption rules issued in conjunction with the Public Sector Exit Payment Regulations (2016).

3.6 Other

(a) Local government pay remains a matter for free collective bargaining between the national employers and trade unions through either the Joint Negotiation Committee (JNC) or the National Joint Council (NJC). Progression through the grade is based on length of service which results in automatic annual increments until the employee reaches the top of their grade. Increments within career graded posts are subject to the satisfactory completion of meeting set criteria which the employee is monitored and measured against.

(b) The Monitoring Officer post is currently being paid on an honoraria basis. Duties are paid through the provision of an honorarium payment until other payment arrangements can be made. The rate of pay is determined as a percentage of a Head of Service pay scale.

(c) Deputy Chief Officers, such as the Deputy S151 Officer or Deputy Monitoring Officer, are positioned within the grades of Middle Managers. The rate of pay is a discretionary element of pay determined as a percentage of a Head of Service pay scale.

4. Pension

- 4.1 All employees, who are members of the Local Government Pension Scheme (LGPS), make individual contribution rates in accordance with the table below:

Contribution Rate (%)	Pensionable Pay Range
5.5 %	£0 - £13,600
5.8%	£13,601 - £21,200
6.5%	£21,201 - £34,400
6.8%	£34,401 - £43,500
8.5%	£43,501 - £60,700
9.9%	£60,701 - £86,000
10.5%	£86,001 - £101,200
11.4%	£101,201 - £151,800
12.5 %	Over £151,801

- 4.2 Corby Borough Council discretions within the scheme are set out in its Pensions Discretions Policy. This policy applies to all officers within the Local Government Pension Scheme. Please refer to Section 8(c)

5. Other Pay Elements

5.1 Recognition Payments

The Council may consider granting an honorarium (of an amount dependant upon the circumstance of each case) to an officer who performs duties of a higher grade post, outside of the scope of their post, for an extended period or performs duties that are considered exceptionally onerous. Determination will be made by the respective post holder's line manager.

5.2 Market Supplements

The Council has adopted a locally agreed Market Supplement Policy setting out its policy on the application of market supplements and their revision. This policy applies to all Corby Borough Council employees.

5.3 Relocation Allowances

In the case of officers being relocated, it is the practice of Corby Borough Council to contribute towards the approved costs of removal expenses and of other incidental expenses reasonably attributed to the removal. The Council has adopted a locally agreed Relocation Policy that sets out eligibility for such expenses.

5.4 Sick Pay Scheme

It is the policy of the Council to provide sick pay provisions, based on length of service and calculated at a normal days pay, in accordance with JNC and NJC conditions of service. Eligibility to the scheme is in accordance with the NJC Green Book and is set out in the Council's Absence Management Policy

5.5 Other Rewards

The Council operates a salary sacrifice scheme for childcare vouchers which, subject to meeting the eligibility criteria, is open to all permanent employees within the scope of this pay policy statement. It is the policy of the Council to reimburse professional officers one subscription per year to a professional body that is directly relevant to their role.

5.6 Misc

The Council reserves the right to deviate from nationally agreed conditions of service, subject to relevant consultations and, where necessary, Full Council approval.

6. Returning Officer Duties

- 6.1 Officers shall be entitled to receive and retain the personal fees arising from such of the duties of Returning Officer. The Returning Officer's fees for local elections are determined through a benchmarking exercise of fees within Northamptonshire. Any fee paid to the Deputy Returning Officer is at the discretion of the Returning Officer and paid from the Returning Officer's own fee.

7. Relationship between the remuneration between the Council's Chief Officer and other officers

- 7.1 The lowest paid employee will be paid in line with the Living Wage at spinal point 10(a) of which the full time equivalent basic pay rate is £16,302 (£8.45 ph) per annum.
- 7.2 The Council does not have a formal policy on the ratio between chief officer remuneration and its other officers and does not favour the adoption of introducing numerical targets for the multiple. The median pay ratio for 2017-18 is 2:492. This ratio will be monitored each year within this pay policy statement.

8. Discretionary Payments

- 8.1 The following sets out the Council's policy for the award of any discretionary payments, under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. The following apply to all staff regardless of their pay level.

- (a) Calculating redundancy payments.

For the purpose of calculating redundancy payments, there is a statutory limit on a week's pay. There is discretion for local authorities to use the employee's actual weekly pay rather than the statutory definition of a week's pay, when calculating statutory redundancy payments. Corby Borough Council has adopted this discretion and base redundancy calculations on employee's actual weekly pay.

(b) Lump Sum.

For the purpose of awarding Lump Sum payments, an authority has the discretion to provide a one-off lump sum payment of up to 104 week's pay (two years), inclusive of any redundancy payments made.

Discretion of this policy is delegated to the Chief Finance Officer and each case will be assessed on its own merits.

(c) Other pension discretions within the scheme

Pension discretions are published separately on the Council's website, which can be located via:

http://www.corby.gov.uk/sites/corby.gov.uk/files/Local%20Government%20Pension%20Scheme%20%28LGPS%29_0.pdf

9. Disclosure

9.1 The Pay Policy Statement will be published on the Council's website.

10. Policy Review

10.1 The Localism Act 2011 requires that Pay Policy statements must be formally approved by Full Council, by the end of March each year, can be amended in year and must be published.

Approved at Full Council: xxxxxxxxx

Appendix 1:

Senior Management Team

