

# Welwyn Hatfield Borough Council Pay Policy Statement 2019/20

## 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 2019/20. 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 Council's senior managers are defined within the Council's Constitution and are shown in the following table:

Head of Paid Service	Chief Executive
Directors	Corporate Director, Public Protection, Planning and Governance Corporate Director, Housing and Communities Corporate 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) 1 and ends at local SCP 39. This pay spine is divided into 12 pay bands, most having four incremental points with the exception of Scales A to D. A contains only one scale point and Scale B to D contain 2 scale points. Scale A is the lowest grade 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 April 2019, the annual value of SCP 1 is £18,676 and is inclusive of Outer Fringe Allowance, currently £609 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.

#### **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. 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.
- 4.5. 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.
- 4.6. The employees within the scope of this Pay Policy are entitled to join the Local Government Pension Scheme (LGPS). Currently 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. It has not been confirmed if this rate will change for 2019/20.
- 4.7. 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.

- 4.8. Any honorarium will only be paid in exceptional circumstances as agreed by Corporate Directors.
- 4.9. Employees required to use their cars for work related travel are able to reclaim 45 pence per mile. A number of employees with a contract prior to 2012, who are required to have a motor car at their disposal, receive a car user allowance of £846 per annum. These employees are able to claim mileage rates of 36.9p to 45p per mile.
- 4.10. Employees that joined the Council from the Community Housing Trust under the Transfer of Undertakings (Protection of Employment) Regulations (TUPE), receive car allowances at the following rates:

<b>ESSENTIAL USERS</b>	<b>451-999cc</b>	<b>1000-1199cc</b>	<b>1200cc+</b>
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
<b>CASUAL USERS</b>			
Rate per mile Up to 8500 miles	46.9p	52.2p	65.0p
Over 8500 miles	13.7p	14.4p	16.4p

- 4.11. 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 £358 per week inclusive of weighting allowance, depending on the qualification they are undertaking.

## **6. Remuneration of Corporate Management Team**

- 6.1. The remuneration of the Chief Executive and Corporate 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.

## **7. Chief Executive**

7.1. The Chief Executive is the Council's Head of Paid Service. As at 1 April 2019, the annual FTE range for the grade of this post is £121,134 - £132,090. There are three incremental points in the grade. Figures are inclusive of Outer Fringe Allowance, currently £609 per annum.

7.2. The Chief Executive also receives a Returning Officer fee in respect of Borough, Town and Parish Council Elections. The fee for undertaking this role is between £79 and £507 depending on whether it is a contested or uncontested ward. Fees for conducting Parliamentary Elections, European and Police and Crime Commissioners are determined by way of a Statutory Instrument.

## **8. Corporate Directors**

8.1. There are three Corporate 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 Corporate Directors grades, from 1 April 2019 is £91,001 - £99,220. There are three incremental points in the grade. Figures are inclusive of Outer Fringe Allowance.

## **9. Remuneration of other Chief Officers**

9.1. There are nine Heads of Service reporting to the three Corporate 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 1 April 2019, the annual salary range for the Head of Service posts is £60,864 - £72,178. There are seven incremental points in the grade. Figures are inclusive of Outer Fringe Allowance.

9.4. The Head of Law and Administration undertakes the duties of the Monitoring Officer for the authority and, these duties attract a fixed annual payment of £5000.

9.5. 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.

9.6. 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)
- 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 2019/20 is given below:

	2019/20
<b>Ratio Chief Executive's pay to the mean pay for the Council</b>	<b>4.59:1</b>
<b>Ratio of average Chief Officers' pay to mean pay for the Council</b>	<b>2.96:1</b>
<b>Ratio of the highest paid salary (which is currently paid to the Chief Executive) to the median pay for the Council "The pay multiple"</b>	<b>5.28:1</b>
<b>Ratio of average Chief Officers' pay to median pay for the Council</b>	<b>3.15:1</b>

10.2. The pay scales have been revised nationally to ensure implementation of the national living wage. The national agreement has enhanced the lower spinal column points by a greater amount than the higher points. This has reduced the pay ratio between the highest paid and the average employee.

## 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); 3 representatives, 2.6 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) £1250.37
- 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); 0.008% 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 2020/21 and will be submitted to Full Council for approval by 31 March 2020.

13.2. If it should be necessary to amend this 2019/20 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. 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