

Document Control Sheet

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MALDON DISTRICT
COUNCIL

Pay Policy Statement

Note: This Statement has been written to meet the statutory requirements of the Localism Act 2011 and to aid transparency in respect of Maldon District Council's policy regarding pay to the highest and lowest paid staff.

1. General policy

- 1.1 During 2018 the Council undertook a Job Evaluation exercise which reviewed every post in the Council, up to and including Directors at the highest tier of the Council, based on a uniform set of criteria, and placed them within a single unified pay scale. The pay scale was designed to be consistent with best practice and benchmarked as to value and applied up to all employees. In accordance with the Council's constitution, the remuneration of the posts of Directors were set by the Appointments Committee composed of elected Members of the authority but based upon the above principles.
- 1.2 The Job Evaluation process was designed to achieve compliance with Equal Pay legislation and, further to this, the contractual terms and conditions of staff were also standardised. This meant that the remuneration of all Council employees is governed by a single set of policies and procedures. This is reflected in the Pay Policy statements below.
- 1.3 The current pay multiple is based on the ratio of the Directors Salary to all other employees average FTE salary and equates to 3.63. The Government has considered setting twenty to one as a maximum. As Maldon District's Council's rate is currently below this amount it is not considered necessary to have a specific policy concerning the pay multiple. If the multiple starts to rise, for example above five to one, this could be reconsidered.

2. Policy regarding pay to "Chief Officers"

2.1 Definition of "Chief Officers" for the purposes of this statement

- 2.1.1 The term "Chief Officer" as employed in the Localism Act has a different meaning to the use made of it at Maldon District Council. For the purposes of this Pay Policy Statement only, the relevant posts are considered to be as listed below. To note; there is no Chief Executive post in the Maldon structure.

- 3 Director posts
- The Monitoring Officer

2.2 Pay

- 2.2.1 Pay for the post of Directors is set by the Appointments Committee and approved by the Council. The role of Director was introduced following the 2014 Senior Management Review and pay set by the Job Evaluation process. The pay line of Directors is subject to the same factors as the rest of staff pay, for example any annual pay award granted.

2.2.2 Any exception to this, such as a proposal to change the pay of senior staff out of line with normal pay awards would be subject to a report to the Council and approval being given.

2.2.3 An additional consideration is that the Directors have delegated powers to award discretionary points on an officer's salary scale within approved budgetary limits where they deem it to be in the interests of the Authority. This only applies to points up to the maximum of the salary band for that post.

2.3 Performance related pay and bonuses

2.3.1 Maldon District Council does not have performance related pay or bonus payments for any staff. As there is no mechanism for linking pay and performance in this way 'earn back' arrangements are not appropriate.

2.4 Fees, allowances, benefits in kind and expenses

2.4.1 The Director of Resources is also the Returning Officer for the District, meaning that the post holder has specific responsibilities in respect of all elections and national referenda held in the District. As this post is currently vacant the Director for Strategy, Performance and Governance is currently the Acting Returning Officer. These duties attract fees that are variable depending on the election. For Parliamentary, Police and Crime Commissioner, European elections and national referenda these are set by the Government. For County elections there are set by Essex County Council. For District and Parish elections rates are set locally.

2.4.2 Apart from this no fees, allowances, benefits in kind or expenses are available to the posts listed in 2.1, other than those available to all staff and on the same basis.

2.5 Pension

2.5.1 All staff are eligible to join the Local Government Pension Scheme in accordance with the terms of that scheme. No special considerations apply to the posts listed in 2.1.

2.6 Severance payments

2.6.1 Where senior staff leave in the normal course of business (resignation, retirement, etc.) the same procedures would be applied as for any other staff member and no additional payments would arise as a result.

2.6.2 Should a senior post be made redundant the post holder would receive redundancy payments in accordance with the Council's Managing Organisational Change policy that applies to all staff. The Council's policy is not to award any additional compensatory payments to staff.

2.6.3 Should a senior staff member leave because of a settlement agreement these, by their nature, are subject to negotiation with the individual and their

representatives and so are variable in their terms. Such agreements are formal legal arrangements and confidentiality binding on both parties is a key component, so any payment arising from such an agreement would not be published. Authorisation of the payment would be in accordance with the Council's terms of reference and scheme of delegation and it would need to represent value for money for the taxpayer in the circumstances.

2.6.4 Senior staff that were previously employed by the Authority and left with a severance or redundancy payment may be re-employed on a consultancy basis to cover short term staff pressures where it is considered appropriate in the public interest to do so.

2.7 Recruitment of senior staff

2.7.1 When recruiting to a senior post the salary offered would be that applicable to the grade of the post, as determined by Job Evaluation, and within the established pay line. No additional payments would arise, unless a market supplement to enable recruitment was considered justified due to a recognised technical skill shortage in the job market.

2.7.2 In the event that a senior post was to be filled by a person who had retired from another Authority and was in receipt of a pension it would be arranged so that the person was not better off overall, through abatement of pension and/or pay as applicable.

2.7.3 In accordance with the guidance set out in the Localism Act, The Strategy and Resources Committee should be given the opportunity to vote before large salary packages (£100k or above) are offered in respect of a new appointment. This will be considered by the Council should the issue arise in the future.

2.8 Monitoring Officer

2.8.1 The Monitoring Officer is not subject to any additional payment.

2.9 Publication of remuneration of senior staff

2.9.1 This Pay Policy Statement, once approved by the Council, will be published on the Council's website.

2.9.2 The remuneration and pension contributions of the posts listed in 2.1 above are published annually in the Financial Statements of the Authority and a copy placed on the website.

3. Lowest paid staff

3.1 Definition

3.1.1 The lowest paid staff at Maldon District Council are those in Pay Band A. If the proposed national pay award of 2% is agreed for 2020.21 these rates will be £14,886 to £16,346. This is supplemented in line with real living wage, please see point 3.2.1. This definition has been chosen as reflecting the reality of the pay line. The posts in Band A were placed there as part of the Council's Job Evaluation scheme referred to above.

3.2 Pay Policy in respect of lowest paid staff

3.2.1 No special considerations apply to the lowest paid staff. They are subject to identical terms and conditions, procedures and policies as all other staff. In some cases these policies give slightly different benefits to different levels of staff. For example, the lowest five pay bands (A to E) have enhanced pay rates for overtime. No enhancement above grade E is paid. In contrast the basic amount of annual leave increases with pay. Overtime is only paid in exceptional circumstances to staff.

All employees paid at Band A and B, spinal column points 1 through to 8 are paid at a real living wage rate of £9.30 per hour or £17,893 per annum for a standard 37 hour, 52 week a year contract. The rate is paid by way of a supplement to basic pay.

The Council employs Apprentices are not included within the definition of 'lowest paid employees' and are not subject to the living wage rate.

3.3 Annual National Pay Award

- The Council agreed in 2011.12 that locally agreed pay points would be used to calculate Maldon District Council salaries but that these would be increased annually in accordance with the nationally agreed living wage rises.
- A 2 year pay deal of 2% annual increase for 2018.19 and 2019.20 was agreed. The new annual increase for 2020.21 is currently under negotiation. Maldon, in line with Council's nationally, has agreed that this should be 2%. A report to the Strategy and Resources Committee and Full Council will be provided when the increase has been agreed. This is expected to be finalised in a few months.