

# Pay policy statement

2021/2022



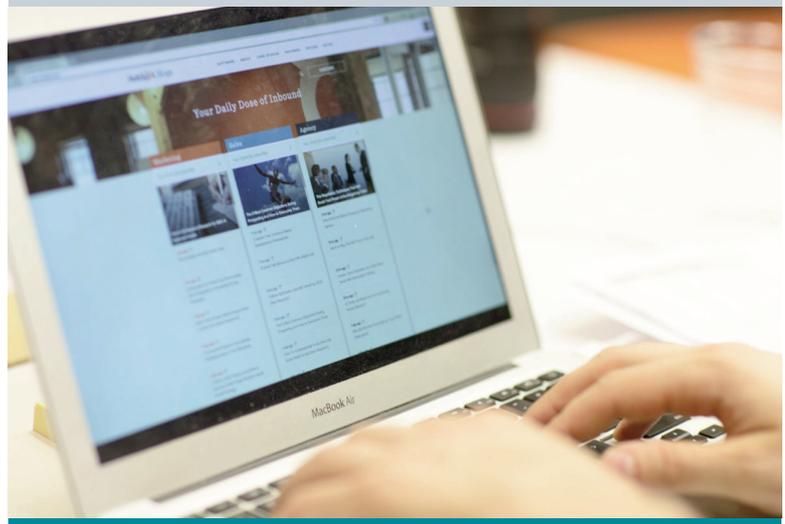
**Transform**  
Tewkesbury Borough



**Tewkesbury  
Borough Council**

# contents

Introduction and purpose	1
Accountability and decision making	1
Responsibility and scale	1
The council's pay strategy	1
Pay design	2
Pay structure	2
Other employment-related arrangements	3
Pay arrangements	3
Lowest paid employees	5
Pay multiple	5
Payments on termination of employment	6
Publication of pay statement	6



## Introduction and purpose

Under section 112 of the Local Government Act 1972, the council has the “power to appoint officers on such reasonable terms and conditions as authority thinks fit”. This Pay Policy Statement (the ‘statement’) sets out Tewkesbury Borough Council’s (the ‘council’) approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. The purpose of the statement is to provide transparency with regard to the council’s approach to setting the pay of its employees by identifying:

- the methods by which salaries of all employees are determined
- the detail and level of remuneration of its most senior staff ie ‘chief officers’, as defined by the relevant legislation
- the Employee Appointments and Disciplinary Committee is responsible for ensuring the provisions set out in this statement are applied consistently throughout the council and recommending any amendments to the full council.

This policy statement has been approved by the council and is effective from 1st April 2021. It will be subject to review annually and in accordance with new or proposed legislation to ensure that it remains relevant and effective.

## Accountability and decision making

In accordance with the constitution of the council, the Employee Appointments and Disciplinary Committee oversee the decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the council, with responsibility for all but the most senior posts delegated to the Head of Paid Service.

## Responsibility and scale

For 2020/21 the council was directly responsible for a net revenue budget of £8.96m and for the employment of 205 staff. There is a capital programme of £39.9m over the next 5 years. The council’s capital reserves currently stand at £1.14m with earmarked reserves of £16.38m and a general fund balance of £800,000. Our Band D council tax is one of the lowest in England.

As set out in our Council Plan (2020 – 2024), the council provides services to a total population of approximately 92,599 residents made up of 42,176 households spread across 160 square miles.

## The council’s pay strategy

In determining the pay and remuneration of its employees, the council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. With regard to the Equal Pay requirements contained within the Equality Act, the council ensures that all pay arrangements can be objectively justified through the use of Job Evaluation methods.

The council takes the following approach (or equivalent) to assessing individual and overall pay levels.

- **Defining the role** – this describes the activities, responsibilities, accountabilities and behaviours which relate to each job and helps ensure that the role and its requirements is fully understood

by the individual and the manager. This allows the council to assess the performance of its staff and so improves efficiency and effectiveness.

- **Determining the job size** – this process ranks all the council's jobs by using job evaluation techniques in order to ensure fairness and transparency and to allow for direct comparison between roles.
- **Determining overall pay levels** – this allows the council to assess the right pay policy and pay levels based on a number of key factors, including ability to pay, national pay comparators, local and regional pay comparators, etc
- **Determining pay structure** – pay is frequently made up of a number of elements. This council has adopted an approach which includes (basic pay, incremental progression related to service or performance, financial and non-financial benefits etc). The council uses fixed point salaries (where there is no pay progression) and pay grades made up of incremental pay levels. Where different pay arrangements apply to different groups of staff the reasons are clearly evidenced and documented. The council's approach to pay is detailed below and where different arrangements are in place these are explained.
- **Recruiting the right staff** – where necessary the council may apply market supplements or other individual pay levels for specific roles in order to ensure that it can recruit the best staff. This approach will only be adopted where there is clear evidence of recruitment difficulty and any such payments will be time limited and in accordance with council policy.

## Pay design

The council's pay policy is based on the National Joint Council (NJC) and the Joint Negotiating Committee (JNC) for Chief Officers of Local Authorities conditions of service, which include pay scales, supported by the associated job evaluation processes. Any pay schemes increases are negotiated nationally and one or more of the nationally negotiated pay schemes which apply to local government employees.

The most recent pay award was 2.75% per cent in April 2020.

In determining its grading structure and setting overall pay levels for all posts the council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.

## Pay structure

### Pay grades and progression

To encourage employees to develop in their role and to improve their performance the council has arranged its pay levels within 11 pay grades (Grade A to Grade K) and where grades contain between 3 and 5 pay levels or increments. There is a secondary payscale for roles at Head of Service level and above which is arranged in 8 pay grades (SM8 to SM1) where grades have 5 pay levels. New employees will usually be appointed to the minimum pay level for the relevant grade and will go up an increment following successful completion of their probationary period and annually in each April thereafter.

### Fixed pay rates

The council also uses fixed pay rates or points, primarily for those who have TUPE transferred from other authorities who used fixed pay points.

## Other employment-related arrangements

### Local government pension scheme

All employees are automatically enrolled into the Local Government Pension Scheme. The employee contribution rates, which are defined by statute, currently range between 5.5 per cent and 12.5 per cent of pensionable pay depending on full time equivalent salary levels. The Employer contribution rates are set by Actuaries advising each of the 89 local LGPS funds and reviewed on a triennial basis in order to ensure the scheme is appropriately funded. The current average rate is for employers to pay two thirds of the scheme's costs.

### Benefits schemes

The council believes that it has a responsibility to help support the health, wellbeing and welfare of its employees in order to ensure that they are able to perform at their best. As part of this approach, and in common with other large employers it provides or makes arrangements which include salary sacrifice schemes (currently limited to those already in the childcare voucher scheme) and discounted membership to Tewkesbury Leisure Centre.

### Employment arrangements

The council's policy and procedures with regard to recruitment of chief officers is set out within the council's Constitution. Chief officers are defined by the council's constitution as being the Chief Executive, Deputy Chief Executive and the Borough Solicitor. At the time of writing (Jan 2021), the Deputy Chief Executive role is vacant and pending a review of management arrangements.

When recruiting to all posts the council will take full and proper account of equal opportunities requirements, fair recruitment processes and the relevant legislation. The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment and will only be approved in accordance with the Constitution

Where the council is unable to recruit to a post at the designated grade, it may consider the use of temporary market forces supplements in accordance with its relevant policies.

In exceptional circumstances, where the council remains unable to recruit to a chief officer or senior manager post or where there is a need for interim support to provide cover for a vacant post, the council may consider engaging an individual through a 'contracts for service'. Such arrangements can be advantageous because they can reduce employment costs and are flexible because they can be used for short periods of time without the need to pay termination payments.

Such arrangements will be kept under regular review.

## Pay arrangements

The council has chosen to apply the JNC payscales (Senior Managers Payscale) to senior management posts including chief officers and Heads of Service.

For the purposes of this statement, senior management means 'chief officers' as defined within S43 of the Localism Act and defined by the council's constitution as being the Chief Executive, Borough Solicitor and Deputy Chief Executive (post currently vacant). All payments are pensionable, except where it is specified otherwise.

The posts falling within the statutory definition are set out below, with details of their basic salary as at 1 April 2021:

- **Chief executive** – the current salary of the post is £119,955 per annum. The salary falls within a range of 5 incremental points between £109,053 FTE, rising to a maximum of £119,955 FTE. The postholder is an employee on a permanent employment contract
- **Borough solicitor** – the current salary of the post is £94,876 per annum on SM3 of the Senior Managers payscale. The SM3 pay range covers £85,095 - £94,876. The Borough Solicitor is an employee of the council on a permanent employment contract. This is a shared post with Cheltenham Borough Council, who pay 35% of the costs.
- The salaries of posts designated as SM fall within a range of 35 incremental points between SM8 £47,979 FTE rising to a maximum of SM2 £105,782 FTE.

#### **Performance-related pay and bonuses**

The council does not apply any bonuses or performance related pay to its chief officers.

#### **Other pay arrangements (not limited to Chief Officers)**

#### **Pay supplements**

From time to time it may be necessary to pay special allowances or supplements to individual employees as part of their employment contract where specific circumstances require this and where it can be justified in accordance with council policies. Such allowances are negotiated nationally or locally through collective bargaining arrangements and/or as determined by council policy. The council will ensure that the requirement for additional allowance or supplement is objectively justified by reference to

clear and transparent evidence.

The council uses the following payments:

#### **Additional hours payments**

The council does not operate a time off in lieu (TOIL) policy, instead all hours will be recorded under the flexi-scheme. Additional hours worked must be taken as flexi under the rules of the scheme unless exceptionally, it is pre-agreed to be paid by the lead Corporate Leadership Team member for that department. Any payment will be at flat-rate except where the hours are undertaken in unsocial periods. Heads of service may also arrange for additional hours accrued to be taken over a longer period than usually acceptable within the flexi-time scheme. Where a head of service requires an employee on the main payscale (not those on the senior management payscale) or below to occasionally work in unsocial hours (8pm – 7am on week days, weekends and bank holidays), those hours will be remunerated at time-and-a-half. This will not apply where the standard working hours fall during unsocial hours (eg for Tourist Information Centres).

#### **Returning officer fees**

The Returning Officer fees for national elections are determined by regulation. Fees for Returning Officers in respect of local elections are set down in the Gloucestershire scale of fees and use the same methodology as that for national elections. Returning officer fees may be pensionable, dependent on the type of election they are claimed for.

#### **Real living wage enhancement**

The council has made a commitment to providing a Real Living Wage and therefore any officer who would fall below this level on the payscales is paid an enhancement to get them to this level.

**Standby allowances**

A standby allowance is paid to two members of staff who respond to emergencies outside normal working hours, who deal with any out of hour emergencies that arise.

**On call**

An allowance is payable when an officer is contractually required to provide out of hours (eg weekend and bank holiday) on call cover.

**Honorarium payments**

The council has a scheme for the payment of allowances for undertaking additional duties. These allowances are divided into two classifications, either employees temporarily undertaking the full range of work of a higher graded post or a proportion of additional duties.

**Subsistence allowance (non-pensionable)**

There is no automatic entitlement to a subsistence allowance merely because employee's duties involve them in spending a proportion of working time away from their administrative centres or bases. Before employees become entitled to receive subsistence allowances they must, for business reasons, have been prevented from following their normal meal arrangements and they will have had to incur additional expenditure on the purchase of a meal.

**Professional fees (non-pensionable)**

The council will pay one professional subscription per year to an employee where it is requirement to be a member of a professional organization in order to carry out the duties and responsibilities of their post.

**First aid and mental health first aid**

A monthly allowance is paid to trained officers who undertake first aid and mental health first aid duties for the council.

**Additional responsibilities payments**

This is an extra-ordinary payment where the honorarium scheme is not appropriate but where an officer is required to take on significant additional responsibility / seniority for a period of time.

**Lowest paid employees**

The lowest paid persons employed under a contract of employment with the council are employed on full time (37 hours) equivalent salaries in accordance with the minimum spinal column point currently in use within the council's grading structure. As at 1 April 2020, this is £17,842 per annum pro rata.

The council employs apprentices who are not included within the definition of 'lowest paid employees' as they are employed under separate apprenticeship pay guidelines set by the government.

**Pay multiple**

As described above the council uses an established process of defining roles, determining job size and salary levels. This process determines the relationship between the rate of pay for the lowest paid and senior manager post, including chief officers, described as the pay multiple. The current pay multiple between the lowest paid (full time) employee and the Chief Executive is 1:6.46 and; between the lowest paid (full time) employee and average chief officer is 1:5.86. The multiple between the median (average) full time equivalent earnings and the Chief Executive is 1:3.53.

This is broadly in line with the multipliers published by neighbouring councils and is well within the limits of the Hutton Review of Fair Pay in the Public Sector

(2010), which recommends a maximum of 1:20 ratio between the highest and lowest remunerated posts.

### Payments on termination of employment

On the termination of employment, chief officers would not be entitled to an enhanced pension and any redundancy payment payable would be calculated in the same way as any other member of staff.

Any other payments falling outside the provisions or the relevant periods of contractual notice are subject to a formal decision made by the full council or relevant elected members, committee or panel of elected members with delegated authority to approve such payments and will be determined on a case by case basis.

It is not the council's policy to re-employ or to contract with senior managers who have been made redundant from the council unless there are exceptional circumstances where their specialist knowledge and expertise is required for a defined period of time or unless a period of 2 years has elapsed since the redundancy and circumstances have changed.

Where an employee has been made redundant and receives a redundancy payment (and therefore without a pension) there should be no re-employment/engagement until the expiry of the period for which the number of weeks' redundancy payment has been given, e.g. if the employee has received a redundancy payment equal to 16 weeks pay, the earliest re-employment/engagement could be considered would be 16 weeks after the date of termination. An earlier date may be approved by exception following authorisation by the Chief

Executive but in all cases the minimum break of service will be four calendar weeks.

### Publication of pay statement

Upon approval by the full council, this statement will be published on the council's website:

