

Pay Policy Statement 2016/17

1. INTRODUCTION

- 1.1 This is a joint statement of Chiltern and South Bucks District Councils.
- 1.2 The Localism Act 2011 requires each council to produce and publish annually a pay policy statement. The statement must be approved by 31 March each year, by a meeting of the full council, and must then be published on their website. The pay policy statement may be amended during the year by further resolution of the council.
- 1.3 The pay policy statement must as a minimum include details of the council's policy on:
 - the remuneration of its chief officers
 - the remuneration of its lowest-paid employees
 - the relationship between the remuneration of its chief officers and other officers.
- 1.4 For the purposes of the Localism Act 2011 and this statement, the term "chief officers" is defined by Section 2 of the Local Government and Housing Act 1989. For these councils, the term "chief officers" refers to the chief executive, directors and heads of service. These officers make up the Joint Management Team for Chiltern and South Bucks District Councils.
- 1.5 Chief officers are expected to work across both District Councils on an equal basis and are employed under the same terms and conditions. Chief officers may be employed by either council, and are placed at the disposal of the other by means of an agreement made under Section 113 of the Local Government Act 1972.

2. REMUNERATION OF CHIEF OFFICERS

- 2.1 Chief officers' pay was independently assessed in 2012 by the Local Government Association (LGA) which was commissioned to undertake an independent review of the job descriptions for the new Joint Management posts. When making recommendation about remuneration, regard was had to the size of the new job role, the emphasis on the need to contribute corporately to meet the needs of the two Councils, the economic climate and the regional location of the two authorities.
- 2.2 Members of the Joint Appointments and Implementation Committee agreed the salary ranges recommended by the LGA and the proposal to assimilate the successful applicants onto a spot salary which accommodated the additional allowances previously paid. The salaries were set above the median to attract and retain suitably skilled chief officers as recommended by the LGA. Since 2012 Heads of Service have benefitted from a 1% pay award in 2013/14 and a 2% pay award in 2015/16. Directors received a 2% pay award in 2015/16. The Chief Executive salary range has remained unchanged.

- 2.3 Following an independent review of the chief officers' pay structure in November 2015 the LGA confirmed that the pay structure remains competitive in its ability to recruit and retain staff with the necessary management and strategic skills and experience.

| | Starting Salary | 2 | 3 | 4 |
|-----------------------|------------------------|----------|----------|----------|
| Joint Chief Executive | £125,000 | £128,000 | £131,000 | £134,000 |
| Joint Director | £87,720 | £90,780 | £92,820 | £95,880 |
| Joint Head of Service | £65,934 | £70,056 | £72,117 | £77,265 |

- 2.4 The salaries remunerate officers for their full range of duties and hours of work. Chief officers do not receive any performance-related pay or bonuses. Joint posts are shared equally between the two Councils and business mileage is reimbursed at HMRC rates, currently 45p per mile. Chief officers have private medical insurance and paid membership of a relevant professional body.
- 2.5 Appointments to these posts are on a spot salary and progression up the salary scale is based on performance against agreed objectives. An annual appraisal takes place for the Joint Chief Executive with members which can be facilitated by an external independent advisor if required. The Directors are appraised by the Chief Executive and the Heads of Service by their corresponding Director.
- 2.6 The annual pay review for the Chief Executive and the two Directors is determined by the Joint Negotiation Committee for Chief Executives and Chief Officers, respectively. The annual pay review for Heads of Service is determined locally. Any pay award for 2016/17 has not yet been agreed.
- 2.7 Appointments to the Joint Chief Executive, Joint Directors, and officers allocated statutory responsibilities require full Council approval within each of the Councils.
- 2.8 The Chief Executive has been appointed as the councils' returning officer. In this role he receives additional remuneration, which varies from year to year. He employs the two directors as deputy returning officers and may employ other chief officers to support him in his work. Any fees for elections are paid separately. The amount of the fee is not fixed and is based on electorate/postal votes and the type of election. The Head of Paid Service has the authority to increase election fees in line with inflation and to keep them comparable with Parliamentary election fees.
- 2.9 All employees are automatically enrolled in the local government pension scheme when they join either Council, they may opt out if they wish. Chief

officers' contributions are determined by their salary and the rules of the scheme. More comprehensive details of the Bucks Pension Scheme are available on their website. It is not the usual policy of either Council to enhance retirement benefits.

- 2.10 The Councils have a joint approach to organisational change which it applies to all employees without differentiation. In cases of redundancy those employees with 2 or more years' continuous service are entitled to a redundancy payment which is calculated using the statutory redundancy calculator based on actual salary. The maximum number of years of service taken into account is 20 and the resulting maximum payment is 30 week's pay.
- 2.11 The Councils do not provide any additional payment to employees leaving the Councils' employment other than in respect of accrued leave which by agreement is untaken at the date of leaving.
- 2.12 In certain circumstances the Councils may agree for an employee's employment to come to end by way of a Compromise Agreement which may involve the payment of severance pay. In calculating any severance package the Councils will take into account any contractual and statutory entitlements, the employee's previous performance, value for money and minimising any reputational damage to the Councils.
- 2.13 It is not normal practice for the Councils to re-employ or re-engage a chief officer following a severance or redundancy payment on either a new contract of employment or a contract of services.

3. LOWEST-PAID EMPLOYEES

- 3.1 The Councils are progressively implementing, following agreement with staff and UNISON, a collective agreement which harmonises terms and conditions of employment, including a new harmonised Pay Spine for both Councils. The minimum salary on this pay spine is set at £15,393, significantly above the Statutory Living Wage rate of £7.20 per hour effective from 1 April 2016. Employees from both Councils are progressively moving onto the new pay spine following a review and the joining up of services across Chiltern and South Bucks District Councils. The lowest paid employees at Chiltern and South Bucks District Councils are those on Grade 1 of the individual Councils respective pay spines who have yet to move onto the new harmonised pay spine. In 2015/16 the lowest paid employee at Chiltern District Council was paid £13,614 and the lowest paid employee at South Bucks District Council was paid £14,778.
- 3.2 The Chief Executive's salary is 9.24 times the salary of the lowest-paid employee.

4 REMUNERATION OF CHIEF OFFICERS COMPARED WITH OTHER OFFICERS

- 4.1 Employees who are not chief officers are progressively moving into shared services and being moved onto the new harmonised pay spine. They will be paid in accordance with the collective agreement agreed with staff and UNISON in July 2014. In the interim we have some employees at both Councils on their

employing Council's pay spine and terms and conditions in addition to those employees who have moved onto the new harmonised pay framework. All these pay scales increased on the 1st January 2015 in line with the National Joint Council Pay Award Agreement for Local Government Officers to cover the time period April 2014 to March 2016.

- 4.2 The median salary for all officers at Chiltern District Council is £25,258. The Chief Executive's salary 4.95 times the median salary at Chiltern District Council.
- 4.3 The median salary for all officers at South Bucks District Council is £28,865. The Chief Executive's salary is 4.33 times the median salary at South Bucks District Council.
- 4.4 Please note the Councils do not set the remuneration of any individual or group of posts by reference to multiple of another post or group of posts. Pay multiples do not capture the complexities of a dynamic and highly varied workforce in terms of job content and skills required. In terms of overall remuneration packages the Councils' have put in place harmonised terms and conditions across the two authorities to have a simple, flexible and equitable pay and reward structure where roles are evaluated using HAY job evaluation framework to ensure pay levels reflect differences in roles and responsibilities.