

## Document Control Sheet

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**Validity Statement**

This document is due for review by the date shown above, after which it may become invalid. Users of the strategy or policy should ensure that they are consulting the currently valid version of the document.



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 initiated a transformation programme. As part of this a Council wide Job Evaluation exercise was carried out on all posts based on a uniform set of criteria and placing all roles within a single unified pay scale. The pay scale was benchmarked and designed to be consistent with best practice. In accordance with the Council's constitution, the remuneration of the Director posts are set by the Appointments Committee made up of elected Members of the authority and based upon the above principles.
- 1.2 The Job Evaluation process was designed to achieve compliance with Equal Pay legislation and to standardise the contractual terms and conditions of staff. Remuneration of all Council employees is now governed by a single set of policies and procedures.
- 1.3 The Pay Multiple is the ratio between the highest taxable earnings and the median earnings figure for the whole authority in accordance with the Transparency Code 2014. For Maldon for 2020.21 the ratio between the Director salary and the median of all staff is 3.66. 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.

- The three 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 in 2018. 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 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 Strategy, Performance and Governance 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. These duties attract fees that are variable depending on the election. For Parliamentary, Police, Fire and Crime Commissioner, European elections and national referenda these are set by the Government, for County elections by Essex County Council and for District and Parish elections these 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 staff member be made redundant the post holder would receive redundancy payments in accordance with the Council's Managing Organisational Change policy and the Public Sector Exit Payment Cap legislation introduced in 2020. This restricts exit payments to 95K including any pension strain. The Council's policy is not to award any additional compensatory payments to staff.

2.6.3 Should a staff member leave as a result 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 and 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.

## 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 Directors are published annually in the Financial Statements of the Authority, along with the numbers of employees whose remuneration and pension contributions are £50,000 and over. A copy of the Financial Statement is placed on the Council's website.

**\*3. Lowest paid staff and Real Living Wage**

3.1 Definition

3.1.1 Maldon District Council are committed to paying the Real Living Wage currently this is £9.50 per hour. Staff in Pay Bands A and B, spinal points 1 to 8 are paid the real living wage rate which is currently £9.50 per hour from 9<sup>th</sup> November 2020 or £18,327.21 per annum for full time equivalent earnings.

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) an enhanced pay rates for overtime is paid. 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.

The Council employs Apprentices but these are not included within the definition of 'lowest paid employees' and are not subject to the living wage rate as they are paid the legal pay rate for Apprentices.

3.3 Pay Award

3.3.1 The National Joint Council (NJC) negotiates pay on behalf of Local Government and Maldon District Council are committed to paying its employees the nationally agreed pay award each year. The award for 2020.21 was 2.75%.

3.3.2 Employees who have left the Council's employment prior to their pay award being implemented may submit a written request for payment of monies owing to them.