



## **Brentwood Borough Council Pay Policy Statement 2015/16**

### **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:

- Must be approved formally by the Full Council.
- Must be approved by the end of March each year.
- May be amended during the course of the financial year.
- Must be 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. As at 31 December 2014 the Council employed 328 employees.

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.

The following posts are regarded as chief officers for the purpose of this statement:

- Chief Executive (Head of Paid Service)
- Director of Strategy and Corporate Services (Section 151 Officer)
- Head of Legal and Support Services (Monitoring Officer)
- Head of Borough Health, Safety and Localism
- Head of Housing Services
- Head of Customer Services
- Head of Planning
- Head of Street Scene

## **Senior Management**

The Chief Executive is on a fixed salary of £105,000 per annum. Performance of the Chief Executive 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 Director Strategy and Corporate Services is paid on a pay range between SCP71 – SCP75.

The pay structure for the Heads of Services is between Bands M – N.

For the Director of Strategy and Corporate Services and Heads of Service, 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 Chief Executive is the only post within the authority with a salary grade above £100,000. 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 Chief Executive 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

In 2013, the Council concluded the Single Status agreement for the whole authority. This affects all staff below the Director of Strategy and Corporate Services. Single Status meets the key objective of equal pay for jobs of equal value via the introduction of formal job evaluation. The Council has modernized its pay structure, ensuring that the pay and reward strategy supports flexible working and modern service delivery. This has been achieved through an integrated pay scale, a review and rationalisation of allowances and a harmonization of terms and conditions of service. The Single Status agreement has been implemented as of 1<sup>st</sup> October 2013.

The Council's lowest pay grade is A of which 16 employees are on this grade. This means that the lowest paid employees are currently paid in line with the UK National Living Wage.

### 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.

National agreement has been reached for a 2 year pay award which will run from 1 January 2015 to 31 March 2016. For Brentwood Borough Council employees this results in a 2.2% increase from 1 January 2015. In addition to this, a one off non-consolidated payment of £150 per employee has been agreed. The terms of this payment are such that it is not added to the basic pay.

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 Chief Executive (top earner) salary to the median salary, (£20,713), is 5.06:1.
- The ratio of the Chief Executive (top earner) salary to the lowest salary, (£15,072), is 6.97:1.

### **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 December 2013.
- Reimbursement of subsistence as per the guidelines for travel and subsistence.
- Car allowance as per the approved Mileage and Car Allowance Policy December 2013.
- Payments under the eye test scheme as set out in the April 2011 procedure document.
- 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
- 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 as per the December 2006 policy.

### **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.

### **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 the Chief Executive, 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 on the 'People's Right to Know' page.

The Council will publish the salary ranges covering all 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. Our next statement is scheduled for 2016/17 and will be submitted to Full Council for approval by 31 March 2016.

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





