# Pay Policy Statement - Cotswold District Council 2024/25

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#### I. 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 has adopted 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. Following the conclusion of the staff consultation process, the new pay structure was implemented in June 2022 (pay back dated to 1<sup>st</sup> April 2021). This new pay structure does not cover statutory roles which remain subject to the previous benchmark approach as agreed by Council.

## 5. Policy on remuneration of senior officers

5.1. The policy for the year 2024/2025 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 year 2024/2025.

Statutory Officers – individual posts graded via benchmark exercise.

Chief Executive (Head of Paid Service) - £112,298
Deputy Chief Executive (s 151 officer) £91,287
Director – Governance and Development (Monitoring Officer) £91,287

#### Other Senior Pay

- 5.2. In respect of other senior pay the revised scheme was implemented in June 2022 (pay back dated to 1<sup>st</sup> April 2021). This will also be subject to the national pay award in respect of 1 April 2024.
- 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.

The pay levels are: -

Core £23,151 - £37,459 Implement £28,444 - £51,665 Guide £42,957 - £64,436 Translate £54,297 - £81,445

5.4. At the time of publication of this policy statement no annual pay award has been agreed for 2024/2025. These pay levels will be automatically upgraded 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
- The details of the payments in respect of all these officers are set out in the <a href="Transparency page">Transparency page</a> of the Councils website.
- 5.7 None of the Senior Officers are entitled to receive overtime payments for time worked beyond the contracted hours and out of ordinary working hours.
- 5.8 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. 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 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.
- 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 2023 the lowest Core Grade was £23,151. This amount is subject to a pay award pending in respect of April 2024.

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

Highest £112,298

Median Employee £38,615

Multiple 2.91

### 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.
  - I 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.
  - I.5 weeks' pay for each full year of service where age at time of redundancy is
     4I+ 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 and Publica are committed to paying the Real Living Wage (RLW). The RLW rate from October 2023 is:
  - £12.00 per hour across UK (except London £13.15) 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)

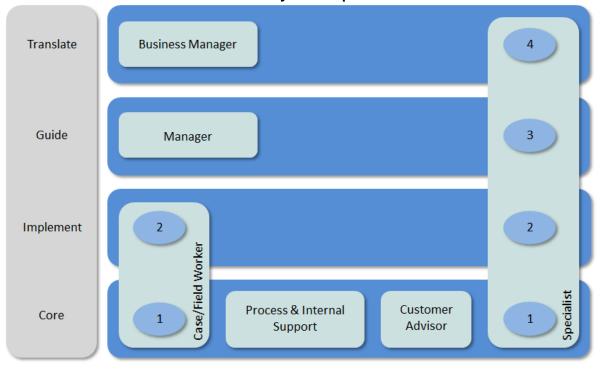
- 16.1. The LGPS provides for the exercise of discretion that allow for retirement benefits to be enhanced. The Council will consider each case on its merits but has determined that it does not normally enhance pension benefits for any of its employees, nor does it operate any discretions under the Local Government (Discretionary Payments) (injury Allowances) Regulations 2011.
- 16.2. Further information regarding the <u>Gloucestershire County Pension Scheme</u>
  <a href="mailto:pensions">pensions</a> 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 T&Cs of the statutory officers.
- Retirement/redundancy issues relating to the CEO,
- Any grievance and/or disciplinary matters in respect of the statutory officers.

## Evaluate framework Job Groups:



Job Groups	From (£) *	Mid-Point (£) *	Top (£) *
Business Manager	54297	67871	81445
Level 4 Specialist	54297	67871	81445
Level I Manager	42957	53697	64436
Level 3 Specialist	42957	53697	64436
Level 2 Specialist	34443	43054	51665
Level 2 Case / Field Worker	28444	35555	42666
Level I Specialist	24973	31216	37459
Level I Case / Field Worker	23151	27766	33319
Customer Advisor	23151	27298	32758
Process / Internal support	23151	27298	32758

Note: Not all job groups will be utilised