

PAY POLICY STATEMENT 2018

Introduction

1. This document meets section 38(1) of the Localism Act 2011 that requires councils to produce an annual pay policy statement that articulates the council's own policies towards a range of issues relating to the pay of its workforce, particularly its senior staff and lowest paid employees. The majority of terms and conditions are universal and apply to all employees, unless otherwise specified.
2. This document does not apply to schools, other than reference to pay for bargaining for support staff in locally maintained schools.
3. Herefordshire Council's rules with regard to employment of staff are set out within the employment rules contained within [Part 4 section 9 of the constitution](#).
4. The statement is subject to annual review. Council has delegated authority to the monitoring officer to make in year amendments to reflect changes to post holder details or changes to local or national pay policy.

Pay structure / national frameworks

5. Herefordshire Council is committed to fair pay and grading determined by a robust and objective job evaluation process. The National Joint Council's job evaluation scheme is used for identifying the pay grade for all posts up to HC7 and the Hay job evaluation scheme for all posts above this level.
6. The council's pay structure is based on the National Joint Council for local authorities pay spine as the basis for its local grading structure up to HC13. Pay rates above this are locally determined. The pay structure is at appendix 1. The council adheres to the national pay bargaining for local government employees, including any negotiated annual cost of living increases. This also applies to support staff in local authority maintained schools.
7. 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.
8. The terms and conditions of employment for the majority of council employees are determined by the National Joint Council for local authorities. Employees on director grade and above are aligned to the Joint Negotiating Committee for Chief Officers of Local Authorities (or Joint Negotiating Committee for Chief Executives of Local Authorities). These may be amended, supplemented or superseded by decisions on conditions of service made by the council from time to time and contained within the council's employment policies and procedures.
9. Nationally or locally determined rates and terms and conditions apply for other employee groups including:

- Employees whose pay and conditions are determined by the Soulbury Committee;
- Centrally employed teachers whose pay and conditions are determined nationally;
- Employees who have transferred from the NHS to the council and retain their former terms and conditions of employment;
- Employees who have retained terms and conditions of employment from other employers following a TUPE transfer to the council.

Level and elements of remuneration for each chief officer

10. For the purpose of this statement 'senior management' means 'chief officers' as defined within section 43 of the Localism Act. The posts falling within this definition are listed below, with details of their grade.

	Post Title	Salary grade	Notes
	CEO Herefordshire Council (head of paid service)	CX	
	Solicitor to the council (0.3 fte) (monitoring officer – 0.7fte)	HC13 HoS2	1
Statutory chief officers			
	Director of children's wellbeing	DIR1	
	Director for adults and wellbeing	DIR1	
	Chief finance officer (section 151 officer)	DIR2	
	Director of public health (0.6fte)	HOS1	2
Non statutory chief officers			
	Director for economy communities and corporate	DIR1	
Deputy chief officers			
	Assistant director safeguarding and family support	HOS1	3
	Assistant director adults and wellbeing commissioning (acting)	HOS2	
	Assistant director education and commissioning	HOS1	
	Assistant director environment and place	HOS1	
	Assistant director communities	HOS1	
	Assistant director operations and support	HOS1	
	Programme director – housing and growth	HOS2	
	Head of human resources and organisation development	HOS2	
	Head of corporate finance (deputy S151 officer) (0.81fte)	HC13	
	Head of corporate governance	HC11	
	Head of management accounting (deputy S151 officer)	HC13	
	Consultant in public health	HOS2	
	Public health specialist (0.6 fte)	HC13	

1. Reflects percentage split for substantive role and monitoring officer responsibilities
2. Plus market forces supplement of £12,000
3. Plus market forces supplement of £5,000

Remuneration of lowest paid employees

11. Lowest paid employees are defined as those paid on full time (37 hours) equivalent salaries on scp10, which is the minimum spinal column point currently in use within the council's grading structure. The council employs apprentices who are not included within the definition of 'lowest paid employees' as they are on a learning agreement.

Relationship between remuneration of chief officers and remuneration of employees who are not chief officers

12. The relationship between the rate of pay for the lowest paid and chief officers is determined by the job evaluation process used for establishing the grading of posts and grade/role profiles as set out earlier in this policy statement.

Remuneration on recruitment

13. 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 or if an internal candidate is appointed on promotion so that a pay rise ensues. The chief executive and directors are on a spot salary.

Increases and additions to remuneration

14. Employees, within a salary pay band, receive annual increments until the top of their salary grade has been reached. The first increment is paid when the employee has been in post for 12 months or six months after appointment, whichever is the later. This does not apply to the chief executive or directors. In exceptional circumstances increments may be accelerated within the grade on grounds of special merit or ability subject to the maximum of the level not being exceeded.
15. The chief executive is the returning officer for Herefordshire. No additional payment is made for fulfilling this duty.
16. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where this is necessary the council will ensure the requirement for such a market forces supplement is objectively justified by reference to clear and transparent evidence of relevant market comparators. Similarly, as appropriate a welcome payment and/or retention payment may be applied to specific hard to fill posts. These are regularly reviewed.

Use of performance related pay, bonuses or pension enhancements

17. The council does not routinely apply any bonuses or performance related pay to employees.
18. In exceptional circumstances honoraria payments are made to recognise either a special contribution an employee has made that is over and above general performance in a role, or where they have temporarily undertaken additional responsibility at a higher grade.
19. Pension enhancements are made in line with the council's LGPS discretions policy.

Benefits in kind

20. Employees have access to salary sacrifice schemes for bicycles. The council also operates a salary sacrifice for childcare vouchers to those employees already in the scheme at 1 April 2018.
21. Reasonable relocation expenses may be paid for new employees or workplace relocation. Employees are reimbursed for reasonable travel and subsistence expenditure incurred in the course of their work. Subsistence is only paid when travelling outside of the county.

22. Worcestershire County Council administers the local government pension scheme on behalf of the council.

Approach to payment on ceasing to hold office under or to be employed by the authority

23. The council's policy on termination of employment of employees prior to reaching normal retirement age is to base redundancy payments on the statutory calculation multiplied by 1.5.

24. The council operates a mutual early resignation scheme (MERS) under which an individual employee, in agreement with the council, chooses to leave employment in return for a severance payment or, if in the Local Government Pension Scheme and aged over 55, a pension that is not actuarially reduced. It is not a redundancy or a voluntary redundancy.

Accountability and decision making

25. In accordance with the council's constitution, the employment panel (in respect of the chief executive, monitoring officer, Section 151 officer and directors) or the chief executive (in respect of all other employees) is responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the council.

26. For those pay accountability matters identified within the Localism Act as being reserved to Council, the employment panel will be the body accountable for formulating recommendations to council including the undertaking of an annual review of this statement before recommending its approval to council as one of the suite of documents council approves as part of its medium term financial strategy. The pay policy statement therefore forms part of the budget and policy framework of the council.

27. In addition to approval of this statement, the right of approval of new salary packages over £100,000 is reserved to Council. In such circumstances the employment panel will be the body accountable for developing recommendations to Council.

Publication of and access to information

28. After approval by Council, this statement will be published on the council's website. In addition, statutory employees' (chief executive, directors, including the chief finance officer, and monitoring officer) details are disclosed in the council's annual statement of accounts (available at:

https://www.herefordshire.gov.uk/info/200148/your_council/11/council_budgets_and_spending) setting out the total amount of:

- Salary, fees or allowances paid to or receivable by the person in the current and previous year.
- Any bonuses so paid or receivable by the person in the current and previous year.
- Any sums payable by way of expenses allowance that are chargeable to UK income tax.
- Any compensation for loss of employment and any other payments connected with termination.
- Any benefits received that do not fall within the above.

APPENDIX 1			
Herefordshire Council pay and grading structure – 1 April 2017			
Grade	National SCP (scp50 & above are local)	Annual Pay Rate £	Hourly Pay Rate £
HC1	6	15,014	7.78
	7	15,115	7.83
HC2	7	15,115	7.83
	8	15,246	7.90
	9	15,375	7.97
	10	15,613	8.09
HC3	10	15,613	8.09
	11	15,807	8.19
	12	16,123	8.36
	13	16,491	8.55
HC4	13	16,491	8.55
	14	16,781	8.70
	15	17,072	8.85
	16	17,419	9.03
HC5	17	17,772	9.21
	18	18,070	9.37
	19	18,746	9.72
	20	19,430	10.07
	21	20,138	10.44
HC6	21	20,138	10.44
	22	20,661	10.71
	23	21,268	11.02
	24	21,962	11.38
	25	22,658	11.74
	26	23,398	12.13
HC7	26	23,398	12.13
	27	24,174	12.53
	28	24,964	12.94
	29	25,951	13.45
	30	26,822	13.90
	31	27,668	14.34
HC8	31	27,668	14.34
	32	28,485	14.76
	33	29,323	15.20
	34	30,153	15.63
	35	30,785	15.96
	36	31,601	16.38
HC9	36	31,601	16.38
	37	32,486	16.84
	38	33,437	17.33
	39	34,538	17.90
	40	35,444	18.37
HC10	41	36,379	18.86
	42	37,306	19.34
	43	38,237	19.82
	44	39,177	20.31
	45	40,057	20.76
HC11	46	41,025	21.26
	47	41,967	21.75
	48	42,899	22.24
	49	43,821	22.71
	50	45,011	23.33

HC12	51	46,231	23.96
	52	47,488	24.61
	53	48,781	25.28
	54	50,104	25.97
	55	51,465	26.68
HC13	56	52,866	27.40
	57	54,302	28.15
	58	55,778	28.91
	59	57,294	29.70
HoS2		72,103	37.37
		74,050	38.38
		76,048	39.42
HoS1		78,102	40.48
		80,211	41.58
		82,374	42.70
Director 2		99,970	
Director 1		122,412	
CX		147,915	