Pay Policy Statement 2025/26



Document Control Sheet

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This document is due for review by the date shown above, after which it may become invalid.



Pay Policy Statement

<u>Introduction</u>

This Statement has been written to meet the statutory requirements of the Localism Act 2011 (the Act), Chapter 8 (Pay Accountability) Section 18 (1) and to aid transparency in respect of Maldon District Council's policy regarding pay to all staff.

The Council seeks to be able to recruit and retain employees in a way which is competitive and fair.

1. General policy

- 1.1 For the purpose of this policy a chief officer and non-statutory chief officer under section 2 of the Local Government and Housing Act, 1989 includes the Chief Executive as Head of Paid Service, and Deputy Chief Executive.
- 1.2 The Chief Executive is responsible for the overall management of the Council and its resources. She/he has delegated authority to determine pay for all employees of the Council.
- 1.3 The appointment and dismissal of Assistant Directors and the Statutory Officers are determined under the Officer Employment and Disciplinary Procedure Rules. The Chief Executive leads on the development and the implementation of the Council's strategies and sets the framework for community engagement.
- 1.4 The Council's pay policy statement is underpinned by the principle of equal pay and recognises equal pay between both female and male officers as a legal right under employment law and ensures fair and non-discriminatory remuneration package across the authority.

2. Determination of Job Grades

- 2.1 Maldon District Council has adopted the "Hay Job Evaluation Scheme" which systematically establishes the relative values of different jobs. The Scheme has been used to determine the grades of all existing posts and for new posts as they arise. It is the only mechanism within the Council for determining the grading of posts. Responsibility for administering and coordinating the Job Evaluation Scheme rests with Human Resources.
- 2.2 A job can only be considered for re-evaluation where there has been a significant change to the responsibilities and accountabilities of the post and where the post holder and the Manager agree a need for a review. The Manager will need to advise where the changes have come from as another post may be affected resulting in a decrease in the applicable grade of that post. If this results in an increase in grade, this will become effective from the date of the job evaluation panel was held. If this results in a decrease, pay protection will apply.

- 2.3 All roles in the Council are job evaluated and place all roles within a single unified pay scale approved by the Council. Any appointment outside of this pay scale, for reason of market forces for instance where there are recruitment challenges, would be agreed by Strategy and Resources Committee.
- 2.4 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 governed by agreed policy and procedures.
- 2.5 The Council's pay policy statement and its principles are applied consistently to all employees. For part-time employees, salary entitlement and the Council's conditions of service are applied pro-rata to comparable full-time employees.
- 2.6 Temporary employees' salary entitlement and the Council's conditions of service will be applied on the basis of an equivalent to that of permanent employees.

2. Policy on Payments

2.1 Chief Officer Pay

- 2.1.1 The Act defines Chief Officers as the following (the post titles in brackets identify the relevant posts within the council's senior management structure):
 - The Head of Paid Service (Chief Executive)
 - A non-statutory chief officer (Deputy Chief Executive)
 - The Monitoring Officer (Lead Legal Specialist)

2.2 Pay and its calculation

- 2.2.1 The Council's pay scales range from A1-P64. Each grade within the spinal column point consists of four spinal points.
- 2.2.2 To calculate hours pay, the employees' annual salary is divided by 365 (days), multiplied by 7 (days), divided by the number of hours worked.
- 2.2.3 For employees working less than 37 hours or those on average pay, the actual hours worked are divided by 37 (hours) then multiplied by the annual salary which gives the pro rata rate.
- 2.2.4 The pay line for Assistant Directors is subject to the same factors as the rest of staff pay, for example any annual pay award granted and aligns to the National Joint Council (NJC).
- 2.2.5 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.

- 2.2.6 The Chief Executive, Deputy Chief Executive and Assistant 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.
- 2.2.7 New entrants will normally be placed at the bottom of the scale unless in exceptional circumstances, it can be demonstrated that they have had experience in the same role with the same level of responsibility in another organisation with the capability to work and function at a high level from the outset. Other considerations to merit an appointment at a higher scale point are when a case is made to establish demonstrable previous skills and experience against proven organisational need. These will need to be agreed by HR in consultation with the appropriate manager above Head of Service level. In the case of a Chief Executive appointment this will be confirmed by recommendation to the Council through the Appointments Board. The Deputy Chief Executive, Section 151 and Monitoring Officer will be confirmed by the Appointments Board however pay will be determined by the Deputy Chief Executive or Chief Executive.
- 2.3 Performance related pay and bonuses
- 2.3.1 Maldon District Council does not have performance related pay or bonus payments for any post. As there is no mechanism for linking pay and performance in this way 'earn back' arrangements are not appropriate.
- 2.4 Progression through the Pay Spine
- 2.4.1 New staff receive an increment after successful completion of their six-month probationary period. Internal movers may receive an increment at the six months anniversary under our performance management scheme. Those appointed at the top of the scale point in their grade will not achieve any movement.
- 2.4.2 Those at Assistant Director level will have their performance reviewed annually by the Chief Executive or Deputy Chief Executive.
- 2.4.3 The Deputy Chief Executive's performance is reviewed by the Chief Executive.
- 2.4.4 The Leader and the Deputy Leader of the Council will be responsible for reviewing the Chief Executive's performance.
- 2.4.5 Incremental increases are not paid if the individual is already at the top of their pay band, or, if they have received an incremental rise within the previous 6 months.

- 2.5 Fees, allowances, benefits in kind and expenses
- 2.5.1 The Chief Executive 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. The Chief Executive may delegate the Returning Officer duties to the Deputy Chief Executive and in doing so, delegates the allowance also.
- 2.5.2 Apart from these fees, allowances, benefits in kind or expenses are available to all staff and on the same basis.
- 2.5.3 Staff appointed as Deputy Returning Officer's by the Returning Officer can receive a proportion of the above fees dependent upon the responsibilities undertaken at each separate election, as determined by the Chief Executive as Head of Paid Service.

2.6 Pension

- 2.6.1 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.
- 2.6.2 The employee contribution rates for members of the Local Government Pension Scheme (LGPS) are reviewed on 01 April each year. The rates as effective from 01 April 2024 are as set out below:

		main scheme	50/50 scheme
up to	£17,600.00	5.50%	2.75%
£17,601.00	£27,600.00	5.80%	2.90%
£27,601.00	£44,900.00	6.50%	3.25%
£44,901.00	£56,800.00	6.80%	3.40%
£56,801.00	£79,700.00	8.50%	4.25%
£79,701.00	£112,900.00	9.90%	4.95%
£112,901.00	£133,100.00	10.50%	5.25%
£133,101.00	£199,700.00	11.40%	5.70%
£199,701.00	or more	12.50%	6.25%

2.6.3 Every three years an independent actuary calculates how much the Council should contribute to the Scheme. From 01 April 2023, the employer contribution rate uplifted from 19.9% to 20.9% contributory pay (this includes the administration levy).

2.7 Severance payments

- 2.7.1 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.
- 2.7.2 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 Statutory Guidance on the Making and Disclosure of Special Severance Payments, 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.
- 2.7.3 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.
- 2.7.4 For the purposes of continuous service, employees with multiple roles may have different continuous service dates which reflect the start date within the role. The role being made redundant will be calculated on the correct continuous service date.

2.8 Additional Payments

- 2.8.1 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. See also Market and Retention Supplements.
- 2.8.2 Employees with multiple jobs within the Council, as per HM Revenues an Customs (HMRC) guidelines, have their National Insurance (NI) liability amalgamated to reflect the correct deduction.

2.9 Statutory roles

2.9.1 The Monitoring Officer, Section 151 Officer and Head of Paid Service are not subject to any additional payment. The statutory nature of the roles are considered as part of the substantive role; these are aligned to when being considered under the Hay Job Evaluation Scheme.

- 2.10 Publication of remuneration of senior staff
- 2.10.1 This Pay Policy Statement, once approved by the Council, will be published on the Council's website.
- 2.10.2 The remuneration and pension contributions of senior staff whose remuneration and pension contributions are £50,000 and over are published annually in the Financial Statements of the Authority. These are placed on the Council's website.

3. Lowest paid staff and The Real Living Wage

3.1 <u>Definition</u>

3.1.1 Maldon District Council is committed to paying The Real Living Wage which is a voluntary rate of pay to apply. When The Real Living Wage increase is announced each year, it is requested that the increase is applied within 6 months. Therefore, it is commonplace to apply any inflated rate to employees pay the first date of the following month. Staff in Pay Bands A to C, on spinal points 1 to 9 are paid a supplement to bring their hourly rate of pay up to that of The Real Living Wage rate. The increased rate of £12.60 per hour was paid to employees from 01 November 2024.

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, for the lowest five pay bands (A to E) enhanced pay rates for overtime are paid. No enhancement above grade E is paid. In contrast the basic amount of annual leave increases with grade bands.
- 3.2.2 The Council employs Apprentices, but these are not included within the definition of 'lowest paid employees' and are not subject to The Real Living Wage rate as they are paid the legal pay rate for Apprentices.

4. Pay Ratio's

- 4.1 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.
- 4.2 Maldon, as at end of quarter 2, September 2024, has the ratio between the Director salary and the median of all staff as 1:2.8. The Government has considered setting twenty to one as a maximum. As Maldon District 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.

5. Pay Award / Negotiation

- 5.1 The NJC for local government services ('Green Book') negotiates pay on behalf for Local Authority staff. Maldon District Council is committed to paying its employees the nationally agreed pay award each year. The award for 2024/25 was aligned to the Council's own pay scale as below;
 - Spinal Column Point (SCP) A1 J37: Increase of £1,290.00
 - SCP J38 O60: Increase of 2.5%
- 5.2 Apprentice pay rates fall in line with the Apprenticeship rate of pay as set by the government.
- 5.3 Pay for the Chief Executive is paid at SCP P. The Deputy Chief Executive at SCP O. These SCP's are subject to pay awards as negotiated by the Joint Negotiating Committee (JNC) for Chief Officers of Local Authorities. The pay negotiations for 2024-25 awarded 2.5% uplift.
- 5.3 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. Any monies due to that employee from 01 April to the last date of their employment will be paid.
- 5.4 Any agreed increase is published as soon as the agreed increase is known. This will usually be backdated to 01 April where this is agreed part way through a year OR as determined by the NJC / JNC negotiations. Payment to staff is managed as soon as is reasonably practical but usually uplifted the following month and any back payment made the next.
- 5.5 The Council does not employ any staff under the JNC for local authority Craftworkers ('Red Book').

6 Other pay

6.1 Market and Retention Supplements

- 6.1.1 There may be occasions when the evaluated salary for a post fails to attract any suitable candidates and consideration is given to increasing the salary by way of a market supplement. They may also be payable to maintain a skilled and experienced workforce. Managers will need to have tried to recruit at the evaluated level and provide HR with salary details of similar jobs within the market.
- 6.1.2 Supplements will be benchmarked against the salaries for similar jobs annually to ensure they are still required. This will be undertaken by the line manager in conjunction with HR. Should this research result in the market supplement no longer being required, there will be a three month pay protection before withdrawal of the supplement. Assistant Directors will then approve these at Management Team level.

- 6.1.3 Pay for Supplements will be capped at a maximum of 15% of the pro rata salary. These are not subject to cost of living / pay award increases and are reviewed on an annual basis.
- 6.1.4 Market and Retention supplements are time-limited and subject to annual review. They are identified separately from basic salary in all documentation and records, including pay slips. Market supplement payments will be subject to the following criteria;
 - Subject to tax and national insurance contributions
 - Paid pro-rata to part time employees
 - Included in statutory calculations for the purposes of sick pay, redundancy pay, annual leave, maternity, adoption, paternity
 - Included in overtime
 - Not subject to increase under pay awards

6.2 Honorarium payments

- 6.2.1 This may be awarded in recognition of an employee taking on a special project or role for a limited time. This is capped at £500.
- 6.3 Additional Responsibility Allowances (ARA) payments
- 6.3.1 This may be awarded where an employee is covering part of the duties of a post at a higher level due to absence of a more senior member of staff (e.g. sickness or secondment) for 4 weeks' or more. Payment is capped at a maximum of two spinal column points above the employees' substantive rate of pay.
- 6.4 First aid allowance
- 6.4.1 Employees that are designated first aiders will be paid a flat fee of £6 per month. Employees that are required for the purposes of their job to be first aid qualified will not receive the first aid allowance.
- 6.5 Events
- 6.5.1 From time to time, the Council may seek support on a corporate basis for employees to put themselves forward to work on a special event outside of their normal contract of employment. Employees will be paid the event rate. Events worked on will be within the district and/or that which the Council supports. A flat fee of £17.50 per hour will be payable regardless of the day and/or time of the week.

6.6 ICT Out of hours Payments

6.6.1 Disturbance payments of £166.67 per month are payable to identified individuals as a fee for working unsocial hours as and when required to meet with business needs.

6.7 Duty Rota Out of Hours (OOH) - Housing

6.7.1 For employees required to be on call for out of hours, specifically relating to homelessness response, payments will be made at the set fee of Monday to Friday £12 per hours, Saturday, Sunday and Bank holidays £20.00 per hour. Additional payments made per call at the employees SCP.

6.8 Overtime

6.8.1 The Working Time Regulations (WTD) amendment 01 January 2024, introduced 'rolled up holiday pay' for workers with irregular hours and part year workers. Where overtime is payable to employees, payment for overtime worked continuously over a 3-month period will receive an automatic uplift of 12.07% to their pay to ensure additional holiday accrual is accounted for, and separately identified on the payslip.

6.9 Irregular hour workers

6.9.1 The Council tries to minimise the number of persons engaged on a zero hours 'irregular worker' contract. However, where they are engaged, under the WTD, annual leave is accrued based on the number of hours they work. The Council manages this obligation by increasing the rate of pay by 12.07% and is itemised separately on the payslip.

6.10 Other pay

6.10.1 Information on the Council's policies on Occupational sick pay and maternity, shared parental leave, paternity and adoption leave can be obtained from the Council's Human Resources Team.

7 Other benefits

- 7.1 All employees have access to Occupational Health provision and a fully funded Employee Assistance Programme (EAP) which provides access to Counselling services and 24/7 confidential support for the staff member and their immediate families. This also provides for a wider benefits platform area that offers discounts on a huge variety of shopping platforms.
- 7.2 Free on-site car parking is available to staff as well as a flexible working approach, flexi-time scheme and learning and development opportunities.
- 7.3 Staff are provided with login details to access Kaarp benefits, a free local government benefit site that provides lifestyle voluntary benefits service thought discounts on personal purchases.

- 7.4 A discount is offered to staff for local gym membership.
- 7.5 The Council offers a salary sacrifice scheme to employees through both a car scheme and cycle-to-work. Both initiatives provide staff by making agreed deductions from salary before tax, NI and pension (if applicable) deductions are made.
- 7.6 The LGPS has a provision within its regulations to allow an employer to contribute to an employee's Additional Voluntary Contribution (AVC) arrangement. This is known as a "Shared cost" AVC which would be administered through a salary Sacrifice.
- 7.7 Any deduction through a Salary Sacrifice Scheme at the Council will not affect any redundancy calculation by any detrimental effect. Should an individual lose their post through a reorganisation resulting in redundancy, it is proposed that 3 months' notice will be given as part of the Consultation process, to ensure they can withdrawal from the salary sacrifice scheme so as it does not have an detrimental impact on any severance payment.
- 7.8 The Essex Pension Fund have confirmed that the salary sacrifice shared cost AVC does not have any impact on provisions for ill-health retirement or death in service.

8 Reimbursement of expenditure

- 8.1 All employees are required to make the best use of council resources and are obliged to consider the most cost-effective option when incurring any expenditure in the course of their duties.
- 8.2 Subsistence allowances are payable when employees incur additional expenditure on meals because they have been unable to follow their normal meal arrangements whilst out on business.
- 8.3 Examples of where an employee may need to incur expenditure on meals are as follows:
 - Attendance at training courses or seminars where meals or refreshments aren't provided
 - Site visits
 - Meetings at other organisations
 - Travelling to locations as part of official duties
- 8.4 Subsistence amounts are stated in the Council's Mileage and Expenses Policy.

9 Pensions

- 9.1 The Council's pension scheme is administered by Essex County Council.
 General details of the LGPS are available from Human Resources. Both the employee joining the scheme, and the Council contributes to the scheme.
- 9.2 The rules under which auto-enrolment operates will continue to apply to all Council employees. Eligible staff will be automatically enrolled unless they choose to opt out. This exercise will be repeated every three years on the anniversary of each eligible employee's enrolment.

10 Conclusion

- 10.1 The Localism Act 2011 requires relevant authorities in England and Wales to prepare a Pay Policy Statement for each subsequent financial year. This paper sets out the Council's policy statement on pay for employees. The next statement will be reported to the Council for its approval next year.
- 10.2. Should there be a need to amend the existing Pay Policy Statement during the course of the year an appropriate recommendation will be made to the Council.

The Real Living Wage £12.60

Pay Scales Subject to NJC rules for officers 1st April 2024					
Grade		SCP	1 April 2024 Pay	Monthly	Hourly
А	A1	1	20,547.88	1,712.32	10.65
	A2	2	21,388.92	1,782.41	11.09
	A3	3	21,532.14	1,794.35	11.16
	A4	4	22,058.72	1,838.23	11.43
	B5	5	22,255.80	1,854.65	11.54
D	В6	6	22,866.38	1,905.53	11.85
В	В7	7	23,007.45	1,917.29	11.93
	B8	8	23,602.43	1,966.87	12.23
	C9	9	23,883.95	1,990.33	12.38
6	C10	10	24,737.06	2,061.42	12.82
С	C11	11	25,602.97	2,133.58	13.27
	C12	12	26,558.46	2,213.21	13.77
	D13	13	26,900.77	2,241.73	13.94
6	D14	14	27,703.76	2,308.65	14.36
D	D15	15	28,504.63	2,375.39	14.77
	D16	16	29,305.48	2,442.12	15.19
	E17	17	29,651.00	2,470.92	15.37
_	E18	18	30,258.84	2,521.57	15.68
E	E19	19	30,872.02	2,572.67	16.00
	E20	20	31,481.99	2,623.50	16.32
	F21	21	32,055.70	2,671.31	16.62
_	F22	22	32,971.74	2,747.65	17.09
F	F23	23	33,888.83	2,824.07	17.57
	F24	24	34,802.73	2,900.23	18.04
	G25	25	34,920.03	2,910.00	18.10
	G26	26	36,444.97	3,037.08	18.89
G	G27	27	37,973.11	3,164.43	19.68
	G28	28	39,501.25	3,291.77	20.47
	H29	29	40,645.48	3,387.12	21.07
	H30	30	42,363.44	3,530.29	21.96
Н	H31	31	44,080.33	3,673.36	22.85
	H32	32	45,800.42	3,816.70	23.74
	133	33	46,372.00	3,864.33	24.04
,	134	34	48,100.92	4,008.41	24.93
ı	135	35	49,807.91	4,150.66	25.82
	136	36	51,526.94	4,293.91	26.71
	J37	37	52,099.59	4,341.63	27.00
	J38	38	54,084.46	4,507.04	28.03
J	J39	39	56,115.80	4,676.32	29.09
	J40	40	58,148.27	4,845.69	30.14

Grade		SCP	1 April 2024 Pay	Monthly	Hourly
К	K41	41	58,756.87	4,896.41	30.46
	K42	42	60,992.59	5,082.72	31.61
N.	K43	43	63,228.32	5,269.03	32.77
	K44	44	65,464.04	5,455.34	33.93
L	L45	45	66,074.93	5,506.24	34.25
	L46	46	67,903.02	5,658.59	35.20
	L47	47	69,733.37	5,811.11	36.14
	L48	48	71,561.47	5,963.46	37.09
М	M49	49	72,782.10	6,065.17	37.72
	M50	50	74,406.94	6,200.58	38.57
	M51	51	76,032.92	6,336.08	39.41
	M52	52	77,660.03	6,471.67	40.25
N	N53	53	85,952.30	7,162.69	44.55
	N54	54	88,269.78	7,355.82	45.75
	N55	55	90,586.12	7,548.84	46.95
	N56	56	92,903.60	7,741.97	48.15
0					
0					
	060	60	102,335.37	8,527.95	53.04

Pay Scales subject to JNC rules for chief Officer 1st April 2024					
0	057	57	95,174.18	7,931.18	49.33
	058	58	97,501.88	8,125.16	50.54
	059	59	99,888.58	8,324.05	51.77
	060	60	102,335.37	8,527.95	53.04
Р	P61	61	116,492.28	9,707.69	60.38
	P62	62	124,305.54	10,358.80	64.43
	P63	63	132,118.71	11,009.89	68.48
	P64	64	139,931.98	11,661.00	72.53