

# New Forest District Council

## Pay Policy Statement Financial year 2020-21

### Background

1. The purpose of this Pay Policy Statement (“Pay Statement”) is to set out New Forest District Council’s pay policies relating to its workforce for the financial year 2020-21, including the remuneration of its Chief Officers and that of its lowest paid employees. Once the Local Pay Award for 2020-21 has been agreed the Pay levels in this document will be amended accordingly.
2. The functions of appointment, dismissal and related matters for all employees below Chief Officer Level shall be dealt with by the Chief Executive and Executive Heads, or such other employees as may be authorised. Standing Orders for General Procedures deal with procedures for appointing and dismissing employees at Chief Officer Level.
3. With the exception of apprentices on the National Minimum Wage, pay for all staff, including Chief Officers, is formally discussed and consulted upon at the Employee Side Liaison Panel before recommendations are taken forward to the HR Committee who will make recommendations to Council.
4. For the purposes of this Pay Statement and in accordance with the Localism Act 2011 (“Localism Act”), staff employed by the Council have been separated into two groups:
  - (a) Chief Officers as defined by the Localism Act
  - (b) Employees who are not Chief Officers as defined by the Localism Act
5. An “employee who is not a Chief Officer” refers to all staff that are not covered within the “Chief Officer” group as outlined below. This includes the “lowest paid employees”. In the context of the Council, the “lowest paid employees” are those employed at Band 1 on the District Council’s pay structure (the current pay structure for 2019/20 is appended as **Item 1**).
6. Section 43(2) of the Localism Act defines Chief Officers for the purposes of the Localism Act. The following roles within the Council fall within the definition “Chief Officers”: -
  - (a) Head of Paid Service (Chief Executive)
  - (b) Monitoring Officer
  - (c) Section 151(Chief Finance Officer)
  - (d) Non-Statutory Chief Officers (Executive Heads and Chief Planning Officer)
  - (e) Officers reporting directly to those officers falling within (a), (b), (c) and (d) above (Deputy Monitoring Officer and Deputy S151 Chief Finance Officer)

### Chief Officers as defined by the Localism Act 2011

7. The Chief Executive’s pay is set in comparison with other district councils. The Chief Officers below the Chief Executive are paid on Band 11 of the Council’s pay structure (the Band for each role is determined by a consistent job evaluation process), Chief Officer current salaries are outlined below:

8. The Head of Paid Service salary range is detailed below, CX4 (£121,775) and CX5 (£125,542) are available for exceptional performance:

Spinal points	Salary
CX1	£111,142
CX2	£114,580
CX3	£118,123

9. The Council has a duty to appoint a Returning Officer responsible for local government elections and has decided that this role be carried out by the Chief Executive. The Returning Officer fees are regarded as a special responsibility payment in relation to independent duties carried out.
10. The fees and charges for European, UK Parliamentary and Police Commissioner elections and National Referendums are set by external bodies. The scale of fees and expenses for County, District, Parish and Town Council elections will be set in partnership with the County Council and other Hampshire local authorities to ensure uniformity and will be submitted to General Purposes and Licensing Committee.
11. The Monitoring Officer, Executive Heads and Chief Planning Officer salary range (Band 11) is detailed below, spinal point 73 (£83,110) and spinal point 74 (£85,545) are available for exceptional performance:

Spinal points	Salary
70	£76,220
71	£78,437
72	£80,740

12. The Executive Head of Operations also takes on the additional role of Deputy Chief Executive and receives an additional payment of £6,000 per annum.
13. The Section 151 (Chief Financial Officer) salary range (Band 10A) is detailed below. Spinal Point 67 (£70,017) and spinal point 68 (£72,012) are available for exceptional performance.

Spinal points	Salary
64	£64,501
65	£66,266
66	£68,108

14. The Deputy Monitoring Officer will be paid on band 10 (see point 15 below). The Deputy S151 (Chief Financial Officer) will be paid on Band 9.

15. The Service Managers salary range (Band 10) is detailed below:

Spinal points	Salary
58	£55,982
59	£57,157
60	£58,335
61	£59,599
62	£61,195
63	£62,813

16. The Council reviews its terms and conditions and pay levels regularly. The Chief Executive, Executive Heads and Service Managers pay was reviewed in 2015/16.

17. Pay awards are considered annually for all staff including Chief Officers. The outcome of the national consultations by the Local Government Employers in negotiation with the Trade Unions is applied unless this distorts the councils local pay structure.

18. The Chief Executive, Chief Officers' and Service Managers' performance and pay progression is reviewed annually on the achievement of clear organisational objectives. Incremental progression does not apply to these roles. The Chief Executives' annual review is undertaken by a member panel (comprising of the Leader of the Council, plus three other Portfolio Holders to be determined by the Leader).

19. The Council recognises that Chief Officers sometimes incur necessary expenditure in carrying out their responsibilities e.g. travel costs. Chief Officers will be reimbursed for reasonable expenses incurred on council business in accordance with local Terms and Conditions.

20. Chief Officers as a result of their employment are eligible to join the Local Government Pension Scheme in the same way as other employees. The pension's policy statement is appended as **Item 2** to this statement applies to all employees including chief officers.

21. All employees including Chief Officers with more than 2 years continuous service will be entitled to a redundancy payment. If employees are aged at least 55 they are also automatically entitled to the immediate payment of pension benefits if they are retired on the grounds of redundancy. The redundancy payments are based on actual weekly pay. The number of weeks individuals are entitled to is based on the statutory redundancy grid which provides for a maximum of 30 weeks. A multiplier of 1.5 is used to support efficient organisational change. The Council scheme therefore provides for an entitlement of up to a maximum of 45 weeks based on length of service and age. The Council operates one redundancy scheme for both voluntary and compulsory redundancies. All redundancies are subject to a full Business case which requires a maximum financial payback of 3 years.

22. The Council practice is not to re-employ Chief Officers who have received a redundancy or severance package on leaving the council.
23. In accordance with the Code of Recommended Practice for Local Authorities on Data Transparency, pay and benefits information for staff paid over £58,200 are published. This information is contained on 'Transparency and Open Government' pages on the Council's external website.

### **Employees who are not Chief Officers as defined by the Localism Act**

24. These employees are all paid on the Council's pay structure on Bands 1-9. Each employee will be on one of the 9 Bands based on the job evaluation of their role. Each Band consists of 1,3, 5 or 6 spinal points. Pay progression within the Band is subject always to good performance.
25. Each "lowest paid employee" is paid within the salary range for Band 1. All other employees are paid within the salary range for the Band of their role i.e. (2-9). In very exceptional cases individuals are paid a pay supplement.
26. Employees new to the Council will normally be appointed to the first spinal point of the salary range for their Band. Where the candidate's current employment package would make the first spinal point of the salary range unattractive (and this can be demonstrated by the applicant in relation to current earnings) or where the employee already operates at a level commensurate with a higher salary, a different spinal point in starting salary may be considered by the recruiting manager. This will be within the salary range for the Band. The candidate's level of skill and experience should be consistent with that of other employees in a similar position on the salary range.
27. Employees' performance during the year is reviewed within the Council's performance management arrangements and pay progression within the Band is subject always to good performance.
28. Pay awards are considered annually for staff. For all staff up to and including the Chief Executive the outcome of the national consultations by the Local Government Employers in negotiation with the Trades Unions is applied.
29. The Council believes in rewarding outstanding performance. It operates this through a system of bonus payments which are designed to reward outstanding performance at the time it occurs. The size of the award paid to an employee will be commensurate with the work being rewarded. All bonuses are subject to Executive Management Team approval.
30. The Council recognises that employees sometimes incur necessary expenditure in carrying out their responsibilities, for example travel costs. Employees will be reimbursed for reasonable expenses incurred on Council business in accordance with the Council's local Terms and Conditions.
31. Band 9 staff are entitled to the lease car cash alternative. The Essential User allowance only applies to jobs that are visiting officers or jobs that manage across more than one site (average of 2500 miles per annum) and agreed by the Service Manager.

32. All employees as a result of their employment are eligible to join the Local Government Pension Scheme. Details of the Council's pension policy are appended as item 2 of this Pay Statement.
33. The Council's redundancy scheme is detailed in paragraph 21 and this applies to all employees.
34. The Council practice is not to re-employ staff who have received a redundancy or severance package on leaving the Council; any request to do so would require specific approval from the appropriate Executive Head.
35. In accordance with The Local Government Association guidance on the Government's requirement for reporting remuneration relationships (the ratio between the highest paid employee and the median average earnings across the organisation as a multiple). Based on current salaries for 1<sup>st</sup> April 2019 this has been calculated as follows:

Chief Executive Remuneration	£118,123
Employees Median average remuneration	£22,593
Ratio	5.23