

DRAFT Gloucestershire County Council
The Pay Policy Statement 2020-21

INTRODUCTION

The purpose of this Pay Policy Statement is to provide a clear and transparent policy on the Council's position on the remuneration of its Chief Officers and other employees which demonstrates to the public openness, accountability and value for money.

The policy also meets the Council's obligations under the Localism Act 2011 and the associated statutory guidance set out in the document *Openness and Accountability in Local Pay: Guidance under section 40 of the Localism Act 2011*, together with the *Local Government Transparency Code 2015*.

The Council's pay arrangements reflect the need to recruit, retain and motivate skilled and committed employees to ensure high levels of performance, balanced with accountability to the public purse. They also recognise the importance of maintaining an approach to pay and reward that supports the high levels of flexibility and adaptability essential to the effective delivery of a diverse range of services in a challenging and rapidly changing environment.

The Council's pay and grading arrangements are underpinned by the principles of fairness and equality set out in the Equality Act 2010, the Public Sector Equality Duty and associated codes of practice.

The Council publishes an updated Pay Policy Statement (as approved by Full Council) each financial year (April to March).

This is the Pay Policy Statement for 2020-21.

What's covered in the Pay Policy Statement?

1. This statement sets out the Council's policies for the financial year 2020-21 relating to the remuneration of all non-school employees, including explicitly:
 - Remuneration of Chief Officers
 - Remuneration of the lowest paid employees
 - Relationship between the remuneration of Chief Officers and other employees
2. 'Remuneration' for the purposes of this statement includes:
 - Basic salary
 - Any other allowance or fee arising from employment
 - Pension on early termination of employment
 - Redundancy pay
3. The term 'Chief Officer' as used in this policy refers to those defined as such within the Localism Act 2011. The Chief Officer posts covered by this policy are therefore the Chief Executive and those posts which report directly to the Chief Executive, and also the next management tier below (excluding any secretarial, clerical or administrative support roles), as set out in the Council's constitution.

All references to 'Chief Officers' in this policy statement are therefore in respect of the above roles (i.e. to be distinguished from the wider group of senior staff employed by the Council on Executive Reward Band grades, all of whom are subject to National Joint Council for Chief Officers national conditions of service – these staff are referred to in this Policy as Executive Reward Band employees).

4. For the purposes of the Pay Policy Statement the term '**lowest paid**' is defined as a full-time employee on the lowest salary point of the Local Government Services (Green Book) pay scales.

Who does the Pay Policy Statement apply to?

5. This Pay Policy Statement applies to all non-schools employees of Gloucestershire County Council (the 'Council'), including the Gloucestershire Fire and Rescue Service ('GFRS'), unattached teachers employed centrally by the Council and Educational Psychologists employed under the Soulbury Committee national conditions of service.

6. Maintained schools are not covered by this policy but are separately required to produce an annual pay policy setting out the terms on which the remuneration of their staff (including pay awards) is based. Subject to certain discretionary powers delegated to schools by statute, support staff employed by the Council (in community and voluntary controlled schools) are subject to the same Green Book pay and conditions applicable generally within the Council. Support staff in maintained schools where the governing body is the employer (foundation and voluntary aided schools) may be employed on such pay and conditions as determined by the employer, although in practice these schools have opted to apply the Green Book. Academy schools are stand-alone organisations independent of the Council and therefore not affected by this Pay Policy Statement.
7. For unattached teachers (employed centrally by the Council), pay decisions are as determined by the Unattached Teachers Pay Panel (UTPP), chaired by the Director of Education, in accordance with the national framework set out in the Statutory Pay and Conditions Document (STPCD) for school teachers.

POLICY STATEMENT

Job evaluation

8. The job evaluation ('JE') process is applied to all jobs in the Council unless the salary is set nationally (e.g. firefighters). JE is a process by which organisations evaluate comparative job size by reference to a range of factors that measure and ascribe numerical values to the levels of responsibility to be carried by the job holder and the associated knowledge/skills required for effective job performance. The highest rated jobs are placed at the top of the grading structure and the lowest rated at the bottom. Objective application of a non-discriminatory JE scheme ensures that different jobs of 'equal value' are placed in the same grade.
9. The Council is committed to ensuring the fair and non-discriminatory determination of pay in accordance with equal pay legislation (Equality Act 2010) and the local government 'single status' agreement of 1997. The Council applies nationally recognised JE schemes, which were introduced locally in 2003 in consultation and agreement with our recognised trade unions.
10. The Hay JE scheme is used to evaluate senior manager jobs within the Council, which are those placed within the Executive Reward Band grades. The GLPC (Greater London Provincial Council) JE scheme is used to evaluate all other posts within the Council where the pay rates are not otherwise determined nationally.

11. The Council's JE process does not apply to those job roles for which the pay range is determined through national conditions of service (e.g. the Grey Book for firefighters) or by statute (e.g. the STPCD for school teachers).

Grades and salary bands

12. As noted above, once a job has been evaluated, the total JE score will determine the pay grade or band that will apply to the post.

13. The pay structure for each employment group is as set out under the relevant national conditions of service and/or statute.

14. There are two Chief Officer posts currently on a 'spot salary' (i.e. no incremental progression). These are:

- The Chief Executive (Head of Paid Service)
- The Chief Fire Officer, whose post is also that of a director with wider responsibilities for several other services within the Council

The Council's policy is to apply the nationally negotiated pay awards for the following groups of employees:

- Joint Negotiating Committee for Chief Executives – national Salary Framework and Conditions of Service Handbook
- Joint Negotiating Committee for Chief Officers of Local Authorities (for employees attached to Executive Reward Bands). This pay award is also applied to the Chief Fire Officer and Deputy Chief Fire Officer
- National Joint Council for Local Government Services ('Green Book') conditions of service (for employees attached to Grades 1-11)
- Soulbury Committee national negotiating body (for Educational Psychologists)
- National Joint Council for Local Authority Fire and Rescue Services ('Grey Book') for firefighters
- National Conditions of Service for School Teachers in England and Wales ('Burgundy Book') for unattached teachers. However, most matters relating to the pay of teachers are determined by statute through the annual STPCD, and therefore outside the scope of this policy.

15. Unless otherwise prescribed through national agreements, any changes to the Council's pay scales/grading structure or other local pay arrangements are developed through consultation and negotiation with the relevant recognised trade unions, and subject to final approval by the Council's Appointments

Committee and/or Full Council as appropriate. Full details of the Council's Appointments Committee are set out in the Council's Constitution (a copy of which is available on the Council's web site).

16. Any future changes to salary scales for Chief Officers will be submitted to Full Council as an amendment to this Pay Policy Statement.

17. Senior salaries (over £100,000)

The following senior employees have a full-time equivalent (FTE) salary of £100k or higher as at 1st January 2020:

- Chief Executive (Head of Paid Service)
- Executive Director, Adults Social Care (Statutory Director of Adult Social Care)
- Executive Director, Corporate Resources (S.151 officer)
- Executive Director, Children's Services (Statutory Director of Children's Social Care)
- Executive Director, Economy, Environment and Infrastructure
- Chief Fire Officer
- Director, Children's Safeguarding and Care
- Director, Partnerships and Strategy
- Director, Adult Social Care Operations
- Director, Public Health
- Deputy Chief Fire Officer

Remuneration on recruitment

Subject to (1) the exceptions and flexibilities detailed in this Pay Policy Statement and (2) any overriding provisions set out in national conditions of service or through statute, the same recruitment and remuneration policies apply to all employees regardless of their grade or conditions of service.

18. Where there are difficulties in recruiting to a particular type of post and it can be evidenced that the Council is paying below the market rate for the job, a market rate supplement (MRS) may be paid in addition to the evaluated pay rate.

19. The amount of the MRS is based on market rate data and is reviewed annually. The MRS is removed or adjusted when market data shows that it is appropriate to do so, or otherwise at the Council's discretion. In the case of Chief Officers the MRS must be agreed by Appointments Committee, and for all other employees it must be agreed by the Chief Executive.

20. Candidates are normally appointed on the minimum salary point of the grade for the post. However, if a candidate is already being paid above the minimum point of the post they are applying for, the appointment may be made on the next increment(s) above their current salary subject to not exceeding the maximum of the grade.
21. Where it is considered necessary to support the recruitment and retention of staff in 'hard to fill' posts an employee may be appointed on a higher scale point within the grade than would normally be applicable (see above). However, any such agreement is subject (1) to prior approval of the relevant business case by the Chief Executive, and also (2) by the Director of Digital and People Services who will ensure any such proposal is compatible with equal pay legislation.
22. The Appointments Committee is responsible for recommending to Full Council the appointment (on a permanent or temporary or acting up basis) of the Chief Executive. The Committee is also responsible for the appointment (on a permanent or temporary or acting up basis) of the Chief Finance Officer, the Monitoring Officer, the Chief Fire Officer, the Director of Public Health and all executive directors, including the statutory posts of Executive Director of Children's Services and Executive Director of Adult Social Care. Appointments to these roles are made within the approved salary range for the post.
23. Where it is necessary for a newly appointed employee to relocate in order to take up an appointment the Council may, in exceptional circumstances, make a contribution towards the reimbursement of relocation expenses.

Flexibility to address recruitment issues for vacant posts

24. In nearly all circumstances the provisions of this Pay Policy Statement will enable the Council to ensure that it can recruit effectively to any vacant post. However, exceptional circumstances may arise where there are recruitment difficulties for a particular post and evidence to show that the provisions of this Pay Policy Statement are not sufficient to secure an effective appointment.
25. This Pay Policy Statement recognises that the above situation may arise in exceptional circumstances and that a departure from the Policy can be implemented without having to seek Full Council approval for an in-year change to the Pay Policy Statement. However, any such departure will be expressly justified in each case and will be approved by the Chief Executive in consultation with the Leader or, in the case of the Chief Executive, a special meeting of Cabinet.

Interim 'off-payroll' appointments

26. For these purposes an 'interim' appointment will be an engagement other than through a regular contract of employment on standard Council terms and conditions of service (e.g. engagement through an agency or consultancy arrangement, or through a personal service company).
27. The Council is conscious of the need to secure value for money in the contractual arrangements for all appointments, including the need to ensure no one is inappropriately enabled to achieve a more favourable position in respect of their tax liabilities ('tax avoidance') than might otherwise apply. The Council will therefore have proper regard to this principle in applying the HMRC test for tax status under the IR35 tax provisions for any interim 'off-payroll' engagements.

Increases and additions to remuneration

28. The Council's policy is to apply any nationally negotiated pay awards to employees at all levels of the Council. An exception to this will be where employees have transferred to the Council under the Transfer of Undertaking (Protection of Employment) Regulations 2006 ('TUPE'), retaining statutory protection of the pay and conditions that applied with their previous employer. Any post-transfer local government pay award in such circumstances will not be automatically applied, but will be considered on a case-by-case basis and with due regard to equal pay legislation.
29. For those employed on the Executive Reward Bands, incremental progression through the band is based on verification of satisfactory performance measured over a 12 month period. Increments are paid on 1st April each year; or six months after the start date if commencing employment between October and April, with April increments payable annually thereafter, subject to the performance review.
30. For employees on the Green Book pay scales, annual increments are awarded up to the maximum of the grade subject to the employee meeting the requirements of the job. Increments are paid on the 1st April each year; or six months after the start date if commencing employment between October and April, with April increments payable annually thereafter.
31. Incremental or other pay progression for other staff groups will be as specified under the relevant national conditions of service.
32. In appropriate circumstances and subject to the approval of the Chief Executive, accelerated incremental progression may be applied to support the recruitment

and/or retention of key Green Book or Executive Reward Band staff (see the section on Recruitment and Retention payments, below).

33. There is no provision for payment of an increment at any other time or in any other circumstances for employees covered by this Pay Policy Statement.
34. For both Green Book and Executive Reward Band employees the next annual increment will be withheld from an employee issued a formal warning under the Council's Disciplinary or Capability procedures.
35. Any pay increases for unattached teachers will be as determined by the Unattached Teachers Pay Panel (UTPP) and subject to the relevant provisions of the statutory STPCD. Pay determinations made by UTPP will be formally recorded in the annual Unattached Teachers Pay Policy document.

The use of bonuses

36. The Council does not make any bonus payments.

Payment on ceasing to be employed by the Council

37. With the exception of firefighters and unattached teachers (see paragraphs 38, 41 and 42 below) the Council operates the same redundancy policy for all staff, including Chief Officers and the lowest paid. The payment is based on the statutory redundancy table in respect of the 'age' and 'length of service' factors, but provides a multiplier of 1.75 to the number of weeks' pay due, and payment is calculated on actual weekly pay rather than being restricted to the statutory maximum. The application of a multiplier and use of actual pay are discretions permitted under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended), and the Council's policy in this regard has previously been approved by the Appointments Committee.
38. For those posts that fall within the remit of the Firefighters' Pension Scheme, redundancy pay is calculated using the statutory redundancy scheme but based on actual weeks' pay, rather than the statutory minimum. This group falls outside the regulations specified above and therefore the Council does not have the discretion to consider further enhancing the redundancy payment for a firefighter.
39. Full Council is responsible for approving any dismissal of the Head of Paid Service, the Monitoring Officer, or the S.151 Officer. The dismissal of the Chief

Fire Officer, the Director of Public Health or any of the executive directors is the responsibility of the Appointments Committee.

40. The Council will only make early payment of pension benefits in line with the relevant pension scheme regulations and the relevant pension policy statement which applies to all those staff who are scheme members. This applies irrespective of grade.
41. Any payments made in respect of early retirement for firefighters will be in accordance with the provisions of the Firefighters' Pension Scheme(s) and/or Injury Compensation Scheme, and for unattached teachers in accordance with the Teachers' Pension Scheme.
42. Any employee of the council employed in a teaching role that is not within in a school's staffing establishment (i.e. an 'unattached teacher') and who is subject to the Burgundy Book (teachers' national conditions of service) will receive only the statutory redundancy payment if exercising their option under the Teachers' Pension Scheme to take an enhanced pension.

Re-engagement

43. The Council will not, for at least two years, re-engage an ex-employee who has left with a redundancy, early pension or other severance payment, unless in exceptional circumstances (e.g. where an employee may have retrained in an area of skills shortage). However, for the avoidance of doubt, these provisions are not intended to apply to the re-engagement of an ex-employee who has simply exercised their right under the relevant pension scheme regulations to retire early and who is in receipt of a pension that has incurred no cost to the Council (this will generally be where any cost associated with the early release of the pension has been met by the employee through an actuarial reduction to the value of their pension entitlement).
44. A business case approved at director level and agreed by the Chief Executive is required before a final decision is made to re-engage within the two year period.
45. Any re-engagement of an ex-employee who is in receipt of pension will also be subject to any regulations and related policies on abatement that may apply under the terms of the relevant pension scheme.

The same policy regarding re-engagement will be applied to all employees irrespective of grade.

Any other allowances arising from employment

The following allowances apply to all employees, with the exception of unattached teachers, firefighters and Soulbury staff whose pay and allowances in such circumstances will be determined in accordance with the relevant national conditions of service and/or STPCD:

Payment for acting up or additional duties

46. Those employed on Executive Reward Band grades are expected to be flexible in managing changing requirements. Therefore an honorarium will only be paid in exceptional circumstances and subject to approval by the Chief Executive. Any such arrangement must be for a designated time-limited period only, and will also be subject to agreement by the Director of Digital and People Services that it does not infringe equal pay legislation.
47. For other staff, in limited situations where an employee may be required or requested temporarily to carry out work of a higher grade, or otherwise undertake significant duties outside the scope of their contract of employment, the Council may consider an honorarium payment, the value of which must be consistent with equal pay and JE principles. Any such payments are subject to review and are entirely at the Council's discretion and will only be made for a specified time-limited period.

Unsocial hours, overtime and other additional payments

48. The Council does not make unsocial hours, overtime or other additional payments to any employees on Executive Reward Band grades.
49. For Green Book employees, the Council recognises that certain roles and services require employees to work unsocial hours, or be available to work outside normal hours and therefore on standby. In these circumstances the Council has a policy to provide additional payments or time off in lieu for eligible employees (those up to and including Grade 8 of the Council's Green Book grading structure), and has discretion to extend such arrangements to Green Book employees on higher salary points, subject to approval of a business case by the relevant director and Director of Digital and People Services. Full details are set out in the Additional Payments Policy in the Employment Handbook on Staffnet.
50. Any such payments applicable to other staff groups will be as set out in the relevant national conditions of service (Grey Book, Gold Book, Soulbury

Committee and Burgundy Book/STPCD), but if any local arrangements are proposed this will be subject to the approval of the Chief Executive in consultation with the Director of Digital and People Services.

Recruitment and retention payments

51. The Council has discretion to apply recruitment and/or retention payments in appropriate cases (e.g. evidenced recruitment or retention difficulties in respect of a particular type of post). This includes the discretion to apply accelerated increments within an employee's grade where this is considered to be the most effective option in the particular circumstances of the case.
52. The Appointments Committee would agree any such payments for Chief Officers, and for all other employees the decision would be made by (1) the Chief Executive in respect of the business case and (2) the Director of Digital and People Services, to ensure the proposed arrangement is compatible with equal pay legislation.

Car and motor cycle allowances

53. Unless national conditions of service prescribe otherwise, reimbursement of approved business mileage is made in accordance with the Council's locally agreed mileage rates, which currently mirror the approved HMRC rates.
54. The Council is obliged to appoint a County Returning Officer who has specific duties in relation to council elections. A Returning Officer Payment is made in relation to this role, which is reviewed every four years in line with the Council's election cycle.

The relationship between the remuneration of Chief Officers and other employees

55. The Council is not obliged to (and does not) have a specific policy on pay ratios, but recognises that the Hutton Review of *Fair Pay in the Public Sector* recommended a maximum ratio of 1:20 between the highest and lowest remunerated posts.
56. In accordance with the *Local Government Transparency Code (2015)*, the Council uses the principle of pay ratios to inform a wider understanding of the relationship between its highest and lowest paid employees; and information regarding the ratio between the Council's highest and median taxable earnings is published annually on the Council's web-site in accordance with the Code.

Publication of and access to information relating to the remuneration of Chief Officers

57. Further information is available in the following documents on the Council's website:

- Statement of Accounts
- LGPS Pension Policy Statement
- Pay ratios

Apprenticeships

58. As directed in last year's Pay Policy Statement the Council has reviewed the position on remuneration for Level 2 and Level 3 Apprenticeships.

59. It is agreed that, with effect from 1st April 2020, the pay rates will be increased by 5.92% (to reflect the level of increase applied nationally to the lowest pay point of the Green Book national pay spine), and that pay increases for Level 2 and 3 apprentices will mirror the Green Book national pay award thereafter.

60. The rates for apprentices (as of April 2020) are therefore as follows:

- Level 2: £9,524 (previously £9,000)
- Level 3: £11,652 (previously £11,000)
- Levels 4 – 7: continue to be paid at 80% of the bottom scale point of the grade for the job

Gender Pay Gap Reporting

61. From April 2018 all organisations with 250 or more employees are required to publish an annual Gender Pay Gap Report showing the difference in pay between male and female employees both for the organisation as a whole and for each earnings quartile.

The Gender Pay Gap Report is published on the Council's website and also through the government's national data base.

Record of pay-related decisions

62. To ensure appropriate openness and transparency, and compliance with equal pay requirements, where this Pay Policy Statement indicates a pay-related determination is subject to the agreement of a specified officer or officers, this should be recorded as a formal Written Decision.

Policy review

63. The Council may amend this policy at any time with Full Council approval. Unless otherwise prescribed within this Pay Policy Statement any in-year amendments will be published on the Council's website at that time, or otherwise included in the following year's Pay Policy Statement.
64. In this regard it is noted that, at the time of publication, a number of previously delayed government proposals relating to public sector severance payments are anticipated to come into force during 2020-21, which may require amendments to this Pay Policy Statement. Any such amendments resulting from the above will be considered by the Appointments Committee before being submitted to Full Council for approval, or otherwise incorporated in the next year's Pay Policy Statement.
65. This policy will be reviewed again no later than 31st March 2021.

**GCC Pay Policy Statement
February 2020**