



**MID SUSSEX DISTRICT COUNCIL**  
**Pay Policy Statement**  
**Financial year 2017-18**

## 1. Purpose

The Council has an obligation under Section 38 (1) of the Localism Act 2011 to prepare a Pay Policy Statement for each financial year. It must be approved by Full Council and published on the Council's website.

This Pay Policy Statement covers the financial year 2017/18 and will need to be updated annually from April each year.

This Statement complements the Council's existing Pay Policy, which was approved by Council in November 2011 and came into operation on 1st January 2012.

The Statement sets out Mid Sussex District Council's policies relating to the pay of its workforce for the financial year 2017-18, in particular: -

- a) the remuneration of its Chief Officers
- b) the remuneration of its "lowest paid employees"
- c) the relationship between
  - the remuneration of its Chief Officers and
  - the remuneration of its employees who are not Chief Officers

## 2. Definitions

This Statement is required to use the following definitions: -

**2.1 "Pay"** in addition to salary includes charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements, and termination payments.

**2.2 "Chief Officer"** refers to the following roles within the Council: -

- Members of the Council's Management Team, as follows:
  - Chief Executive
  - Assistant Chief Executive
  - Head of Corporate Resources
  - Head of Regulatory Services
  - Head of Digital and Customer Services
- Head of Revenues & Benefits (CenSus)

**2.3 "Lowest paid employees"** refers to those staff employed as Apprentices as it is the lowest grade on the Council's pay framework.

**2.4 "Employee who is not a Chief Officer"** refers to all staff who are not covered under the "Chief Officer" group above.

### **3. Pay framework and remuneration levels**

#### **3.1 General approach**

Remuneration at all levels needs to be adequate to secure and retain high-quality employees to fulfill the council's business objectives and delivering services to the public. This has to be balanced by ensuring remuneration is not, nor is seen to be, unnecessarily excessive.

Mid Sussex District Council supports the principle of equal opportunities in employment and believes that staff of different age, disability, gender (including staff who have proposed, commenced or completed gender re-assignment), race, religion or belief, or sexual orientation, with or without trade union membership, should receive equal pay for the same or broadly similar work, for work rated as equivalent and for work of equal value.

Mid Sussex District Council will not make payments to staff, or those that could be considered to be staff, via Limited Companies. All staff will be directly employed by the Authority.

#### **3.2 Responsibility for decisions on remuneration**

It is essential for good governance that decisions on pay and reward packages for chief executives and chief officers are made in an open and accountable way and that there is a verified and accountable process for recommending the levels of top salaries.

Mid Sussex District Council will apply the pay agreements reached by the National Joint Council (*for staff not covered under the Chief Officers Group*) and Joint Negotiating Committee (*for Chief Officers*) on Pay and Conditions of Service. The Council may however choose to apply local variations as appropriate/locally devised conditions of service.

Any decision regarding the recruitment, selection and remuneration for the post of the Chief Executive and Head of Paid Service will be made by the whole Council and cannot be delegated. Advice on such matters will be given by a properly constituted 'Leader's Panel, set up by Council to deal with these matters as and when they arise. The Panel will be politically balanced and will take advice from the S151 Officer, the Monitoring Officer and the Head of Digital and Customer Services as a minimum, before recommendations are made to Council. Once an appointment has been made, future remuneration will be determined by the Leader of the Council. These awards will be based on a pay scale that has been agreed by Council.

#### **3.3 Salary grades and grading framework**

Grades are determined in line with national guidance, with the grade for each role being determined by a consistent job evaluation process. This followed a national requirement for all Local Authorities and other public sector employers to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer.

There are 20 grades (Apprentice to MPO3) in the Council's pay framework for employees who are not Chief Officers, Apprentice grade being the lowest and grade MPO3 the highest. (*NB: 10 of these grades represent existing bands inherited from staff who have transferred under TUPE from Horsham and Adur District Councils*). Each employee will be on one of the 20 grades based on the job evaluation of their role.

Each post within the officer establishment under Chief Officer Level is subject to grading by job evaluation, using the National Joint Council Green Book Scheme. The starting salary on appointment will normally be at the lowest point of the salary scale for the grade evaluated for the job, subject to negotiation based on the appointee's level of relevant experience. Progression beyond the starting salary will be dependent upon service and recommendation from the Head of Service, and will normally take effect from 1st April each year.

Subject to satisfactory service and a positive report from the employee's head of service, an employee's salary will rise by an annual increment payable on the 1st April each year until the maximum of the grade is reached. There will be no further progression payment once an employee reaches the maximum spinal column point of their salary grade scale. Remuneration is considered annually for staff, as per agreements reached as part of national negotiations with the National Joint Council on Pay and Conditions of Service.

For Chief Officers above grade MPO3 the value of any pay award is determined by the Joint Negotiating Committee for Chief Officers of Local Authorities.

The last pay award to both Chief Officers and employees who are not Chief Officers was made in April 2016.

#### **4. Remuneration – level and element**

##### **4.1 Salaries**

4.1.1 "Chief Officers" are those officers occupying the posts as identified in 2.2.

This group of "Chief Officers" is paid outside the Council's pay framework, which applies to all other employees.

The annual pay review for these Chief Officers is considered by the Joint Negotiating Committee for Chief Officers of Local Authorities each year.

Typically, these Chief Officers have received the same percentage award determined nationally for other grades of Local Government employees within the Council.

Salary on appointment for Chief Officers has regard to the demands and challenge of the role compared to other Chief Officer roles within the Council and the structure of the senior team. Account is also taken of other relevant available information, including the salaries of Chief Officers in other similar sized organisations. The final decision on the salary on appointment for chief officers lies with the Chief Executive or the Head of Digital and Customer Services.

The Council's Senior Officer remuneration data is already published within the annual Statement of Accounts and can be found on the Council's website at

<http://www.midsussex.gov.uk/media/77921/statement-of-accounts-audited-version-to-sign-20-sept-2016-v2.pdf>

##### **4.2 Bonuses**

The Council has no provision for, and does not intend to make bonus payments for any group of staff. It is not the Council's policy to pay substantive honoraria, unless in exceptional circumstances and agreed by the Head of Paid Service.

### **4.3 Acting Up Payments**

As per section 12 of the Council's Pay Policy, all contracted employees may be required to take on an acting up role, for which the sum payable will be commensurate with the substantive post being covered if the staff member acting up is being asked to be responsible for all the duties of the post. If the individual is only carrying out some of the duties of the higher-grade job, the calculation will be adjusted accordingly in relation to the specific duties being carried out.

The acting up duties should be carried out for a continuous period of at least 4 weeks (other than cover for annual leave) and should be time-limited to cover a specific short-term requirement which should not exceed 12 months in duration.

### **4.4 Market Supplements**

It is recognised that a shortage of staff with particular skills – either locally or nationally – may drive up the 'going rate' and create difficulties in recruiting and retaining staff. Mid Sussex District Council has recognised the potential for such problems and may consider paying market supplements or enhancements to an individual or group of employees where this can be objectively justified. The specific measures for managing and monitoring this process is detailed in section 10 of the Council's Pay Policy.

### **4.5 Other pay elements**

All staff are subject to the same performance management process.

Targets are set and performance against those targets is assessed. Subject to satisfactory performance, all staff will receive incremental progression until the top of their grade is reached.

### **4.6 Charges, fees or allowances**

Any allowance or other payments will only be made to staff in connection with their role or the patterns of hours they work and must be in accordance with the Council's policies and collective agreements.

#### **4.6.1 Electoral payments to officers**

The Head of Regulatory Services is the Council's Returning Officer. The fees for this role are paid according to a national fees & charges order in the case of national elections, or the scale of fees & charges agreed in West Sussex in the case of local elections. From this fee, the Returning Officer will pay discretionary fees to any Deputy Returning Officers appointed for that election.

The Returning Officer will also charge a clerical fee to the body for which the election is being held. This fee is devised from a formula laid out in the scale of fees & charges agreed in West Sussex. This amount is then distributed across the elections core team according to the degree of responsibility undertaken and the amount of additional work required. In general, the elections core team is made up of council officers, including some senior officers, though this is not a requirement as the work is being undertaken for the Returning Officer.

Council Officers employed by the Returning Officer in specific electoral roles, such as Presiding Officer, Poll Clerk, Polling Station Inspector, Count Supervisor, Count Assistant, Postal Vote Opening Supervisor and Postal Vote Opening Assistant will receive a fee according to the scale of fees & charges agreed in West Sussex. Non-Council employees working in the same roles receive precisely the same remuneration.

It is to be noted that the above payments do not form part of any employee's contractual entitlement or payments. Further details regarding these allowances can be made available on request.

### 4.6.2 Car Allowance and Mileage

Prior to February 2010, the Council adopted an enhanced car allowance scheme for eligible employees. However, this enhanced element has now been phased out.

Where a post attracts essential car user status, the postholder will receive a lump sum allowance per annum and mileage rate in accordance with the relevant NJC Car Allowance Rates. These allowances apply to all employees other than Chief Officers, whose entitlement is limited to a mileage rate of 10p mile.

## 4.7 Benefits in kind

### 4.7.1 Mid Sussex Council Membership

The Emerald Scheme is a discounted membership scheme for employees of the Council to use the leisure facilities at its three leisure centres located within the district. This benefit is open to all contracted employees.

### 4.7.2 Salary Sacrifice (childcare vouchers)

Salary sacrifice is an arrangement open to all employees of the Council, whereby agreement is made to 'sacrifice' part of their gross income for childcare credit in a special childcare account held with the Council's chosen provider, Imagine Co-operative Childcare. Financial benefit is gained from the income tax and National Insurance Contribution exemptions available.

### 4.7.3 Health and Life Insurance Cover

All Chief Officers are eligible for health and life insurance cover, the data of which is contained within the Statement of Accounts as referenced to in Section 4.1.1.

## 4.8 Pay and Performance

There is no separate provision or intention for performance related pay for any Council employee.

## 4.9 Pension

All employees as a result of their employment are eligible to join the Local Government Pension Scheme.

## 4.10 Severance Payments

We are already required to publish our policy on discretionary payments on early termination of employment as well as publishing our policy on increasing an employee's total pension scheme membership and on awarding additional pension where applicable.

Please refer to the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 as revised in 2010 for details regarding compensation for loss of employment as a result of both voluntary and compulsory redundancy.

Given that the formula for statutory redundancy payments based on age and service is deemed by the Government to be permitted under the EU Directive on Age, as per regulation 33 of the Age Discrimination Regulations, the Council will link compensation payments to the statutory redundancy pay calculator.

In cases of voluntary redundancy, the Council will use a multiplier of 2.1 (i.e. multiplying the number of weeks' pay the employee would be entitled to under the statutory formula to the factor of 2.1), giving a maximum payment of 63 weeks' pay, including the statutory redundancy payment.

In cases of compulsory redundancy, the Council will use a multiplier of 2 (i.e. multiplying the number of weeks' pay the employee would be entitled to under the statutory formula to the factor of 2), giving a maximum payment of 60 weeks' pay, including the statutory redundancy payment.

Employees who are members of the Local Government Pension Scheme to be given the option of converting compensation payments (less the statutory redundancy payment) into additional pensionable service on a strictly cost-neutral basis, in accordance with the formula published by the Government.

The Council will not make use of the augmentation provisions of regulation 52 of the LGPS.

Any other discretionary payments on early termination of employment will be agreed on a case by case basis by the relevant Chief Officer, in conjunction with the Head of Digital and Customer Services.

The Council would not consider it appropriate to re-employ a Chief Officer who had previously received a redundancy or severance package on leaving Mid Sussex District Council within the previous five years. Nor would it be considered appropriate for that individual to return on a 'contract for services'.

#### **4.11 New starters joining the Council**

Employees new to the Council will normally be appointed to the first point of the salary range for their grade. Where the candidate's current employment package would make the first point of the salary range unattractive (and this can be demonstrated by the applicant in relation to current earnings) or where the employee already operates at a level commensurate with a higher salary, a higher salary may be considered by the recruiting manager. This will be within the salary range for the grade. The candidate's level of skill and experience should be consistent with that of other employees in a similar position on the salary range.

### **5. Relationship between remuneration of "Chief Officers" and "employees who are not Chief Officers"**

The ratio between the average Chief Officer earnings and the mean average earnings across the Council is **100:36.**

The ratio between the average Chief Officer earnings and the lowest grade currently used is **100:12.**

This calculation is based on all taxable earnings for the year, including base salary, allowances and the cash value of any benefits in kind where appropriate.