Pay Policy Statement - Cotswold District Council 2025/26

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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.
- 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:
 - Chief Executive (Head of Paid Service)
 - Deputy Chief Executive (s 151 officer)
 - Director- Governance and Development (Monitoring Officer)
 - Director- Communities and Place
 - Other officers of the Council.
- 3.2 Officers not covered by this statement include officers who are wholly or primarily employed by Publica and who retain dual employment contracts to deliver statutory elements of their roles such as Parking Appeal decisions.

4. General Statements

- 4.1 The Council has a range of 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.
- 4.2 As part of the formation of Publica, the Council determined that directly employed staff should adopt similar policies as Publica employees in the interests of fairness and equity.
- 4.3 Subsequent to Publica merging its multiple pay and grading structures in 2020 and adopting a new comprehensive job evaluation scheme to ensure equal pay compliance, the Council adopted a scheme built on similar principles in line with previous Council resolutions.
- 4.4 This pay and grading structure, known as Evaluate, was designed in consultation with the Trade Unions and seeks to provide flexibility for the Council to adapt to changes in pay pressures and market conditions whilst retaining equal pay protection. The scheme also provides for local pay increases in addition to the national (cost of living) pay award.
- 4.5 This pay and grading structure was implemented in June 2022 (pay back dated to 1st April 2021). This structure does not cover statutory or chief officer roles where the former remain subject to the previous benchmark approach as agreed by Council, and the latter subject to evaluation by South West Councils.

5. Policy on Remuneration of Senior and other Officers

- 5.1 The policy for the year 2025/2026 in respect of statutory and chief officers 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 in relation to year 2025/2026.
- 5.2 The value of the chief executive's pay will be increased by the pay awards notified by the Joint Negotiating Committee for Chief Executives of Local Authorities. The value of Chief Officers' pay will be increased by the pay awards notified by the Joint Negotiating Committee for Chief Officers of Local Authorities. The two statutory officers (Section 151 Officer and Monitoring Officers) are subject to pay award increases as notified by the 'National Agreement on Pay and Conditions of Service of the National Joint Council for Local Government Services' (commonly known as the 'Green Book').

Statutory Officers – individual posts graded via benchmark exercise.

• Chief Executive (Head of Paid Service) £115,105 per annum

- Deputy Chief Executive (s 151 officer) £ 93,913 per annum
- Director Governance and Development (Monitoring Officer) £93,913 per annum

Chief Officer – individual post evaluated by South West Councils' job evaluation scheme.

- Director Communities and Place £99,000 per annum
- 5.3 In respect of all other officers pay, these salary bands are also subject to the national pay award as notified by the 'National Agreement on Pay and Conditions of Service of the National Joint Council for Local Government Services' (commonly known as the 'Green Book').
- 5.4 The pay & grading scheme for all other employees is made up of four levels based upon the nature of the role with each level sub divided into generic job groups and specific comparable pay peer groups. Senior Officers, such as Heads of Service/Business Managers, fall within the translate pay level.

The pay levels are: -

| Core | £24,441 - £39,008 per annum |
|-----------|-----------------------------|
| Implement | £29,476 - £53,213 per annum |
| Guide | £44,032 - £66,048 per annum |
| Translate | £55,655 - £83,482 per annum |

- 5.5 At the time of publication of this policy statement no annual pay awards have been agreed for 2025/2026. These pay levels will be automatically upgraded by the nationally agreed pay award once negotiations have concluded.
- 5.6 Other factors relating to pay:
 - Officers are generally placed upon the bottom pay point on appointment, but this can be varied by hiring manager in consultation with Human Resources.
 - A local pay award can be made annually to allow progression within job groups typically to the mid-point.
 - Pay levels above the mid-point need to be supported by special factors such as market forces
 - No performance related pay exists for any officer.
 - No bonuses are available for any 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

The details of the payments in respect of all officers are set out in the <u>Transparency</u> <u>page</u> of the Councils website.

No senior officers are entitled to receive overtime payments for time worked beyond the contracted hours and out of ordinary working hours.

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 Statutory officers' positions are benchmarked by the HR Business Manager using external data and are subject to an annual increase in line with the annual cost of living awards for staff covered by JNC/NJC Terms and Conditions.
- 7.2 A full list of the job groups and associated pay ranges is set out at the end of this policy.

8. Market forces supplement

8.1 Evidence from our market and recruitment data shows that for some professions a higher salary may be necessary to attract and retain staff. Our most recent market data indicates that for some professions this could be as high as 15% above the midpoint and this is already built into the grading structures that have been proposed utilising the in-built flexibility above mid-point.

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 cases:
 - 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.

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

The scheme may be applied flexibly and can mean:

- Paying someone at a higher salary level
- Making a one-off payment.
- 9.4 These can be used in combination with other benefits that the Council offers. A package to suit the 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 the Core category of the Job Evaluation scheme (the lowest band). From 1st April 2024 the lowest Core Grade was £24,441. This amount is subject to a pay award pending in respect of April 2025.
- 10.2 The pay differential between the highest-paid officer and the median officer is set out below:

| Highest | £115,105 |
|-----------------|----------|
| Median Employee | £39,905 |
| Multiple | 2.88 |

11. Pay 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 the protection arrangements outlined will apply for 3 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 the following calculation. The calculation is 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) the multiplier for the number of weeks is then applied to the employee's actual weekly earnings.
- 12.3 The amount of redundancy pay will be calculated as:
 - 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 Foundation (Real) Living Wage

14.1 The Council and Publica are committed to paying the Real Living Wage (RLW). The RLW rate from October 2024 is:

• £12.60 per hour across UK (except London - £13.85) for workers 18 years and older.

14.2 The Foundation (real) Living Wage is a voluntary benchmark set independently by the Living Wage Foundation to ensure that workers earn enough to meet their basic needs and cover the true cost of living. All Council employees are paid in excess of the RLW.

14.3 For Council employees whose substantive post is less than the RLW they will automatically receive the rate set out in 14.1 above.

15. Other pay and conditions in operation

- Stand by and call out payments
- Long service award

16. The Local Government Pension Scheme (LGPS)

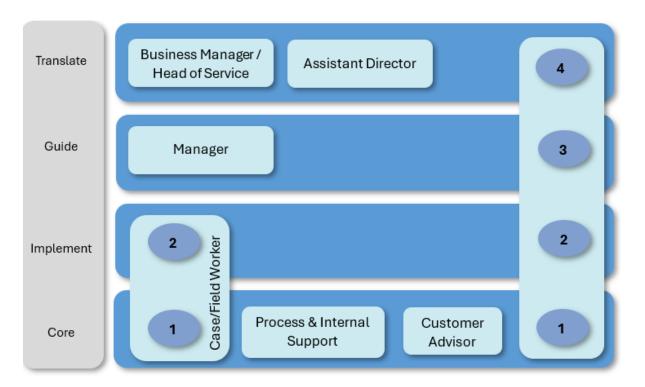
- 16.1 The LGPS provides for the exercise of discretion that allow for retirement benefits to be enhanced. The Council will consider each case on its merits but has determined that it does not normally enhance pension benefits for any of its employees, nor does it operate any discretions under the Local Government (Discretionary Payments) (injury Allowances) Regulations 2011.
- 16.2 Further information regarding the <u>Gloucestershire County Pension Scheme</u> <u>pensions</u> administering body for the Council is available from the Gloucestershire County Council website.

17. The Performance and Appointments Committee (PAC)

The PAC are responsible for:

- The salaries and contractual terms and conditions of the three statutory officers (Chief Executive, Section 151 Officer and Monitoring Officer).
- Retirement/redundancy issues relating to the Chief Executive Officer,
- Any grievance and/or disciplinary matters in respect of the statutory officers.

Evaluate Framework Job Groups:



| Job Groups | From (£) * | Mid-Point (£) * | Top (£) * |
|--|---------------|--------------------|--------------|
| Assistant Director | £75,000 | £75,000 | £75,000 |
| Business Manager/Head of Service | £55,655 | £69,568 | £83,482 |
| Level 4 Specialist | £55,655 | £69,568 | £83,482 |
| Manager | £44,032 | £55,040 | £66,048 |
| Level 3 Specialist | £44,032 | £55,040 | £66,048 |
| Level 2 Specialist | £35,476 | £44,344 | £53,213 |
| Level 2 Case/Field Worker | £29,476 | £36,845 | £44,214 |

| Level 1 Specialist | £26,005 | £32,506 | £39,008 |
|------------------------------|---------|---------|---------|
| Level 1 Case/Field Worker | £24,441 | £29,056 | £34,868 |
| Customer Advisor | £24,441 | £28,588 | £34,306 |
| Process/Internal support | £24,441 | £28,588 | £34,306 |

Note: Not all job groups will be utilised