

# Pay Policy Statement - Cotswold District Council 2022/23

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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 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:

- Chief Executive (Head of Paid Service)
- Deputy Chief Executive (s 151 officer)
- Director- Governance and Development (Monitoring Officer)
- 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 or delegated planning decisions which require an employment relationship with the Council.

#### **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 in future adopt similar policies as the 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 is now seeking to adopt a scheme built on similar principles in line with the previous Council resolutions.
- 4.4. The new Pay and Grading structure 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 in a similar way to incremental pay in the current scheme.
- 4.5. Final staff consultation is being conducted in January 2022 and subject to a satisfactory conclusion the new pay structure should be in place by March 2022. This new pay structure does not cover statutory roles which remain subject to the previous benchmark approach as agreed by Council.
- 4.6. If the new pay structure is not agreed then the Council will continue with the model within the 2021/22 Pay Policy Statement updated by cost of living pay awards.

#### **5. Policy on remuneration of senior officers**

- 5.1. The policy for the year 2022/23 in respect of statutory 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 years 21/22 and 22/23.

##### **Statutory Officers – individual posts graded via benchmark exercise.**

Chief Executive (Head of Paid Service) - £100,000 - £105,000

Deputy Chief Executive (s 151 officer) £85,000

Director – Governance and Development (Monitoring Officer) £85,000

##### **Other Senior Pay**

- 5.2. The policy in respect of other senior pay is to implement the revised scheme from 1 March 2022. This will also be subject to national pay awards in respect of 1 April 2021 and 1 April 2022.
- 5.3. The new scheme 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 officer pay (other than statutory officers) falls within the translate pay level. Further information is provided at page 9 of this policy.

The pay levels are:-

Core	£18,435 - £32,275
Implement	£24,930 - £46,235
Guide	£39,130 - £58,690
Translate	£49,855- £74,785

- 5.4. At the time of publication of this policy statement no annual pay award has been agreed for either 2021/22 or 2022/2023. These pay levels will be automatically upgrade by the agreed pay award.
- 5.5. Other factors relating to pay:
- 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 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 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
- 5.3 The details of the payments in respect of all these officers are set out in the [Transparency page](#) of the Councils website.
- 5.4 None of the Senior Officers are entitled to receive overtime payments for time worked beyond the contracted hours and out of ordinary working hours.
- 5.5 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 NJC Terms and Conditions.

7.2. A full list of the job groups and associated pay ranges is attached to this policy.

## **8. Market forces supplement**

8.1. Evidence from market and recruitment data shows that for some professions a higher salary may be necessary to attract and retain staff. The most recent market data indicates that for some professions this could be as high as 15% above the mid-point and this is 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.

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 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 the Core category of the new Job Evaluation scheme (the lowest band). From 1<sup>st</sup> April 2022, the lowest Core Grade was £18,435 .This amount is subject to pay awards being pending in respect of April 2021 and April 2022.

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

Highest	£ 105,000
Median Employee	£ 35,130
Multiple	2.85

## **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

12.5. Subject to changes in legislation any severance payments may be subject to a cap of £95,000.

### **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 and Publica are committed to paying the Real Living Wage (RLW). The RLW rate from November 2021 is:

- £9.90 per hour across UK (except London - £11.05) 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.

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)**

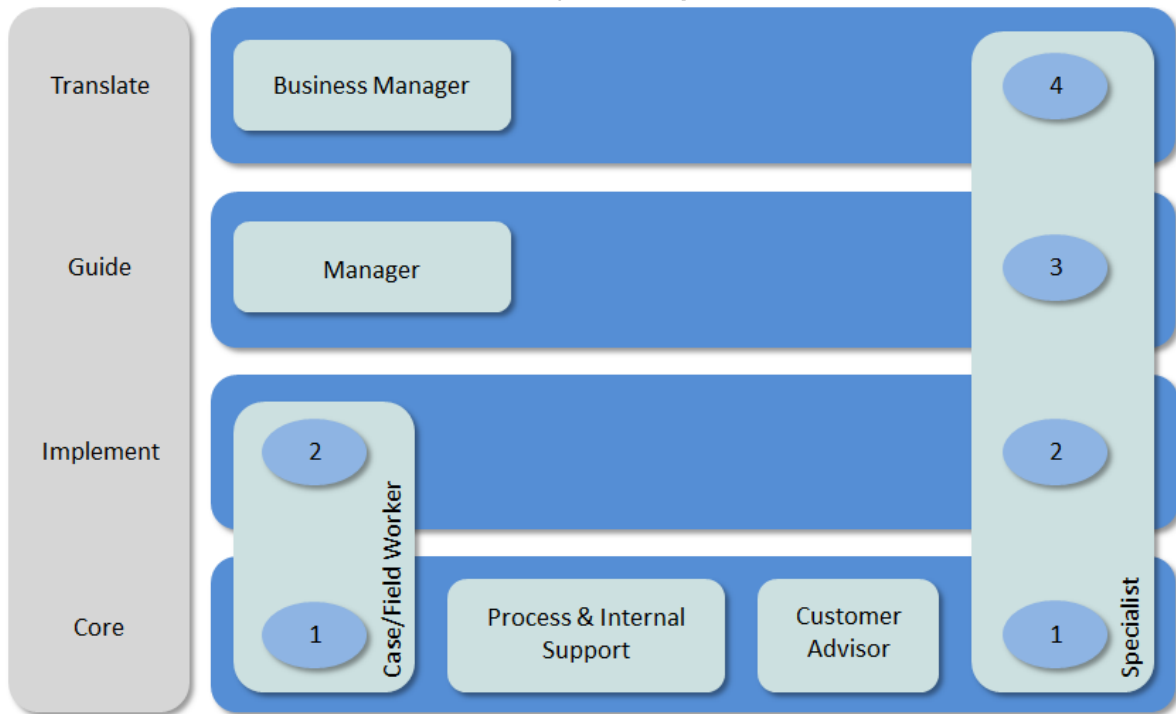
16.1. The LGPS provides for the exercise of discretion that allow retirement benefits to be enhanced. The Council will consider each case on its merits but has determined that it does not normally enhance pension benefits for any of its employees, nor

does it operate any discretions under the Local Government (Discretionary Payments) (injury Allowances) Regulations 2011.

- 16.2. Further information regarding the [Gloucestershire County Pension Scheme pensions](#) administering body for the Council is available from the Gloucestershire County Council website.



**Evaluate framework Job Groups:**



Job Groups	From (£) *	Mid-Point (£) *	Top (£) *
Business Manager	49855	62320	74,785
Level 4 Specialist	49855	62320	74,785
Level 1 Manager	39130	48910	58690
Level 3 Specialist	39130	48910	58690
Level 2 Specialist	30825	38530	46235
Level 2 Case / Field Worker	24930	31160	37390
Level 1 Specialist	21515	26895	32275
Level 1 Case / Field Worker	18805	23505	28205
Customer Advisor	18435	23045	27655
Process / Internal support	18435	23045	27655

Note : Not all job groups will be utilised