

## **Brentwood Borough Council Pay Policy Statement 2017/18**

### **Introduction**

Section 38 (1) of the Localism Act 2011 required all English and Welsh Councils to produce a Pay Policy Statement for 2012/13 and for each financial year thereafter. Regard is to be had to any guidance from the Secretary of State in producing this statement.

The Pay Policy statement should be:

- approved formally by the Full Council.
- approved by the end of March each year.
- amended during the course of the financial year.
- published on the Council's website.

Nothing in this Pay Policy Statement enables unilateral changes to employees' terms and conditions of contract. Changes to terms and conditions of employment must follow consultation and negotiation with individuals and recognised trades unions as set out in agreements and in line with legislation.

### **Objectives of the Policy**

Brentwood Borough Council provides a wide range of services to residents, businesses and visitors in the Borough. To be able to provide those services we depend on our employees. The 2017/18 Establishment has 341 employees budgeted for as full time equivalent staff.

In setting the Pay Policy the Council is mindful of the following objectives:

1. Recruit and retain appropriately experienced and qualified employees to ensure a capable and high performing workforce. In respect of all employees, the Council's policy is to set remuneration sufficient to attract and retain adequately experienced, trained and qualified individuals to deliver the Council's priorities.
2. Simplicity, clarity and fairness between employees and between the Council and the community. The Council aims to be transparent on pay to its staff, prospective staff and the wider community.
3. To differentiate between remuneration and other employee related expenses. The Council will meet or reimburse authorised travel, accommodation and subsistence costs for attendance at approved business meetings and training events. The Council does not regard such costs as remuneration but as non pay operational costs. This policy is applied consistently to all employees of the Council.

## **Scope**

The statutory Pay Policy statement must include the Council's policy on:

- The level and elements of remuneration of chief officers.
- The remuneration of the lowest paid employees.
- The relationship between chief officers' remuneration and that of other officers.

The Act defines remuneration widely, to include not just basic pay but also:

- allowances including car allowances and training expenses, benefits in kind, increases in/enhancements of pension entitlements, and termination payments.

Chief officers for the purpose of this statement are all Executive General Managers, Director of Finance, Monitoring Officer and the Head of Paid Service.

## **Senior Management**

The Head of Paid Service is on a salary of £92,500 per annum within a range of £90,000 to £99,000 plus a performance bonus of £5,000 subject to satisfactory performance. Performance of the Head of Paid Service is assessed through an appraisals system with the Leader of the Council.

All other employees are allocated a grade as set out in the attached Pay Scales.

The Finance Director is paid on a pay range between SCP66 – SCP70.

The pay Structure for the Monitoring Officer is Grade N.

The pay structure for the Executive General Managers is Grade M.

For the Finance Director, Monitoring Officer and Executive General Managers, annual progression within the grades is subject to annual performance reviews.

The remuneration of all Chief Officers and Senior Officers will be published in the Council's Annual Statement of Accounts which also includes a wide range of financial information.

## **Appointments with a salary over £100,000**

The post of Head of Paid Service is the only post within the authority with a potential salary grade above £100,000, when including bonus. In accordance with government guidance and the motion agreed by Full Council in October 2013, any future intention to offer a salary for a new appointment above £100,000 will be at the vote of Full Council.

## **Returning/Acting Returning Officer**

The Head of Paid Service undertakes the roles of Returning and Acting Returning Officer in respect of local, national and European elections. The Returning/Acting Returning Officer is an officer of the Borough Council who is appointed under the Representation of the People Act 1983.

Whilst appointed by the Borough Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the Borough Council. As Returning Officer, he/she is paid a separate allowance for each election for which he/she is responsible.

### **Definition and Remuneration of Lowest paid Employees**

The Council's lowest pay grade is A of which 10 employees are on this grade. All staff are paid the legal minimum or above.

### **Relationship between Chief Officers' pay and all other employees.**

Negotiation and consultation is conducted at a local level in relation to levels of pay and benefits for all employees. The Council therefore is not part of any national terms and conditions for local government employees.

Local negotiations around a pay review are conducted on an annual basis, and any increase is agreed taking into account inflationary factors, local salary levels, affordability and any national award.

The idea of publishing the ratio of pay of an organisation's top earner to that of its median earner has been recommended to support the principles of Fair Pay (Will Hutton 2011) and transparency.

The Council does not currently explicitly set the remuneration of any individual or group of posts by reference to a simple multiple of another group of posts.

- The ratio of the Head of Paid Service (top earner) salary to the median salary, (£23,249), is 3.87:1.
- The ratio of the Head of Paid Service (top earner) salary to the lowest salary, (£15,139), is 5.94:1.

### **Expenses and Other Benefits**

Employees covered by the scope of this policy are entitled to the following:

- Reimbursement of travel as per the approved Mileage and Car Allowance Policy.
- Reimbursement of subsistence as per the guidelines for travel and subsistence.
- Car allowance as per the approved Mileage and Car Allowance Policy.
- Payments under the eye test scheme.
- Participation in the Council's childcare voucher scheme in conjunction with KiddiVouchers childcare voucher scheme.
- Subject to the schemes' rules and conditions staff can participate in the car loan facility and season ticket loan facility.
- A salary deduction car leasing scheme.
- For those staff who are required to be a member of a professional association as a requirement of their employment the Council will meet the cost of subscription.

### **Redundancy payments and payments on termination**

The Council has a single redundancy scheme which applies to all employees without differentiation which is set out in the *Organisational Change Policy*.

The Council does not provide any further payment to employees leaving the Council's employment other than in respect of accrued leave which by agreement is untaken at the date of leaving.

Where termination of employment is subject to a compromise agreement that agreement may include a negotiated payment in exchange for which the employee undertakes not to pursue claims against the Council.

#### Severance packages over £100,000

In line with guidance from government any severance packages over £100,000 would be subject to a vote of Full Council.

Government consultations have taken place relating to the recovery of termination payments for certain higher earners who are re-employed in the public sector within 12 months of having been made redundant, as well as introducing an overall cap on exit payments of £95,000. Legislative changes for these aspects are currently ongoing.

#### **The Local Government Pension Scheme (LGPS) and policy with regard to the exercise of discretions**

Pension provision is an important part of the remuneration package. Employees who are eligible may join the local government scheme. The scheme is a statutory scheme with contributions from employees and from employers.

New staff who are not already members of the LGPS are now subject to auto enrolment into the LGPS. Existing staff employed at 1 January 2014 are deferred until October 2017.

The LGPS provides for the exercise of discretion that allow for retirement benefits to be enhanced. The Council will consider each case on its merits but has determined that its usual policy is not to enhance benefits for any of its employees.

The pension scheme provides for flexible retirement. In applying the flexible retirement provision no distinction is made between Chief Officers and other employees.

#### **Publication and access to information**

The publication of and access to information relating to remuneration of chief officers will be set out in this document and published on the Council's website.

The Council will publish the salary ranges covering employees on the Council's website on an annual basis.

Where employees have been transferred into the Council under the Transfer of Undertakings (Protection of Employment) Regulations 2006 their remuneration packages reflect their protected rates of pay.

**Review**

The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. If it should be necessary to amend this Statement during the year it applies, an appropriate resolution will be made by Full Council.

## Pay Scales 2016/17

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