

TORBAY COUNCIL ANNUAL PAY POLICY STATEMENT APRIL 2012

Human Resources February 2012

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1. Purpose and Scope of the Policy Statement

- 1.1 Section 38 (1) of the Localism Act 2011 requires the Council to prepare an Annual Pay Policy Statement for 2012/13 and subsequent years.
- 1.2 In dealing with staff pay it is the Council's strategy to ensure that our Pay Policy facilitates the recruitment and retention of staff with the skills and capabilities the Council needs.
- 1.3 Arrangements for staff pay must comply with Equal Pay legislation.
- 1.4 This Pay Policy Statement applies to the Chief Executive, Directors, Executive Heads and Senior Officers within Torbay Council. It addresses the legal requirement to set out how pay is determined for this group. This includes the following posts within Torbay Council:
 - Chief Executive
 - Directors (including duties associated with Deputy Chief Executive)
 - Executive Heads (and those posts with specific responsibility such as Section 151 Officer)
 - Senior Officers (non-executive heads) – These are posts where the salary is above £50,000.

1.5 This Pay Policy Statement is a supplement to Torbay Council's overarching Pay and associated policies which form part of the terms and conditions of employees. These include but are not limited to;

- Torbay Council Pay Policy
- Job Evaluation Scheme Policies (Greater London Provincial Councils Job Evaluation Scheme).
- NJC Terms and Conditions of Employment (Green Book)
- JNC Terms and Conditions for Chief Executives
- JNC Terms and Conditions for Chief Officers (Directors within Torbay Council are appointed to these Terms and Conditions).
- Torbay Council Local Government Pension Scheme Policy Discretions
- Employment of Apprentices Policy
- Re-Evaluation Policy
- Temporary Acting Up Policy
- Expenses Policy
- Market Supplement Policy
- Market Forces Policy
- Draft Staff Travel Plan

Note: All these policies are currently available on the Council's Human Resources Intranet, but will be available in PDF format for publication on the Council's website.

1.6 Draft guidance from the Secretary of State makes reference to the Hutton Review of Fair Pay. This indicated that the most appropriate metric for pay dispersion is the multiple of chief executive pay to median salary. Tracking this multiple will allow the Council to ensure that public services are accountable for the relationship between top pay and that paid to the wider workforce. This annual pay policy statement will pay-publish this multiple along with the following information:

- The level of salary for each of the Officers as defined in (1.4) above;
- The salary of the lowest paid employee

This information can be found at appendix 2

2. Arrangements for Officer Pay

2.1 The general terms and conditions of employment are governed by the following national agreements:

- Chief Executive - JNC for Chief Executives of Local Authorities,
- Directors - JNC for Chief Officers of Local Authorities,
- Executive Heads - NJC for Local Government Services
- Educational Advisors and Inspectors/ Educational Psychologists – Soulbury Pay and Conditions
- All other Employee Groups – NJC for Local Government Services

A structure chart is found at appendix 4.

2.2 The Hay Job Evaluation scheme is used to evaluate the following roles within the Council.

- Chief Executive
- Directors (including responsibilities of Deputy Chief Executive)
- Executive Heads
- Other Senior Officer Roles (non-executive heads), where the annual salary is in excess of £50,000 per annum are evaluated under both the Hay and the GLPC scheme. This is due these roles normally being graded at N under the GLPC and the cross over point of the two schemes.
- All other posts within the Council are evaluated under the Torbay Council GLPC evaluation scheme in accordance with the agreed policies.

2.3 The Hay scheme produces a point's score for each post evaluated, this is called the Know-How score. Know-How is the sum of every kind of knowledge, skill and experience required for the standard acceptable job performance.

2.4 The Officers evaluated under Hay within Torbay Council are paid on spot salaries based on median salary levels as set in 2008 for Local Government. Torbay Council publishes this in bands of £5,000. This is set out in appendix 1.

2.5 In determining the salary for the Chief Executive the Mayor will take advice from Human Resources Hay Trained assessors and the Executive Head Business Services, formally Head of HR. Further independent advice from South West Councils (HR & Employment Services) and other professional organisations such as Hay to ensure the correct level of remuneration is awarded. Full Council will agree the overall budget for the remuneration level. The Mayor will then make recommendations on the actual level to the Council's Employment Committee. The Employment Committee will make the final decision on the actual salary level and any other terms and conditions of employment.

(Note this wording is being checked with Democratic services against actual process).

2.4 In determining the salary for Directors, the Chief Executive, will take advice from Human Resources Hay Trained assessors. Further independent advice can be taken from South West Councils (HR& Employment Services) and other professional organisations such as Hay. The Chief Executive will then make a recommendation to the Council's Employment Committee. The Employment Committee will then make the final decision as to the actual salary level.

(Note this wording is being checked with Democratic services against actual process.)

2.5 In determining the salary for Executive Heads and other senior officers as defined by 1.4 above. The Directors will take advice from Human Resources Hay trained assessors. The Directors following consultation with the Chief Executive will then agree the salary level.

- 2.6 Following significant changes in duties, posts can be re-evaluated. The evaluation will be based on a Job Evaluation Questionnaire which will be assessed by an independent panel of Hay Trained assessors within Human Resources. External advice and benchmarking can also be undertaken. These assessments will then be considered by the Mayor, Chief Executive and or Directors depending on the job role. Where appropriate the Employment Committee will be involved for Chief Executive and Directors salary. Changes to Executive Heads roles and other senior officers will be agreed by Directors following consultation and agreement of the Chief Executive. Successful re-evaluations can result in a change to the salary.
- 2.7 Salary increases in relation to cost of living will be applied according to the awards made by the appropriate National Joint Council as described in paragraph 2.1.
- 2.8 No additional payments are made to in respect of:
- Bonus payments or Performance payments to the Senior Officers are defined by 1.4.
 - Additional payments are made to NJC Employees who are employed on SCP 29 or below of the Torbay Council Salary Scale. These are paid in accordance with NJC Terms and Conditions of Employment (Green Book) part 3, pay and grading. **(Insert link)**
- 2.9 Additional payments are made to any Council Officers who act as Returning Officers and carry out duties at elections. These payments are calculated according to the approved scale or set by a government department depending on the nature of the election. This is treated as a separate employment as and when required.
- 2.10 In comparing Chief Officer Pay with the wider workforce the Council will use the following definitions:
- The lowest-paid employee: the employee or group of employees with the lowest salary (full-time equivalent) employed by the Council at the date of assessment.
 - The median: the mid -point salary when full-time equivalent salaries are arranged in order of size (highest to lowest). Based on salary levels of staff on the date of assessment.

This excludes those employed on casual contracts of employment, but includes part time employees where there salaries are normalised to the full-time equivalent. It also excludes Apprentices who are employed on the Torbay Council apprentice pay grade.

3. Contributions and other terms and conditions

- 3.1 All staff who are members of the Local Government Pension Scheme make individual contributions to the scheme in accordance with the following table. These figures represent the 2011/2012 contribution rates.

Band	Salary Range	Contribution Rate
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1	£0 To £12,900.00.	5.50%
2	£12,901.00 To £15,100.00.	5.80%
3	£15,101.00 To £19,400.00.	5.90%
4	£19,401.00 To £32,400.00.	6.50%
5	£32,401.00 To £43,300.00.	6.80%
6	£43,301.00 To £81,100.00.	7.20%
7	More than £81,100.00.	7.50%

3.2 The Employer Contribution pension rate is: 17%

3.3 All employees are currently able to apply for a Car Parking permit, which enables the employee to park on council property. However, charging for this permit will be introduced following consultation with Trades Unions.

4. Compromise Agreements

4.1 Torbay Council will only enter into Compromise Agreements in exceptional circumstances where it is in the Council's overall commercial and financial interests to do so. Any Compromise Agreement for the Chief Executive and Directors will need to be approved by the Council's Employment Committee. Compromise Agreements for any other member of staff will need to be authorised for the Director of the service following consultation of the Chief Executive.

5. Publication

5.1 Once approved by Full Council, this Policy and any subsequent amendment will be published on the Council's website. Human Resources Policy will be responsible for the annual review to ensure an accurate pay policy is published ahead of each financial year.

5.2 In accordance with the Code of Practice on Local Authority Accounting the annual Statement of Accounts includes pay details of Senior Officers reporting directly to the Chief Executive and statutory posts where the salary is above £50,000 per annum.

Appendix 1

Current Salary Levels for Chief Executive, Directors and other Senior Officers.

Post Title and Know-How Score	Salary Spot Rate or Salary Band
Chief Executive This post was appointed prior to the implementation of the Hay within the Council in 2008 and has not been formally evaluated under the Hay scheme at this time. This salary has not increased since appointment in 2005.	£151,316.00 per annum.
*Director of Children's Services Know-How Score 608	£105,000 - £110,000
*Director of Adults and Resources Know-How Score 608	£105,000 - £110,000
*Director of Place and Resources Know-How Score 608	£105,000- £110,000
* All Director roles hold joint responsibility for the duties of the Deputy Chief Executive.	
Executive Head Business Services Know-How Score 400	£60,000 - £65,000
Executive Head Commercial Services Know-How Score 400	£60,000- £65,000
Executive Head Resident and Visitor Services Know-How Score 400	£60,000 - £65,000
Executive Chief Information Officer Know-How Score 400	£60,000 - £65,000
Executive Head Spatial Planning Know-How Score 400	£60,000 - £65,000
Executive Head Community Safety Know-How Score 400	£60,000- £65,000
Executive Head Finance (Section 151 officer) Know-How Score 460	£75,000- £80,000
Executive Head Safeguarding and Wellbeing Know-How Score 528	£90,000- £95,000
Executive Head Torbay Harbour Authority Know-How Score 350	£50,000- £55,000
Non- Executive Head Roles	
Group Manager Street Scene Know-How Score 350 GLPC Grade O	£50,941- £54,195
Group Manager Cultural and Community Services – Vacant Know-How Score 350 GLPC Grade O	£50,941- £54,195
Group Manager Schools Commissioning	£50,941- £54,195

Know-How Score 350 GLPC Grade O	
Head of Schools (Vacant Post – Awaiting recruitment). Know-How Score 400	£60,000- £65,000
Head of Family Service (Vacant Post – Awaiting recruitment). Know-How Score 400	£60,000- £65,000

Note: Other roles to be included once structure chart update prior to 1st April 2012

Appendix 2 Multipliers

The idea of publishing the ratio of the pay of an organisation's top salary to that of its median salary has been recommended in order to support the principles of Fair Pay and transparency. These multipliers will be monitored each year within the Pay Policy Statement.

The Council's current ratio in this respect is 7.02:1, i.e. the highest salary (Chief Executive) earns 7.02 times more than the Council's median salary. When measured against the lowest salary the ratio is 12.46:1

In comparing Chief Executive Pay with the wider workforce the Council will use the following definitions:

- The lowest-paid employee: the employee or group of employees with the lowest rate of pay (full-time equivalent) employed by the Council at the date of assessment. This includes all types of employment within the Council.
- The median: the mid-point salary when full-time equivalent salaries of all core council staff are arranged in order of size (highest to lowest). Based on the salary levels of staff on the date of assessment. This includes all types of employment within the Council.

The lowest full time equivalent salary is £12,145, which is Point 4 of Grade A. Date of assessment: 07/02/2012.

	Annual Salary	Ratio to Highest
Highest Salary	£151,316.00	
Median (Mid-point) value	£21,519.00	7.02.1
Lowest full time salary	£12,145.00	12.46 : 1

Appendix 3 Pay and Grading Structure GLPC Scheme (Last updated March 2011) Need to insert PDF

Equality Statement

These guidelines apply equally to all Council employees regardless of their age, disability, gender, race, religion or sexual orientation. Care will be taken to ensure that no traditionally excluded

groups are adversely impacted in implementing this policy. Monitoring will take place to ensure compliance and fairness.

Monitoring

Under the Race Relations Amendment Act 2000 (RRAA), the Disability Discrimination Act 2005 (as amended), the Single Equality Act 2006 and Equal Opportunities Policies, the Council will monitor all its policies and employees involved in this process to ensure compliance and fairness for all employees. There is an obligation to monitor by racial group, disability and gender any employee against whom employment action has been taken. Managers must ensure that Human Resources are notified of all actions under this policy for equality monitoring purposes.

To support this, it is important that the 'Employment Procedures Equality Form' (available from the HR intranet site) is completed by the employee and returned to the Human Resources for recording centrally.

Policy Feedback

Should you have any comments regarding this policy, please address them to the HR Policy Feedback mailbox –

HRpolicy@torbay.gov.uk

History of Policy Changes

This policy was first agreed by members of the Torbay JCC on [Month/Year]

Date	Page	Details of Change	Agreed by:

Policy to be reviewed January 2013