

PAY POLICY STATEMENT 2021-2022

1. Introduction and scope

- 1.1. This Pay Policy Statement is produced in accordance with the Localism Act 2011 and sets out Huntingdonshire District Council's approach, to ensure transparency and accountability with regards to setting pay.
- 1.2. The Pay Policy Statement identifies:
 - The method by which salaries and severance payments are determined.
 - The detail and level of remuneration of the council's most senior managers, that is the Managing Director and the Senior Leadership Team, which accords with the requirements of the Localism Act 2011.
 - The detail and level of remuneration for the lowest level of post.
 - The ratio of pay of the top earner and that of the median earner.
- 1.3. The localism Act refers to posts of Chief Executive, Chief Officer and Deputy Chief Officer (those that report to a Chief Officer). Whilst the Council does not employ any post with the designation Chief Officer or Deputy Chief Officer, it is considered for the purposes of this legislation that the definition relates to posts of Managing Director as Head of Paid Service; Directors: Assistant Directors; and Heads of Service.
- 1.4. This policy applies to those employed on Huntingdonshire District Council's terms and conditions of employment, whose remuneration (including rates of pay and terms and conditions) are determined by and within the control of the authority. It therefore doesn't apply to staff that transferred to the Council under TUPE as they retain their previous terms, conditions and policies.
- 1.5. This updated Pay Policy Statement will be published on the Council's website as soon as possible following Full Council Approval and by 31 March 2021.
- 1.6. This Statement will be reviewed annually and amended as necessary to reflect the prevailing legislation at the time. The information and data in this Statement is current as at 25 January 2021. This Pay Policy Statement reflects the pay arrangements for the year up to 31 March 2021.

2. Remuneration

- 2.1. When determining the pay and remuneration of all employees, Huntingdonshire District Council will comply with the Equality Act 2010.
- 2.2. The salary scale is determined by the Job-evaluated grade and any salary progression is subject to exceptional performance and subject to affordability as outlined in the Council's Pay Policy.
- 2.3. The Council may apply a locally agreed cost of living pay award to the salaries.
- 2.4. The Council does not pay bonuses or offer any benefits in kind.

3. Senior Management Pay

3.1. Chief Executive/Managing Director

The Managing Director is the Council's Head of Paid Service. This salary is currently paid in line with the Council's pay scales grade MD (£124,717 - £140,637). Under current arrangements, any change to the pay level of the role of MD needs to be agreed by the Leader. The salary will attract a cost of living increase.

Head of Paid Service appointments are approved by Full Council following the recommendation of such an appointment by a panel which must include the relevant Executive Councillor and appointment salary for this post will be within the pay grade MD.

The Managing Director (Head of Paid Service) is additionally the Council's Returning Officer and Electoral Registration Officer. The responsibility of this role is one of a personal nature distinct from duties as an employee of the Council. Election fees are paid for these additional duties and they are paid separately to salary.

The fees for UK Parliamentary, European Parliamentary, Police and Crime Commissioner and national referendums are set by the Government and so does not constitute a cost to the Council. The fees for the County Council election are set by the County Council and the fees for the Combined Authority Mayoral election are set by the Combined Authority. Fees for UK Parliamentary, European and District elections are pensionable. Fees for local elections are paid in accordance with a scale of fees and charges as agreed by Cambridgeshire Chief Executives.

Other Officers, including Senior Officers in the scope of this policy, may receive additional payment for specific election duties.

3.2 Other Senior Managers Pay

The Council's pay scales for these posts are locally agreed and as follows:

Directors

The salary scale is AD within the range £81,729 - £92,344

Assistant Directors:

The salary is a spot salary on SM plus grade £75,665

Heads of Service

The salary scale is SM within the range of £62,624 - £71,115

Section 151 Officer and Monitoring Officer

The post of the Council's Chief Finance (Section 151) Officer is paid an annual allowance of £5,000 in addition to their salary for these responsibilities.

The role of Monitoring Officer is undertaken by the joint Head of Legal, shared with Cambridge City Council and South Cambridgeshire District Council under the 3C shared services arrangement.

4 Remuneration of other employees

- 4.1 Terms and Conditions are in accordance with local agreements and the NJC conditions of service for Local Government Services, with the exception of section 5.2, 5.4 part 2.
- 4.2 The pay spine used by the Council is locally agreed and any cost of living, negotiated locally will be applied to the pay scales. Pay progression within grades, for employees is based on exceptional performance and affordability in line with the Council's Pay policy.
- 4.3 All posts are evaluated using the Inbucon evaluation scheme. Apprentices are paid above the statutory minimum National Apprenticeship Wage.
- 4.4 Attraction and Retention - Salaries on appointment to all posts are determined in accordance with the Council's Pay Policy. New appointments will normally be made at the minimum point of the relevant grade, although appointing managers have discretion to vary where necessary to secure the best candidate and in line with relevant council policy.
- 4.5 Pay supplements – The council may in exceptional circumstances and if specific criteria is met, use Market Supplements to make additional Payments to reflect the market rate, for those roles where evidence exists of recruitment and retention issues. This applies to all roles, requires Director approval and is reviewed regularly to ensure compliance with relevant legislation and in accordance with the Council's Pay Policy.
- 4.6 All temporary appointments, acting up arrangements, secondments and honorarium payments are approved in accordance with the Councils policies and procedures. Such payments are only made on an exception basis on the submission of a business case and at the discretion of the appropriate Chief Officer.
- 4.7 Business Mileage costs are aligned to the HMRC benchmark Rates.
- 4.8 Pay protection – in line with the Council's redundancy policy and in order to mitigate redundancy for employees at risk who accept a post that is one grade lower than their current grade, pay protection will apply for a period of one year (6 months at full pay, 6 months at half pay).

5. Lowest paid employees

- 5.1 For the purposes of the Pay Policy Statement, the Council's pay scales define the lowest paid employees as those whose salary falls within the lowest grade A, spinal column 4, with a salary of £16,823. Apprentices are not included within the definition of lowest paid employees.

6. Pay multiples

- 6.1 The idea of publishing the ratio of the pay of an organisation's top earner to that of its median earner (the person in the middle of all earners) has been recommended to support the principles of Fair Pay (Will Hutton 2011) and for transparency.
- 6.2 The council's Median Salary is based on the salary which is the numerical 'mid-point' when the organisations salaries are arranged from top to bottom in order of size. It is based purely on the actual salary assigned to the post (assuming the post is worked at 1 Full Time Equivalent). Salaries of vacant posts, Variable members of staff, contractors, and other non-employees are not used for the purposes of this calculation.

As at January 2021, the Council's full time equivalent **Median Pay**, was £23,483 (equating to spinal column point 16 on the Council's pay scale).

6.3 Pay Ratio The ratio of pay of the top earner in 2020/21 Interim Director Delivery who was employed on a day rate equivalent to salary of £176,800 per annum, to that of the median earner is 1 to 9.4, this is within the 1:20 ratio recommended by the Hutton Review. This is a temporary post supporting the recovery activities of the authority following Covid, but required a PAYE arrangement to ensure off payroll working regulations were not breached. This post sits outside the council normal pay scales and will end once the defined scope of the role concludes.

The ratio of pay of the next top earner Managing Director and that of the median earner is 1 to 5.8. It is the Council's policy that the salary of the Managing Director will be no greater than 8x the median earner of the Council's workforce.

7 Pension provisions

7.1 The Local Government Pension Scheme (LGPS) is open to all employees up to 75 years of age and with a contract of more than 3 months' duration. Details are set out on the LGPS website.

7.2 No additional pension payment to the Local Government Pension Scheme is made to Chief Officers.

7.3 Local government pension scheme Subject to qualifying conditions, employees have a right to belong to the Local Government Pension Scheme. The employee contribution rates, which are defined by statute, currently range between 5.5 per cent and 7.5 per cent of pensionable pay depending on full time equivalent salary levels

8 Severance provisions for all employees including Chief Officers

8.1 HDC Severance payments are made in accordance with the Council's Redundancy Policy as approved by Employment Panel in August 2014 and applicable legislation, and are the same for all staff unless they are protected by TUPE.

8.2 Employees with more than two years' service will be entitled to redundancy pay in line with local government guidelines and statutory calculations. Where an employee is entitled to a redundancy payment, the calculation is based on the employee's actual weekly pay. Exit payments will be capped at £95k in line with the redundancy pay cap regulations introduced November 2020.

The Council will review the proposed changes to legislation regarding pensions, related to public sector exit payments once the regulations have been issued and make the necessary amendments to policies.

8.3 Settlement agreements will only be used in exceptional circumstances where they represent best value for the Council.

9 Publication of pay data

- 9.1 In accordance with the requirements of the Local Government Transparency Code 2015 and the Localism Act 2011. Details of the remuneration paid to all members of the Council Leadership Team can be found in the Councils annual statement of accounts.
- 9.2 In line with the Equality Act 2010 (Specific Duties and Public Authorities) Regulations 2017 which became effective 31st March 2017, the Council's latest Gender Pay Gap report can be found on the Councils website. The obligation to produce and publish Gender Pay Gap data on 31 March 2020 was suspended due to Covid-19 and employers are not required to report until 2021.
- 9.3 The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. Our next Statement is scheduled to be for 2022/23 and will be submitted to Full Council for approval by 31 March 2022.
- 9.4 Should it be necessary to amend this Pay Statement again during the year that it applies, an appropriate resolution will be made by Full Council.

Summary:

Date	January 2021
Related Legislation	Localism Act 2011
Replaces	Pay Policy Statement 2020/21
Policy Author	Aileen Whatmore, Strategic HR Manager
Applies to	All employees of Huntingdonshire District Council