

## Pay Policy Statement 2016/17

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### Purpose

As a responsible employer Leicestershire County Council is committed to delivering a fair, equitable and transparent policy covering pay and other employee benefits which improves flexibility in delivering services and provides value for money.

Within the framework of its terms and conditions of employment, the Council aims to develop and maintain appropriate pay systems and benefit packages to attract and retain motivated, flexible people who take responsibility, work as a team, improve performance and acquire new skills.

This Pay Policy Statement sets out the Council's policies relating to the pay of its workforce for the period from 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2017, in particular the:

- Remuneration of chief officers;
- Remuneration of the lowest-paid employees;
- Relationship between the remuneration of chief officers and employees who are not chief officers.

The statement meets the Council's obligations under the Localism Act 2011 and will enable the elected members of the Council to make decisions on pay.

The Council's Pay Policy Statement will be agreed by Full Council before the beginning of each financial year and will then be published on the County Council's website ([Click here](#)). The statement may also be amended by Full Council during the course of the year if necessary.

## Scope

This statement applies to all employees of Leicestershire County Council employed under the conditions of service of the following bodies:

- National Joint Council for Local Government Services;
- Joint Negotiating Committee for Chief Officers of Local Authorities;
- Joint Negotiating Committee for Local Authority Chief Executives;
- School Teachers' Pay and Conditions (for Centrally Employed Teachers);
- Soulbury Committee.

It is not applicable to employees based in schools and colleges with delegated budgets.

## Definitions

For the purposes of this Pay Policy Statement the following definitions will apply:

### Remuneration

This includes three elements:

- Basic salary;
- Pension;
- Any other allowances arising from employment.

### Chief Officers

Under the Localism Act 2011 a Chief Officer is defined as:

- The head of the Council's paid service designated under section 4(1) of the Local Government and Housing Act 1989;
- Its monitoring officer designated under section 5(1) of that Act;
- A statutory chief officer mentioned in section 2(6) of that Act;
- A non-statutory chief officer mentioned in section 2(7) of that Act;
- A deputy chief officer mentioned in section 2(8) of that Act.

In Leicestershire County Council this definition would apply to the posts set out in [Appendix A](#).

### Definition of a Day's Pay

The definition of a day's pay is the hours worked on the day multiplied by the employee's hourly rate of pay.

### Lowest Paid Employees

This refers to employees on Grade 2, Pay Point 3. This definition has been adopted as it is the lowest level of remuneration attached to a post within the Council. The

lowest pay point value with effect from 1 April 2016 will be £7.20, which is the National Living Wage introduced by central government on that date.

## Pay and Grading Structure

The grading of all posts in the Council, except Centrally Employed Teachers, is determined using the nationally recognised Hay Job Evaluation Scheme. This is in order to ensure that all posts are graded and therefore rewarded financially through a fair and non-discriminatory process, that there is consistency in treatment between posts and that the Council complies with equal pay legislation. The scheme is an analytical one that takes into consideration three key elements of a post:

- Know How - the levels of knowledge, skill and experience (gained through work experience, education and training) which are required to perform the job successfully;
- Problem Solving - the complexity of thinking required to perform the job when applying Know How;
- Accountability - the impact the job has on the organisation and the constraints that the job holder has on acting independently.

Part of the guidance from Hay when introducing the scheme was that there should be a 33.3% differential between the Chief Executive and the highest paid Chief Officer.

Basic pay is paid in accordance with the evaluated grade of the post. Each grade comprises a range of pay points. A copy of the Council's pay and grading structure is attached at [Appendix B](#). The introduction of the National Living Wage with effect from 1 April 2016 will impact on the value of the Council's lowest pay grades and work is ongoing to address this.

Annual pay awards for all employees except Centrally Employed Teachers and those employed on Soulbury Committee conditions will be agreed by Employment Committee having regard to any agreement reached by the relevant national negotiating bodies. The current pay award for all employees up to and including Grade 17 follows the national award made by the National Joint Council for Local Government Employees and covers the period 1 April 2014 to 31 March 2016. A pay award covering the same period has been agreed for employees on Joint Negotiating Committee (JNC) terms and conditions for Chief Officers, providing the substantive rate of pay is £99,999 or less. No pay awards have been agreed beyond this period with any negotiating groups.

Annual pay awards for centrally employed teachers and those on Soulbury Committee conditions will be in accordance with those agreed by the respective national bodies.

Details of the national pay scales for Centrally Employed Teachers are available on the [Department for Education's website](#).

Details of senior management remuneration are published annually on the Council's website as part of this Pay Policy Statement ([Click here](#)) and in the [Council's Statement of Accounts](#). A copy of the information for 2013/2014 contained in the Pay Policy Statement is attached at [Appendix A](#).

The 'pay multiple' - the ratio between the highest paid full-time equivalent (FTE) salary (Grade 22) and the median average salary of the Council's workforce - is 7.84 (excluding schools).

## Remuneration on Appointment

All employees are usually appointed to the minimum pay point applicable to the grade of the post. If the employee is already being paid above the minimum pay point, managers have discretion in some circumstances to appoint to a higher pay point, subject to the maximum of the grade.

Where it is necessary for a newly appointed employee to relocate in order to take up a post, the Council may make a contribution towards the reimbursement of relocation expenses in line with the Relocation Policy.

Employment Committee are given the opportunity to consider salary packages over £100,000 before new posts are established and advertised.

## Market Premia

There is provision for the award of market premia where a job has been evaluated under the Hay Job Evaluation Scheme and the resulting salary is proven to be out of step with the market rate for the job. The award of market premia is subject to the agreement of the Chief Executive in consultation with the Chairman or Vice Chairman of the Employment Committee. If approved, market premia are awarded for a two year period. Details of the scheme can be found in the Council's Market Premia Policy and Procedure.

## Incremental Progression

### Centrally Employed Teachers

A locally agreed Pay Policy for Centrally Employed Teachers is in place from April 2014.

### Soulbury Employees

Employees covered by the Soulbury Agreement are eligible to receive annual increments on 1<sup>st</sup> September each year until they reach the maximum for the grade of their job.

### Other Employees

Subject to one year's satisfactory service in the grade, employees are eligible to receive annual increments on 1<sup>st</sup> April each year until they reach the maximum pay

point for the grade of their job. Where circumstances warrant, accelerated increments may be granted by a Chief Officer.

### **Career Graded Posts**

Employees subject to career grade schemes will progress in line with the arrangements for that post.

## **Additional Payments**

Employees are eligible to receive a flat-rate enhancement for working at night.

Employees are eligible to receive enhancements for working on public holidays.

Employees in posts graded 1-9 who work additional hours are eligible to receive payment at plain time rate for hours worked; employees in Grades 10-14 who work additional hours are not eligible to be paid, but may receive time off in lieu (other than in exceptional circumstances, as set out in the Council's Flexible Working Policy); and for employees in Grades 15 and above, there is no entitlement to pay or time off in lieu for working additional hours. Details of these provisions are set out in the Council's Pay Arrangements Policy.

Employees required to "sleep in" on the premises receive an allowance as agreed by the National Joint Council for Local Government Services.

## **Other Allowances**

All senior officers on grade 18 and above receive allowances as detailed in the Conditions of Service of the Joint Negotiating Committee for Chief Officers of Local Authorities and the Joint Negotiating Committee for Local Authority Chief Executives. However, where these conditions are silent, or do not cover an allowance or process, the Chief Executive and senior officers receive the same as those employees covered by the National Joint Council for Local Government Services.

A copy of the School Teachers' Pay and Conditions document can be found on the [Department for Education's website](#). Copies of the conditions of service for all other employees covered by this statement can be requested from the [Local Government Employers](#).

### **Professional Fees**

The Council reimburses annual registration or comparable fees to employees who are unable to practise their professions unless such fees are paid. Professional fees are also paid to employees who are being sponsored to undertake training leading to a professional qualification. However, once the qualification has been gained, the individual will become responsible for paying their own professional fees.

The Council pays the annual subscription for Chief Officers to Societies of Chief Officers and similar organisations.

### **Car Allowances**

All posts, including Chief Officers, within Leicestershire County Council may claim mileage paid at HRMC rates for business travel. The Council operates a lease car scheme which is open to employees who undertake business travel.

### **First Aid Allowances**

Employees who are classified as a 'designated first-aider' are eligible to receive an allowance.

All designated first-aiders (but not appointed persons) will receive an allowance of 1% of the salary for pay point 7, pro rata to hours worked. The allowance will not be used in calculating any enhancements.

## **Bonus Payments**

The Council does not pay any group of employees a bonus.

## **Pension Benefits**

### **Centrally Employed Teachers**

All Centrally Employed Teachers are eligible to join the Teachers' Pension Scheme. Employees within Leicestershire Youth Service and Leicestershire Adult Learning Service may also join if their role gives eligibility to join the scheme. The scheme is a statutory scheme with contributions from employees and employers. Details of the scheme can be found on the [Teachers' Pension Scheme website](#).

### **Other Employees**

All employees under the age of 75 are eligible to join the Local Government Pension Scheme. The scheme is a statutory scheme with contributions from employees and employers. Details of the scheme can be found on [www.leics.gov.uk/pensions](http://www.leics.gov.uk/pensions).

The scheme allows for the exercise of discretion on the enhancement of retirement benefits. The Council will consider each case on its merits, but has determined that its usual policy is not to enhance benefits for any of its employees.

The scheme provides for flexible retirement. To be eligible to request flexible retirement, the Council requires that an employee must either reduce their working hours by a minimum of 40% and/or be appointed to a post on a lower grade. In applying this provision no distinction is made between employees.

Under the Local Government Pension Scheme, employees who return to work after drawing their pension will not have their pension abated (i.e. reduced or suspended) except where they have been previously awarded "added years".

The Council does not award "added years" to employees and has not done so since 2006.

## Honoraria

Subject to certain conditions, employees (excluding Centrally Employed Teachers) who are temporarily required to undertake some or all of the duties of a higher graded post are eligible to be paid an honorarium. Details of the scheme can be found in the Council's Honorarium and Acting-Up Policy and Procedure.

## Salary Protection

Details of the Council's salary protection provisions that apply to employees who are redeployed into a new post as a result of organisational change can be found in the Council's Organisational Change Policy and Procedure.

Details of the Council's salary protection provisions that apply to employees whose post is downgraded as a result of a grading review can be found in the Council's Job Evaluation Guidance.

The provisions relating to safeguarding (pay protection) set out in the School Teachers Pay and Conditions Document apply to centrally employed teachers. Other Council employees are eligible to receive salary protection for a period of up to one year if they are redeployed into a lower-graded post, with the amount of protection depending on the difference between the grades of their former job and new job.

## Severance Payments

### **Early Retirement (Efficiency of Service)**

The Local Government Pension Scheme allows employers certain discretionary powers but the Council's usual policy is not to enhance pension benefits for any employee. Therefore, there are no provisions for employees to seek early retirement on the grounds of efficiency of the service.

### **Redundancy**

The Council has a single redundancy scheme which applies to all employees. Redundancy payments are calculated in accordance with the Employment Rights Act 1996 and the 2006 Discretionary Compensation Regulations and are based on the employee's age, length of continuous local government service and salary. Details of the redundancy scheme can be found in the Council's Organisational Change Policy and Procedure.

The Council does not provide any further payment to employees leaving the Council's employment other than in respect of accrued annual leave.

Employees who have TUPE transferred into the Council on redundancy terms which are more favourable than those detailed above will retain these provisions as per TUPE legislation.



In future, Full Council will be given the opportunity to vote on severance packages over £100,000 before they are approved.

## **Re-Engagement of Employees**

Employees who have been made redundant are eligible to apply for vacancies which may arise after they have left the Council's employment. Any such applications will be considered together with those from other candidates and the best person appointed to the post. Any necessary adjustments to pension would be made in accordance with the scheme regulations.

Employees who are offered another post with any organisation covered by the Modification Order Act prior to their redundancy leaving date and commence this post within 4 weeks of that date are not eligible to receive their redundancy payment.

## **Publication and Access to Information**

This Pay Policy Statement will be published on the Council's website, together with the Council's pay and grading structure and information relating to senior management remuneration.



## Appendix A - Senior Management Remuneration 2014/2015

The information below shows the total pay received by Senior Officers (as defined in the Localism Act) within the County Council for the financial year 2014/15. It does not include Head Teachers. The figures include taxable benefits i.e. lease car payments made for these positions during the year 2014/15.

All the jobs listed below have been ranked in terms of level of responsibility within a job evaluation framework applied to all County Council employees (excluding teaching staff). Rates of pay have then been determined with reference to market rates within similar local government authorities.

Post title	Total Pay
	£'000
<b>Chief Executive's Department</b>	
Chief Executive	190
County Solicitor	128
Assistant Chief Executive	83
Head of Planning	65
Head of Regulatory Services (reduced working hours)	39
<b>Public Health</b>	
Director of Public Health	119
<b>Corporate Resources</b>	
Director (Section 151 duties transferred to Assistant Director – Strategic Finance and Property, and reduced working hours)	89
Assistant Director - Strategic Information and Technology	90
Head of East Midlands Shared Services	80
Assistant Director – Corporate Services and Transformation	100
Assistant Director - Strategic Finance and Property	100
Assistant Director - Customer Services and Operations	90
<b>Children and Young People's Service</b>	
Director	122
Assistant Director Children's Social Care	90
Assistant Director Commissioning & Development	83
Head of Supporting Leicestershire Families	71
Assistant Director Education & Learning	83

<b>Adults and Communities</b>	
Director	128
Assistant Director Promoting Independence	90
Assistant Director Strategy & Commissioning	90
Assistant Director Personal Care & Support	90
<b>Environment and Transportation</b>	
Director	116
Assistant Director Highways	90
Assistant Director Transportation	90
Assistant Director Environment	90
<b>Eastern Shires Purchasing Organisation</b>	
Director	128
Assistant Director (Finance)	76
Assistant Director (Procurement & Compliance)	80
Assistant Director (Operations)	75
Assistant Director (Sales & Marketing)	77

## Appendix B - Pay and Grading Structure

Effective from 1<sup>st</sup> October 2015

Grade	Pay Point	Annual Salary (£)	Grade	Pay Point	Annual Salary (£)
<b>There is no Grade 1</b>					
<b>2</b>	<b>3</b>	<b>£13,611</b>	<b>13</b>	<b>40</b>	<b>£38,349</b>
	<b>4</b>	<b>£13,611</b>		<b>41</b>	<b>£39,612</b>
<b>3</b>	<b>5</b>	<b>£13,719</b>		<b>42</b>	<b>£40,941</b>
	<b>6</b>	<b>£13,869</b>		<b>43</b>	<b>£42,366</b>
<b>4</b>	<b>7</b>	<b>£14,094</b>	<b>14</b>	<b>44</b>	<b>£43,728</b>
	<b>8</b>	<b>£14,514</b>		<b>45</b>	<b>£45,180</b>
	<b>9</b>	<b>£14,943</b>		<b>46</b>	<b>£46,719</b>
<b>10</b>	<b>£15,426</b>	<b>47</b>		<b>£48,381</b>	
<b>5</b>	<b>11</b>	<b>£15,942</b>	<b>15</b>	<b>48</b>	<b>£49,950</b>
	<b>12</b>	<b>£16,338</b>		<b>49</b>	<b>£51,603</b>
	<b>13</b>	<b>£16,764</b>		<b>50</b>	<b>£53,331</b>
<b>6</b>	<b>14</b>	<b>£17,193</b>	<b>16</b>	<b>51</b>	<b>£55,128</b>
	<b>15</b>	<b>£17,649</b>		<b>52</b>	<b>£57,330</b>
	<b>7</b>	<b>16</b>	<b>£18,135</b>	<b>53</b>	<b>£59,667</b>
		<b>17</b>	<b>£18,651</b>	<b>54</b>	<b>£62,166</b>
<b>18</b>		<b>£19,182</b>	<b>55</b>	<b>£64,935</b>	
<b>19</b>		<b>£19,743</b>	<b>17</b>	<b>56</b>	<b>£67,815</b>
<b>8</b>	<b>20</b>	<b>£20,319</b>		<b>57</b>	<b>£70,836</b>
	<b>21</b>	<b>£20,913</b>		<b>58</b>	<b>£74,004</b>
	<b>22</b>	<b>£21,532</b>		<b>59</b>	<b>£77,325</b>
	<b>23</b>	<b>£22,212</b>	<b>18</b>	<b>60</b>	<b>£79,677</b>
<b>9</b>	<b>24</b>	<b>£22,938</b>		<b>61</b>	<b>£83,091</b>
	<b>25</b>	<b>£23,700</b>		<b>62</b>	<b>£86,637</b>
	<b>26</b>	<b>£24,507</b>	<b>63</b>	<b>£90,351</b>	
	<b>27</b>	<b>£25,368</b>	<b>19</b>	<b>64</b>	<b>£99,657</b>
<b>10</b>	<b>28</b>	<b>£26,319</b>		<b>65</b>	<b>£102,204</b>
	<b>29</b>	<b>£27,336</b>		<b>66</b>	<b>£107,019</b>
	<b>30</b>	<b>£28,404</b>		<b>67</b>	<b>£112,203</b>
	<b>31</b>	<b>£29,562</b>	<b>20</b>	<b>68</b>	<b>£115,764</b>
<b>11</b>	<b>32</b>	<b>£30,240</b>		<b>69</b>	<b>£119,499</b>
	<b>33</b>	<b>£30,981</b>		<b>70</b>	<b>£123,447</b>
	<b>34</b>	<b>£31,782</b>		<b>71</b>	<b>£127,689</b>
	<b>35</b>	<b>£32,649</b>	<b>21</b>	<b>72</b>	<b>£125,523</b>
<b>12</b>	<b>36</b>	<b>£33,660</b>		<b>73</b>	<b>£131,298</b>
	<b>37</b>	<b>£34,737</b>		<b>74</b>	<b>£137,337</b>
	<b>38</b>	<b>£35,883</b>		<b>75</b>	<b>£143,655</b>
	<b>39</b>	<b>£37,128</b>	<b>22</b>	<b>76</b>	<b>£167,985</b>
		<b>77</b>		<b>£173,949</b>	
		<b>78</b>		<b>£180,213</b>	
		<b>79</b>		<b>£186,981</b>	