

## COTSWOLD DISTRICT COUNCIL PAY POLICY STATEMENT 2020/21

### 1. Background

1.1 This statement is intended to meet the requirements of:

- s 38 (1) of the Localism Act 2011 which requires the Council to approve a Pay Policy Statement annually prior to the commencement of the financial year;
- the Council's obligations under the associated statutory guidance set out in the Openness and Accountability in Local Pay: Guidance under section 40 of the Localism Act (February 2012) together with the Local Government Transparency Code 2015.

### 2. Scope of this Policy Statement

2.1 To avoid confusion and provide transparency, this statement will only apply to all officers that are employees of Cotswold District Council although a number of officers hold dual employment contracts with Publica (a Council-owned service company).

2.2 Details of senior staff pay at Publica can be found within their statement of accounts.

2.3 The current statement sets out the following elements:

- pay for each of the in scope officers
- remuneration of lowest paid officer
- the pay relationship between the highest paid Officers and other officers
- performance related pay and bonuses, termination payments, transparency
- other aspects of remuneration.

### 3. Officers covered by the Policy Statement

3.1 Below is a list of those Officers covered by the policy statement:

- Head of Paid Service (Chief Executive role) \*
- Group Manager - Legal (Monitoring Officer) \*
- Group Manager - Finance (Chief Finance Officer/s 151 officer) \*
- Other Officers in the employ of the Council.

\* Statutory Officers of the Council

3.2 As stated in paragraph 2.1, Officers who are wholly or primarily employed by Publica but who retain dual employment contracts to deliver statutory elements of their roles which require an employment relationship with the Council (such as Parking Appeal decisions or delegated planning decisions) are not covered by this Policy Statement.

### 4. Human Resources Policies

4.1 The Council has adopted various Human Resources Policies that apply equally to all Officers across the Council from the highest paid to the lowest paid. These policies cover a wide range of Human Resources issues, including annual leave arrangements and sickness arrangements.

## 5. Policy on Remuneration of Senior Officers

5.1 The policy for the year 2020/21 is to maintain the level of pay in the same bands as the current year, subject to any cost of living award that may be agreed nationally.

5.2 Those bands are as follows:-

- Group Manager - Fixed point salary - £78,810 (inclusive of all local supplements)
- Head of Service - four grades - SM6 to SM9 - individual posts graded via job evaluation - as at 01/04/2019:

SM6 £52,453 - £56,072 pay band made up of 4 pay points

SM7 £57,279 - £60,900 pay band made up of 4 pay points

SM8 £62,117 - £65,919 pay band made up of 4 pay points

SM9 £67,238 - £71,352 pay band made up of 4 pay points.

5.3 The Council's Statutory Officers (see paragraph 3.1) are paid a salary equivalent to the Group Manager sum.

5.4 An annual pay award is still pending for the rates of pay effective from 1 April 2020.

5.5 Other factors relating to pay are:

- Officers are generally placed upon the bottom pay point on appointment, but this can be varied by the approval of the appropriate appointments panel.
- A joint working supplement may be payable unless it has been incorporated into the job evaluation assessment.
- Incremental increases within the pay band are made annually and can be accelerated or withheld based upon outstanding or poor performance respectively.
- Once the top of the band is reached, no further incremental increases are available (but any national cost of living award will be applied).
- No performance related pay exists for any Senior Officer.
- No bonuses are available for any Senior Officer.
- Termination benefits payable will be in line with that available to all other officers as set out in the Redundancy and Retirement Policies in line with Employment Rights Act tables.
- Full Council will retain the decision to make any new appointment of an officer where the pay (incorporating all payments and benefits in kind) exceeds £100,000.
- Full Council will retain the decision to approve any severance payments where the compensation payments exceed £100,000.

5.6 The details of the payments in respect of all Senior Officers are set out in the Transparency page of the Council's website at:

<https://www.cotswold.gov.uk/media/3midfsdc/senior-management-structure-cotswold-district-council.pdf>

5.7 None of the Senior Officers are entitled to receive overtime payments for time worked beyond contracted hours and out of ordinary working hours.

5.8 The Returning Officer for election purposes also receives a payment for the statutory duties undertaken by virtue of the specific, additional appointment to that role in

addition to other responsibilities. For national elections and referenda the amount is set and is payable by the government. For District and Town/Parish Council elections, the fees are payable by the District Council in accordance with an approved scale.

## 6. Tax Avoidance

- 6.1 The Council does not and will not employ senior managers in permanent positions via service companies that could be construed as avoiding tax and national insurance contributions. From time to time the Council may employ individuals via service companies to cover interim or short-term project roles. However, the Council will comply with its responsibilities regarding the application of HMRC regulations on payments made to personal service companies (known as IR35) by applying income tax and national insurance deductions to the payment.

## 7. Relationship with Other Officers' Pay

- 7.1 Group Manager salaries are evaluated by Hay (Public Sector market excluding London) and have a fixed point salary of £78,810 which will increase in line with the annual cost of living awards for staff covered by NJC Terms and Conditions. An annual pay award is still pending for the rates of pay effective from 1 April 2020.
- 7.2 Head of Service salaries are evaluated via South West Employers using the Greater London Job Evaluation Scheme. Posts below this level are evaluated on the LGMB scheme. Annual cost of living awards will be in line with those for staff covered by NJC Terms and Conditions.
- 7.3 A full list of grades and associated spinal column pay points is attached to this Policy Statement (Appendix 1). The Council does not use Grade Scale 1.
- 7.4 For employees on Grade Scales 2 to 6, overtime is payable at premium rates for hours worked above the basic 37 hours per week. Overtime for staff paid above these grades is only payable in exceptional circumstances and after senior management approval.
- 7.5 For employees that work for more than one Council (shared officers), a shared working supplement may be payable based on Joint Working Protocols.
- 7.6 Where these shared posts/lead employer arrangements are agreed and set in place, the costs of any role are appropriately apportioned and recharged via the employment/secondment/management agreement. Where the Council is the employer, such roles are evaluated according to the Council's existing job evaluation scheme.
- 7.7 A small number of officers also receive a leased car - this is a historical scheme that is not available to new starters and covers a range of grades. These are taxable benefits and where received by senior officers are included in the pay details included within the statutory accounts.

## 8. Market Forces Supplement

- 8.1 The Council is committed to the principles of single status employment and seeks to ensure employees receive equal pay for work of equal value.
- 8.2 In professions where there is a particular skills shortage, it may be necessary, as a temporary arrangement, to consider a market supplement to attract high quality applicants. The level and duration of any premium will be determined by reference to

a combination of national comparators, local conditions, recruitment difficulties, inflation and whether the post has recently been advertised and the process has been unsuccessful.

## 9. Retention Payment Scheme

9.1 A retention payment scheme is available to all areas of the Council, and might be used in the following circumstances:

- difficulty in recruiting the most suitable candidate for a post;
- difficulty in retaining key people where their leaving would significantly affect internal and/or external service delivery.

9.2 All additional payments will be time-limited and reviewed at predetermined intervals to reconsider their appropriateness against the prevailing job market.

9.3 The scheme may be applied flexibly and can mean:

- paying someone at a higher salary level;
- making a one-off payment.

9.4 These payments can be used in combination with other benefits that the Council offers. A package to suit the particular circumstances should be used and no individual should receive benefits that equate to more than 15% above the maximum of their substantive grade.

## 10. Lowest Paid Employees

10.1 Lowest paid employees of the Council are defined as those employees (excluding Apprentices) who are in a full-time or part-time role, who are above the age of 21, and are paid within Grade Scale 2 of the Council's Job Evaluation scheme (the lowest band). From 1 April 2019 the Grade Scale 2 band was £18,065 to £18,426 per annum, made up of 2 incremental pay points.

10.2 An annual pay award is still pending for the rates of pay effective from 1 April 2020.

10.3 For pay comparison purposes, the top of pay grade will always be used.

10.4 The pay differential between the highest paid officer and the median officer is set out below:

- Highest                      £78,810
- Median Employee      £34,190
- Multiple                      2.3

10.5 Other than incremental progression through the pay grade of a post, the Council does not operate performance related pay for any staff including Senior Officers.

10.6 Details of the senior management pay bands and the senior management organisation chart for the top three levels are available at:

<https://www.cotswold.gov.uk/media/3midfsdc/senior-management-structure-cotswold-district-council.pdf>

## 11. Pay Equality and Protection

- 11.1 The Council seeks to ensure that all employees receive equal pay for work of equal value. To be consistent with equal pay principles, the Council's protection arrangements will not create the potential for pay inequalities (e.g. open-ended protection).
- 11.2 There may be times when the grade for an individual's role changes for reasons unrelated to their performance, e.g. restructures. In such cases, protection arrangements will apply for 3 (three) years from the date of the change.

## 12. Severance Payments

- 12.1 The Council has a consistent method of calculating severance payments which it applies to all employees without differentiation. The payment is intended to recompense employees for the loss of their livelihood and provide financial support whilst they seek alternative employment.
- 12.2 In line with the statutory redundancy payment scheme, the Council calculates redundancy severance payments using a calculation based on an employee's age and length of continuous local government service (please note that employees must have a minimum of 2 years' continuous service to qualify for a redundancy payment) and a multiplier for the number of weeks is then applied to the employee's actual weekly earnings.
- 12.3 The multiplier applied is:
- 0.5 week's pay for each full year of service where age at time of redundancy is less than 22 years of age;
  - 1 week's pay for each full year of service where age at time of redundancy is 22 years of age or above, but less than 41 years of age;
  - 1.5 weeks' pay for each full year of service where age at time of redundancy is 41+ years of age.
- 12.4 The maximum number of service years taken into account is 20. The maximum number of weeks' pay is 30 for anyone aged 61 years of age or older with 20 years or more service.

## 13. Honorarium Payments

- 13.1 Payment of honoraria is a method by which the Council may reward an employee who has temporarily undertaken the duties and responsibilities of a higher graded post, or who has worked excessive hours whilst not being entitled to overtime payments.

## 14. The Real Living Wage

- 14.1 The Council is committed to paying the Real Living Wage (RLW). The RLW rate from November 2019 is:
- £9.30 per hour across UK (except London - £10.75) for workers 18 years and older.
- 14.2 The RLW is voluntary and is independently calculated based on what people need to get by. The Government encourages all employers that can afford to do so to ensure their employees earn a wage that meets the costs of living, not just the government minimum.

15. **Other Payments**

15.1 The following payments, awards and allowances will also be made by the Council:

- Stand-by and call-out payments;
- Long service award;
- Childminding allowance for pre-school age children.

15.2 Reimbursement of approved business mileage is made in accordance with the Council's locally-agreed lineage rates, which currently mirror the approved HMRC rates.

16. **The Local Government Pension Scheme (LGPS)**

16.1 Council employees are entitled to admission to the Local Government Pension Scheme (LGPS).

16.2 The LGPS provides for the exercise of discretion that allows for retirement benefits to be enhanced. The Council will consider each case on its merits but has determined that it does not normally enhance pension benefits for any of its employees, nor does it operate any discretions under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011.

16.3 Further information regarding the Pension Scheme, which is administered by Gloucestershire County Council on behalf of the Council, can be found at:

[www.gloucestershire.gov.uk/pensions](http://www.gloucestershire.gov.uk/pensions)

(END)

## APPENDIX 1

CDC Pay Scales - April 2019							
Grade	NEW NJC SCP	PAYROLL SYSTEM SCP	2019 Salary	Apr2019 Hourly Rate	Service Managers	2019 Salary	
Living Wage			£17,364	£9.00			
1	1	6	Deleted	£0.00	SM1	£	
		7	Deleted	£0.00		1	30,822
		8	Deleted	£0.00		2	£
9	Deleted	£0.00	3	31,730			
2	2	10	Deleted	£0.00	4	£	
		11	£18,065	£9.36	5	32,626	
		12	Deleted	£0.00	6	£	
3	3	13	£18,426	£9.55	7	33,308	
		14	Deleted	£0.00	8	£	
		15	£18,795	£9.74	9	35,658	
4	4	16	Deleted	£0.00	10	£	
		17	£19,171	£9.94	11	36,702	
		18	£19,955	£10.34	12	£	
5	5	19	£20,498	£10.62	13	40,315	
		20	£21,259	£11.02	14	£	
		20/2	£21,684	£11.24	15	41,340	
6	6	21	£22,118	£11.46	16	£	
		22	£22,433	£11.63	17	42,375	
		22/2	£22,882	£11.86	18	£	
7	7	23	£23,135	£11.99	19	43,208	
		24	£23,484	£12.17	20	£	
		24/2	£23,954	£12.42	21	43,550	
8	8	25	£24,434	£12.66	22	£	
		25/2	£24,923	£12.92	23	44,391	
		26	£25,416	£13.17	24	£	
9	9	27	£25,926	£13.44	25	45,410	
		27/2	£26,445	£13.71	26	£	
		28	£26,969	£13.98	27	46,420	
10	10	29	£27,809	£14.41	28	£	
					29	47,626	
					30	£	
					SM2	£	
						31,730	
						£	
						32,626	
						£	
						33,308	
						£	
						35,658	
						£	
						36,702	
						£	
						37,906	
						£	
						38,908	
						£	
						40,315	
						£	
						41,340	
						£	
						42,375	
						£	
						43,208	
						£	
						43,550	
						£	
						44,391	
						£	
						45,410	
						£	
						46,420	
						£	
						47,626	
						£	
						48,833	
						£	
						50,040	
						£	
						51,247	
						£	
						52,453	
						£	
						53,661	
						£	
						54,867	
						£	
						56,072	
						£	
						57,279	
						£	
						58,486	
						£	
						59,691	
						£	
						60,900	
						£	
						62,117	
						£	
						63,359	

SO1		24	30	£28,744	£14.90
		25	31	£29,647	£15.37
POA	SO2	26	32	£30,822	£15.98
		27	33	£31,729	£16.45
	28	34	£32,626	£16.91	
	29	35	£33,308	£17.26	
POB		30	36	£34,190	£17.72
		31	37	£35,658	£18.48
		32	38	£36,703	£19.02
		33	39	£37,905	£19.65
POC		34	40	£38,907	£20.17
		35	41	£40,314	£20.90
		36	42	£41,340	£21.43
		37	43	£42,375	£21.96
POD		38	44	£43,208	£22.40
		39	45	£43,550	£22.57
		40	46	£44,391	£23.01
		41	47	£45,410	£23.54
		42	48	£46,419	£24.06

	31	£64,626
	32	£65,919
SM9	33	£67,238
	34	£68,582
	35	£69,954
	36	£71,352

<u>Senior Managers</u>		<u>2019</u>
-	-	
SM	1	£65,150

<u>Group Managers</u>		<u>2019</u>
(includes any benefits)		
GM	1	£78,810

<u>Strategic Directors</u>		<u>2019</u>
(plus benefits)		
SD	1	£91,320
SD	2	£97,795

(END)