

Welwyn Hatfield Borough Council Pay Policy Statement 2018/19

1. Introduction

- 1.1. This statement sets out the Council's position in relation to pay for its senior managers and lowest paid employees in compliance with the Localism Act 2011 (the Act) section 38 and the statutory and supplementary guidance on Openness and Accountability issued under section 40 of the Act.
- 1.2. The policy sets out the Council's approach to the pay and remuneration of its senior managers.
- 1.3. This statement covers the financial year 2018/19. The statement is updated and approved annually by full Council. This statement is published on the Council's website.

2. Scope of Pay Policy

- 2.1. The policy applies to all Chief Officers.
- 2.2. The definition of Chief Officers (as set out in section (43(2)) of the Act is not limited to heads of paid service or statutory chief officers. It also includes those who report directly to the head of paid service or statutory chief officers (non-statutory chief officers), and those who report directly to non-statutory chief officers
- 2.3. The Council's post holders who fall within the definition of Chief Officers are defined within the Council's Constitution and are shown in the following table:

| Head of Paid Service | Chief Executive |
|----------------------|--|
| Directors | Executive Director, Public Protection, Planning and Governance Executive Director, Housing and Communities Executive Director, Resources, Environment and Cultural Services (Section 151 Officer) |
| Heads of Service | Head of Environment Head of Resources (deputy Section 151 Officer) Head of Law and Administration (Monitoring Officer) Head of Public Health and Protection Head of Housing and Community Head of Planning Head of Policy and Culture Head of Property Services Head of Housing Operations |

3. General Terms and Conditions of Employment and Remuneration of Employees

- 3.1. All employees of the Council are employed as part of the Single Status Agreement, under either the National Agreement on Pay and Conditions of Service of the National Joint Council (NJC) for Local Government Services

(commonly known as the 'Green Book'), or the Joint Negotiating Committee (JNC) for Chief Officers and Chief Executives.

- 3.2. The Council uses a pay spine that commences at national Spinal Column Point (SCP) 6 and ends at local SCP 50. This pay spine is divided into 12 pay bands, with each containing four incremental points with the exception of Scale A, containing only one. Scale A is the lowest and Scale M is the highest of these pay grades. Posts are allocated to a pay scale through a process of job evaluation. We use the National Local Government Job Evaluation Scheme for this purpose.
- 3.3. For the purpose of this Policy Statement, employees on Scale A are defined as our lowest paid employees. At 1 February 2018, the annual value of SCP 6 is £16,228 and is inclusive of Outer Fringe Allowance, currently £585 per annum.
- 3.4. The values of the SCPs in pay grades are increased in line with the national pay awards agreed by the NJC for Local Government Services.
- 3.5. The pay award effective from 1 April 2018 has not been agreed nationally and negotiations are still underway. The National Employers have offered a two percent increase. The Outer Fringe Allowance is also subject to national negotiations. Pay scales will be adjusted accordingly, once agreement has been reached.

4. General Principles Applying to Remuneration of Employees

- 4.1. On recruitment, individuals will be placed on the appropriate SCP within the pay grade for the post that they are appointed to. This decision will be made by the appropriate Director and will take various factors into account, including the experience of the candidate, the level of competition for the post and the difficulty of recruiting to the post.
- 4.2. Individuals will normally receive an annual increment, subject to the top of their grade not being exceeded. In exceptional circumstances (e.g. examination success), individuals will receive accelerated increments. Again, this is subject to the top of their grade not being exceeded.
- 4.3. The Council does not apply performance related pay or bonuses.
- 4.4. The minimum point of a pay grade will not be lower than the maximum point of the preceding pay grade.
- 4.5. On ceasing to be employed by the Council, individuals will only receive compensation:
 - a) in circumstances that are relevant (e.g. redundancy); and
 - b) that is in accordance with our published Policy Statement on how we exercise the various employer discretions provided by the Local Government Pension Scheme (LGPS), (Annex A); and/or
 - c) that complies with the specific term(s) of a settlement agreement.

- 4.6. Under the circumstances of a settlement agreement the compensation will not exceed the amount that would have been paid under a redundancy situation.
- 4.7. The Council allows flexible retirement under its pension discretions. This is where an employee draws their pension and carries on working at a lower grade and/or on reduced hours. It is available to LGPS members who are aged 55 or over, and who, with the Council's consent, permanently reduce their hours and/or reduce their grade. The employee's pension is actuarially reduced if paid before normal state pension age. This policy applies to all grades including Chief Officers, however, this is at the Council's discretion giving due regard to the implications for succession planning.
- 4.8. The employees within the scope of this Statement are entitled to join the Local Government Pension Scheme (LGPS). Employees contribute between 5.5% and 12.5% of their salary. For the purpose of this statement, employees included with the table in section 4.0 contribute between 8.5% and 12.5%, depending on where they are within the salary range.
- 4.9. Any decision to re-employ an individual, who was previously employed by the Council and, on ceasing to be employed was in receipt of a severance or redundancy payment, will be made on merit. The Council will not however, normally engage such an individual under a contract for services.
- 4.10. Any Market Supplement and honorarium will only be paid in exceptional circumstances as agreed by Directors.
- 4.11. Employees that need to use their cars on a frequent basis for work related travel receive a car user allowance of £846 per annum irrespective on their car's engine size. This rate was applied for existing employees following a review in 2012. Employees who met the following criteria 'Essential users' are those staff who are required to have a motor car at their disposal because it is necessary for them to leave the office to undertake frequent visits, monitoring or inspection activities, often at short notice. New employees, from 1 April 2012, are not eligible to receive the essential user allowance.
- 4.12. These employees are able to claim the essential user mileage rates of:
- | | | | |
|-----------------|-----------|-------------|---------|
| Essential Users | 451-999cc | 1000-1199cc | 1200cc+ |
| Rate per mile: | 36.9p | 45.p | 45.p |
- 4.13. Employees that only use their cars on an occasional basis are refunded mileage only at the rate of 45 pence irrespective of their car's engine size.
- 4.14. The Housing Trust were not subject to the 2012 car allowance review. Housing staff in roles that meet the eligibility criteria are paid an allowance in line with the NJC agreement.
- 4.15. Employees that joined the Council from the Trust under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE), receive car allowances at the following rates:

| ESSENTIAL USERS | 451-999cc | 1000-1199cc | 1200cc+ |
|------------------------|------------------|--------------------|----------------|
| Lump Sum:- | £846 | £963 | £1,239 |
| Rate per mile:- | | | |
| Up to 8500 miles | 36.9p | 40.9p | 50.5p |
| Over 8500 miles | 13.7p | 14.4p | 16.4p |

CASUAL USERS

| | | | |
|------------------|-------|-------|-------|
| Rate per mile:- | | | |
| Up to 8500 miles | 46.9p | 52.2p | 65.0p |
| Over 8500 miles | 13.7p | 14.4p | 16.4p |

4.16. Subsistence allowances are no longer agreed nationally. The Council pays the allowance at the rates below, which have remained static since those last agreed nationally in 2011.

Breakfast £7.21
Lunch £9.95
Tea £3.94
Evening Meal £12.33

5. Apprenticeships

5.1. The Council is committed to offering apprenticeships to local people wishing to gain experience whilst working towards a qualification. Apprentices are contracted under a learning agreement and receive a minimum of £312 per week, depending on the qualification they are undertaking.

6. Remuneration of Executive Board

6.1. The remuneration of the Chief Executive and Directors was subject to a full and wide ranging review carried out by independent specialist consultants in 2009. The recommendations of the consultants were considered by Council Members (including both Leaders of the Opposition) and formed the basis of the agreement made by Members in October 2009. Chief Officers are currently paid in line with those recommendations.

7. Chief Executive

7.1. The Chief Executive is the Council's Head of Paid Service. As at 31 March 2018, the annual FTE range for the grade of this post is £116,430 - £126,960. There are three incremental points in this grade. Figures are inclusive of Outer Fringe Allowance currently £585 per annum.

7.2. With effect from 1 April 2018, the Chief Executive salary range will be enhanced as per the national agreement for Chief Executives.

7.3 The Chief Executive also receives a Returning Officer fee in respect of Borough and Parish Council Elections. These fees are currently £305 for each contested ward and £76 for each uncontested ward, and £252 for each contested Town/Parish ward and £63 for each uncontested Town/Parish ward. If a Town/Parish ward is contested along with a Borough ward the fee is £354 for the first Borough ward that is combined with a Parish ward election where one Borough Councillor is being elected. Fees for conducting Parliamentary Elections, European and Police and Crime Commissioners are determined by way of a Statutory Instrument.

8. Directors

8.1. There are three Executive Directors reporting to the Chief Executive namely;

- Public Protection, Planning and Governance
- Housing and Communities
- Resources, Environment and Cultural Services (Section 151 Officer).

8.2 The annual range for the Directors grades, as at 31 March 2018 is £87,467 - £95,366. There are three incremental points in the grade. Figures are inclusive of Outer Fringe Allowance, currently £585 per annum.

9. Remuneration of other Chief Officers

9.1. There are nine Heads of Service reporting to the three Executive Directors. In addition, there are ten Service Managers reporting to the Heads of Service. These posts are evaluated using the HAY job evaluation methodology to ensure roles are graded fairly, accurately and consistently. The job evaluation methodology allocates each role a grade. Each grade is matched to a broad salary range. These salary ranges are set locally. Salary ranges aim to ensure that salaries for senior managers are positioned at the median level for the market. Salary ranges are reviewed annually in April each year against an assessment of the local and national market.

9.2. The roles occupied by the Heads of Service are; Head of Environment, Head of Resources (deputy Section 151 Officer), Head of Law and Administration (Monitoring Officer), Head of Public Health and Protection, Head of Housing and Community, Head of Planning, Head of Policy and Culture, Head of Property Services and Head of Housing Operations.

9.3. As at 31 March 2018, the annual salary range for the Head of Service posts is £58,500 - £69,375. There are seven incremental points in the grade. Figures are inclusive of Outer Fringe Allowance of £585 per annum.

9.4. With effect from 1 April 2018 the salary for the Directors and Heads of Service will be enhanced as per the national agreement.

9.5. In addition to their role, the Head of Law and Administration undertakes the duties of the Monitoring Officer for the authority. These duties attract a fixed annual payment of £5000.

9.6. Both the Section 151 Officer and the Monitoring Officer have appointed deputies. The deputy Monitoring Officer receives a fixed annual payment of £3000 in relation to these duties. For one of the deputy Section 151 officers these duties are in addition to their role, and they receive a fixed annual payment of £3000 in relation to these duties.

9.7. An organisation chart is attached as appendix A, covering staff in the top three levels in the organisation including:

- Grade
- Job Title
- Department & Team
- Employment Status (Permanent or Fixed Term Temporary)
- Contact Details
- Salary in £5,000 brackets, consistent with the details published under section 34 of the Transparency Code, and
- Salary Ceiling (the maximum salary for the grade).

10. Pay Multiples

10.1. The relationship between the remuneration of Chief Officers and all other staff for the year 2018/19 is given below:

| | 2018/19 |
|---|---------------|
| Ratio Chief Executive's pay to the mean pay for the Council | 5.35:1 |
| Ratio of average Chief Officers' pay to mean pay for the Council | 3.49:1 |
| Ratio of the highest paid salary (which is currently paid to the Chief Executive) to the median pay for the Council "The pay multiple" | 5.75:1 |
| Ratio of average Chief Officers' pay to median pay for the Council | 3.55:1 |

10.2. The Council is satisfied that these ratios fairly reflect the different levels of responsibility of the various posts and the pay multiple will be monitored and reported annually as part of this policy statement.

11. Other Benefits Relating to Pay

11.1. The employees within the scope of this policy are entitled to participate in the Council's Salary Sacrifice Scheme, which includes a Childcare Voucher scheme, whereby any employee can sacrifice part of their salary for childcare vouchers. These vouchers are exempt from income tax or National Insurance contributions and therefore represent a saving for employees who then use them to purchase childcare. A similar scheme is also open to employees to allow them to purchase bicycles.

11.2. The Council has an eye care voucher scheme in place to fulfil its obligation to provide those employees using a VDU with an annual eye test and payment

for a prescription required solely for VDU work. Vouchers are issued in accordance with the Councils' Eye Test Policy.

12. Trade Union Facility Time

12.1. The Data Transparency Code 2014 requests that local authorities publish the following information on Trade Union Facility Time:

- Total number (absolute number and full time equivalent) of staff who are union representatives (including general, learning and health and safety representatives); 4 representatives, 3.6 FTEs
- Total numbers (absolute number and full time equivalent) of union representatives who devote at least 50 per cent of their time to union duties; Nil
- Names of all trade unions represented in the local authority;
Unison and GMB
- A basic estimate of spending on unions (calculated as the number of full time equivalent days spent on the union duties multiplied by the average salary); 33 days
- A basic estimate of spending on unions as a percentage of the total pay bill (calculated as the number of full time equivalent days spent on unions duties multiplied by the average salary divided by the total pay bill); 0.026% of total pay bill

13. Review

13.1. 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 2019/20 and will be submitted to Full Council for approval by 31 March 2019.

13.2. If it should be necessary to amend this 2018/19 Statement during the year that it applies, an appropriate resolution will be made by Full Council.

13.3. A copy of the Pay Policy will be published on the Council's website and the Corporate Governance group will be responsible for the implementation and publication of the Pay Policy.

13.4. Paragraph 35 of the Data Transparency Code 2014 requires local authorities to place a link on their website to this published data or place the data itself on its website, together with a list of responsibilities (for example, the services and functions they are responsible for, budget held and number of staff) and details of bonuses and 'benefits-in-kind', for all employees whose salary exceeds £50,000. The key differences between the requirements under this Code and the Regulations referred to above is the addition of a list of responsibilities, the inclusion of bonus details for all senior employees whose salary exceeds £50,000 and publication of the data on the authority's website.

14. Equality

14.1. This policy has been Equality Impact Assessed. The policy aims to meet the diverse needs of the workforce, ensuring that none are placed at a

disadvantage over others. The Equality Impact Assessment confirms that this policy meets the standards.

15. Background Documents

- The Code of Recommended Practice for Local Authorities on Data Transparency.
- Openness and Accountability in Local Pay: Guidance under section 40 of the Localism Act.
- Welwyn Hatfield Borough Council Constitution
- Welwyn Hatfield Borough Council LGPS Discretionary Policy
- Car Mileage Allowances
- Flexible Retirement Policy
- Redundancy and Redeployment Policy