



Annual Council – 13 May 2020

Pay Policy Statement 2020-21

Purpose of Report:

This report is submitted to (full) Council in accordance with our obligations under Section 38 (1) of the Localism Act 2011 and the Local Government's Transparency Code 2014, (full) Council is required to approve an annual Pay Policy Statement relating to Chief Officers. Approved statements must be published.

Attachments:

Appendix 1 – Pay Policy Statement 2020-21

1.0 Introduction

- 1.1 The attached Pay Policy Statement has been produced in accordance with our obligations under Section 38 (1) of the Localism Act 2011. The statement also contributes to the Council's adherence to its data publication obligations under the Local Government Transparency Code 2014.
- 1.2 The aim of a Pay Policy Statement is to provide transparency around chief and senior officer remuneration in local government.
- 1.3 The attached Pay Policy Statement is not a policy in itself. It is an extract of policy data already approved, relating to the remuneration of its Chief Officers that the Council is obliged to publish.
- 1.4 Pay Policy Statements must be formally approved by Full Council and published on the Council's internet. Pay Policy statements are subject to review on an annual basis.
- 1.5 The format of the Pay Policy Statement 2020-21 has been revised to reflect Council policy relating to our obligations to meet the Government's transparency requirements. It is also set out in a style that is similar to statements produced by our neighbouring North Northamptonshire Councils in an attempt to harmonise such publications prior to unitary.
- 1.6 The Council's full Pay Policy is unaffected by this statement and will remain available on the ENCHub, the council's intranet.

2.0 Proposed Pay Policy Statement

- 2.1 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 remuneration of the chief officer and other employees; and
 - other specific aspects of chief offer remuneration.
- 2.2 In addition, it sets out the Council's policy on the award of discretionary payments under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006.

3.0 Equality implications

3.1 Equality Impact Assessments will have been completed upon the design and approval of policies. The Pay Policy Statement is a reflection of previously agreed policy decisions and is not a policy in its own right.

4.0 Legal implications

4.1 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

5.0 Risk management

5.1 Failure to agree and publish a Pay Policy Statement would be a breach of our obligations under Section 38 (1) of the Localism Act and the Local Government's Transparency Code 2014.

6.0 Resource and Financial implications

6.1 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 Pay Policy Statement.

7.0 Constitutional Implications

7.1 There are no constitutional implications arising from the Pay Policy Statement.

8.0 Implications for our Customers

8.1 There are no customer service implications arising from the Pay Policy Statement.

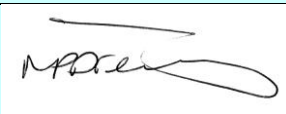
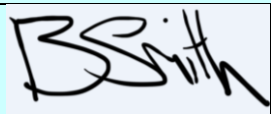
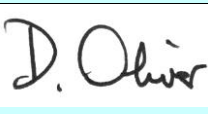
9.0 Corporate outcomes

9.1 This proposal contributes to the Corporate Outcomes of Effective Management - compliance with legislative requirements.

10.0 Recommendations

10.1 That (full) Council be recommended to consider and approve the Pay Policy Statement 2020/21.

(Reason: An approved statement will enable the authority to publish the statement in accordance with the requirements under the Localism Act 2011.)

Legal	Power:	Section 38 (1) of the Localism Act 2011.			
	Other considerations:	Local Government Transparency Code 2014			
	Background report:				
Person Originating Report:		Stella Jinks (Interim) HRSS Manager ☎ 01536 464655 ✉ sjinks@east-northamptonshire.gov.uk or stella.jinks@corby.gov.uk			
Date:					
CFO (Deputy) 21/02/20		MO (Deputy) 21/02/20		CX 21/02/20	



PAY POLICY STATEMENT: 2020-21

1. Introduction:

- 1.1 East Northamptonshire 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 policies that address local priorities and enable the council to compete in the local labour market.
- 1.4 The aim of this statement is to provide transparency.

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 Officers 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: Chief Executive (Head of Paid Service), Executive Director (Growth and Infrastructure) and Executive Director (S151/ Resources and Commercial)

Other senior pay groups covered by this policy include Heads of Service, collectively known as the Corporate Management Team.

3. Policy on Remuneration:

3.1 The policies on remuneration for each group are as follows:

3.2 Chief Executive (Head of Paid Service)

(a) Remuneration of the Chief Executive (Head of Paid Service) is determined locally by Full Council and falls within the following pay ranges:
Scale Point 106; £91,539 to £111,370

(b) The remuneration package is considered an all inclusive rate of pay that does not attract shift allowance, overtime, out of hours allowances, 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 the scale a recruit is appointed.

(c) Annual leave is prescribed by the JNC terms and conditions. Current provision is 34 days plus bank holidays.

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

3.3 Executive Directors

(a) Remuneration of Executive Directors is determined locally by Full Council and falls within the following pay ranges:
Spinal Point 114 to 116; £82,368 to £89,088

(b) The Remuneration package is considered an all inclusive rate of pay that doesn't attract shift allowance, overtime, out of hours allowances, 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) Annual leave is prescribed by the JNC terms and conditions. Current provision is 34 days plus bank holidays.

(d) Other terms and conditions are as prescribed by either the JNC or National Joint Council (NJC) Terms and Conditions of Service or other locally agreed policies, as and where applicable.

3.4 Heads of Service

(a) Remuneration of Heads of Service is determined locally by Full Council and falls within the following pay ranges;
Spinal Point 53 to 56; £59,322 to £66,730

(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 Scale Point a new employee is appointed to.

- (c) Annual leave is prescribed by the NJC terms and conditions. Current provision is 24 days, increasing by one day per year to a maximum of 34 days. Bank Holidays are in addition to this allowance.
- (d) 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 corporate management team details are available in Appendix One.

3.5 Appointments and Severance Payments

Where the Council proposes to appoint a Chief Officer, a Committee / Sub Committee (Appointment Panel) will make the appointment. Appointments below 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 making 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 Monitoring Officer.

Severance packages for the Head of Paid Service (Chief Executive) or Executive Directors will be subject to Full Council approval. All other severance payments that can be met within existing budget provisions are subject to the Chief Executive's approval. If the severance payment cannot be met within existing budgets, the Council's financial rules will apply in situations where there is insufficient budget provision. Termination payments do not include redundancy pay or pay in lieu of notice.

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. Pay awards are agreed nationally by the JNC or NJC and, where a pay deal is agreed, are generally implement in April of that year.
- (b) As a Local Authority, the Council observes the Redundancy Payments (Continuity of Employment in Local Government, etc) (Modification) Order 1999 in relation to the re-engagement under notice of redundancy takes on a new job with a Modification Order body.
- (c) Under the Modification Order an employee will lose their entitlement to redundancy pay if they take up employment with East Northamptonshire Council (or other body covered by the Order) not more than four weeks

after the date of redundancy, and the offer of the new job has been made before the completion of your service with their current Council.

In addition, the Council has determined not to re-employ a Chief Executive, Executive Director, Monitoring Officer or Section 151 Officer within one year of the date in which their employment terminated on the grounds of redundancy.

- (d) It is Council policy not to re-engage, under a contract for services, any Chief Executive, Executive Director, Monitoring Officer or Section 151 Officer who left their previous Council with a redundancy, severance or termination payment within 1 year from cessation of employment. However, the Council accepts there may be the rare cases where re-engagement might be required, for example, the need to engage an ex-employee under a contract for services for instances such as representing the Council in court proceedings. Approval in these instances must be obtained by the Leader of the Council and the Chair of the Personnel Sub-Committee.
- (e) Where the Council employs a Chief Executive or Chief Officer who is in receipt of an LGPS pension, the administering body's rules on abatement of pensions will be applied.

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 - £14,400
5.8%	£14,401 - £22,500
6.5%	£22,501 - £36,500
6.8%	£36,501 - £46,200
8.5%	£46,201 - £64,600
9.9%	£64,601 - £91,500
10.5%	£91,501 - £107,700
11.4%	£107,701 - £161,500
12.5 %	Over £161,501

- 4.2 East Northamptonshire Council's pension discretions, within the LGPS 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 dependent 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. The Chief Executive and Executive Directors are excluded. All honorarium payments for Heads of Service or below must be approved in advance by the Chief Executive.

5.2 Market Supplements

The Council will consider applying a Market Supplement where there is a proven difficulty to recruit. Any such payments must be pre-approved by Personnel Sub-Committee or the Chief Executive and Chair/Deputy Chair of Personnel Sub-Committee if needed for expediency.

5.3 Relocation Allowances

In exceptional cases, East Northamptonshire Council may consider contributing towards the approved costs of removal expenses and other incidental expenses reasonably attributed to the removal. Personnel Sub-committee has the delegated authority to consider such payments for Chief Executive or Executive Director roles. All other roles will be subject to the consideration and approval of the Chief Executive.

5.4 Sick Pay Scheme

The Council adheres to the nationally agreed sick pay provision, which is based on length of service and calculated at a normal day's pay, in accordance with JNC and NJC conditions of service. Maximum provision is six months' full pay and six months' half pay, after 5 years' service. Eligibility to the scheme is set out in the Council's Staff Management Policy.

5.5 Other Rewards

(a) 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.

(b) 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.

(c) The Council offers a reduced cost annual corporate leisure membership for all staff that wish to use its gyms or swimming pool or to attend fitness classes.

(d) Officers may be issued with work mobile phones or laptops for work purposes only. In the event that they are required to be on emergency duties, such as planning, costs for a home phone line will be reimbursed.

(e) Business mileage can be claimed, subject to evidence of adequate insurance provisions and a current driving licence. Rates for casual and essential mileage users range from 36.9p to 45p per mile, subject to engine size. After 10,000 miles these rates drop to 25p per mile. Where an employee qualifies for essential car user allowance, due to travel being an intrinsic part of the role, allowances range from £846 to £1,239 per

year. Mileage rates for essential car users are the same as casual mileage rates.

- (f) A car loan scheme is open to all employees employed in a role that is designated to be an essential car user. Interest is charged in line with current HMRC guidelines applicable at the time.
- (g) All staff have the option to purchase up to 10 days' additional holiday leave. This is a voluntary scheme.
- (h) In exceptional circumstances, Officers below Executive Director level may claim overtime at plain rate only, subject to the prior approval of the Chief Executive.

5.6 Miscellaneous

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 The Chief Executive receives a fee for undertaking statutory duties of Returning Officer. This role incurs personal responsibility and accountability and is statutorily separate to the duties as an employee of the Council.
- 6.2 Fees are only paid when the duties occur.
- 6.3 District Election and by-election fees are set by the Council and increased in line with JNC pay awards.
- 6.4 National and European election fees are set out and paid for by the government.

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

- 7.1 The lowest paid employee (excluding apprentices) will be paid at spinal point 2, of which the full time equivalent basic pay rate is £17,711 (£9.18 p.hr) per annum.
- 7.2 The Council does not have a formal policy on the ratio between Chief Officer remuneration and that of its other officers, and does not favour the adoption of numerical targets for that multiple. The median pay ratio for 2020-21 is estimated to be 2.31 : 1. 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. East Northants Council has adopted this discretion and bases redundancy calculations on employee's actual weekly pay.

(b) Discretionary multiplier.

Under the discretionary compensation regulations the authority has the discretion to apply a multiplier. This has a statutory cap of 104 weeks (inclusive of both statutory and compensatory payment elements). The Council has adopted this discretion and applies a multiplier of 2.4.

(c) Pension discretions within the LGPS

Employer discretions within the LGPS are currently under review and, subject to approval, will be published separately on the Council's website.

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, can be amended in year and must be published.

Approved at Full Council: [date]

Appendix 1:



Corporate Management Team

Serving you



David Oliver
Chief Executive



Glenn Hammons
Executive Director
Resources and Commercial



Robert Harbour
Executive Director
Growth and Infrastructure*



Bhupinder Gill
Monitoring Officer*
(employed by Kettering Borough Council)

*(shared resource with Kettering Borough Council and the Borough Council of Wellingborough)

Kelvin Turner (Interim)

- Head of Resources
- Audit and Risk Management
- Business Transformation
- Committee Administration
- Corporate Support
- Electoral Services
- External Funding
- Finance Services
- Geographic Information Systems
- Human Resources
- ICT Applications Support
- ICT Support Services
- Information Governance
- Legal Services
- Payroll
- Printing Services
- Procurement
- Street Naming and Numbering



Lucy Hogston
Interim Head of Customer and Community Services

- Benefits
- Business Rates/NNDR
- Communications
- Community Partnerships
- Community Safety
- Customer Services
- Healthy & Active Lifestyles Partnership
- Land Charges
- Revenues
- Website Support



Greg Macdonald
Head of Economic & Commercial Development

- Business Support
- Commercialisation
- Facilities Management
- Inward Investment
- Job creation and skills development
- Property Development
- Public Realm Improvements
- Tourism



Mike Deacon
Head of Environmental Services

- Commercial Health
- Dog Warden / Pest Control
- Emergency Planning
- Environmental Protection
- Grounds Maintenance
- Licensing and Licensing Administration
- Private Sector Housing
- Waste Management



Paul Bland
Head of Planning Services

- Building Control
- Development Management and Planning Enforcement
- Planning Policy and Conservation
- Strategic Housing