

Annex 8 - Bath and North East Somerset Council Pay and Reward Policy 2021/2022

Introduction

1. This document sets out the Pay and Reward Policy for Bath & North East Somerset Council (B&NES) for the period 1 April 2021 to 31 March 2022. It provides a clear and transparent policy to the public demonstrating accountability and value for money with regards to decisions on pay and reward for Council staff.
2. The Council's pay arrangements reflect the need to attract, retain and motivate skilled employees to ensure high levels of performance. The policy recognises flexibility which is essential in delivering a diverse range of services and is underpinned by principles of fairness and equality.
3. In accordance with the requirements of Section 38 of the Localism Act 2011 and of the Revised Guidance and the associated statutory guidance set out in the Openness and Accountability in Local Pay: Guidance and Supplementary Guidance under section 40 of the Localism Act (February 2012 & 2013), together with the Local Government Transparency Code 2015 from the Department for Communities and Local Government, B&NES Council is required to publish a Pay Policy Statement for each financial year detailing:
 - a) The Council's definition of senior posts
 - b) The Council's definition of lowest paid employees
 - c) Reasons for adopting these definitions
 - d) The relationship between the remuneration of senior posts and that of the lowest paid employees
4. In accordance with provisions of the Localism Act, the requirement to publish a Pay policy Statement does not extend to schools and therefore this policy does not include school based employees.

Definitions

5. The Council's senior posts are defined as:
 - Chief Executive (Head of Paid Service*)
 - Chief Operating Officer
 - Director of Public Health*
 - Chief Finance Officer (S151 Officer*)
 - Head of Legal & Democratic Services (Monitoring Officer*)
 - Director of Children and Education (DCS*)
 - Director of Adult Social Care (DASS*)
 - Director of People & Policy
 - Director of Sustainable Communities

- Director of Innovation
- Director of Place Management

6. The Council's deputies to statutory officers are defined as:

- Director of One West
- Head of Finance
- Head of Business Finance & Pensions
- Education Director
- Deputy Monitoring Officer

7. The term 'lowest paid employee' refers to those employees in substantive full time employment at the lowest scale point of the Council's published pay scale.

Principles

8. Bath & North East Somerset Council values all its employees and aims to apply a consistent and fair approach to pay and benefits in line with the following principles:

- To work within financial constraints and use those limited funds in the most effective way to support the Council in the provision of quality cost effective services and its workforce needs
- To aim for consistency and fairness in the processes used to manage pay and benefits, as appropriate to service delivery and in line with its commitment to remaining within the framework of the relevant national pay and conditions agreements
- To promote an equal pay agenda by ensuring that pay and job evaluation systems and processes meet legislative requirements and to actively work towards reducing any unjustified gender pay gaps
- To ensure that pay and benefits processes and policies are transparent and accessible to all employees
- To be clear about the recognition and reward of performance, whether at whole organisation, service, team or individual level
- To support a flexible approach to the acceptance of changes to tasks, duties and responsibilities by employees and allow for flexibility between posts.
- To enable the Council to attract and retain its employees and in order to do so, respond to situations where market forces dictate the necessity to apply supplements to established salaries.
- To retain a core set of benefits for all employees.

Responsibility for pay and reward decisions

9. The Council's Pay and Reward Policy incorporates the statutory provisions of the Localism Act (2011) in relation to pay policy statements. Approval of this statement and of any amendments to it is therefore a matter for full Council and cannot be delegated to any sub-committee.

10. All policy matters relating to the Council's role as an employer including pay under section 112 of the Local Government Act, 1972 are delegated to the Employment Committee. The Restructuring Implementation Committee recommend appointments to the posts of Chief Executive (Head of Paid Service), Section 151 Officer, Monitoring Officer to the Council who determine the decision. The Head of Paid Service has delegated authority to make appointments to Director posts subject to there being no objection to the appointment being lodged by a cabinet member.

11. Managers should be aware of their delegated levels of authority. Delegations for decisions on pay cannot be further delegated below these levels:

Decision	Delegated level of authority
Starting salary for Chief Executive (Head of Paid Services), Section 151 Officer and Monitoring Officer	Full Council
Starting salary for Chief Executive, Chief Operating Officer and Directors	Head of Paid Service
Performance related pay increases for Chief Executive	Leader and Deputy Leader of the Council in consultation with the Director of People & Policy
Performance related progression increases for Chief Operating Officer and Directors	Head of Paid Service in consultation with the Director of People & Policy
Market supplements for any post of Head of Service and below	Corporate Management Team
Honorarium payments for any post	Director in consultation with Human Resources
Individual grading including regrading	Head of Service in consultation with Human Resources
Planned overtime payments	Head of Service in consultation with Human Resources

12. The Director of People & Policy is responsible for ensuring that the Council's Job Evaluation Scheme and pay processes have been applied. Human Resources is responsible for overseeing any decision on pay to ensure that they are made in accordance with the delegated authority levels and are compliant with the terms of the Pay and Reward Policy.

Basic pay

13. The job role and its accountability in the overall context of the Council's services and responsibilities is evaluated using the HAY job evaluation scheme which is based on objective criteria and free from discriminatory bias.
14. All job roles are evaluated using this scheme including senior management appointments as well as Chief Officers and their Deputies.

15. Job roles are paid according to the terms of the relevant national agreements on pay and conditions of service.

Pay on appointment

16. Staff are normally appointed at the bottom scale point of the grade at which the post has been evaluated.
17. Managers have discretion to appoint at a higher scale point within the grade band if the appointee can demonstrate that they are currently earning more than the minimum salary for the grade or there are other extenuating circumstances such as difficulties in attracting suitable applicants.

Pay review dates

18. Grade progression (i.e. movement from a lower to a higher salary scale point (scp) within a grade where applicable) takes place on 1st April of each year until the highest scp in the grade is reached. Grade progression is subject to satisfactory performance (and may be withheld if performance is unsatisfactory) and a minimum of 6 months service in the grade.

Re-employment of former local government employees

19. The Council retains sufficient flexibility in its response to the re-employment of former local government employees to enable it to respond appropriately to the particular circumstances. It ensures that an open and fair selection process takes place before any appointment is confirmed. 'Merit' is the sole criteria for engagement.
20. The Council does not normally re-engage any B&NES employee that has taken voluntary redundancy for a period of 2 years after the date of redundancy.

Use of consultants, contractors and temporary 'agency' workers

21. Ordinarily staff will be engaged directly by the Council as employees but on an exceptional basis, where particular circumstances deem it necessary, people may be engaged under 'contracts for services' as consultants or contractors or on an 'agency basis'. When this situation arises, the Council will give detailed prior consideration to the benefit of doing so and that the overriding need to ensure value for money is achieved. Such arrangements must be in accordance with the Council's code of practice and HMRC rules.

Equal pay

22. The Council is committed to the principle of equal pay for all posts of the same size and value and has implemented the national 'single status' agreement. In order to put its commitment to equal pay into practice, the Council:

- regularly reviews its pay grade and salaries for all current staff and starting pay for new staff in line with the Equality Act 2010, Equality and Human Rights Commission guidance and the Council's Equality policy.
 - informs employees of how these practices work and how their own pay is determined.
 - provides training and guidance for managers and supervisory staff involved in decisions about pay and benefits.
 - regularly monitors pay and grading data and statistics
 - publishes pay equality data as statutorily required
23. The Council published its [2019 Gender Pay Gap](#) report in March 2020. The report sets out the overall difference between men and women's pay in the Council. This is known as the gender pay gap and is a measure of any difference in pay between the mean average and median earnings of men and women. This is then expressed as a percentage of male earnings. As the Council employs proportionately more women than men and with a greater number working part-time or in clerical roles, there is an overall difference or mean gender pay gap across the organisation of 2.38%.

Senior pay

24. The remuneration of the Chief Executive and senior officer appointments in the Council (see Annex 1) is set across five pay bands. Levels of pay are periodically benchmarked against similar posts in a wide range of public and not for profit sector organisations.
25. Any increases in pay rates will normally be in line with those negotiated nationally by Joint Negotiating Committees (JNCs) for Chief Executives and Chief Officers respectively. The pay policy, whilst agreed in advance of the financial year to which it relates, can be amended during the course of the year to incorporate a pay award negotiated nationally or for other reasons.
26. Where a pay band consists of a number of different salary points, any progression to the next incremental point is subject to satisfactorily meeting performance criteria agreed in advance with the Chief Executive or Chief Operating Officer, as appropriate (in consultation with the Director of People & Policy). Any increase is paid from 1 April subject to 12 months service in that pay band and the maximum not being exceeded.
27. This is no provision for the Council to pay any bonuses, charges, fees or allowances, benefits in kind to senior employees or any other employees other than relocation allowances and expenses necessarily incurred in the performance of their duties. This provision is kept under review.
28. The Council has agreed that the Chief Executive undertakes the role of Returning Officer in respect of all elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from their duties as an employee of the Council. As

Returning Officer, they are paid a separate allowance for each election for which they are responsible.

Pay ratios within the Council

29. The relationship between the rate of pay for the lowest paid Council employee and that of the Council's Chief Officers is determined by the processes used for determining pay and grading structures as set out in this Pay and Reward Policy.
30. The 'lowest paid' persons employed under a contract of employment with the Council are employed at spinal point 1 of the NJC payscale which is £18,562 and £9.62 per hour¹ as at 1 April 2020. The relationship between the rate of pay for the "lowest paid" employees and the Council's Chief Officers is regulated by the processes used for determining pay and grading structures as set out in this Pay and Reward Policy. The salary utilised for the Chief Officer calculations of all the pay multiple data is £102,177 and for the Chief Executive it is £151,042.
31. The Council employs apprentices and those through the Kickstart programme who are not included within the definition of 'lowest paid employees' as they are not employed under contracts of employment.
32. As part of its commitment to pay transparency, and following the recommendations of the Hutton "Review of Fair Pay in the Public Sector" (2011), the Council publishes information on pay ratios on an annual basis. The information for 2021-2022 is as follows:

Multiple of salary	Ratio
<ul style="list-style-type: none"> the multiple between the annual salary of the lowest paid Council employee and the Chief Executive (full-time equivalent basis) as a ratio 	1:9
<ul style="list-style-type: none"> the multiple between the annual salary of the lowest paid Council employee and the average Chief Officer (full-time equivalent basis) as a ratio 	1:6
<ul style="list-style-type: none"> the multiple between median earning of Council employees and the Chief Executive (full-time equivalent basis) as a ratio 	1:6
<ul style="list-style-type: none"> the multiple between median earning of Council employees and the average Chief Officer (full-time equivalent basis) as a ratio 	1:4

33. Bath & North East Somerset Council does not currently have a policy of maintaining or reaching a specific ratio of pay multiple between the Chief Executive and that of the median earner.

¹ This figure does include 233 staff that transferred to the Council with effect from 1 October 2020 on their previous terms and conditions as part of the in-sourcing of three Community Residential Centres and five Extra-Care Facilities. The lowest spinal point is £16,288 per annum which is £8.32 per hour. This is under review.

Employee Benefits

34. In addition to an employee's salary, the Council offers a comprehensive range of benefits designed to enhance the work life balance of our employees. The current benefits include:

- the Local Government / Teachers'/NHS Pension Schemes as applicable
- generous annual leave entitlements in addition to bank holiday entitlement
- the option to purchase additional annual leave and/or take unpaid leave
- a wide range of learning and development opportunities
- flexible working arrangements
- employee wellbeing schemes, including access to Occupational Health and an Employee Assistance Programme through Health Assured
- childcare vouchers
- cycle-to-work scheme
- car benefit scheme
- discounted gym and leisure membership
- use of the Vectis card scheme to provide retail discounts
- staff social club
- MOT testing with reduced rates for staff

Termination payments

35. Proposed voluntary redundancy or severance packages in excess of £90,000 (this threshold includes [but is not limited to] any proposals in respect of salary to be paid in lieu, redundancy compensation, pension benefits and holiday pay as appropriate) are referred to the Restructuring Implementation Committee for consideration..

36. Senior staff are not differentiated from other members of staff in terms of remuneration on resignation or termination. The Council's general arrangements for severance and scheme for discretionary payments apply to all employees.

Working with Trade Unions

37. The Council will endeavour to maintain a joint working approach with its recognised Trade Unions and will work closely with them on pay related matters. There has been consultation with representatives of the recognised Trade Unions during the development of this Pay and Reward Policy. Collective bargaining processes will be followed as appropriate for any proposed changes to pay and/or allowances.

Publication

38. The Council's approach to the publication of and access to information on the remuneration of Chief Officers is to include it on its public website as part of its requirements within the Accounts and Audit (England) Regulations 2011 and in accordance with the Code of Recommended Practice for Local Authorities on Data Transparency. A copy of the Pay Policy Statement is published on the Council's website: www.bathnes.gov.uk/services/jobs/
39. For further information on the Council's pay policy please contact the Council's Human Resource Service email: HR_Payroll@bathnes.gov.uk Tel: 01225 395146

Annex 1 – Senior Officer remuneration

For the purposes of this statement, senior officer means ‘chief officers’ as defined within S38 of the Localism Act. The posts falling within the statutory definition are set out below together with salaries effective from 1 April 2021:

Chief Executive (Head of Paid Service)

The salary for the post is £151,042 per annum. The salary falls within a range between £147,000 and £165,000 per annum. Additional payments were made for Returning Officer duties. The Returning Officer fees are determined by Statutory Instrument and paid by the Cabinet Office for all National and European elections, rather than by the Council. The duties of the Returning Officer are detailed in paragraph 7 above.

Chief Operating Officer

The salary for the Chief Operating Officer is £120,000 per annum. The salary is a fixed point.

Directors and deputies to statutory officers

Pay Band	Roles	Number
Band 4 (JNC): £102,177 - £108,192	<ul style="list-style-type: none"> • Adult Social Care, Complex and Specialist Commissioning • Children & Education • Finance [S151 Officer] • Place Management • Sustainable Communities • People & Policy 	6
Band 5 (JNC): £90,159 - £96,165	<ul style="list-style-type: none"> • Innovation • Education, Inclusion and Children’s Safeguarding • One West • Head of Business Finance & Pensions • Commercial • Capital Programmes 	6
NHS fixed: £96,502	<ul style="list-style-type: none"> • Director of Public Health Part of the transfer of Public Health Services to Local Government & salary paid in accordance with NHS senior consultant rates and before other statutory related protections 	1
Grade 14 (NJC): £80,108 - £86,266	<ul style="list-style-type: none"> • Head of Finance • Head of Legal & Democratic Services 	1
Grade 13 (NJC): £55,067 - £60,416	<ul style="list-style-type: none"> • Head of Procurement • Legal Services Manager 	2