

ARUN DISTRICT COUNCIL Pay Policy Statement Financial Year 2014 – 2015

1. Purpose

- 1.1 This Pay Policy Statement (Statement) is provided in accordance with Section 38(1) of the Localism Act 2011 and the Statement will be updated annually from April each year.
- 1.2 The Statement sets out Arun District Council's (ADC) policies relating to the pay of its workforce for the financial year 2014 – 15, in particular:
- The remuneration of its Chief Officers
 - The remuneration of its “lowest paid employees”
 - The relationship between the remuneration of its Chief Officers and employees who are not chief officers.

2. Definitions

- 2.1 For the purpose of this Pay Policy the following definitions will apply:

“Pay/Remuneration” in addition to salary includes charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements and termination payments.

“Chief Officer” refers to the following roles within ADC:

- Chief Executive as Head of Paid Service
- Resources Director and Deputy Chief Executive
- Assistant Directors
- Head of Finance and Property and Section 151 Officer
- Head of Legal and Administration and Monitoring Officer
- Heads of Service paid at a percentage of Chief Officer grade

“Lowest Paid Employees” refers to those staff employed at spinal column point 10 of the Council's pay framework. This definition has been adopted because it is the lowest pay point on the Council's pay framework.

“Employee who is not a Chief Officer” refers to all staff who are not covered under the Chief Officer group above. This includes the “lowest paid employees”.

3. Pay Framework and Remuneration Levels – General Approach

- 3.1 Remuneration at all levels needs to be sufficient to secure and retain suitably qualified, skilled and motivated employees who can fulfil the Council's business objectives in delivering services to the public. This has to be balanced by ensuring that remuneration is not, and is not perceived to be, excessive. ADC is very aware of the need to maintain this balance at a particularly challenging time for the public sector.
- 3.2 Other than the Chief Executive and Resources Director and Deputy Chief Executive, cost of living increases and some allowances are linked to national pay negotiations for the relevant negotiating groups. For ADC this is the National Joint Council for Local Government Services.
- 3.3 Pay awards are considered annually by national negotiation with Trades Unions for all posts except that of the Chief Executive and Resources Director and Deputy Chief Executive. All Officers other than the two named above received a 1% pay increase effective 1 April 2013, having previously not received any pay increase for at least 3 years.

4. Remuneration of the Chief Executive and Chief Officers

- 4.1 It is essential for good governance that decisions on pay and reward for the Chief Executive are made in an open and accountable way and that there is a verified and accountable process for recommending the level of top salaries.
- 4.2.1 The remuneration of the Chief Executive is determined by the Chief Executive Remuneration Committee. This Committee comprises elected councillors from the main political parties and determines the pay of the Chief Executive on appointment and annually thereafter, following the rules set down in Part 3, Section 13 of the Constitution of the Council and additional guidance provided in the "National Salary Framework and Conditions of Service Handbook' for Local Authority Chief Executives". The Remuneration Committee will take account of recommendations concerning performance from the Chief Executive Appraisal Panel (which consists of elected councillors from the main political parties, but who must not also be on the Remuneration Committee). It will also review market data relevant to Chief Executive pay and any significant other considerations which arise. The Chief Executive does not receive any additional payment other than fees in connection with election duties in his role as Returning Officer or relocation expenses on appointment, in line with the Council policy on this.
- 4.2.2 The remuneration of the Deputy Chief Executive and Resources Director is determined by the Chief Executive in consultation with the Leader of the Council and Head of Human Resources and Customer Services, based on similar criteria to those set out for the Chief Executive, that is performance, market data, any other significant relevant criteria and the salary of the Chief

Executive. The salary will be reviewed annually by the Chief Executive, in consultation with the Leader of the Council and Head of Human Resources and Customer Services.

- 4.3.1 Remuneration for posts at Chief Officer and percentage of Chief Officer within the Council is determined by a number of criteria including relativities between the remuneration for these posts and other directly related posts (in terms of size and challenge of the role); the importance of the role within the Council; and other local or national circumstances which may arise, which it is deemed should be considered at the time. Annual cost of living increases are determined at a national level. These posts are linked to the National Joint Council for Local Government Services national pay negotiations.
- 4.3.2 Information on remuneration for this group of staff is published as part of the Annual Statement of Accounts which is published each year in June/July and can be found on the Council's website. Names and roles of employees on percentage of Chief Officer posts have been published. Officers below this level will not be identified in this way.
- 4.6 A structure chart showing the membership and responsibilities of the Corporate Management Team is attached to this document as Appendix A.
- 4.3.3 There is no provision for the payment of bonus payments to the Chief Executive, Deputy Chief Executive and Resources Director and Chief Officers or those within the percentage of Chief Officer grades. Other payments made will be in line with Council policies on allowances.
- 4.8 There is provision within the Council's Human Resources Guidance for the payment of "honoraria", in exceptional circumstances as defined in the guidance, to any staff employed by the Council. For percentage of Chief Officer grades honoraria must be approved by the Chief Executive and relevant Director/Assistant Director. For the Deputy Chief Executive and Resources Director this must be approved by the Chief Executive. For the Chief Executive this must be approved by the Remuneration Committee.

5 Posts below Chief Officer level - Salary Grades and grading framework

The current grade framework consists of 14 grades up to but not including Chief Officer level. Grades for these posts are determined initially by a locally agreed Job Profiling Scheme. This takes account in a consistent and transparent way, of all the different elements of a post in making a grading decision.

- 5.1.1 The Council will consider the use of market supplements in exceptional circumstances, but these will only be implemented with the agreement of the Corporate Management Team and the Head of Human Resources and

Customer Services, following consultation with Unison. They will be time limited and subject to review.

- 5.2 There is no provision for the payment of bonus payments to staff in these grades.
- 5.3 There is provision within the Council's Human Resources Guidance for the payment of "honoraria", in exceptional circumstances as defined in the guidance, to any staff employed by the Council. Honoraria will only be awarded with the agreement of the Director in consultation with the Head of Human Resources and Customer Services.

6 Charges, Fees or Allowances

- 6.1 Any allowance or other payment will only be made to staff in connection with a particular role or the patterns of hours that they work.

7 Pensions

- 7.1 All staff as a result of their employment with Arun District Council are eligible to join the Local Government Pension Scheme. Full details of the scheme can be found at www.lgps.org.uk.

8 Severance Payments

- 8.1 ADC pays redundancy payments based on actual salary and a 2.2 multiplier of the Statutory Redundancy Pay Table.
- 8.2 There is no local discretion to increase an employees total pension scheme membership or award additional pension except in exceptional circumstances where compassionate grounds apply.

9 New Starters Joining the Council

- 9.1 Employees new to the Council will normally be appointed to the first point of the salary range for their grade. A manager may consider a higher point in the grade in exceptional circumstances, this could for instance be where a new employee already operates at a level commensurate with a higher salary, or other circumstances. The appointing manager must agree any variation from the start of the scale with Human Resources and ensure that any such decision is consistent with that of other employees in a similar position.
 - 9.1.1 Posts at Chief Officer and percentage of Chief Officer grades are determined by reference to a combination of recruitment challenges, national and local factors, how many times the post has been advertised etc. In areas where there is a particular skills shortage the Council may consider a market

premium to attract high quality applicants. With Chief Officer and percentage of Chief Officer posts there can be scope for negotiation on the exact starting salary within the grade.

10 Relationship between remuneration of “Chief Officers and “employees who are not Chief Officers”

- 10.1 The mean average remuneration for 2014 – 2015 is £32,320 and the highest paid employee £112,960. This includes all allowances and employers pension contributions at 18.9%. The pay multiple between the two is 3.5.
- 10.2 The lowest paid employee is at £14,880 and the highest paid employee £112,960. This includes allowances and employers pension contribution and the pay multiple between the two is 7.6.

Date approved by Full Council: 5th March 2014

Appendix A

Corporate Management Team

