



# Pay Policy Statement Financial Year 2024 - 2025

draft

February 2024



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# Pay Policy Statement

## Financial Year 2024 - 2025

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***Hart District Council believes that formulating and implementing clear and consistent employment policies and procedures best serves the interests of staff and the Council. This policy statement details the Council's policy on pay. It considers all legal requirements and will be applied per the Authority's Equality and Diversity Commitment to treat all its employees with dignity and respect.***

### **1. Purpose**

- 1.1 This Pay Policy Statement is provided in accordance with Section 38(1) of the Localism Act 2011 and will be updated annually.
- 1.2 It sets out the Council's policies for the financial year 2024-25, 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 all other employees (Section 5)
- 1.3 The purpose of this statement, along with the policies and publications that support it, is to establish a clear and transparent framework that guarantees all council employees are paid justly and equitably, in line with equality laws.

### **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 The Council must pay its employees a fair wage to attract and retain high-quality workers committed to achieving the council's goals and providing quality services to the public. However, it's important to ensure that the remuneration is proportionate and appropriate for the position. Each council has its own unique challenges and opportunities when it comes to balancing these factors.

3.2 As a relatively small Council, there are only limited resources. The pay framework needs flexibility to deal with different situations to be effective. If required, this includes using market supplements or other mechanisms for specific job categories. However, such measures should only be used for a short period of time and reviewed frequently. This way, the Council can ensure that it stops using them when the situation changes.

3.3 For good governance, decisions on pay and reward packages for Officers must be made in an open and accountable way.

3.4 The Chief Executive, as Head of Paid Service, is responsible for determining the salary and benefits of all other officers. This is done 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 of more than £100,000 per year are set by the Full Council on the advice of the Staffing Committee, which comprises elected Councillors from the main political parties.

- 3.7 The Council uses a process to evaluate jobs and assign them a Grade. This process applies to all posts covered by the NJC for Local Government Services, as defined in Appendix 1. The purpose of this process is to ensure fairness and consistency in pay and grading frameworks across local authorities and other public sector employers. These employers are required to periodically review their frameworks, to ensure that employees in different groups receive the same treatment.
- 3.8 On appointment or promotion, the starting salary will usually be at the lowest point on the salary scale. In some cases, an Executive Director can approve appointment at a higher incremental point within the salary scale. This decision will be based on the candidate's relevant experience, difficulty in recruitment, or other relevant factors. For instance, if the candidate's current employment package is more attractive than the first step of the salary range, or if the employee already works at a higher level, then a higher starting salary may be approved.
- 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 but is currently transferring from Hay to the National Joint Council (NJC) version for 2024-25 to better align with the Council's objectives.
- 3.11 Both evaluation schemes allow for incremental increases in spinal points within a grade. These increments occur on the 1st of April, provided that the employee's performance is satisfactory in their role, until the maximum pay point for the grade is reached. However, annual increments will not be granted to employees who start working on or after the 1st of October. All employees, except the Chief Executive and Executive Directors, receive incremental progression until they reach the top of their grade, if they perform adequately against their targets and objectives.
- 3.12 Goals and objectives are established for all Officers, and their performance is evaluated through an appraisal system. The Chief Executive is the only exception, as their appraisal involves the Leader of the Council and all Political Group Leaders in consultation. All Officers are subject to the same performance management process.
- 3.13 The Chief Executive and Executive Directors are appointed to a fixed salary point and do not receive incremental progression for these posts. The salary level for these positions is determined through negotiation with the successful candidate at the time of appointment, taking into

account their skills and experience, as well as the market conditions prevailing at that time.

- 3.14 Pay awards are usually granted every year to all employees in accordance with the national agreements in collaboration with nationally recognised trade unions. However, during the financial year 2010/11, the Council could not pay the nationally agreed award due to the financial constraints it was facing. Instead, the staff were given an extra day of annual leave.
- 3.15 At the time of preparing this Statement, no decision has been made by the NJC, JNC, or UNISON regarding a 2024-25 pay award.
- 3.16 At times, attracting or keeping important staff members may be difficult due to the salary level resulting from the Job Evaluation of a particular position. In such cases, the Council may opt to provide a market supplement. However, only the Chief Executive has the authority to approve market supplements. Additionally, the terms of any employment contract will include details regarding the appraisal process, which is used to review market supplements.
- 3.17 **Charges, fees or allowances**
  - 3.17.1 Payments or allowances will only be provided to an employee based on their role and working hours. This must comply with the Staff Allowances Policy of the Council or as outlined below.
  - 3.17.2 Fees for staff responsible for conducting election duties, including the role of Returning Officer (performed by the Chief Executive or their nominee), are paid according to the statutory regulations and recommendations of the Hampshire and Isle of Wight Election Fees Working Party for all local government elections. For Parliamentary elections, central government is responsible for paying these fees.
  - 3.17.3 Paid overtime will be compensated according to NJC Terms and Conditions, as outlined in the Staff Allowances Policy. Officers who are contracted to work evenings and weekends are eligible for a 6% shift allowance.
  - 3.17.4 The Council does not provide any new allowances for staff members to use their cars for business purposes. The allowance will be gradually phased out upon leaving for current staff members and will not be transferred to the next post. However, staff members can claim for mileage expenses incurred while carrying out Council business, which will be reimbursed based on the rates set by HM Revenue and Customs.
  - 3.17.5 The Council pays membership subscription fees for certain posts to recognised professional bodies. This is done when the

employee's continued membership with the said body is essential for the role or is in the best interests of the Council.

- 3.17.6 The Chief Executive may choose to give an honorarium payment to acknowledge the temporary increased responsibility or exceptional work of an employee. In general, the employee must have carried out this work for at least six months before being considered for an honorarium payment. The amount of the payment should reflect the nature and duration of the work or responsibility and should not exceed the value of an increment point in the employee's salary scale.
- 3.17.7 Honoraria payments may be agreed when an employee covers for a senior officer, such as during maternity leave or long-term sickness. The payment is based on the difference between their pay scale and the starting pay scale of the role they are covering. These temporary acting-up arrangements should not last more than 12 months and should typically be undertaken for at least one month before payment applies.
- 3.17.8 The Council does not offer performance-related pay and bonuses to any employee, including Chief Officers.
- 3.17.9 The Council provides free workplace parking to all its staff.

### **3.18 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 scheme's rules.
- 3.17.2 The Council will make a pension contribution of 15% of pensionable pay in 2024/25 towards the pension for each scheme member. More comprehensive scheme details 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 'Early Retirement & Discretions Policy' outlines the Council's guidelines for pensions and discretionary redundancy payments that apply to all employees, including Chief Officers.

### **3.19 Termination of employment**

- 3.19.1 In accordance with Section 40 of the Localism Act 2011, any proposal to grant a severance package exceeding £100,000 requires Full Council approval.

- 3.19.2 The Council does not normally compensate employees who leave their job early unless it is due to redundancy. However, in exceptional circumstances, a sound business case can be made for early termination compensation in accordance with the Early Retirement & Discretions Policy.
- 3.19.3 In certain cases, such as to resolve a claim or potential conflict, the Chief Executive has the authority to approve payment of a termination settlement amount for any position (known as a compromise agreement). In such situations, the decision regarding the payment amount will be made on a case-by-case basis, considering individual circumstances and with the guidance of the S151 Officer.
- 3.19.4 The Council will not normally 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.
- 3.19.5 The Council may sometimes need to have the ability to respond to unforeseen circumstances related to re-employing former local government employees. However, such an occurrence is considered an exception rather than a rule. If the Council decides to re-employ a former local government employee who had previously received a redundancy or severance package on leaving or was currently receiving a pension covered by the Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999 (known as the Modification Order) (either with the same or another authority), then the Council will ensure that the rules of the Modification Order are followed. Moreover, the Council will guarantee a fair and open selection process before confirming any appointment.
- 3.19.6 Remuneration details, including those relating to Chief Officers, must be published 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 2024/25, in addition 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 £124,200); for other Chief

Officers, the salary will match the role to which they are appointed and attract an additional responsibility allowance.

4.4 The Staffing Committee will agree upon any increases and additions to remuneration for each Chief Officer.

4.6 Any Chief Officer ceasing to hold office 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 29 February 2024 are as follows:

Lowest: £22,366  
Median £37,004  
Highest £124,200

5.2 The Local Government Association has provided guidance on the Government's reporting requirement for remuneration relationships. The advice suggests measuring the ratio between the highest-paid employee and the median earnings across the organisation as a multiple. Based on this, the remuneration for the Chief Executive, who is the highest-paid employee, is 3.4 times the median earnings across the organisation.



## Salary scale 2023-24

Grades	SCP	Annual	Monthly	Hourly
<b>A</b>	1	£22,183	£1,848.58	£11.50
	2	£22,366	£1,863.83	£11.59
	3	£22,737	£1,894.75	£11.79
<b>B</b>	3	£22,737	£1,894.75	£11.79
	4	£23,114	£1,926.17	£11.98
	5	£23,500	£1,958.33	£12.18
<b>C</b>	5	£23,500	£1,958.33	£12.18
	6	£23,893	£1,991.08	£12.38
	7	£24,294	£2,024.50	£12.59
<b>D</b>	8	£24,702	£2,058.50	£12.80
	9	£25,119	£2,093.25	£13.02
	10	£25,545	£2,128.75	£13.24
	11	£25,979	£2,164.92	£13.47
	12	£26,421	£2,201.75	£13.69
	13	£26,873	£2,239.42	£13.93
	14	£27,334	£2,277.83	£14.17
<b>E</b>	15	£27,803	£2,316.92	£14.41
	16	£28,282	£2,356.83	£14.66
	17	£28,770	£2,397.50	£14.91
	18	£29,269	£2,439.08	£15.17
	19	£29,777	£2,481.42	£15.43
	20	£30,296	£2,524.67	£15.70
	21	£30,825	£2,568.75	£15.98
<b>F</b>	22	£31,364	£2,613.67	£16.26
	23	£31,798	£2,649.83	£16.48
	24	£32,736	£2,728.00	£16.97
	25	£33,649	£2,804.08	£17.44
<b>G</b>	26	£34,526	£2,877.17	£17.90
	27	£35,430	£2,952.50	£18.36
	28	£36,324	£3,027.00	£18.83
	29	£37,004	£3,083.67	£19.18
<b>H</b>	30	£37,883	£3,156.92	£19.64
	31	£38,834	£3,236.17	£20.13
	32	£39,858	£3,321.50	£20.66
	33	£41,046	£3,420.50	£21.28
<b>I</b>	34	£42,022	£3,501.83	£21.78
	35	£43,029	£3,585.75	£22.30
	36	£44,028	£3,669.00	£22.82
	37	£45,028	£3,752.33	£23.34

<b>J</b>	38	£46,042	£3,836.83	£23.86
	39	£46,990	£3,915.83	£24.36
	40	£48,031	£4,002.58	£24.90
<b>K</b>	41	£49,045	£4,087.08	£25.42
	42	£50,049	£4,170.75	£25.94
	43	£51,042	£4,253.50	£26.46
<b>L</b>	44	£52,307	£4,358.89	£27.11
	45	£53,589	£4,465.71	£27.78
	46	£54,875	£4,572.88	£28.44
<b>M</b>	47	£56,154	£4,679.53	£29.11
	48	£57,434	£4,786.18	£29.77
	49	£58,705	£4,892.06	£30.43
<b>HS1</b>	50	£59,982	£4,998.53	£31.09
	51	£61,269	£5,105.79	£31.76
	52	£62,552	£5,212.70	£32.42
	53	£63,835	£5,319.61	£33.09
<b>HS2</b>	54	£70,902	£5,908.52	£36.75
	55	£72,465	£6,038.72	£37.56
	56	£74,033	£6,169.43	£38.37
	57	£75,601	£6,300.06	£39.19
	58	£77,163	£6,430.26	£40.00