



Pay Policy Statement
Financial Year 2021 - 2022

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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 2021

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 from 1 April each year.
- 1.2 The Pay Policy Statement sets out Hart District Council's policies relating to the pay of its workforce for the financial year 2021-22, in particular:
1. the remuneration of its Chief Officers
 2. the remuneration of its "lowest paid employees"
 3. the relationship between:
 - a. the remuneration of its Chief Officers and
 - b. the remuneration of its employees who are not Chief Officers
- 1.3 The purpose of the statement is to provide an open and transparent framework that ensures clarity, fairness and consistency in the remuneration of Chief Officers. This includes officers designated as Chief Executive, Statutory Chief Officers and Non Statutory Chief Officers. It also 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 "**Pay**" 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 roles within Hart District Council:
- The Joint Chief Executive (Head of Paid Service)
 - The Joint Chief Executive (Monitoring Officer)
 - and the Chief Finance Officer (Section 151 Officer) as the council's statutory Chief Officers
- 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. PAY FRAMEWORK

3.1 General approach

- 3.1.1 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. 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.

3.2 Responsibility for decisions on remuneration

3.2.1 It is essential for good governance that decisions on pay and reward packages for Joint Chief Executives and Chief Officers are made in an open and accountable way.

3.2.2 Pay for employees at all grades is based on the national agreements on pay as follows:

- National Joint Council for Local Government Services (for Grades A to M and Heads of Service),
- Joint Negotiating Council for Chief Officers (for Chief Finance Officer)
- Joint Negotiating Council for Chief Executives (for Joint Chief Executives).

3.2.3 The pay and remuneration packages (including pension issues) for the Joint Chief Executives, and Chief Finance Officer, and any other post with a remuneration package in excess of £100,000 per year, are set by Council on the advice of Staffing Committee, which comprises elected Councillors from the main political parties.

3.2.4 Responsibility for setting the pay and remuneration of all other officers is delegated to the Joint Chief Executive (Head of Paid Service or his/her nominee), and is carried out in accordance with national agreements and the council's local employment policies and practices as appropriate.

3.3 Salary grades and grading framework

3.3.1 Grades for all posts governed by the National Joint Council for Local Government Services (i.e. Grades A to M and Heads of Service) are determined by the council's job evaluation process. This followed a national requirement 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.

3.3.2 The council uses the Hay Job Evaluation Scheme. Job Evaluation is a systematic process for ranking jobs within an organisation ensuring consistency of approach and outcomes appropriate to the complexity and accountability of the role.

3.3.3 The council's pay structure is based on the pay spine issued by the National Joint Council (NJC) as part of the National Agreement for Local Government

Services. This incorporates posts on Grade A to M and Heads of Service. There are 15 grades in total. The incremental rises 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. Increments will be withheld where performance has not met the required standard and where the issue has been raised with the employee formally.

- 3.3.4 Chief Officers 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.
- 3.3.5 Pay awards are normally made in line with the national agreements detailed in 3.2.2 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.
- 3.3.6 At the time of preparing this report no decision has been made by NJC or Unison regarding a 2021/22 pay award.
- 3.3.7 Full details of the Councils pay structure (A to Heads of Service) is attached as Appendix 1.
- 3.3.8 The Council has run Apprenticeship programs for a number of years and this continued with the introduction of the Apprenticeship Levy in April 2017. The levy applies to those employers that have an annual pay bill of £3 million. Under the new levy apprentices must be at least 2.3% of the workforce and Hart's contribution to the levy will be £4, 000.

3.4 Market Comparison

- 3.4.1 The council benchmarks its pay and benefits by comparing pay and rewards for similar posts in neighbouring areas. The council seeks to position itself within the median salary levels in order to keep costs down while still being able to attract a good range of suitable candidates for posts.
- 3.4.2 The council pays a market supplement to certain posts where it has not proved possible to recruit staff at the salary level resulting from Job Evaluation of the post. An Internal Audit carried out in 2019 recommended that the council review market supplements and their use. This review has not yet started however, staff affected will be consulted. Unison are fully aware of the process we are following.

4. REMUNERATION

- 4.1 Remuneration details including benefits in kind are set out in the Council's published Annual Statement of Accounts.
- 4.2 **"Chief Officers"**, as defined in paragraph 2.3 of this statement, are paid within the council's pay framework which applies to all other employees.

Typically, Chief Officers have received the same percentage pay award as other managers and staff groups within the council. Current chief officer remuneration levels are shown in the following table:

ROLE	REMUNERATION
Joint Chief Executive (2 post*)	£108,542 x2 = £217,084
Chief Finance Officer/ Head of Corporate Services	£84,769

* Includes all charges, fees, allowances and benefits in kind

4.3 “Lowest paid employees”

4.3.1 The lowest paid employees are paid within the salary range for Grade A which covers three salary points are paid at £9.25 per hour (above national living wage of £8.91).

4.4 Honoraria and Acting Up Allowances

4.4.1 The Joint Chief Executives (or his/her nominee) have the discretion to 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 one month 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.

4.4.2 Where the employee has been covering in the absence of a more senior officer (eg 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.

4.5 Other pay elements

4.5.1 Chief Officers are subject to the same performance management process as all other employees. The Joint Chief Executives have an appraisal involving the Leader of the Council in consultation with all Political Group Leaders.

4.5.2 Targets and objectives are set and performance is assessed through an appraisal process. All employees apart from Chief Officers receive incremental progression until the top of their grade is reached, unless they fail to perform adequately against targets and objectives.

4.6 Charges, fees or allowances

- 4.6.1 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 employment policies.
- 4.6.2 No fees for election duties are included in the salaries of any employee. Any additional fees payable for such responsibilities are calculated 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. Special fees are paid for Returning Officer duties which are not part of the post holder's substantive role. These fees are payable as required and can be made to any senior officer appointed to fulfil the statutory duties of this role. Daryl Phillips, Joint Chief Executive, is Hart District Council's present Returning Officer.
- 4.6.3 The Returning Officer is an officer of the District Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the District Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the District Council. As Returning Officer, he/she is paid a separate allowance for each election for which he/she is responsible.
- 4.6.4 Paid overtime will be paid in line with NJC Terms and Conditions, if the equivalent of 37 hours per week has been completed at a rate of time and a half for any day other than a Sundays and public holidays and a rate of double time on Sunday. Special rates apply on public holidays. Officers that are contracted to work weekends and evening attract a shift allowance of 6%.
- 4.6.5 The council offers car allowances to staff who are required to use their cars for business purposes, in accordance with the appropriate NJC/JNC schemes
- 4.6.6 The contractual remuneration package for Chief Officers includes either a lease car Emolument allowance or essential users allowance which attract a lower mileage rate. This benefit also applies to all staff at Grades HS1 and HS2 who are not Chief Officers.
- 4.6.7 The Council pays a standby allowance to certain key posts in Environmental Health and Housing to ensure 24 hour emergency cover for the provision of vital public services. Allowance rates are dependent on the level of unsocial hours and qualifications gain to carry out those roles.
- 4.6.8 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.

4.7 Performance related pay

- 4.7.1 The council does not offer performance related pay to any employee.

4.8 Benefits in kind

4.8.1 The council provides free workplace parking to all its staff.

4.8.2 The council offers its staff access to a small in house gym.

4.9 Pensions

4.9.1 All employees, as a result of their employment, are eligible to join the Local Government Pension Scheme (LGPS). Employee contribution rates vary depending on their whole-time equivalent pay, as follows:

Whole-time equivalent pay band	Employee contribution rate from 1 April 2020
Up to £14,600	5.5%
£14,601 to £22,900	5.8%
£22,901 to £37,200	6.5%
£37,201 to £47,100	6.8%
£47,101 to £65,900	8.5%
£65,901 to £93,400	9.9%
£93,401 to £110,000	10.5%
£110,001 to £165,000	11.4%
£165,001, and more	12.5%

4.9.2 In addition to the employee's own contribution, the council contributes towards the pension of each member of the LGPS scheme. This will continue at a rate of 17.5% for 2021-22.

4.10 Termination of employment

4.10.1 The LGPS requires employers to prepare and publish a written statement of policy in relation to pensions. The council's policy on pensions and discretionary redundancy payments is set out in the 'Early Retirement & Discretions Policy'

4.10.2 The policy for the award of any discretionary payments is the same for all staff regardless of their pay level. The following arrangements apply

4.10.3 Approval of Full Council

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.

4.10.4 Early termination of employment (for reasons other than redundancy)

The council may award additional years service in cases of early termination of employment in exceptional circumstances, in accordance with the Early Retirement & Discretions Policy.

4.10.5 Compromise agreements

In exceptional circumstances, and specifically so as to settle a claim or potential dispute, the Joint Chief Executives can agree payment of a termination settlement sum for any post. In such cases, each decision as to the level of payment will be taken on its individual merits and with the advice of the Chief Finance Officer.

4.10.6 Re-employment of officers

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. The same principle would be applied to such a person if they were to be engaged by the council on a 'contract for services' basis.

4.11 Remuneration on appointment and promotion

4.11.1 The starting salary on appointment or following promotion will normally be at the lowest incremental level on the salary scale. In exceptional circumstances, a Head of Service can approve appointment on a higher incremental point within the salary scale, following consultation with the relevant Joint Chief Executive, based on the appointee's level of relevant experience, difficulty in recruiting to a post or other relevant factors.

4.11.2 As regards Chief Officer posts, pay and remuneration is determined by council at the time of appointment, following negotiation with the successful candidate, taking account of their skills and experience and market conditions at the time.

4.12 Annual Leave entitlement

4.12.1 The following table shows the annual leave entitlement to all Hart employees which reflects the new pay scales.

Salary Point	Period of continuous service		
	0-5 years	after 5 years	After 10 years
Heads of Service and above	31 days	31 days	34 days
SCP 34 and above	30 days	30 days	33 days
SCP 23 to SCP 33	28 days	29 days	31 days
SCP 12 to SCP 22	26 days	29 days	29 days
Up to and including SCP 11	25 days	29 days	29 days

5. RELATIONSHIP BETWEEN REMUNERATION OF CHIEF OFFICERS AND OTHER EMPLOYEES

- 5.1 The Local Government Association has offered advice on the Government's requirement in reporting remuneration relationships. The advice is that the measure of the relationship between Chief Officers and other employees be considered by the ratio between the highest paid employee and the median earnings across the organisation as a multiple. This has been calculated as follows:

	2021	2020
Remuneration for the Joint Chief Executives (excluding pension contributions)	£104,673	£103,937
Median remuneration for all employees at the council	£34,382	£ 31,712
Ratio Chief Executive to Median	3.56	3.27

6. DATA TRANSPARENCY

- 6.1 Under the Code of Recommended Practice for Local Authorities on Data Transparency, pay and benefits information for staff paid over £58,200, are required to be published. This information is published on the council's external website www.hart.gov.uk/council-finances and can be found in the most recent Statement of Accounts document. Information on senior employees' remuneration can also be found in the annual Statement of Accounts.
- 6.2 In addition to the Chief Officer posts listed in paragraph 4.2 above, the following posts have remuneration levels in excess of £58,200:

ROLE	REMUNERATION
Heads of Service x3	*£84,769
Planning Manager	*£67,005

* Includes all charges, fees, allowances and benefits in kind

APPENDICES

Appendix 1 – Scales 1st April 2021

Salary Scales 1st April 2021					
Job Evaluation Score	Grades	New SCP	£ per annum 21/22	Per month 21/22	£ per hour 21/22
99 or below	A	1	£17,842	£1,487	£9.25
		2	£18,199	£1,517	£9.43
		3	£18,562	£1,547	£9.62
	B	3	£18,562	£1,547	£9.62
100-122		4	£18,933	£1,578	£9.81
		5	£19,312	£1,609	£10.01
	C	5	£19,312	£1,609	£10.01
123-134		6	£19,699	£1,642	£10.21
		7	£20,092	£1,674	£10.41
	D	8	£20,494	£1,708	£10.62
		9	£20,904	£1,742	£10.84
		10	£21,322	£1,777	£11.05
135-191		11	£21,749	£1,812	£11.27
		12	£22,183	£1,849	£11.50
		13	£22,627	£1,886	£11.73
		14	£23,080	£1,923	£11.96
	E	15	£23,542	£1,962	£12.20
		16	£24,012	£2,001	£12.45
192-227		17	£24,492	£2,041	£12.69
		18	£24,982	£2,082	£12.95
		19	£25,481	£2,123	£13.21
		20	£25,991	£2,166	£13.47
		21	£26,511	£2,209	£13.74
	F	22	£27,041	£2,253	£14.02
228-268		23	£27,468	£2,289	£14.24
		24	£28,389	£2,366	£14.71
		25	£29,286	£2,441	£15.18
	G	26	£30,148	£2,512	£15.63
269-313		27	£31,037	£2,586	£16.09
		28	£31,916	£2,660	£16.54
		29	£32,585	£2,715	£16.89
	H	30	£33,449	£2,787	£17.34
314-370		31	£34,383	£2,865	£17.82
		32	£35,390	£2,949	£18.34
		33	£36,557	£3,046	£18.95
	I	34	£37,516	£3,126	£19.45
371-438		35	£38,505	£3,209	£19.96
		36	£39,487	£3,291	£20.47
		37	£40,471	£3,373	£20.98
	J	38	£41,466	£3,456	£21.49

Appendix I

439-509		39	£42,398	£3,533	£21.98
		40	£43,422	£3,619	£22.51
	K	41	£44,418	£3,702	£23.02
510-559		42	£45,405	£3,784	£23.53
		43	£46,381	£3,865	£24.04
	I	44	£47,595	£3,966	£24.67
560-639		45	£48,809	£4,067	£25.30
		46	£50,025	£4,169	£25.93
	M	47	£51,236	£4,270	£26.56
640-739		48	£52,446	£4,371	£27.18
		49	£53,648	£4,471	£27.81
	HS1	50	£54,858	£4,572	£28.43
740-900		51	£56,075	£4,673	£29.07
		52	£57,289	£4,774	£29.69
		53	£58,502	£4,875	£30.32
	HS2	54	£65,188	£5,432	£33.79
		55	£66,667	£5,556	£34.56
900-1100		56	£68,150	£5,679	£35.32
		57	£69,633	£5,803	£36.09
		58	£71,113	£5,926	£36.86