

Pay Policy

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The aims of this policy

Uttlesford District Council (UDC) is committed to providing clear guidance on matters of policy all our employees, promoting a culture of fair treatment, respect and dignity, irrespective of individual differences.

This policy aims to provide managers and employees with clear guidance on how these policies will be managed and maintained in the workplace. It also meets the statutory requirements of the Localism Act 2011 with regard to the transparency of our pay and remuneration policies and the way we implement these throughout the authority.

Due to the nature of its content, it is intended that this policy will be used in conjunction with a number of existing policies within the organisation. Where relevant these documents will be referenced accordingly.

All relevant government directives and guidance notes have been used to compile this policy.

The contents of the policy and the application of them will be reviewed and approved on an annual basis by Full Council to ensure a consistent and fair approach to the remuneration of staff at all levels. Staff will only be paid in accordance with the conditions outlined in this document.

In managing the application of this policy, consideration should be given to the individual's requirements and circumstances in relation to the protected characteristics as detailed under the Equality Act 2010.

UDC has been an accredited Living Wage employer since January 2015.

This policy applies to all UDC employees.

Any employee who requires this policy in an alternative format or language should contact HR Admin.

Associated Documents:

HRP 6	Secondment Policy
HRP 7	Job Evaluation Scheme
HRP 8	Essential User Policy
HRP 9	Excess Travelling Time and Expenses Policy
HRP 12	U-Perform Appraisal Process
HRP 13	Acting-Up Payments
HRP 15	Standby and Recall to Work Payment Policy
HRP 24	Organisational Change Policy
HRP 33	Standard Conditions of Service
HRP 47	General Allowances and Subsistence Rates
HRP 48	Long Service Award Policy

Introduction

UDC recognises that to attract, retain and motivate quality staff, fair and equitable pay and reward processes need to be adopted and managed. These processes should be based on the current and future requirements of the organisation. They should also recognise that changes in both employee expectations and motivational needs, along with influential external factors such as labour market conditions, need to be continually considered and managed through these policies.

Robust pay and reward processes provide clarification and understanding of what contributions and responsibilities are required of employees at all levels and how their input is recognised and rewarded. It also supports the identification of the required values, behaviours and performance levels of the organisation in order for it to meet its key corporate and operational goals.

All of the policies referred to in this document have been formulated in accordance with local and national pay and reward standards and guidance. UDC works in partnership with Essex County Council's Human Resources (HR Partnership) therefore all policies will be implemented and managed with direct support from this group.

Policy Framework

1. Definitions

For the purpose of this policy only the term 'Chief Officer' is defined as follows:

- Any member of the Corporate Management Team (CMT)
- Any senior role evaluated between the pay Grades 12 to 15 (see section 3 below)

The term 'lowest paid staff' is defined as follows:

- Those staff members whose role is evaluated at Grade 3 on the NJC pay scale chart (see section 2 below)

2. Job Evaluation

UDC adopts job evaluation processes that aim to maintain fairness and equity in the grading of posts throughout the authority (see HRP 7). Jobs are only subject to evaluation if they are new posts or where a current post has significantly changed in relation to responsibilities and/or reporting lines.

UDC has two formal review processes that it applies dependant upon the expected outcome of the role being evaluated:

- | | |
|--------------------------------|--------------------------|
| • UDC Job Evaluation Scheme | From Grade 3 to Grade 11 |
| • Hay System of Job Evaluation | From Grade 12 upwards |

UDC Job Evaluation Scheme

The scheme focuses on the content and responsibilities of the role and not the person doing the job. It compares elements of the job against pre-determined factors ensuring that jobs are measured logically and fairly. Job Evaluation Panels are held on a frequent basis at the Authority and organized by the UDC HR team. This process is actioned by a core team of trained officers from within the authority. One member of each evaluation panel must be a representative of the union. Also a representative from the HR Partnership will be present at each panel and chair the proceedings, making notes of the decisions and helping with the decision-making process. Following CMT approval, Managers must submit a job profile along with a supporting questionnaire and structure chart which is then evaluated by the team where points are allocated against a number of factors.

Hay System of Job Evaluation

Where a role is anticipated to be graded above Grade 11, it will be submitted to the HR Partnership for evaluation through the Hay System. This process is adopted for senior roles within the authority as it allows for greater emphasis on key management factors. It uses a points allocation system.

Job Evaluation and Salary

The salary of any given UDC role is determined by an evaluation process. Salary bands are identified against the level of points awarded to a role. It is expected that new recruits will commence their employment at the bottom of the grade.

3. Pay

Salary Bands

UDC adopts the recognised National Joint Council (NJC) salary bands for its lower paid roles as detailed in the 'Green Book' (see HRP 33). These are developed through negotiations with Local Government employers and trade unions and are updated and applied in line with national circumstances. These pay bands are structured through a series of Spinal Column Points (SCP).

Roles that are evaluated at a Chief Officer level (Grades 13 to 15) and the former SM2 level (now Grade 12) have an independent salary band scheme applied to them.

The salary bands from April 2018 are below.

Role	Grade	Minimum	Maximum
Chief Executive	15	£109,080	£114,130
Directors	14	£86,860	£89,890
Assistant Directors	13	£66,660	£69,690
Grade 12 (former SM2)	12	£50,500	£53,530

For all officers in Grades 12 to 15 there is an annual 'cost of living' rise which will be added to the ranges set out in the table above.

Information on actual sums paid to Chief Officers is contained within the annual Statement of Accounts which is published on the council website each June. The relevant page is <http://www.uttlesford.gov.uk/finance>

Average Salaries

Based on staffing levels at the time of issuing this policy, from April 2018 the approximate average salary for all 'Green Book' salaried employees will be £23,579 and the median salary will be £23,398.

Due to the introduction of the Living Wage our employees start on at least Grade 3, which in 2018/19 will be £18,070 FTE.

Based on staffing levels at the time of issuing this policy, in 2018/19 the average salary for Chief Officers will be £75,862 and the median will be £66,660.

Salary Ranges

It is the council's policy that the salary range for the role of Chief Executive will normally be no greater than seven times the average salary of a Grade 3 'Green Book' employee.

It is the council's policy that the salary range for the role of Director will normally be no greater than five times the average salary of a Grade 3 'Green Book' employee.

It is the council's policy that the salary range for the role of Assistant Director will normally be no greater than four times the average salary of a Grade 3 'Green Book' employee.

All annual salaries are paid pro rata to part time working officers based on the number of hours they are contracted to work.

Increments in Pay

For all roles, increments in pay normally occur on an annual basis, subject to satisfactory performance demonstrated through the council's UPerform appraisal scheme. The increment reflects a move to the next level SCP within a grade. Once a role has reached the highest SCP within a grade there will be no further incremental pay awards.

Annual 'cost of living' award may also be awarded to all officers as a result of negotiations between the Local Government Employers and trade unions.

Pay Protection

UDC operates a pay protection policy which provides a mechanism to assist employees to adjust to a reduction in pay arising from organisational change, job evaluation or redeployment. Pay protection will apply to permanent employees from the effective date of the change of grade for a period of two years as follows:

Where the alternative suitable employment within UDC is at a lower grade, pay protection will be up to a maximum of one grade only from the highest SCP of that lower graded post regardless of the employee's grade in their previous role for the first

year following redeployment. Pay protection for the second year will reduce to 50% of the amount paid in the first year.

Living Wage

In January 2015, The Living Wage Foundation accredited Uttlesford District Council as a Living Wage Employer. The Living Wage commitment will see that everyone working at UDC, regardless of whether they are permanent employees or third-party contractors and suppliers; receive a minimum hourly wage of £9.36 (significantly higher than the national minimum wage of £7.50 at the time of issuing this policy and £7.83 from April 2018).

The Living Wage is an hourly rate set independently and updated annually. The Living Wage is calculated according to the basic cost of living using the “Minimum Income Standard” for the UK.

4. Additional Payments

Returning Officer Payment

The Council has a duty to appoint a Returning Officer for all elections that it runs. For District and Parish elections, the Returning Officer fee is met by the District Council. This fee, and the fees of all other people employed by the Returning Officer, is paid in accordance with the Council’s agreed scale of fees and expenses for elections.

Acting up payments

Acting up payments are awarded where officers temporarily undertake duties at a higher grade (see HRP 13). Payment is usually made where an officer is covering over 20% of the duties of the higher-grade post. The amount payable is calculated by assessing the percentage of the higher-level post covered and the difference between the officer’s current salary and the salary band minimum of the grade of the post covered.

Secondments

The authority provides the opportunity for officers to undertake roles on a secondment basis (see HRP 6). In most cases the secondee will be paid at the same level as their substantive post however, where the secondment post is of a higher pay band than their current role, a higher salary may be applied for the secondment period. This salary will be agreed by all relevant managers and HR representatives.

Essential User Car Allowance and Mileage Rates

The authority pays an Essential User Car Allowance to roles that meet the specified criteria. Where officers require the use of a vehicle to complete their day-to-day responsibilities, business mileage can be claimed (see HRP 8 & 47). Essential user allowance is only available to those qualifying people on salary grades up to and including Grade 11.

Any such allowances and mileage payments are calculated and applied in accordance with HM Revenue & Customs rates.

UDC Allowance

The authority has previously paid a local UDC allowance to all staff, on Grade 6 or below, after one year's continuous service. The allowance of £561 is paid in addition to an annual salary payment. Following a corporate review of allowances in 2011, this allowance is no longer paid to any staff commencing employment within the authority.

Following the implementation of the new pay structure in April 2017, the allowance is being phased out completely. Staff who were in receipt of the allowance on 1 April 2017 receive the full allowance for 2017/18, 67% of the allowance in 2018/19 and 33% of the allowance in 2019/20. The allowance will be removed completely from 1 April 2020.

Excess Travel Allowance

Additional travelling expenses can be claimed by employees when their work base is changed by circumstances beyond their control or they are transferred to a new work base (see HRP 9). The Officer is paid an allowance equal to the difference between the cost of travelling from their home to their new work place and from their home to their original workplace. The allowance is paid for a maximum period of three years from the date of transfer.

The UDC Excess Travelling Expenses Scheme is agreed within the scope of 'Green Book' conditions.

Meeting Allowances

Officers graded at 'Green Book' Grade 7 to Grade 11 can claim an allowance for attendance at evening and out of hours meetings relating to council business.

Overtime, Standby and Recall, and Emergency Response Payments

Officers may be entitled to overtime payments if they work beyond their normal contracted hours and have the agreement of their line manager. The Council's standard overtime rate is SCP 29 at time and a half, or double time on Sundays. Chief Officers have the discretion to authorise overtime payments above SCP 29 should they consider it appropriate.

Standby and Recall to Work payments apply if officers, in respect of their contracted duties, are required to be on a call out rota or list, or respond to calls outside of normal working hours. Eligibility for standby and recall to work payments will be confirmed in the terms and conditions of the officer's contract of employment and details are set out in HRP15.

Officers who respond to a civil emergency either in the district or through mutual aid arrangements with other local authorities, are eligible for payment in line with the Council's overtime arrangements.

Market Supplements

The authority does not normally apply market supplement payments to any role. If however, the employment market dictates the need to apply a supplement to a particular role; this will be applied in accordance with a new policy.

Long Service Awards

The authority acknowledges the importance of employees who are committed to their work and wishes to reward the loyalty of those officers who have Long Service with UDC. Long Service Awards are given upon the successful completion of 20, 30 and 40 continuous service at UDC or one of its predecessor authorities.

Awards are made as follows:

20 years service	Vouchers to the value of £250
30 years service	Vouchers to the value of £500
40 years service	Vouchers to the value of £750

Vine Extras

From April 2016 the authority has subscribed to Vine Extras. This is a reward gateway to a large number of retailers where employees can make savings on purchases. The cost to the authority is £4 per employee. By December 2017 there were 156 registered users who had placed 852 orders with a total value of £65,485.

Childcare Vouchers

All permanent employees may participate in the Childcare Voucher scheme through a salary sacrifice arrangement.

The Government is scheduled to launch a new scheme designed to assist employees with their childcare costs. The Council will continue to offer the Childcare Voucher scheme to existing users for as long as there is a demand and taxation advantage to offering it.

5. Recruitment

All officers recruited by UDC will be given a formal written contract detailing the particulars of their employment and the compensation they will receive in exchange for the work they perform. These contracts will reflect the status of the employee's employment i.e. permanent, temporary, casual etc.

The specific terms of the contracts are detailed in a Written Statement of Particulars for Local Government Employees (Grade 3 to Grade 11) which will accompany the contract.

The Statement of Written Particulars for staff on Grade 12 to Grade 15 will reflect the different terms and conditions that apply to those roles.

Any changes to terms and conditions of employment will follow consultation and, where necessary, negotiation with individuals and recognised trade unions.

6. Reward & Recognition

To monitor the performance of all 'Green Book' officers, the authority adopts a local appraisal process, U-Perform. Performance will be reviewed and graded against the achievement of a number of key objectives and the demonstration of relevant values and behaviours. There are no additional monetary rewards other than incremental progression within the officer's pay band for acceptable performance within this scheme.

7. Career Progression Schemes

In some areas of the authority officers are offered progression in their roles through a career progression scheme. Within such schemes, progression is usually awarded after successful completion of particular qualifications or work experience. Details of the scheme and how it will be applied to an individual will be documented in their contract of employment.

The authority also offers opportunities for apprenticeships and other national schemes such as school work experience placements. Apprenticeships have their own national pay scheme and are therefore outside of this policy.

8. Pension

The Local Government Pension Scheme (LGPS) is open to all new and existing employees of the authority.

The government has introduced new overriding pension legislation to make it easier for people to save for their retirement.

It requires all employers to Auto Enroll all eligible jobholders into a workplace pension scheme who are:

- not already in a workplace pension scheme and or previously opted out;
- earning over £10,000 gross per year (or £192 per week or £813 per month) - These figures relate to Tax year 2017/18 and are reviewed on an annual basis each April
- aged 22 or over;
- and under State Pension Age.

An employee may decide at any time to opt out of membership of the LGPS but will be automatically be re-enrolled into the scheme on what is called the "re-enrolment date" if, on that date, an employee is aged at least 22, under State Pension Age and earning more than £10,000 (current figure), or pro-rata per pay period, exception to this is if an employee has opted out within 12 months prior to the "re-enrolment date". At that point an employee will not be re enrolled until the next "re enrolment date"

The workplace pension scheme provided is the Local Government Pension Scheme (LGPS) which is a qualifying pension scheme, which means it meets or exceeds the government's standards.

9. Severance

On cessation of employment from the authority, officers including Chief Officers will only receive compensation:

- (a) in circumstances that are relevant e.g. redundancy
- (b) in the application of any employer discretions provided by the LGPS and/or
- (c) that complies with the specific term(s) of a Settlement Agreement.

The authority adopts an early retirement policy (see HRP 25)


Settlement Agreements (previously known as Compromise Agreements)

In exceptional circumstances to avoid or settle a claim or potential dispute, the authority may agree payment of a settlement sum through the issue of a Settlement Agreement. All cases will be overseen by the Legal Department in conjunction with the relevant line manager to ensure all legal, financial and contractual responsibilities have been met and all settlement agreements must be signed off by a Director or the Chief Executive. If a settlement sum is in excess of £100,000, and/or paid to the Chief Executive, it must be agreed by Full Council.

10. Pay Grades

The following table shows the pay grades and spinal column points for 2018/19. The text in red shows the old names for the grades prior to the introduction of the new pay structure in April 2017.

HRP 33 - Standard Conditions of Service

"Protected" APT&C Staff Scales	Spinal Column Point	Annual Salary	Local Allowance £561 100% in 2017/18 67% in 2018/19 33% 2019/20 0% from 2020/21
GRADE 3 Scale 3	14	£18,070	Yes 
	15	£18,746	
	16	£19,430	
	17	£20,138	
GRADE 4 Scale 4	18	£20,661	
	19	£21,268	
	20	£21,962	
	21	£22,658	
GRADE 5 Scale 5	22	£23,398	
	23	£24,174	
	24	£24,964	
	25	£25,951	
GRADE 6 Scale 6	26	£26,822	
	27	£27,668	
	28	£28,485	
	29	£29,323	
GRADE 7 SO1	30	£30,153	
	31	£30,785	
	32	£31,601	
	33	£32,486	
GRADE 8 PO 1-4	34	£33,437	
	35	£34,538	
	36	£35,444	

	37	£36,379	
GRADE 9	38	£37,306	
	39	£38,237	
PO 5-8	40	£39,177	
	41	£40,057	
GRADE 10	42	£41,025	
	43	£41,967	
PO 9-12	44	£42,899	
	45	£43,821	
GRADE 11	46	£45,095	
	47	£46,363	
PO 13-16	48	£47,650	
	49	£48,924	
GRADE 12	50	£50,500	
	51	£51,510	
SM 2	52	£52,520	
	53	£53,530	
GRADE 13	54	£66,660	
Assistant	55	£67,670	
Directors	56	£68,680	
	57	£69,690	
GRADE 14	58	£86,860	
Directors	59	£87,870	
	60	£88,880	
	61	£89,890	
GRADE 15	62	£109,080	
Chief	63	£110,595	
Executive	64	£112,110	
	65	£114,130	

Note: The minimum starting salary is SCP14 in line with the Living Wage as agreed 1 January 2017.

Gender Pay Gap

Background

The Equalities Act 2010 (Specific Duties and Public Authorities) Regulations 2017 came into force on 31 March 2017. The Regulations require employers to report on the gender pay gap within their organisation.

The gender pay gap is a measurement of the difference between men and women's average salaries. It is not about men and women being paid differently for the same job, which has been prohibited by equal pay legislation since 1975.

The UK's gender pay gap has fallen over time. In 2007 it was 25 per cent, while ONS statistics published in October 2016 put the figure at 18.1 per cent.

The ONS data showed that the pay gap is lower in the public sector than the private sector – women working in the private sector were paid 24.5 per cent less on average than men (25.6 per cent in 2015) while in the public sector women were paid 18.3 per cent less (18.8 per cent in 2015).

The 2017 Regulations apply to defined public sector bodies (including councils) with at least 250 employees and require the publication of four measures of information based on a snapshot of pay information taken on 31 March 2017:

- The difference between the average (mean and median) hourly rate of pay for male and female employees (excluding employees being paid at less than their usual rate because of maternity leave, for example)
- The difference between the average (mean and median) bonuses paid to male and female employees over the period of 12 months ending with the snapshot date of 31 March
- The proportion of male employees and female employees who were paid bonuses during the period of 12 months ending with the snapshot date
- The proportions of male and female employees in each quartile of the pay distribution

The Government states the following reasons for the publication of this data:

- Mean and median figures will give public authorities better understanding of their gender pay gap, whilst facilitating comparison with national and international figures
- The definition of 'ordinary pay' and the methodology is intended to mirror as closely as possible that used by ONS in its Annual Survey of Hours and Earnings, to enable meaningful comparison of the data
- Bonus payments can be a significant element of overall remuneration in some sectors. Requiring the reporting of bonuses will encourage public authorities to scrutinise their

remuneration policies and ensure that their practices for bonuses are fair and transparent

- A key driver of the gender pay gap is that fewer women than men are employed in senior and higher paid positions. The specified public authorities will be required to report on the number of men and women in each quartile of their pay distribution. This will help authorities consider where women are concentrated in terms of their remuneration and whether there are any blockages to their progression.

Uttlesford District Council’s Gender Pay Gap Information

As at 31 March 2017:

The Council had 344 employees: 163 male, 181 female.

- 1) *The difference between the average (mean and median) hourly rate of pay for male and female employees*

	Mean Hourly Rate	Median Hourly Rate
Male	£13.13	£11.62
Female	£13.57	£12.00
Difference in hourly rate of pay	-3.30 per cent	-3.27 per cent

- 2) *The difference between the average (mean and median) bonuses paid to male and female employees over the period of 12 months ending with the snapshot date of 31 March*

No bonuses were paid

- 3) *The proportion of male employees, and of female employees who were paid bonuses during the period of 12 months ending with the snapshot date*

No bonuses were paid

- 4) *The proportions of male and female employees in each quartile of the pay distribution*

344 employees = 86 employees per quartile

	No. of male employees	No. of female employees	Percentage of male employees	Percentage of female employees
Quartile 1	57	29	66	34
Quartile 2	33	53	38	62
Quartile 3	27	59	31	69
Quartile 4	46	40	53	47

Commentary

The figures demonstrate there are no significant gender pay gap issues at Uttlesford District Council; on average (mean and median) the council pays its female employees slightly more

than its male employees. At senior level (Grades 12 to 15) there are an almost equal number of men (8) and women (7). The council offers a variety of flexible working arrangements for all employees which can help meet family commitments and is an equal opportunities employer.

More information and help

Associated documents

All associated documents listed in this policy are available on request

Contact for more information

HR: Tel: 01799 510424

Email: humanresources@uttlesford.gov.uk