

**APPENDIX A**

**HINCKLEY & BOSWORTH BOROUGH COUNCIL  
PAY POLICY STATEMENT 2012/2013**

**1. Introduction**

- 1.1 Section 38 of the Localism Act 2011 requires local authorities to produce a Pay Policy Statement for 2012/13 and for each financial year thereafter. This document comprises that Pay Policy Statement being recommended for adoption for 2012/13.
- 1.2 Whilst the Act and supporting guidance sets out the pay detail that must be included in the statutory pay policy, each local authority has the autonomy to make decisions on pay structures and pay policies. The Pay Policy Statement must be approved formally by full Council by the end of March each year, can be amended in year, must be published on the Council's website and must be complied with when setting terms and conditions of Chief Officer employees.
- 1.3 This Pay Policy Statement includes a policy on:
- (a) the level and elements of remuneration for each Chief Officer;
  - (b) the remuneration of the lowest paid employees;
  - (c) the pay differential, known as the 'pay multiple' between the remuneration of Chief Officers and other officers and
  - (d) other aspects of Chief Officer remuneration, fees and charges and other discretionary payments

**2. Principles**

- 2.1 HBBC recognises that, in the context of managing scarce resources, remuneration at all levels needs to be adequate to secure high quality employees who provide excellent services to the public, yet at the same time needs to avoid being unnecessarily generous or otherwise excessive. This pay policy sets out how the Council determines pay decisions across all aspects of pay and provides a framework to assist council Members in determining a pay strategy in a fair and equitable way within the council's Medium Term Financial Strategy.
- 2.2 The Public Sector Equality Duty also requires the Council to develop and publish a policy on how it is meeting its duty, having due regard to the need to eliminate unlawful discrimination particularly in relation to employment and pay. As an 'Achieving' authority under the Equality Framework for Local Government the council supports the principle of equal opportunities in employment and acknowledges that men and women should receive equal pay for the same or broadly similar work, for work rated as equivalent and for work of equal value. This Pay Policy Statement sets out the Council's approach in ensuring equality of pay in line with those legal requirements.

2.3 It is important that local authorities are able to determine their own pay structures in order to address local priorities and to compete in the local labour market.

### **3. Scope**

3.1 The policy covers all staff employed by the Council irrespective of grade and conditions of service. It will have reference to national agreements which affect pay and grading including:

- National Agreement on Pay and Conditions of Service (the Green book, for all staff below Head of Service)
- Joint Negotiating Committee for Chief Executives (Chief Executive and Deputy Chief Executive)
- Joint Negotiating Committee for Chief Officers

A copy of the Council's staffing structure is at Appendix A.

### **4. Remuneration of senior officers**

4.1 In this policy the senior pay group refers to posts within the top three tiers of the organisation. These include the Chief Executive Officer, Deputy Chief Executive (2) and Chief Officers (5).

#### **4.2 Chief Executive**

4.2.1 The term Chief Executive means the officer who is the head of the council's paid service. The salary paid to the Chief Executive (this excludes Returning Officer fees which are paid separately) is approved by full Council at the time of appointment.

4.2.2 The current salary range for the Chief Executive is £114,331 – £136,712 per annum; the range contains 5 increments and is subject to annual cost of living increases agreed by the Joint National Council (JNC). This is a local grade which was established in 2004, following an analysis of the degree of responsibility in the role, benchmarking with other comparators and the ability to recruit and retain an exceptional candidate.

4.2.3 The Council's review group, which comprises of the elected leader and the leader of the opposition group, determines incremental pay progression on an annual basis with the potential to award up to 3 increments in any one year. The 3 available increments will be awarded on the following basis, taking into account the Chief Executive's overall performance in relation to performance measures which are:

Satisfactory performance	-	0 increment
Good performance	-	1 increment
Excellent performance	-	2 increments
Outstanding performance	-	3 increments

The current Chief Executive reached the top of the scale in 2009.

4.2.3 Other conditions of service are as prescribed by the JNC for Local Authority Chief Executives national conditions.

### 4.3 Deputy Chief Executive and Heads of Service

4.3.1 The pay and grading for both Deputy Chief Executives and Chief Officers are evaluated using the HAY evaluation scheme. The HAY scheme methodology reviews current job information including: job descriptions, staff structure including lines of accountability and capital and revenue budget responsibility. This information is used to determine the value of the job size. The external officer also reviews salary scales for similar posts in other councils in order to make a meaningful comparison.

4.3.2 The grades are as follows:

Deputy Chief Executive Grade	Fixed Salary	£95,231
Chief Officers	Spinal point 1-5	£57,900 - £67,500

Salary is subject to annual cost of living increases agreed by Joint Negotiating Committee for Chief Officers.

4.3.3 Other conditions of service are as prescribed by the JNC for Local Authority Chief Executives national conditions.

### 4.4 Other allowances

4.4.1 The Chief Executive, Deputy Chief Executives and Chief Officers do not receive a car allowance. It is expected that the basic salary payable covers all motoring costs.

4.4.2 Fees are payable for Returning Officer duties which are not part of the post holder's substantive role. Whilst appointed by the 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 council. Returning Officer fees are variable and paid based upon the number of electors per election. The Returning Officer for the council is the Chief Executive.

4.4.3 For any Chief Officer who undertakes duties that have been procured by another local authority, a discretionary payment (honorarium) will be made based on a percentage of the amount charged to the procuring authority, following an assessment by the Head of Paid Service of the additional time, over and above the contracted hours, that the Chief Officer will spend in carrying out these additional duties.

4.4.4 There are no other additional elements of remuneration in respect of: overtime, bank holiday working, standby payments etc. paid to senior staff as

they are expected to undertake duties outside their contractual hours and working patterns without additional payment.

## **5. Pay Structure**

- 5.1 The locally agreed pay structure (Grade 1 -11) applies to all employees excluding the senior pay group (Appendix B). Salaries within the pay spine are subject to pay awards as agreed by the National Agreement on Pay and Conditions of Service (NJC). The lowest paid employee is currently paid at spinal point 4 within Grade 1 at a full time equivalent basic pay rate £12,145 per annum.
- 5.2 All posts are evaluated using the NJC Job Evaluation Scheme, which is recognized by public sector employers and unions nationally. This scheme allows for robust measurement against set criteria resulting in fair and objective evaluations and ensures equal pay.
- 5.3 Progression within the grade for all staff is subject to satisfactory performance which is assessed annually through the council's appraisal process.
- 5.4 Incremental progression is subject to the employee meeting the following criteria, such as
- Mandatory core skills training e.g. customer care, equalities
  - Achievement of national standards (where they exist)
  - Working as part of a team to meet service objectives
  - Competence to cover absence of immediate supervisors and colleagues on sickness or holiday
  - Attainment of any NVQ/national/ professional/post graduate/qualification necessary to operate at a fully competent level
  - Contributing to 'on the job' training and induction for new employees
- 5.5 The grading structure aims to meet the current and/or market position for most jobs. At certain times some types of jobs are very scarce either because of national shortages or high demand for certain skills. The consequence of this is recruitment and retention problems in the service. In these circumstances market premiums can be paid in order to attract good candidates. The criteria for payment of market premiums, which must be established before any payments are offered to either recruit or retain, is set out below:
- Recruitment problems - identified by the failure of at least one advertising campaign
  - Retention problems - identified by a higher than normal turnover rate
  - A high pay market - where credible market information advises of high rates of pay

The Strategic Leadership Board will review all market arrangements to be approved by the Personnel Committee.

## **6. Other allowances**

- 6.1 NJC employees may claim allowances which may be locally and nationally agreed in the course of their work duties. A list of typical allowances that employees can claim is set out at Appendix C.

## **7. Pension Arrangements**

All employees, of the council, irrespective of pay group, are entitled to join the Local Government Pension Scheme. The table below sets out the varied rates that employees are required to contribute based upon their whole time salary.

The employee contribution rates for 2012/13 are below:

<b>Full time salary range</b>	<b>Contribution rate</b>
Up to £13,500	5.5%
More than £13,501 and up to £15,800	5.8%
More than £15,801 and up to £20,400	5.9%
More than £20,401 and up to £34,000	6.5%
More than £34,001 and up to £45,500	6.8%
More than £45,501 and up to £85,300	7.2%
More than £85,300	7.5%

The council, as an employer, currently contributes 17.5% of the whole time salary.

## **8. Multipliers**

- 8.1 Publishing the pay ratio of the organisation's top earner to that of its lowest paid earner and median earner has been recommended to support the principles of Fair Pay (Will Hutton, 2011) and transparency.
- 8.2 In the context of the council's payroll the Chief Executive, who is the top earner in the Council, currently earns £136,712 per annum. This is 5.61 times the average earnings in the Council, 6.68 times the median earnings and 10.82 times the lowest earner, which is £12,145 per annum.

8.3 The multipliers will be monitored each year as part of the review of the Pay Policy Statement.

## **9.0 Severance Payments**

9.1 The council operates a voluntary severance scheme which is applicable to all employees of the Council. The scheme applies to:

- Redundancy
- Voluntary early retirement

The policy for the award of any discretionary payment due to termination is the same for all staff regardless of level.

### **9.2 Redundancy**

Under regulation 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) (England & Wales) Regulations 2006 the Council can exercise discretion to increase statutory redundancy payments.

The Personnel Committee will determine severance terms in accordance for Senior Officers (Heads of Service and above). For other Officers it will be the Council's Chief Executive in consultation with the Deputy Chief Executive (Corporate Direction).

The Council has discretion to enhance the number of weeks pay accrued (via the statutory formula) by applying a multiplier of 1.5. This is payable to employees made redundant with 2 or more years local government service regardless of their age.

### **9.3 Early Retirement – inefficiency grounds**

Employees who will be 55 or more at the age of retirement and have at least 2 years' pensionable service in the Local Government Pension Scheme (LGPS) may retire early upon entering into a formal agreement with the Council which will include a mutually agreed retirement date, where it is considered to be in the interests of the efficient exercise of the Council's functions. The employee will not receive a severance payment or additional year's service but will have access to the pension scheme. The capital cost of early payment of pension benefits is subject to approval and costs must be met by savings within a 3 year period.

This will not generally be awarded other than in exceptional circumstances and not where there would be any entitlement to redundancy.

### **9.4 Early Retirement**

An employee can request to retire early from the age of 55 up to 65 years. For employees between aged 55 – 59 years there will be a capital cost incurred by the employer. The Council therefore will use discretion as to whether to grant early retirement but each case will be at the Chief Executive's discretion in consultation with Deputy Chief Executive (Corporate Direction).

#### 9.5 Flexible Retirement

An employee who is a member of the LGPS and 55 years or over may request with the council consent reduces their hours and/or grade and make an election to the administering authority for payment of their accrued benefits without having retired from employment. However the council will only agree to release pension where there is no capital cost to the authority.

### 10. Re-employment/engagement of senior managers

Where a senior manager, as defined under paragraph 4.1, has left the authority on redundancy or early retirement grounds, the authority will not re-employ at a later stage or re-engage the former employee as a consultant.

### 11. Decision Making

Decisions on remuneration are made as follows:

- (a) Chief Executive local pay structure approved by full Council
- (b) Performance progression of Chief Executive Officer approved by the leader and opposition leader in accordance with the Chief Executive Performance Related Pay Scheme
- (c) Pay structure for all other posts approved by full Council
- (d) Performance progression for all other posts in accordance with the locally agreed scheme and as approved by officers under existing delegated powers





**SENIOR MANAGEMENT STRUCTURE  
(At 13 SEPTEMBER 2011)**

**Appendix A**

**CHIEF EXECUTIVE**  
**Steve Atkinson**

Corporate PA Team  
**Jane Stew**

**DEPUTY CHIEF EXECUTIVE**  
**(Community Direction)**  
**Bill Cullen**

**DEPUTY CHIEF EXECUTIVE**  
**(Corporate Direction)**  
*(Section 151 Officer)*  
**Sanjiv Kohli**

**Chief Officer \***  
**(Housing, Community Safety and Partnerships)**  
**Sharon Stacey**

**Chief Officer \***  
**(Business, Contract and Streetscene Services)**  
**Mike Brymer**

**Chief Officer \* ▽**  
**(Corporate & Customer Resources, Scrutiny & Ethical Standards)**  
*(Monitoring Officer)*  
**Louisa Horton**

**Chief Officer \***  
**(Environmental Health)**  
**Rob Parkinson**

Public Space Manager  
**Caroline Roffey**  
  
Waste Manager  
*(Shared with Nuneaton and Bedworth)*  
**Sarah Elliott**

**Chief Officer \***  
**(Finance, ICT, Asset Management, Audit and Procurement)**  
**Julie Kenny**

Head of Planning  
**Simon Wood**

Acting Housing Repairs Manager  
**Ian Parsons**

Accountancy Manager  
**David Bunker**

Cultural Services Manager  
**Simon Jones**

Service and Business Development  
**Darren Moore**

ICT Manager  
**Paul Langham**

Revenues/Benefits Manager  
**Storme Coop**

**Strategic Leadership Board (SLB)**

Chief Executive  
Deputy Chief Executives (2)

**Corporate Operations Board**

Chief Officers \* (5)

▽ **Responsible for:**

Legal Services	Corporate Performance/Risk Management
Human Resources/Transformation	Communications
Customer Services	Elections/Electoral Registration
Governance and Scrutiny	Equalities/Customer Insight
Centralised Administration	



**Appendix B**

Sp Pt	Salary Structure April 2009	Hourly Rate	278	337	385	431	478	520	567	639	699	762	820
			1	2	3	4	5	6	7	8	9	10	11
54	49,961	25.90											
53	48,760	25.27											
52	47,569	24.66											
51	46,369	24.03											
50	45,169	23.41											
49	41,616	21.57											
48	40,741	21.12											
47	39,855	20.66											
46	38,961	20.19											
45	38,042	19.72											
44	37,206	19.28											
43	36,313	18.82											
42	35,430	18.36											
41	34,549	17.91											
40	33,661	17.45											
39	32,800	17.00											
38	31,754	16.46											
37	30,851	15.99											
36	30,011	15.56											
35	29,236	15.15											
34	28,636	14.84											
33	27,849	14.43											
32	27,052	14.02											
31	26,276	13.62											
30	25,472	13.20											
29	24,646	12.77											
28	23,708	12.29											
27	22,958	11.90											
26	22,221	11.52											
25	21,519	11.15											
24	20,858	10.81											
23	20,198	10.47											
22	19,621	10.17											
21	19,126	9.91											
20	18,453	9.56											
19	17,802	9.23											
18	17,161	8.90											
17	16,830	8.72											
16	16,440	8.52											
15	16,054	8.32											

14	15,725	8.15												
13	15,444	8.01												
12	15,039	7.80												
11	14,733	7.64												
10	13,874	7.19												
9	13,589	7.04												
8	13,189	6.84												
7	12,787	6.63												
6	12,489	6.47												
5	12,312	6.38												
4	12,145	6.30												

**Local Allowances – NJC Staff**

**Shifts**

There are two shift allowances. To get a shift allowance you have to be working on a rota and to cover all of the hours within a shift pattern. The cut off point for entitlement to a shift allowance is SCP 28 (within Grade 6/7)

1. Rotating shift (full 24 hours) – 20% on top of basic hourly rate
2. Split shift - 1% of basic hourly rate - A job which requires two shifts per day with a break in the middle of at least two hours

**Saturday and Sunday Working:**

If weekend working is part of a normal working week (that is regular rostered weekend working) then the following payments apply.

Saturday	-	Time and half
Sunday	-	Time and half if basic pay above SCP 11 Double time if basic pay at or below SCP 11

For ad hoc weekend working plain time rates apply or TOIL unless part of an approved overtime arrangements in which circumstance overtime rates will apply.

**Standby and call out**

The standby rate is £100 per week and is subject to annual pay awards. The same rate applies to everyone in all services. To be eligible for standby you will be part of a standby rota and you are required to keep yourself immediately available and fit to return to work or deal with problems directly over the phone. If another employee substitutes the standby/call out arrangement then the substitute is entitled to the payment and not the rostered employee. Key holders will not normally be eligible for standby but will be eligible for call out payments.

Call-out payments are at time and half Monday to Saturday and double time on Sunday (normal overtime scp cut off does not apply) which are payable after a minimum call-out payment of two hours – including half hour travel time.

**Additional Hours and Overtime Payments**

Employees, on or below SCP 28, and required to work additional hours beyond a full 37 hour week (or average 37 hour week) are entitled to receive

time and half for additional hours worked Monday to Saturday and double time for additional hours worked on a Sunday.

Part time workers are entitled to these enhancements only after a 37-hour week (or average 37 hour week) is exceeded, although **rostered** work on a Saturday and Sunday will attract the overtime allowance.

For employees on or above SCP 29 enhanced rates will not be paid. In exceptional circumstances the Head of Service may agree that overtime at plain time rates may be paid in order to clear backlogs or catch up on projects. In normal circumstance employees are expected to accrue and bank approved additional hours as time off in lieu. Managers have a responsibility under health and safety legislation to ensure that excessive hours are not worked and that accumulated TOIL is taken on a regular basis.

Overtime payments are full settlement and are not enhanced by any other allowance e.g. a shift allowance that is paid on normal working hours.

### **Public and Extra Statutory Days**

Employees required to work on a public or extra statutory day shall, in addition to the normal pay for that day, be paid at plain time for all hours worked within their normal working hours for that day. In addition time off with pay shall be allowed as follows:

Less than half normal hours worked - half day

More than half normal hour's worked – full day

### **Car Allowances**

The payment of £850 per annum will be payable to an essential user who use their private car for work purposes to cover general maintenance of the vehicle. A flat rate of 25p per mile will be paid for business miles. Each post is assessed against criteria prior to becoming an essential user. For all other staff, defined as casual users, a flat rate of 40p per mile will be paid for business miles.

### **Acting up arrangements**

The pay structure supports employees' development through progression within a pay band; part of this development is acting up to cover the absence of higher graded employees for periods of up to a month. For acting up period of over 1 month (e.g. maternity leave) the first point of the relevant grade will normally be paid, (a minimum of two increments above the employees current rate).