



Hart

DISTRICT COUNCIL

Pay Policy Statement
Financial Year 2023 - 2024

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Hart District Council believes that interests of staff and the Council are best served by the formulation and implementation of clear and consistent employment policies and procedures. This policy statement details the Authority's policy on pay. It takes into consideration all legal requirements and will be applied in accordance with the Authority's Equality and Diversity Commitment to treat all its employees with dignity and respect.

HART DISTRICT COUNCIL

PAY POLICY APRIL 2023

1. PURPOSE

- 1.1 This Pay Policy Statement is provided in accordance with Section 38(1) of the Localism Act 2011 and should be updated annually.
- 1.2 The Pay Policy Statement sets out Hart District Council's policies for the financial year 2023-24, relating to:
 1. The remuneration of all employees, including "lowest paid employees" (Section 3)
 2. the remuneration of its Chief Officers (Section 4)
 3. the relationship between the remuneration of its Chief Officers and of all other employees (Section 5)
- 1.3 The purpose of the statement, and the policies and publications which support it, is to provide an open and transparent framework that ensures that employees at all levels of the Council are paid on a fair and equitable basis in accordance with equality legislation.

2. DEFINITIONS

- 2.1 For the purpose of this statement the following definitions will apply:
- 2.2 "**Remuneration**" in addition to salary will also include charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements, and termination payments.
- 2.3 "**Chief Officer**" refers to the following statutory roles within Hart District Council:
 - Head of Paid Service
 - Monitoring Officer
 - Chief Finance Officer (Section 151 Officer)
- 2.4 "**Lowest paid employees**" refers to those staff employed on Grade A of the Council's pay framework (i.e., those posts assessed through the job evaluation scheme as having the least amount of complexity and responsibility and therefore attracting the lowest salary).

3. REMUNERATION POLICY FOR ALL EMPLOYEES

- 3.1 Remuneration for all employees needs to be at the appropriate level to secure and retain high-quality employees dedicated to fulfilling the Council's business objectives and delivering services to the public. This has to be balanced by ensuring remuneration is proportionate and appropriate for the role. Each Council has responsibility for balancing these factors and faces its own unique challenges and opportunities in doing so.

- 3.2 As a small Council with limited staff resources, it is important that Hart District Council retains flexibility within its pay framework to cope with a variety of circumstances that might necessitate the use of market supplements or other such mechanisms for individual categories of posts where appropriate. Using such solutions should only be short term and reviews should ensure that they are discontinued when circumstances change.
- 3.3 It is essential for good governance that decisions on pay and reward packages for Officers are made in an open and accountable way.
- 3.4 Responsibility for setting the pay and remuneration of all other officers is delegated to the Chief Executive as Head of Paid Service (or their nominee) and is carried out in accordance with national agreements and the Council's local employment policies and practices as appropriate.
- 3.5 Pay for employees at all grades is based on the national agreements on pay as follows:
- Joint Negotiating Council (JNC) for Chief Executives (for the role of Chief Executive)
 - National Joint Council (NJC) for Local Government Services (for all other officers),
- 3.6 The pay and remuneration packages (including pension issues) for the Chief Executive, and any other post with a remuneration package in excess of £100,000 per year, are set by Full Council on the advice of Staffing Committee, which comprises elected Councillors from the main political parties.
- 3.7 Grades for all posts governed by the NJC for Local Government Services (as defined in Appendix 1) are determined by the Council's job evaluation process. This is in line with requirements for all Local Authorities and other public sector employers to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer.
- 3.8 The starting salary on appointment or following promotion will normally be at the lowest incremental level on the salary scale. In exceptional circumstances, an Executive Director can approve appointment on a higher incremental point within the salary scale, based on the appointee's level of relevant experience, difficulty in recruiting to a post or other relevant factors e.g., where the candidate's current employment package would make the first step of the salary range unattractive or where the employee already operates at a level commensurate with a higher salary.
- 3.9 For Executive Directors, pay and remuneration is determined by the Chief Executive in consultation with the Leader of the Council at the time of appointment,

- 3.9 For the Chief Executive, pay and remuneration is determined by Council.
- 3.10 The Council currently uses the Hay Job Evaluation Scheme to undertake Job Evaluations. This is a systematic process for the relative ranking of jobs within an organisation, ensuring consistency of approach and outcomes appropriate to the complexity and accountability of the role. It is not a benchmarking exercise to test whether pay is in line with market conditions for a particular role.
- 3.11 The NJC allows for incremental rises in spinal point within a grade, to occur on each 1 April, subject to satisfactory performance in the role, until the maximum pay point for the grade is reached. Annual increments will not be awarded to employees who commence employment on or after 1 October. All employees apart from Chief Executive and Executive Directors receive incremental progression until the top of their grade is reached unless they fail to perform adequately against targets and objectives.
- 3.12 Targets and objectives are set, and performance is assessed through an appraisal process. All Officers are subject to the same performance management process, except for the Chief Executive, who has an appraisal involving the Leader of the Council in consultation with all Political Group Leaders.
- 3.13 The Chief Executive and Executive Directors are appointed to a fixed salary point so incremental progression does not take place for these posts. The precise salary level is determined at the time of appointment by negotiation with the successful candidate, taking account of their skills and experience and market conditions at the time.
- 3.14 Pay awards are normally made in line with the national agreements detailed in 3.4 on an annual basis for all employees, in conjunction with the nationally recognised trade unions. In the financial year 2010/11 the Council did not pay the nationally agreed award due to the financial constraints it was facing; instead, staff were given an additional day's annual holiday.
- 3.15 At the time of preparing this report no decision has been made by the NJC, JNC, or UNISON regarding a 2023-24 pay award.
- 3.16 The Council may pay a market supplement to certain posts where it has not proved possible to recruit or retain key staff at the salary level resulting from Job Evaluation of the post. Market supplements can only be approved by the Chief Executive. Market supplements are also subject to review through the appraisal process the terms of which will be included in any contract of employment.

3.16 Charges, fees or allowances

- 3.16.1 Any allowance or other payment will only be made to an employee in connection with their role or the patterns of hours they work and must be in accordance with the Council's Staff Allowances Policy, or as set out below.
- 3.16.2 Any fees payable for responsibilities relating to staff carrying out election duties, including the role of Returning Officer (carried out by the Chief Executive or their nominee), are paid in accordance with the statutory rules and recommendations of the Hampshire and Isle of Wight Election Fees Working Party for all local government elections and by central government for Parliamentary elections.
- 3.16.3 Paid overtime will be paid in line with NJC Terms and Conditions, as set out in the Staff Allowances Policy. Officers that are contracted to work weekends and evening attract a shift allowance of 6%.
- 3.16.4 The Council does not offer new staff allowances relating to use of cars for business purposes. For existing staff the allowance is being phased out when staff leave and will not be carried forward with the post. Staff may claim for mileage incurred in carrying out Council business. Payments for mileage incurred will be based upon HM Revenue and Customs rates.
- 3.16.5 For certain posts the Council pays the membership subscription fees to recognised professional bodies, where the employee's continued membership of that body is in the Council's interests or is an essential requirement of the role.
- 3.16.6 The Chief Executive has the discretion to agree the award an honorarium payment to recognise temporary increased responsibility or work of a particularly high standard. Generally, it should be the case that this must have been carried out for at least six months before an honorarium payment will be considered. The amount awarded should reflect the nature and duration of the work or responsibility and not normally exceed the value of an increment point in the employee's salary scale.
- 3.16.7 Where the employee has been covering in the absence of a more senior officer (e.g., maternity leave cover or long-term sickness absence), honoraria payments are calculated based on the difference between the employee's scale point and the bottom scale point of the role they are covering. Temporary acting-up arrangements of this nature will not exceed more than 12 months duration and should generally be undertaken for at least one month before payment will apply.
- 3.16.8 The Council does not offer performance related pay and bonuses to any employee, including Chief Officers.
- 3.16.9 The Council provides free workplace parking to all its staff.

3.17 Pensions

- 3.17.1 All employees are automatically enrolled in the local government pension scheme when they join the Council. They may opt out if they wish. All employees' contributions are determined by their salary and the rules of the scheme.
- 3.17.2 The Council will make a pension contribution of 15% of pensionable pay in 2023/24 towards the pension for each member of the scheme. More comprehensive details of the scheme are available from the Hampshire Pension Service website. The Council policy on discretionary aspects of the scheme is available, on request.
- 3.17.3 The Council's policy on pensions and discretionary redundancy payments is set out in the 'Early Retirement & Discretions Policy' and applies to all employees including Chief Officers.

3.18 Termination of employment

- 3.18.1 In accordance with Section 40 of the Localism Act 2011, any proposal to grant a severance package in excess of £100,000 is subject to Full Council approval.
- 3.18.2 The Council will not normally make an award for early termination of employment (for reasons other than redundancy). It may be considered in exceptional circumstances and only where a sound business case for such an award can be demonstrated, in accordance with the Early Retirement & Discretions Policy.
- 3.18.3 In exceptional circumstances, and specifically to settle a claim or potential dispute, the Chief Executive can agree payment of a termination settlement sum for any post (compromise agreement). In such cases, each decision as to the level of payment will be taken on its individual merits and with the advice of the S151 Officer.
- 3.18.4 Normally the Council will not re-employ or re-engage employees who have been made redundant for a period of 12 months following their leaving date. However, in exceptional circumstances and subject to a business case and Chief Executive approval, employees may be re-employed by the Council. Re-engagement includes contracts of employment, consultancy arrangements or through an agency.
- 3.18.5 The Council needs to retain the flexibility to respond to unforeseen circumstances as regards re-employing former local government employees. Such an occurrence would be considered very much the *exception* rather than the *rule*. If the Council were to re-employ a previous local government employee who had received a redundancy or severance package on leaving, or who was in receipt of a pension covered by the *Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999* (known as the Modification Order) (with the same or another authority), then the

Council's policy is to ensure that the rules of the Modification Order are applied. In addition, the Council will ensure that an open and fair selection process has taken place before any appointment is confirmed.

- 3.19 Remuneration details we are required to publish, including those relating to Chief Officers, are set out in the Council's published Annual Statement of Accounts.

4. REMUNERATION Policies specific to Chief Officers

- 4.1 The Head of Paid Service remuneration is included within the payment of the Chief Executive
- 4.2 The Monitoring Officer and Section 151 Officer are awarded a responsibility allowance, set at £10,000 in 2023/24, in additional to their appointed role.
- 4.3 At the point of recruitment for the Head of Paid Service the salary will be set at the Chief Executive level (currently £120,000), for other Chief Officers the salary will match the role to which they are appointed and attract an additional responsibility allowance.
- 4.4 Any increases and additions to remuneration for each Chief Officer will be agreed by Staffing Committee.
- 4.6 Any Chief Officer on ceasing to hold office under or to be employed by the authority, will be subject to the policies that apply to all employees.

5. RELATIONSHIP BETWEEN REMUNERATION OF CHIEF OFFICERS AND OTHER EMPLOYEES

- 5.1 The lowest, median and highest Full Time Equivalent salaries as at 31st January 2023 are as follows:

Lowest: £20,258
Median £ 35,079
Highest £120,000

- 5.2 The Local Government Association has offered advice on the Government's requirement in reporting remuneration relationships. The advice is that the measure the ratio between the highest paid employee and the median earnings across the organisation as a multiple. On this basis, the remuneration for the highest paid employee (Chief Executive) is 3.4 times the median earnings across the organisation.

Appendix 1

Salary Scales Effective 1 April 2022

Job Evaluation Score	Grades	SCP	£ Per annum 22/23	£ Per Month 22/23	£ Per hour 22/23
<i>99 or below</i>	A	1	£20,258	£1,688	£10.50
		2	£20,441	£1,703	£10.60
		3	£20,812	£1,734	£10.79
<i>100-122</i>	B	3	£20,812	£1,734	£10.79
		4	£21,189	£1,766	£10.98
		5	£21,575	£1,798	£11.18
<i>123-134</i>	C	5	£21,575	£1,798	£11.18
		6	£21,968	£1,831	£11.39
		7	£22,369	£1,864	£11.59
<i>135-191</i>	D	8	£22,777	£1,898	£11.81
		9	£23,194	£1,933	£12.02
		10	£23,620	£1,968	£12.24
		11	£24,054	£2,004	£12.47
		12	£24,496	£2,041	£12.70
		13	£24,948	£2,079	£12.93
		14	£25,409	£2,117	£13.17
<i>192-227</i>	E	15	£25,878	£2,156	£13.41
		16	£26,357	£2,196	£13.66
		17	£26,845	£2,237	£13.91
		18	£27,344	£2,279	£14.17
		19	£27,852	£2,321	£14.44
		20	£28,371	£2,364	£14.71
		21	£28,900	£2,408	£14.98
<i>228-268</i>	F	22	£29,439	£2,453	£15.26
		23	£29,873	£2,489	£15.48
		24	£30,811	£2,568	£15.97
		25	£31,724	£2,644	£16.44
<i>269-313</i>	G	26	£32,601	£2,717	£16.90
		27	£33,505	£2,792	£17.37
		28	£34,399	£2,867	£17.83
		29	£35,079	£2,923	£18.18
	H	30	£35,958	£2,997	£18.64

314-370		31	£36,909	£3,076	£19.13
		32	£37,933	£3,161	£19.66
		33	£39,121	£3,260	£20.28
	I	34	£40,097	£3,341	£20.78
371-438		35	£41,104	£3,425	£21.31
		36	£42,103	£3,509	£21.82
		37	£43,103	£3,592	£22.34
	J	38	£44,117	£3,676	£22.87
439-509		39	£45,065	£3,755	£23.36
		40	£46,106	£3,842	£23.90
	K	41	£47,120	£3,927	£24.42
510-559		42	£48,124	£4,010	£24.94
		43	£49,117	£4,093	£25.46
	I	44	£50,353	£4,196	£26.10
560-639		45	£51,587	£4,299	£26.74
		46	£52,825	£4,402	£27.38
	M	47	£54,057	£4,505	£28.02
640-739		48	£55,289	£4,607	£28.66
		49	£56,512	£4,709	£29.29
	HS1	50	£57,742	£4,812	£29.93
740-900		51	£58,981	£4,915	£30.57
		52	£60,216	£5,018	£31.21
		53	£61,451	£5,121	£31.85
	HS2	54	£68,254	£5,688	£35.38
		55	£69,758	£5,813	£36.16
900-1100		56	£71,268	£5,939	£36.94
		57	£72,777	£6,065	£37.72
		58	£74,281	£6,190	£38.50