



# **Pay Policy Statement 2015/16**

## Contents

1. Introduction and Purpose.....	2
2. Legislative Framework .....	2
3. Scope of the Pay Policy Statement.....	2
4. Background and Principles .....	3
□ Remuneration data .....	3
□ Policy documents.....	3
□ Development of a Pay and Reward Strategy.....	3
□ Pay Structure .....	4
o Job Evaluation .....	4
o Chief Officer Job Evaluation .....	5
o Honoraria .....	5
5. Responsibility for Decisions on Remuneration .....	5
6. Remuneration of Chief Officers.....	5
□ Chief Executive.....	6
Additions to Remuneration for Chief Officers.....	6
7. National Negotiating Bodies and Pay Awards .....	7
8. Recruitment of Chief Officers .....	7
9. Publication of Pay Policy Statement .....	8
10. Remuneration of the Lowest Paid Employees.....	8
11. Pay Relativities within the Council.....	8
12. Other .....	9
Lease Cars .....	9
Appendix 1 .....	9

## **1. Introduction and Purpose**

The Local Government Act 1972, (section 112) sets out the Council's 'power to appoint officers on such reasonable terms and conditions as the Authority thinks fit'. This Pay Policy Statement sets out the Council's pay policy in accordance with the requirements of 38 (1) of the Localism Act 2011, which requires English and Welsh local authorities to produce and publish a Pay Policy Statement for 2015/16 and for each financial year after that, detailing the:

- Council's policies towards the remuneration of Chief Officers;
- publication of and access to information on the remuneration of Chief Officers;
- Council's policies for the remuneration of its lowest paid employees;
- Relationship between the remuneration of its Chief Officers and other employees.

The Council is a large complex organisation with a multi-million pound budget. It has a very wide range of functions and provides and /or commissions a wide range of services. Whilst a consistent approach to remuneration will be adopted across the Council, there may be differences to reflect specific circumstances at a local, Welsh or UK national level.

This Pay Policy Statement has been updated following the implementation of both Single Status and the Leadership Structure.

## **2. Legislative Framework**

The Council will comply with all relevant employment legislation including the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, the Agency Workers Regulations 2010, the Working Time Regulations 1998, the National Minimum Wage Rates and, where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations 2006. The Council will ensure through the Single Status Agreement that there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality proofed Job Evaluation.

## **3. Scope of the Pay Policy Statement**

The Localism Act 2011 requires authorities to develop and make public their pay policy on Chief Officer remuneration (including on ceasing to hold office), and their pay policy for the 'lowest paid', explaining the relationship between remuneration of chief officers and other workforce groups.

In the interests of transparency and accountability, the Council has chosen to produce a wider policy statement covering all employee groups (with the

exception of school staff appointed by a school governing body) including employees appointed under the terms and conditions agreed with:

- The National Joint Council for Local Government Services;
- The Joint Negotiating Committee for Local Authority Craft and Associated Employees;
- The Joint Negotiating Committee for Youth and Community Workers;
- JNC for Chief Officers;
- JNC for Chief Executives.

## **4. Background and Principles**

The Council is committed to an open and transparent pay policy which will enable the tax payer to understand and assess information on remuneration levels across all groups of Council employees.

The statement is effective from 1 April 2015 and is subject to review on a minimum of an annual basis in accordance with the relevant legislation prevailing at that time.

In Flintshire County Council, the term 'Chief Officer' covers the Chief Executive, and Chief Officers. Throughout the document, the term Chief Officer refers to both job roles.

The Chief Officer, People and Resources will have the authority to review the policy within the one year period, to make any minor amendments required by legislation.

The following supporting information is available on the Council's website at [www.flintshire.gov.uk](http://www.flintshire.gov.uk):

- **Remuneration data**
  - All Employee pay scales
  - Individual remuneration details for senior employees (see footnote on page 8) whose remuneration is over £60,000 per annum and the number of employees whose remuneration exceeds £60,000 as required under the Accounts and Audit (Wales) (Amendment) Regulations 2010
- **Policy documents**
  - Additional Payments
  - Policy Statement on Redundancy and Severance Payments (including additional pension payments)
- **Development of a Pay and Reward Strategy**

The primary aim of a pay and reward strategy is to attract, retain and motivate suitably skilled employees so that the organisation can perform at its best.

The biggest challenge for the Council in the current circumstances is to maximise productivity and efficiency within current resources. Pay policy is a matter of striking a balance between setting remuneration levels to secure a sufficient supply of appropriately skilled individuals to fill the Council's wide range of posts, and ensuring that the burden on the public finances can be fully and objectively justified.

It needs to be recognised that at the more senior grades in particular, remuneration levels need to attract a suitably wide pool of talent and retain suitably skilled and qualified individuals once in post. It should be recognised that the Council will often be seeking to recruit in competition with other public and private sector employers.

The Council is a major employer in the County and the region. The availability of good quality employment on reasonable terms and conditions and fair rates of pay has a beneficial impact on the quality of life in the community as well as on the local economy. The Council should be a role model in setting a benchmark example on pay and conditions to other employers.

In designing, developing and reviewing pay and reward strategy the Council will seek to balance these factors to have a workforce which will help it meet its objectives for public services. This Pay Policy will be reviewed on an annual basis.

- **Pay Structure**

- **Job Evaluation**

Job evaluation is a systematic way of determining the value/worth of a job compared to other jobs within an organisation. It aims to make a systematic comparison between jobs to assess their relative worth in a rational pay structure ensuring pay equity. For all jobs that are not nationally prescribed, and are not Chief Officer posts, the Council uses the Greater London Provincial Committee (GLPC) Scheme.

Based on the application of the job evaluation process, the Council currently uses the nationally negotiated pay spine as the basis for its local grading structure. The Council has agreed Flintshire Single Status pay scales with effect from 1<sup>st</sup> June 2014. This determines the salaries of the large majority of the non-teaching workforce, together with the use of other nationally defined rates where relevant. The nationally agreed pay awards for NJC are applied to the Single Status pay scales. From December 2014 the nationally agreed pay award was applied in two stages.

A one-off non consolidated payment was paid in December 2014 as follows:

- £325 - Spinal Points 6 & 7
- £150 - Spinal Points 8, 9 & 10
- £100 - Spinal Points 11 to 25
- 0.45% of the 2015 salary – Spinal Points 26 to 49

The Authority has locally agreed spinal points from 51 to 60 the non-consolidated payment was not paid to those on spinal points 51 to 60, i.e., those on grades L, M and N.

With effect from 1 January 2015 to 31 March 2016 there is an increase on the Flintshire Single Status Pay Scales as follows:

- 4.13% on spinal point 8
- 2.55% on spinal point 9
- 2.32% on spinal point 10
- 2.20% on spinal points 11 to 60

The pay award is applied pro-rata and the figures provided are based on full time equivalent salary.

Currently, incremental rises within grades are applied automatically on an annual basis until the top of the grade is reached. The Council is working towards implementing a performance related pay arrangement for all employees. The County Council will be asked to consider and review a proposal during 2015.

#### ○ **Chief Officer Job Evaluation**

For Chief Officers, the Council uses the Hay Scheme for job evaluation purposes. The Council undertook reviews of all Chief Officers roles and associated pay arrangements in 2014.

All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council Policy.

A national pay award has been agreed for Chief Officers who are paid up to £99.99k per annum, at 2% on each spinal column point, with effect from 1 January 2015 to 31 March 2016. This is the first pay award that has been agreed for Chief Officers for the last five years.

#### ○ **Honoraria**

There may be occasions when an employee is asked to carry out additional duties to those of their substantive post for a period of time. In such circumstances an additional payment may be made in line with the Council's Additional Payments Policy.

## **5. Responsibility for Decisions on Remuneration**

Where there are significant changes to remuneration arrangements which are locally set, such proposed changes will be agreed by full County Council.

## **6. Remuneration of Chief Officers**

For the purposes of this statement, senior management means 'Chief Officers' as defined within S43 of the Localism Act. The posts falling within the statutory definition are set out below, with details of their basic salary with effect from 1<sup>st</sup> July 2014.

A new single grade and pay range for the new Chief Officer group has been introduced. All roles in the structure are positioned in the same single incremental range, given that all roles are broadly the same size. Placing the new Chief Officer roles on the same grade also removes any hierarchy at senior management level and reflects the single, collective tier.

All roles have access to the same four increments. The pay range (£80,580 - £90,780) has a clear rationale, building on the options developed with the independent advice from Hay Group and being mindful of both affordability and the relativity to management roles in the grades below. The range overlaps with the increments which existed for the former Heads of Service but falls below the former Director pay. It also represents a consistent policy of paying between the lower quartile and the median.

Progression through the range is based on performance. The approach is affordable and fair, and will help the Council meet its financial targets for the senior management restructure.

These pay and grading structures, and the associated arrangements, were approved by full County Council prior to implementation. The salary rates for each Chief Officer post are as follows:

- **Chief Executive**

The salary falls within a range of 1 – 4 incremental points between £120,737 rising to a maximum of £131,233. (This salary range was set by the Council in 2007 with external advice and has not been reviewed since that time).

- **Chief Officers**

The salary falls within a range of 1 – 4 incremental points between £80,580 rising to a maximum of £90,780.

### **Additions to Remuneration for Chief Officers**

In addition to basic salary, the details below define 'additional pay' which is chargeable to UK Income Tax and does not solely constitute reimbursement of expenses incurred in the fulfillment of duties:

- The Returning Officer for the County Council is the Chief Executive. Returning Officer duties are not part of the Chief Executive's substantive role. Fees for these duties are paid separately and are determined by the full Council for Council elections and by legislation for the Police and Crime Commission, the National

Assembly for Wales, the General Parliamentary and European elections.

- Lump Sum for Essential Car User – see Appendix 1 (the eligibility criteria for Essential Car User lump sum has changed, is now more stringent and robustly applied as a result of the implementation of Single Status Agreement).

## **Severance Payments for Chief Officers and all Employees**

The Council's approach to discretionary payments on termination of employment of Chief Officers and all employees, prior to reaching normal retirement age, is set out within its policy statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 Regulation 12 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007.

The provisions available to employees exiting the organisation on grounds of redundancy have reduced and are now more affordable for the Council.

Any other payments falling outside the provisions or the relevant periods of contractual notice for Chief Officers shall be subject to a formal decision made by a committee or panel of elected members with delegated authority to approve such payments.

## **7. National Negotiating Bodies and Pay Awards**

All Welsh Councils continue to comply with all nationally negotiated pay awards that are agreed at a UK level. This means that any pay awards negotiated at national level through the National Joint Council for Local Government employees and the Joint Negotiating Committees for Craft Workers, Youth and Community Officers and Chief Officers will automatically be applied.

## **8. Recruitment of Chief Officers**

The Council's policy and procedures with regard to recruitment of Chief Officers is set out within Article 15, 15.01 sub section (b) of the Constitution. When recruiting to all posts the Council will take full and proper account of equality in accordance with our Diversity and Equality Policy and Recruitment procedures. Determination of the remuneration to be offered to any newly appointed Chief Officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment.



New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate.

Where the Council remains unable to recruit Chief Officers under a contract of service, or there is a need for interim support to provide cover for a vacant substantive Chief Officer post, the Council will, where necessary, consider engaging individuals under 'Contracts for Service'. These will be sourced through a competitive procurement process. The Council does not currently have any Chief Officers engaged under such arrangements.

## **9. Publication of Pay Policy Statement**

Upon approval by the full Council, this statement will be published on the Council's Website at [www.flintshire.gov.uk](http://www.flintshire.gov.uk) and the Council's Internal Infonet site. In addition, for senior employees<sup>1</sup> where the full time equivalent salary is at least £60,000, the Council's Annual Statement of Accounts sets out the amount of:

- pensionable pay;
- any expense allowance;
- total remuneration excluding pension contributions;
- employer's pension contributions;
- total remuneration including pension contributions.

## **10. Remuneration of the Lowest Paid Employees**

The lowest paid persons employed under a contract of employment with the Council are employed on full time (37 hours) equivalent salaries in accordance with the minimum spinal column point currently in use within the Council's grading structure. As at 1<sup>st</sup> April 2015, this is £13,871 per annum. The 2<sup>nd</sup> Increment in Grade B (SCP 13, £15,523 per annum) achieves a Living Wage. The Council employs Apprentices who are not included within the definition of 'lowest paid employees' as they are employed under a separate 'apprenticeship' / learning fixed term contract and paid at the current national minimum wage.

## **11. Pay Relativities within the Council**

This Pay Policy Statement includes the ratio (multiple) of pay between the Council's top earner, who is the Chief Executive, and the median earner. The multiple between the median full time equivalent earnings and the Chief Executive is **1:4.39**

---

<sup>1</sup> For the purpose of the Council's Annual Statement of Accounts Senior Employees are defined as the Chief Executive and Chief Officers).

For this calculation pay includes all taxable earnings for the given year including base salary, variable pay, bonuses, allowances, and the cash value of any benefits in kind.

This multiple will be monitored each year within the Pay Policy Statement

As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

## 12. Other

### Lease Cars

The Council currently operates a lease car scheme although this is now restricted to existing users of the scheme having the option to renew their leases. No new lease car arrangements have been entered into over the last few years as the Council is intentionally scaling down the scheme. A review of the feasibility of continuing with such a scheme will be undertaken in 2015.

## Appendix 1

### Salary Scales

#### Chief Executive Pay Scale

Scale	SCP	Salary 01/04/2015 and continuing
CEO Point 01	1	£120,737.00
CEO Point 02	2	£124,234.00
CEO Point 03	3	£127,734.00
CEO Point 04	4	£131,233.00

Grade	SCP	Salary range 01/01/2015 and continuing
Chief Officer	1	£80,580

Chief Officer	2	£83,640
Chief Officer	3	£86,700
Chief Officer	4	£90,780

**Young People's/Community Service Managers Spine (Youth and Community Officers)**

<b>Scale</b>	<b>SCP</b>	<b>Salary 01/09/2013 and continuing</b>
Y&C Officers Point 01	1	£33,891.00
Y&C Officers Point 02	2	£35,000.00
Y&C Officers Point 03	3	£36,109.00
Y&C Officers Point 04	4	£37,240.00
Y&C Officers Point 05	5	£38,389.00
Y&C Officers Point 06	6	£39,511.00
Y&C Officers Point 07	7	£40,659.00
Y&C Officers Point 08	8	£41,962.00
Y&C Officers Point 09	9	£42,681.00
Y&C Officers Point 10	10	£43,791.00
Y&C Officers Point 11	11	£44,895.00
Y&C Officers Point 12	12	£46,001.00
Y&C Officers Point 13	13	£47,099.00
Y&C Officers Point 14	14	£48,208.00
Y&C Officers Point 15	15	£49,319.00
Y&C Officers Point 16	16	£50,432.00
Y&C Officers Point 17	17	£51,552.00

**Youth Workers**

<b>Scale</b>	<b>SCP</b>	<b>Salary 01/09/2013 and continuing</b>
Point 01	1	£14,283.00
Point 02	2	£14,880.00
Point 03	3	£15,477.00
Point 04	4	£16,077.00
Point 05	5	£16,674.00
Point 06	6	£17,271.00
Point 07	7	£17,874.00
Point 08	8	£18,474.00
Point 09	9	£19,236.00
Point 10	10	£19,833.00
Point 11	11	£20,796.00
Point 12	12	£21,741.00
Point 13	13	£22,713.00

Point 14	14	£23,721.00
Point 15	15	£24,408.00
Point 16	16	£25,125.00
Point 17	17	£25,830.00
Point 18	18	£26,541.00
Point 19	19	£27,246.00
Point 20	20	£27,951.00
Point 21	21	£28,746.00
Point 22	22	£29,646.00
Point 23	23	£30,522.00
Point 24	24	£31,401.00
Point 25	25	£32,289.00
Point 26	26	£33,174.00
Point 27	27	£34,062.00
Point 28	28	£34,959.00
Point 29	29	£35,850.00
Point 30	30	£36,741.00

<b>JNC for Craft Pay Scales</b>	<b>Annual Salary</b>
<b>Grade</b>	
Building Labourer	£13,841
Heating and Ventilation Mate	£14,802
Building Craft Operative	£14,927
Plumber	£15,981
Engineer & Electrician	£16,496
Band 1 - Electrician	£22,108.21
Band 1 - Joiners & Builders	£19,809.82
Band 1 - Labourer	£18,058.69
Band 1 - Plumber	£21,013.75
Band 2 - Diag/Electrician	£24,078.26
Band 2 - Joiners & Builders	£21,889.32
Band 2 - Joiners & Builders + 7%	£23,421.44
Band 2 - Labourer	£20,247.63

Band 2 - Plumber	£22,983.79
Band 2 - Plumber (Gas Qual)	£24,078.26
Band 3 - Diag/Electrician	£25,719.95
Band 3 - Joiners & Builders	£23,312.14
Band 3 - Plumber	£24,625.49
Band 3 - Plumber (Gas Qual)	£25,719.95
Trades Supervisor	£27,690.00

### Single Status Pay Scales

Grade	SC P	Salary 1 January 2015
A	08	£13,871
	09	£14,075
	10	£14,338
	11	£14,751
B	12	£15,207
	13	£15,523
	14	£15,941
C	14	£15,941
	15	£16,572
	16	£16,969
D	16	£16,969
	17	£17,372
	18	£17,930
	19	£18,487
E	19	£18,487
	20	£19,048
	21	£19,742
	22	£20,253
F	23	£20,849
	24	£21,530
	25	£22,212
	26	£22,937
	27	£23,698
G	30	£26,198
	31	£27,123
	32	£27,924
	33	£28,746
H	34	£29,558
	35	£30,178
	36	£30,978
	37	£31,846
I	39	£33,857
	40	£34,746
	41	£35,570

J	42	£36,571
	43	£37,483
	44	£38,405
K	45	£39,267
	46	£40,217
	47	£41,140
	48	£42,053
L	51	£44,998
	52	£46,193
	53	£47,419
M	53	£47,419
	54	£48,680
	55	£49,971
N	56	£51,296
	57	£52,659
	58	£54,056
	59	£55,489
M	53	£47,419
	54	£48,680
	55	£49,971
N	56	£51,296
	57	£52,659
	58	£54,056
	59	£55,489

### Occupational Health Nurses Pay Scales

Grade	From 01/04/2015 and continuing
Point 16	£21,388
Point 17	£22,016
Point 18	£22,903
Point 19	£23,825
Point 20	£24,799
Point 21	£25,783
Point 22	£26,822
Point 23	£27,901
Point 24	£28,755
Point 25	£29,759
Point 26	£30,764
Point 27	£31,768
Point 28	£32,898
Point 29	£34,530
Point 30	£35,536

Point 31	£36,666
Point 32	£37,921
Point 33	£39,239
Point 34	£40,558
Point 35	£42,190
Point 36	£43,822
Point 37	£45,707
Point 38	£47,088

<b>NJC Pay Scales</b>		
<b>Grade</b>	<b>SCP</b>	<b>From 01/01/2015 and continuing</b>
Scale 1	05 <sup>2</sup>	£13,500
Scale 1	06	£13,614
*Scale 1	07	£13,715
Scale 1	08	£13,871
*Scale 1	09	£14,075
Scale 1	10	£14,338
Scale 1/Scale 2	11	£15,207
Scale 2	12	£15,523
Scale 2 / Scale 2a	13	£15,941
Scale 2a / Scale 3	14	£16,231
Scale 2a / Scale 3	15	£16,572
Scale 3	16	£16,969
Scale 3	17	£17,372
Scale 4	18	£17,714
Scale 4	19	£18,376
Scale 4	20	£19,048
Scale 4	21	£19,742
Scale 5	22	£20,253
Scale 5	23	£20,849
Scale 5	24	£21,530
Scale 5	25	£22,212
Scale 6	26	£22,937
Scale 6	27	£23,698
Scale 6	28	£24,472
SO1	29	£25,440
SO1	30	£26,293
SO1	31	£27,123
SO2	32	£27,924
SO2	33	£28,746
SO2 / M1	34	£29,558
M1	35	£30,178
M1 / M2	36	£30,978

<sup>2</sup> Point 05 is deleted from 1 October 2015.

M1 / M2	37	£31,846
M2	38	£32,778
M2 / M3	39	£33,857
M3	40	£34,746
M3	41	£35,662
M3 / M4	42	£36,571
M4	43	£37,483
M4	44	£38,405
M4 / M5	45	£39,267
M5	46	£40,217
M5	47	£41,140
M5 / M6	48	£42,053
M6	49	£42,957
M6	50	£43,889
M6	51	£44,813
SM1	52	£46,137
SM1	53	£47,471
SM1	54	£48,798
SM1	55	£50,129
SM2	56	£51,466
SM2	57	£52,799
SM2	58	£54,126
SM2	59	£55,464
SM3	60	£56,784
SM3	61	£58,120
SM3	62	£59,458
SM3	63	£60,781

**Essential Car User Allowance from 1 April 2010**

			<u>451 - 999cc</u>	<u>1000 - 1199cc</u>	<u>1200 - 1450cc</u>
<b>Essential Users</b>					
Lump	sum	per	£846	£963	£1,239
		annu			
		m			