

South Kesteven Pay Policy Statement 2017-2018

Introduction

1. It is a requirement of the Localism Act 2011 that the Council produces an annual pay policy statement. This statement summarises the current policies and arrangements already in place relating to pay – as such the pay policy statement is one of fact.
2. Any decisions in relation to pay will comply with this pay policy statement for the period 1st April 2017 to 31st March 2018.
3. The Council may amend the pay policy statement at any point in the year.
4. The Council's current pay and reward arrangements have been designed to ensure consistency through the job evaluation process and with reference to the external market. It does not currently make any specific arrangements with respect to personal performance and does not pay bonuses.
5. The Council employs all staff on local terms and conditions. It has a collective agreement in place for local cost of living pay awards that takes account of the pay reviews by the National Joint Council and Local Government Services (NJC). The Council makes its own determination of cost of living pay awards for all staff (except craft employees) in accordance with this local agreement, taking account of the rate of inflation (current and Bank of England forecast), labour market conditions, the level of previous years' cost of living awards and any specific budgetary constraints.

Chief Officer Pay Determination

6. The Localism Act refers to Chief Officers. The Chief Officers at South Kesteven District Council are the following:
 - The Chief Executive who is Head of Paid Service, the Section 151 Officer, and the Monitoring Officer (the "Statutory Officers"),
 - Strategic Directors,
 - Executive Managers.
7. The Council determines the level of pay for its Chief Executive through the Chief Executive's remuneration panel. The panel and its remit are contained in the Council's constitution.
8. The Council does not have a separate pay policy in relation to Chief Officers and their pay determination is the same process as the determination of all staff.
9. The Council pays its Chief Officers at rates based on job evaluation and these are detailed in the Council's salary scale each year. The total remuneration package defined in employment contracts for the Chief Executive and Chief Officers is the same as all staff. It includes a spot rate salary or salary band, the same holiday entitlement based on length of service, the same sick pay arrangements, the same pension scheme arrangements and no enhanced remuneration elements are included.

10. The Council publishes senior management salary rates on its website in line with the requirements of the Government's transparency agenda.

Pay Determination Arrangements

11. The level of pay for all staff is determined, except for the Chief Executive as set out in paragraph 7 above, through the relevant job evaluation scheme. The job evaluation score determines the grade at which the employee is paid.
12. , Where salary bands are used, appointment within these will be based on an assessment against the levels of competency required for the role.
13. The salary for newly appointed staff (including Chief Officers) is determined on appointment in relation to the job evaluation score for the post. The job evaluation score assumes full competence at the job. Where a new appointee for the job has some development needs, the Council may choose to place the employee on a salary progression until full competence has been confirmed or qualifications have been completed
14. During 2013/14 the Council adopted a local living wage for SKDC grades 1-3. This is reviewed annually to ensure that the requirements of the National Living Wage are being fully met.
15. The Council will monitor pay locally and nationally as required and will undertake market reviews in relation to specific posts. Where a post is hard to recruit to at any level, particularly where there are supply pressures, the Council has a process in place to consider applying market supplements, or to offer recruitment incentives. Market supplements are kept under review and may be withdrawn if market conditions change.
16. The Council will pay job related allowances to staff where it is a requirement of the job to do so. For example, instead of providing craft employees directly with tools it currently pays an allowance in line with JNC rates. Staff who are required to respond to emergencies outside normal working hours are also currently in receipt of standby and call out arrangements, depending on the nature of the work.
17. Overtime is payable at a flat rate and can only be done with the prior approval of the line manager. Chief Officers and managers are required to work evenings and weekends to meet the requirements of the job.
18. The Council does not pay essential car allowances or provide cars to any individual member of staff as the Council operates a pool car system available to all employees. Where the Chief Executive, Chief Officers or staff use their own cars for Council business they are reimbursed at a flat rate of 45p per mile in line with the HMRC guidelines. The Council may review these arrangements in 2017–2018 to better support cost effective flexible working.
19. Honoraria and acting up payments may be paid for those staff who have taken up additional responsibilities for a defined period of time to cover absence, or additional responsibilities. Where possible such payments will be based on the job evaluated rates of pay for those responsibilities. Each case will be considered on its own merits and a fair recompense will be calculated.

20. Temporary short term appointments of staff will be paid in line with the job evaluated rate for the job and the prevailing market rate for such short term appointments.
21. Remuneration for staff on secondment will be in line with the Council's secondment policy.
22. The Council actively supports the employment of apprentices who are remunerated in line with national terms and conditions.
23. The Council also offers a range of voluntary benefits paid for by staff.
24. Local government elections and neighbourhood planning referendums are a separate statutory responsibility and rates of pay for local elections are set in accordance with a Lincolnshire County wide election scale of fees and charges. These rates differ according to the size of the ward contested. Local elections will take place during the period of this pay policy statement.

Pay Multipliers

25. Whilst job evaluation and the market determines the relationship between the highest and lowest paid employees, an analysis of pay multiples has been undertaken in the light of the requirements of the Localism Act 2011.
26. The Council defines its lowest paid employees in relation to their grade. This definition has been selected to enable fair comparison on a Full Time Equivalent basis.
27. The Ratio of the highest paid employee to mean salary per Full Time Equivalent is 1:5 (based on actual salary paid).
28. The Council has no policy about the maximum or minimum levels of such ratio statistics.

Termination Payments

29. The Council recognises that staff leave the council for a range of reasons, including retirement, redundancy, voluntary resignation, or employment termination. Where a termination payment may apply, each case will be treated on its own merit and will comply with Council policies and the law.
30. The Council reserves the right to make any appropriate payments to protect the reputation of the Council and manage risk of litigation. This will be in line with legislation and with reference to best value.
31. The Council does not have any specific termination payments built into any employee's employment contracts. It reserves the right to do so should such a need arise in the interests of the efficiency of the service.
32. The Council has determined that it will allow retirements in line with its flexible retirement procedure and Regulation 30(6) of the Pension Regulations. This

permits flexible retirement from age 55 from 1st April 2010 with consent. The policy has a provision for individuals to retire from their substantive post and continue in employment at a lower grade or with reduced hours. The Council's policy is that any consent given for flexible retirement will only be given in the interests of the efficiency of the service. The Council defines the "interests of the efficiency of the service" as "efficiency shall include (but not be limited to) both financial savings and or quantifiable quality improvements judged on a case by case basis".

33. The Council has a redundancy policy in place in accordance with current legislation which applies equally to all staff. Where redundancy payments are made to any employee the Council reserves the right to recover the redundancy severance payment.
34. The Pensions Act 2008 required us to auto-enrol eligible employees into the pension scheme from a staging date, which for South Kesteven District Council was 1 November 2016. The auto-enrolment of staff pre-existing at 1 November 2013 will commence from October 2017.
35. A new local government pension scheme was introduced in April 2014 for which a new pension policy statement was issued. This has now been reviewed to reflect current guidance.
36. The Council's pensions policy statement offers a series of discretions, that will be exercised based on a published set of criteria. Applications for the award of additional pension will be considered in accordance with the published criteria. However no employee has a contractual right to an increase in pension entitlement other than through their actual service.
37. The Council will apply the nationally determined employee pension contribution rates and bands.