



Chelmsford City Council

22 February 2023

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## Pay Policy Statement

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Report by:

Cabinet Member for Connected Chelmsford

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Officer Contact:

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### Purpose

To approve the Council's Pay Policy Statement for 2023-24.

### Recommendations

The Council approve the Pay Policy Statement attached as the appendix to this report.

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## 1. Background

The Localism Act 2011 requires that each local authority produce and submit to full Council for approval an annual pay policy statement which should include:

- The Council's policy on the level and elements of remuneration for Council employees including chief officers
- The Council's policy on the remuneration of its lowest paid employee
- The Council's policy on the relationship between the remuneration of its chief officers and other officers
- The Council's policy on other specific aspects of officers' remuneration such as remuneration on recruitment, increases and additions to remuneration, use of

performance related pay and bonuses (where applicable) and termination payment and transparency

- Publication of, and access to, information relating to remuneration of chief officers

## 2. Proposed Policy Statement

The proposed Policy Statement for 2023-24 is attached and the Council is recommended to approve it.

### List of appendices:

Appendix – Pay Policy Statement for 2023-24

### Background papers:

None.

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## Corporate Implications

Legal/Constitutional: An annual pay policy statement needs to be approved by full Council under the Localism Act 2011

Financial: None

Potential impact on climate change and the environment: None

Contribution toward achieving a net zero carbon position by 2030: None

Personnel: None

Risk Management: None

Equality and Diversity: None

Health and Safety: None

Digital: None

Other: None

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Consultees: None

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Relevant Policies and Strategies:

None relevant

CHELMSFORD CITY COUNCIL  
PAY POLICY STATEMENT 2023 - 2024

**Introduction**

1. The Localism Act 2011 requires pay policy statements to include:
  - The Council's policy on the level and elements of remuneration for Council employees including chief officers
  - The Council's policy on the remuneration of its lowest-paid employees
  - The Council's policy on the relationship between the remuneration of its chief officers and other officers
  - The Council's policy on other specific aspects of officers' remuneration such as remuneration on recruitment, increases and additions to remuneration, use of performance related pay and bonuses (where applicable) and termination payment and transparency
  - Publication of and access to information relating to remuneration of chief officers.
2. For the purpose of this policy a chief officer and non-statutory chief officer under section 2 of the Local Government and Housing Act, 1989 includes the Chief Executive as Head of Paid Services and Council Officers on the Council's Management Team and their direct reports, excluding Personal Assistants and Administration Officers.
3. The Chief Executive is responsible for the overall management of the Council and its resources. He has delegated authority to determine pay for all employees of the Council. The appointment and dismissal of Directors and the Statutory Officers are determined under different arrangements which are set out in the Council's Officer Employment Procedure Rules. The Chief Executive leads on the development and the implementation of the Council's strategies and sets the framework for community engagement. He also has responsibility for the management of elections and the functions of the Council's Electoral Registration process and receives an allowance for acting as the Returning Officer at elections.
4. The Council employs three directors who take strategic lead in various Council Services. Details of their responsibilities are outlined in Part 3 section 4 of the Council's Constitution (a copy of the Council's Members' structure chart is also set out in Part 7 of the Council's Constitution).

The Council's Constitution is available through our website:  
<https://www.chelmsford.gov.uk/your-council/councillors-and-decision-making/constitution/>

5. The Council on implementing its Equal Pay and Single Status agreement ensured it had put in place equitable and transparent reward system for its employees. The Council's pay policy statement is therefore underpinned by the principle of equal pay and recognises equal pay between both female and male officers as a legal right under employment law and ensures fair and non-discriminatory remuneration package across the authority. The Council has a

legal duty to report on the gender pay gap. This report is available at the following link <https://gender-pay-gap.service.gov.uk/>

6. This policy statement explains the principles of remuneration and the benefits available to all staff. However, employees' full rights are contained in the standard terms and conditions of employment and their employment contracts (collectively known as "the Council's conditions of service"), but these do not form part of the Council's Pay Policy Statement.
7. Where references are made to links on the Council's Intranet site, copies of those documents can be obtained by contacting the Council's HR team.

### **Strategic Aims**

8. The Council's Pay Policy Statement is supported by the following strategic aims:
  - To demonstrate clarity and transparency around how employees are remunerated whilst ensuring that the Council is well positioned to attract the right calibre of staff with the right skills and experience to respond to the needs of the community.
  - The Council will, at all times, use transparent pay arrangements which are in accordance with current tax legislation
  - The Council strives for excellence in all services and recognises that this will only be achieved by having capable employees in post who are able to deliver the Council's ambitions and priorities.
  - It is the Council's aim to recruit and retain good quality employees and recognises the importance of positioning itself competitively in the market in light of its proximity to London and other neighbouring authorities.
  - To ensure that remuneration package for employees of the Council is affordable, sustainable and achieves value for money for the people of Chelmsford.

### **Scope**

9. The Council's pay policy statement and its principles are applied consistently to all employees. For part-time employees, salary entitlement and the Council's conditions of service are applied pro-rata to comparable full-time employees.
10. Temporary employees' salary entitlement and the Council's conditions of service will be applied on the basis of an equivalent to that of permanent employees.

### **Determination of Job Grades**

11. Chelmsford City Council has adopted the "Hay Job Evaluation Scheme" which systematically establishes the relative values of different jobs. The Scheme has been used to determine the grades of all existing posts and for new posts as they arise. It is the only mechanism within the Council for

determining the grading of posts. Responsibility for administering and coordinating the Job Evaluation Scheme rests with Human Resources.

12. A job can only be considered for re-evaluation where there has been a significant change to the responsibilities and accountabilities of the post. The Manager will need to advise where the changes have come from as another post may be affected resulting in a decrease in the applicable grade of that post. If this results in an increase in grade, this will become effective from the 1st of the month that the authorised job evaluation form was submitted. If this results in a decrease, a pay protection period of 6 months will apply.
13. Any newly created post that is evaluated and result in a total remuneration package valued at £100,000 or more will be subject to full Council approval.
14. If a member of staff disagrees with the assessment of the job evaluation of their post, they will be advised of their right to appeal. A copy of the appeals proforma and the process for appealing is available from the HR team.

## **Remuneration**

15. The Act defines remuneration as including:
  - Pay
  - Charges
  - Fees
  - Allowances
  - Benefits in kind
  - Increases/ enhancements of pension entitlement and
  - Termination Payments.

### Normal Pay

16. Normal pay includes all earnings that would be paid during a period of contractual working, but excluding any payments not made on a regular basis.
17. The basic pay of each employee will be based on the grade of the job they are contracted to perform. Grade 2 has a spot rate and Grades 3 and 4 each have two spinal column points. All the other grades consist of four spinal points. The minimum point of a pay grade is not lower than the maximum point of the preceding pay grade. The Council's locally determined pay scales ranges from grade 2 – 20. Jobs with the same evaluation score will be on the same grade.
18. The Council employs apprentices on apprentice pay rates. The lowest graded roles within the Council are grade 2 with a current salary<sup>1</sup> of £20,259. Roles at this grade include cleaners, ice rink assistant, museum assistant, revenues assistant and pitch co-ordinator. The pay for the lowest grade employees is above national minimum pay rates.

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<sup>1</sup> Salary as at April 2022

### National Pay Support

19. The Council will review the guidance related to any government pay support related to national emergency health or other situations and will access support available in accordance with the rules of the scheme.

### Recruitment

20. New entrants will normally be placed at the bottom of the scale unless in exceptional circumstances, it can be demonstrated that they have had experience in the same role with the same level of responsibility in another organisation with the capability to work and function at a high level from the outset. Other considerations to merit an appointment at a higher scale point are when a case is made to establish demonstrable previous skills and experience against proven organisational need. These will need to be agreed by HR in consultation with the Director of Service or the Chief Executive in the case of a Director's appointment. In the case of a Chief Executive appointment, this is covered under part 4 section 8 of the Council's Constitution.

### Progression through the Pay Spine

21. New entrants' salary will be reviewed annually on the anniversary of their start date, and they will move up to the next spinal column point on the salary scale if they demonstrate satisfactory performance. Those appointed at the top of the scale point in their grade will not achieve any movement. This is applicable to all staff below Management Team (Director) level.
22. Those at Director level will have their performance reviewed annually by the Chief Executive.
23. The Leader and the Deputy Leader of the Council will be responsible for reviewing the Chief Executive's performance.

### Pay Negotiation

24. Annual pay negotiations (cost of living increases) for all staff will take place with the Council's recognised Trade Union - UNISON and any agreed proposals presented to full Council as part of the budget process.

### Market Supplements

25. There may be occasions when the evaluated salary for a post fails to attract any suitable candidates and consideration is given to increasing the salary by way of a market supplement. Managers will need to have tried to recruit at the evaluated level and will need to provide HR with salary details of similar jobs within the market.
26. Market supplements will be benchmarked against the salaries for similar jobs annually to ensure they are still required. This will be undertaken by the line manager in conjunction with HR. Should this research result in the market supplement no longer being required, there will be a three month pay protection before withdrawal of the supplement. Directors will then approve these at Management Team.

### Honorarium payments

27. These discretionary payments may be given for the following circumstances:
- Covering part of the duties of a post at a higher level due to the absence of a more senior member of staff (e.g. sickness or secondment) – for 4 weeks' or more
  - An honorarium payment may also be paid in recognition of an employee taking on a special project or role. This work will be evaluated to assess suitable payment.

### Special Responsibility Allowance

28. An additional payment is made to the Council's Section 151 and Monitoring Officers.

### **Other Pay**

29. Information on the Council's policies on Occupational sick pay and maternity, shared parental leave, paternity and adoption leave can be obtained from the Council's Human Resources Team.

### **Pensions**

30. General details of the Local Government Pension Scheme (LGPS) are available from Human Resources. Both the employee joining the scheme and the Council contribute to the scheme.
31. The rules under which auto-enrolment operates will continue to apply to all Council employees. Eligible staff will be automatically enrolled unless they choose to opt out. This exercise will be repeated every three years on the anniversary of each eligible employee's enrolment.
32. The Council's pension scheme is administered by Essex County Council. They are contactable on: 01245 431912, e- mail: [pensionenquiries@essex.gov.uk](mailto:pensionenquiries@essex.gov.uk) or on their website: [www.essexpensionfund.co.uk](http://www.essexpensionfund.co.uk)

### **Other Benefits**

33. The Council has a subsidised car leasing scheme in place for some qualifying officers. Eligibility for the scheme can be found in the Driving Policy which is available from Human Resources.
34. Employees on Director level pay bands have the option to opt out of the subsidised car lease scheme for a non-pensionable cash equivalent.
35. There is a health scheme in place for all employees of the Council and they also benefit from an occupational health service provision and an Employee Assistance Programme which provides access to Counselling services for example.
36. Access to subsidised car parking is available to all employees.

### **Reimbursement of Expenditure**

37. All employees are required to make the best use of council resources and are obliged to consider the most cost-effective option when incurring any expenditure in the course of their duties.
38. Subsistence allowances are payable when employees incur additional expenditure on meals because they have been unable to follow their normal meal arrangements whilst out on business.
39. Examples of where an employee may need to incur expenditure on meals are as follows:
- Attendance at training courses or seminars where meals or refreshments are not provided
  - Site visits
  - Meetings to other organisations
  - Travelling to locations as part of official duties.

### **Termination of Employment**

40. In the event of cessation of employment, compensation arrangements are made in accordance with the Council's existing agreed policies in accordance with the Local Government (Early Termination of Employment) (Discretionary compensation) (England and Wales) Regulations 2006.

### **Other Changes**

40. Any recommendation for a general increase or reduction in pay or pay related terms and conditions of employment will be negotiated with the Union by the Director of Connected Chelmsford and a representative from Human Resources.

### **Publicising Senior Salary**

41. The details of senior salary for officers earning in excess £50,000 is available on the Council's website under Transparency.

### **Conclusion**

42. The Localism Act 2011 requires relevant authorities in England and Wales to prepare a Pay Policy Statement for each subsequent financial year. This paper sets out the Council's policy statement on pay for employees and sits alongside the overarching pay policy for the Council. The next statement will be reported to Full Council for their approval next year.
43. Should there be a need to amend the existing Pay Policy Statement during the course of the year an appropriate recommendation will be made to Full Council.