

## **PAY POLICY STATEMENT 2014/15**

### **Context**

This policy statement has been produced in accordance with Sections 38 to 43 of the Localism Act 2011 (“the Act”), which, from 2012 onwards, requires all local authorities to publish an annual statement of their policy for the relevant financial year in relation to:

- The remuneration of their most senior employees (which the Act defines as the Head of Paid Service (Chief Executive),
- the Monitoring Officer,
- the Chief Officers (or Directors), and
- the Deputy Chief Officers (i.e. managers who report directly to a Chief Officer));
- The remuneration of their lowest-paid employees; and
- The relationship between the remuneration of their most senior employees and that of other employees.

The Secretary of State has produced guidance on the provisions in the Act relating to transparency and accountability in local pay, which local authorities must have regard to in preparing and approving their annual pay policy statements. This Pay Policy Statement takes full account of this guidance as well as the provisions of the Act.

Additionally it takes account of:

- The Code of Recommended Practice for Local Authorities on Data Transparency, issued by the Department for Communities and Local Government in September 2011
- Guidance issued by the Joint National Council (JNC) for Local Authority Chief Executives on pay policy statements which was published in November 2011
- Employment and equalities legislation which impacts on local authority employers

The policy statement also refers to information which the Council already publishes under other legislation:

- Information on the level of remuneration paid to senior managers, as required by The Accounts and Audit (Amendment No. 2) (England) Regulations 2009
- Policies on the exercise of its discretions over payments upon termination of employment under the Local Government Pension Scheme, as required by Regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008
- Policies on the exercise of its discretions over payments upon termination of employment under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, as required by Regulation 7 of those regulations.

This Pay Policy Statement must be reviewed on an annual basis and a new version of the policy will be submitted to Full Council for approval by 31 March immediately preceding the financial year to which it relates.

The pay policy statement can also be amended during the course of the financial year, but only by a resolution of the Full Council. If it is amended during the year to which it relates, the revised version of the statement must be published as soon as possible after the amendment is approved by Full Council.

This policy statement was considered by Full Council on 26 February 2014. It is available on the Council's website. The Council's website also includes separately published data on salary information relating to Senior Officers and this can be viewed at <http://www.northnorfolk.org/council/8105.asp>

For the purpose of the pay policy statement the term 'Chief Officer' in a local authority context is defined as set out in the Local Government and Housing Act 1989:

- a) The Head of Paid Service (i.e. the Chief Executive) as designated under section 4 of that Act;
- b) The Monitoring Officer designated under section 5(1) of that Act;
- c) A statutory Chief Officer and non statutory Chief Officer under section 2 of that Act;
- d) A deputy Chief Officer mentioned in section 2 of that Act.

### **Remunerating Chief Officers/Deputy Chief Officers**

The remuneration for Chief Officers/Deputy Chief Officers within the Council can be found at Appendix A – C.

The Monitoring Officer service is contracted through Norfolk County Council and as such, the Council does not directly remunerate the Monitoring Officer.

### **Remunerating the Lowest Paid in the Workforce**

The Council applies terms and conditions of employment that have been negotiated and agreed through appropriate collective bargaining mechanisms (national or local) or as a consequence of Council decisions, these are then incorporated into contracts of employment. The lowest pay point in use by the Council for employees is spinal column point (SCP) 5. This relates to an annual salary of £12,435 (full time equivalent (FTE) and can be expressed as an hourly rate of pay of £6.4454 as at 31 March 2014. Employees on this pay point are defined as our lowest paid employees. This pay point and salary were determined by the National Joint Council (NJC) on 1 April 2013.

### **The Relationship between Chief Officer Remuneration and that of other employees**

The highest paid salary in the Council is that of the Chief Executive at £99,771 as at 31 March 2014. The median for Chief Officers is £52,806 and for non-Chief Officers is £19,317. This gives a ratio of 1:2.733. The Council does not have a policy on maintaining, reaching or applying a specific pay multiple. However the Council is conscious that remuneration at all levels needs to be adequate to secure and retain high-quality employees but not be seen as excessive.

## **Other Aspects of Chief Officer Remuneration**

Other aspects of Chief Officer remuneration are appropriate to be covered by this policy statement, these other aspects are defined as remuneration on recruitment, pay increases, additions to pay, performance related pay, earn back, enhancements of pension entitlements and termination payments. These elements are shown in Appendix A and B.

## **Review**

The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. The next statement will be submitted to Full Council for approval by 31 March 2015.

As necessary, the Council may by resolution amend the pay policy statement at times other than that of the prescribed annual statement.

Post	Salary grade	Expenses / car allowances	Bonuses / PRP / Earn Back	Honoraria / Acting Up	Market/Salary Supplements	Election Fees	Severance Arrangements
Chief Executive	1	Travel and other expenses are reimbursed through normal Council procedures.  Car allowances are paid in accordance with the rates set out in Council's Travel Policy (see Appendix D)	The current terms and conditions of employment does not provide for any of the above elements	Honoraria and acting up payments for any increased duties and responsibilities do not apply	A salary/market supplement has not been applied to this post	As the Returning Officer (RO), the Chief Executive will receive a fee, locally in respect of County, District and Parish Elections. The fee for undertaking this role in Norfolk is determined by an independent panel made up of the Chairs of Norfolk Local Authority Member Remuneration Panels. Fees for conducting Parliamentary and European Parliamentary Elections, National Referendums and other Elections such as for the Police and Crime Commissioner. etc. are determined by Government. The RO is a separate appointment and therefore not factored into the salary range shown. The fees will be published on the Council's website (once agreed).	The Council's normal policies regarding redundancy and early/flexible retirement apply to the postholder
Corporate Directors x 2	2	As above	As above	As above	As above	As above (where applicable)	As above
Head of Finance/s151 Officer	4	As above	As above	Could be applied where appropriate on authorisation of Corporate Leadership Team	£4464 pa (s151 responsibilities)	As above (where applicable)	As above
Head of Planning	4	As above	As above	As above	£ 4464 pa (specialist delegated responsibilities)	As above (where applicable)	As above
Head of Service x 6	4	As above	As above	As above	Could be applied where appropriate on authorisation of Corporate Leadership Team	As above (where applicable)	As above

Appendix A

Aspect of Chief Officer Remuneration	Council Policy
Recruitment	<p>The post will be advertised and appointed to at the appropriate approved salary for the post in question and individuals will be placed on the appropriate SCP within the pay grade for the post that they are appointed to.</p> <p>Employees will receive an annual increment (and in some cases, 6 months after starting work with the Council), subject to the top of their grade not being exceeded.</p> <p>Where the Council is unable to recruit to a post at its designated grade, it will consider the use of temporary market supplements.</p> <p>Access to appropriate elements of the Council's relocation Scheme may also be granted in certain circumstances, when new starters move to the area.</p> <p>The above applies to all employees.</p>
Pay Increases	<p>The Council will apply any pay increases that are agreed by the relevant national negotiating bodies. The Council will also apply any pay increases that are as a result of Council decisions to significantly increase the duties and responsibilities of the post in question beyond the normal flexing of duties and responsibilities that are expected in senior posts.</p> <p>This applies to all employees.</p>
Additions to Pay	<p>The Council would not make additional payments beyond those specified in the terms and conditions of employment.</p> <p>This applies to all employees.</p>
Professional Subscriptions	<p>These are payable where they are required for the post and should be limited to one subscription per Officer.</p> <p>This applies to all employees.</p>
Employee Assistance Programme (EAP) (includes access to advice and counselling)	<p>Access to the EAP scheme is available to all employees and Elected Members.</p>
Contract for Services	<p>Where the Council remains unable to appoint chief officers on recruitment, or there is a need to provide interim support to 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 relevant procurement process ensuring the Council is able to demonstrate value for money from competition in securing the relevant service.</p>
Redundancy and payments on termination	<p>The Council has a single policy which applies to all employees.</p> <p>Where termination of employment is subject to a compromise agreement that agreement may include a negotiated payment in exchange for which the employee undertakes not to pursue claims against the Council. This is always subject to the completion of a business case and appropriate authorisation as laid out in the above policy.</p>

## Salary grades for Chief Officers and Deputy Chief Officers (2014)

<b>Grade 1</b>	
<b>SCP</b>	<b>Annual Amount</b>
300	97,680.00
301	99,771.00

<b>Grade 2</b>	
<b>SCP</b>	<b>Annual Amount</b>
310	66,516.00
311	68,190.00
312	73,311.00
313	75,192.00
314	77,307.00

<b>Grade 3</b>	
<b>SCP</b>	<b>Annual Amount</b>
320	54,054.00
321	55,719.00
322	57,270.00
323	62,868.00
324	64,284.00

<b>Grade 4</b>	
<b>SCP</b>	<b>Annual Salary</b>
330	45,177
331	46,404
332	47,613
333	48,831
334	52,806

### TRAVEL POLICY

#### INTRODUCTION

The purpose of this policy is to set out North Norfolk District Council's policy on travel arrangements that employees are eligible to claim in reimbursement for journeys made in carrying out their duties.

#### GENERAL TRAVEL PRINCIPLES

Employees will be required to ensure that:-

- the use of public transport is prioritised above a car where the journey time is comparable to that of a car
- the choice of travel mode should always be the most cost effective to the Authority, taking into account both claim costs and staff time
- they ensure that journeys are planned to do the least number of miles possible, through good route planning and car sharing
- a full record of their journey is kept including the reason for travelling and the names of official passengers carried
- they do not use their own vehicle on journeys where there is room in the car of another officer making the same journey on the same business. In this situation, an essential car user should drive in preference to a casual user, if possible
- they have included and maintain in their policy of insurance a clause indemnifying the Authority against all third party claims (including those concerning passengers) arising out of the use of the vehicle on official business
- all claims exclude home to work mileage (and vice versa) if the journey starts or ends from the officers home i.e. they should only claim for excess business mileage over and above their normal daily commute mileage
- all claims must be made using the appropriate claim form (these can be obtained from the intranet or HR)
- VAT receipts are obtained and attached to the travel claim form to enable the Authority to reclaim VAT
- they are familiar with and comply with the Driver Policy and Handbook

#### CAR ALLOWANCES

North Norfolk District Council recognises that employees will be required to use their own motor vehicle for the efficient performance of their duties and that it is appropriate to reimburse for additional authorised expenditure.

All employees are designated as casual users unless their post attracts an essential car user allowance or they are currently in receipt of either a lease car or cash equivalent payment.

## **ESSENTIAL USER ALLOWANCES**

Essential users are those whose duties are of such a nature that it is essential for them to have a motor car at their disposal whenever required. If the employee uses a private car in carrying out those official duties then they shall be entitled to receive the lump sum allowance and mileage rates set out in this policy.

To determine eligibility to an essential car user allowance, the Essential Car User Assessment Form (obtained from HR) must be completed by either the line manager (for vacant posts) or the postholder. The assessment form will be scored by HR and eligibility will be confirmed or declined based on that assessment. If the postholder is not satisfied with the outcome, they can request an assessment by a Corporate Director in consultation with UNISON. A record of the request and scoring will be kept on the post file and where appropriate, the personnel file.

The essential car user allowance will be paid to all employees whose eligibility is confirmed and they will receive a lump sum in accordance with their terms and conditions of employment along with the approved mileage rate for claimed business miles undertaken.

Eligibility for essential car user status will be checked annually via completion of the car allowance scheme assessment form and if the post does not meet the criteria for this allowance, it will be removed immediately and the employee will be re-designated as a casual user. The employee will be entitled to appeal this decision and eligibility will be rechecked and the decision confirmed by a Corporate Director in consultation with UNISON.

## **CASUAL USER ALLOWANCES**

Casual users are those for whom it is desirable that a car should be made available when required and as such are eligible to receive the appropriate mileage rate set out in this policy.

## **ALLOWANCES AND MILEAGE RATES**

See Appendix A – please note these rates are reviewed and where appropriate, updated and published annually.

## **CAR LOAN SCHEME**

Employees may apply to the Authority for a loan to purchase a vehicle if it is deemed necessary by a Corporate Director for them to use a vehicle for work purposes. Details of the scheme can be obtained from the Payroll Officer.

## OTHER MILEAGE RATES

Lease car scheme	-	15.47 pence per mile
Training <sup>1</sup>	-	15.47 pence per mile
Motorcycle	-	24 pence per mile
Cycle	-	20 pence per mile
Car sharing-	-	5 pence per mile (not per person(s) carried)

## MILEAGE CLAIMS

All claims must be submitted on the appropriate claim form and passed to Payroll for payment within 3 months of undertaking the journey/expenditure. All claim forms are to be authorised by the appropriate authorised line manager according to the 'authorised signatories list'. See Appendix B for details of what can be included in a mileage claim.

**Failure to submit a claim within 3 months of undertaking the journey would mean that, except under exceptional circumstances, the claim would not be met.**

## OTHER ALLOWANCES

### SUBSISTENCE<sup>2</sup>

Subsistence will be paid to employees who necessarily incur additional expense in the course of their work. Reimbursement will be on the actual cost incurred up to the maximum amount shown below. This is subject to producing a receipt which shows the actual cost of the meal. Maximums are:-

Breakfast	-	£6.88 (Where work/travel commences before 7.30 am)
Lunch	-	£9.50 (When away for entire lunch period 12.00 – 14.00)
Tea	-	£3.76
Evening meal	-	£11.77 (When work/absence extends beyond 7.30 pm)

### OVERNIGHT ALLOWANCES

Overnight	-	£3.63
Max per week	-	£14.55

Any exceptions to the above (subsistence and overnight allowances) would need to be agreed in advance with a Corporate Director.

## LINK TO OTHER RELEVANT POLICIES

- 1. Driver Policy and Handbook** – employees are required to comply with the requirements of this policy.
- 2. Environmental Policy** – found within the Environmental Sustainability Strategy and Implementation Plan.
- 3. Green travel Plan.**

## MONITORING

This policy will be reviewed, updated and published on an annual basis by the Head of Organisational Development in line with the national agreement or as required by the Authority.

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<sup>1</sup> There is a specific claim form for qualification based training – speak to HR for details

<sup>2</sup> Rates are updated annually and are correct with effect from April 2010

## **APPENDIX A**

### **TRAVEL RATES<sup>3</sup>**

#### **Casual User Rate**

Mileage:-

Per mile first 10,000	52.2p
Per mile after 10,000	14.4p

#### **Essential User (based on NJC rates for 1000-1199cc band)**

Lump sum                                    £963 per annum (paid pro-rata on a monthly basis)

Mileage:-

Per mile first 10,000	40.9p
Per mile after 10,000	14.4p

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<sup>3</sup> Rates are updated annually and are correct with effect from April 2010

## **APPENDIX B**

### **MILEAGE CLAIMS**

Mileage claims can be made as follows:-

1. Journeys from home to first visit:
  - a) If the mileage is less than that from home to work base then no claim is made
  - b) If the mileage is more than that from home to work base then excess mileage can be claimed
  
2. Journeys from last visit to home:
  - a) If the mileage is less than work base to home then no claim is made
  - b) If the mileage is more than that from work base to home then the excess mileage can be claimed
  
3. Extra journeys out of hours:

When work is undertaken that results in additional journeys out of normal hours then the extra mileage may be claimed