

PAY POLICY STATEMENT 2021/22

Summary:	Section 38 of the Localism Act 2011 (“the Act”) requires the Council to produce an annual pay policy statement (“the statement”) for the start of each financial year. The attached statement is drawn up in compliance with the Act to cover the period 2021/22. It is a legal requirement that Full Council formally signs off this statement and the responsibility cannot be devolved to any other person or committee.
Options considered:	There are no options to consider as part of this paper.
Conclusions:	The attached statement sets out current remuneration arrangements for officers.
Recommendations:	To adopt the attached Pay Policy Statement and to publish the statement for 2021/22 on the Council’s website.
Reasons for Recommendations:	To comply with the requirements of the Localism Act.

Cabinet Member(s) Cllr Sarah Bütikofer	Ward(s) affected
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1. Introduction

- 1.1 Section 38 (1) of the Localism Act 2011 (“the Act”) requires English and Welsh local authorities to produce a pay policy statement (“the statement”) for each financial year. The statement is signed off by Full Council immediately before the commencement of the year to which it relates.

2. The Statement (Appendix A)

- 2.1 The statement must set out:

- A local authority’s policy on the level and elements of remuneration for each Chief Officer
- A local authority’s policy on the remuneration of its lowest-paid employees (together with its definition of “lowest-paid employees” and its reasons for adopting that definition)
- A local authority’s policy on the relationship between the remuneration of its chief officers and other officers

- A local authority's policy on other specific aspects of chief officers' remuneration: remuneration on recruitment, increases and additions to remuneration, use of performance related pay and bonuses, termination payments, and transparency.

2.2 With regard to the process for approving the statement, it must:

- Be approved formally by Full Council and cannot be delegated to any sub-committee. This includes any amendments in each financial year
- Be approved by the end of March each year
- Be published on the authority's website and in any other manner that the Council thinks appropriate as soon as it is reasonably practicable after it is approved or amended
- Be complied with when the authority sets the terms and conditions for a Chief Officer.

2.3 For the purpose of the statement the term 'Chief Officer' in a local authority context is defined as set out in the Local Government and Housing Act 1989 as:

- The Head of Paid Service (Chief Executive Officer)
- The Monitoring Officer
- A statutory Chief Officer and non-statutory Chief Officer (section 2 of that Act)
- A deputy Chief Officer (section 2 of that Act)

2.4 This definition of Chief Officer is wider than that contained within the Constitution where the term 'chief officer' indicates the senior posts which sit on Corporate Leadership Team i.e. the Joint Heads of Paid Service and Heads of Service.

3. Living Wage Supplement

3.1 The Council has paid a Living Wage as a supplement to affected posts since 1st January 2015 and the Joint Staff Consultative Committee recommended reviewing this payment on an annual basis. The supplement currently paid reflects the latest published rate for the 'real' living wage.

4. Travel Policy

4.1. The Travel Policy is attached at Appendix B. No changes have been made since the last update, which was effective from 1 April 2017.

5. Conclusion

The statement meets the statutory requirements of the Localism Act and it is therefore recommended that the statement be approved.

6. Financial Implications and Risks

6.1. There are no increased risks as a result of setting and publishing the Pay Policy Statement. The report and the statement outline arrangements for 2020/21, subject to any national pay award.

7.

8. Sustainability

There are no environmental sustainability implications arising from the report.

9. Equality and Diversity

The Equality act 2010 places requirements upon all public sector bodies to ensure that its policies and procedures promote equality, this document supports that requirement.

10. Section 17 Crime and Disorder considerations

There are no Section 17 implications arising from the report.

Appendix A

Pay Policy Statement 2021/22

1. Context

- 1.1. This policy statement has been produced in accordance with Sections 38 to 43 of the Localism Act 2011 ("the Act"), which, from 2012 onwards, requires all local authorities to publish an annual statement of their policy for the relevant financial year in relation to:
- The remuneration of their most senior employees, which the Act defines as:
 - The Head of Paid Service (Chief Executive),
 - The Monitoring Officer,
 - The Chief Officers (or Directors), and
 - The Deputy Chief Officers (i.e. managers who report directly to a Chief Officer);
 - The remuneration of their lowest-paid employees; and
 - The relationship between the remuneration of their most senior employees and that of other employees.
- 1.2. The Secretary of State has produced guidance on the provisions in the Act relating to transparency and accountability in local pay, which local authorities must have regard to in preparing and approving their annual pay policy statements. This Pay Policy Statement takes full account of this guidance as well as the provisions of the Act.
- 1.3. The policy statement also refers to information which the Council already publishes under other legislation:
- Information on the level of remuneration paid to senior managers, as required by the Accounts and Audit (England) Regulations 2011 (Statutory Instrument 2011/817).
 - Policy on the exercise of its discretions over payments upon termination of employment under the Local Government Pension Scheme, as required by Regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008
 - Policy on the exercise of its discretions over payments upon termination of employment under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, as required by Regulation 7 of those regulations.
- 1.4. This Pay Policy Statement must be reviewed on an annual basis and a new version of the policy will be submitted to Full Council for approval by 31 March immediately preceding the financial year to which it relates.

1.5. The Pay Policy statement can also be amended during the course of the financial year, but only by a resolution of the Full Council. If it is amended during the year to which it relates, the revised version of the statement must be published as soon as possible after the amendment is approved by Full Council.

1.6. This policy statement was considered by Full Council on 24th February 2021. It is available on the Council's website. The Council's website also includes separately published data on salary information relating to Senior Officers and this can be viewed on our website.

1.7. For the purpose of the pay policy statement the term 'Chief Officer' in a local authority context is defined as set out in the Local Government and Housing Act 1989:

- a) The Head of Paid Service (i.e. the Chief Executive) as designated under section 4 of that Act;
- b) The Monitoring Officer designated under section 5(1) of that Act;
- c) A statutory Chief Officer and non-statutory Chief Officer under section 2 of that Act;
- d) A deputy Chief Officer mentioned in section 2 of that Act.

2. Remunerating Chief Executive Officer/Chief Officers

2.1. The remuneration for Chief Executive Officer/Chief Officers within the Council can be found at Appendices A and B.

3. Remunerating the Lowest Paid in the Workforce

3.1. The Council applies terms and conditions of employment that have been negotiated and agreed through appropriate collective bargaining mechanisms (national or local) or as a consequence of Council decisions, these are then incorporated into contracts of employment. The lowest pay point in use by the Council for employees on the council's pay scale is spinal column point (SCP) 1. This relates to an annual salary of £17,842 (full time equivalent (FTE) and can be expressed as an hourly rate of pay of £9.248. This rate was effective from 1 April 2020 and remains in place at the date of this statement, as the national negotiations on Local Government pay scales are ongoing. Employees on this pay point are defined as our lowest paid employees. This pay point and salary has been determined by the National Joint Council (NJC). Full Council agreed to pay a Living Wage supplement where rates of pay were below the 'real living wage'. The 'real living wage' is currently £9.50 per hour and should any employee be paid below this rate the supplement would be received. See Appendix C for pay scales for staff on grades 5-12. Continuation of the

Living Wage supplement will be reviewed and determined annually.

3.2. The Council employs a number of apprentices and the salary for these staff complies with the National Minimum Wage.

4. The Relationship between Chief Officer Remuneration and that of other employees

4.1 The highest paid salary point in the Council is that of the Chief Executive at £110,976 as at 1 April 2021. Again, this rate is subject to change as the pay negotiations are ongoing at a national level. The median for Chief Officers is £60,124 and for non-Chief Officers is £29,577. This gives a ratio of 1:2.03. The Council does not have a policy on maintaining, reaching or applying a specific pay multiple.

However, the Council is conscious that remuneration at all levels needs to be adequate to secure and retain high quality employees but not be seen as excessive.

5. Other Aspects of Chief Officer Remuneration

5.1 Other aspects of Chief Officer remuneration are appropriate to be covered by this policy statement. These other aspects are defined as remuneration on recruitment, pay increases, additions to pay, performance related pay, earn back, enhancements of pension entitlements and termination payments. These elements are shown in Appendix A.

6. Pay Awards

6.1 Pay awards are determined nationally in accordance with the Joint Negotiating Committee (JNC) for Chief Executives, the Joint Negotiating Committee (JNC) for Chief/Deputy Chief Officers and the National Joint Committee (NJC) for staff paid under the national spinal column points covered by internal grades 5-12 (appendix C).

7. Tax Avoidance

7.1 The Council is committed to tackling all forms of tax avoidance and therefore encourages the direct employment of staff and pays them via the payroll system. In a few circumstances where it is more appropriate to engage people on a self-employed basis, the Council will utilise the procurement policy and the Employment Status for Tax guidelines to ensure that the correct employment status is identified before being engaged. When a need arises for an 'interim' appointment, the Council may consider the use of an agency.

8. Re-engagement of ex North Norfolk District Council staff within the scope of this policy

- 8.1 All permanent / fixed term posts are advertised in accordance with the Council's recruitment practices and procedures and appointment is made on merit. Interim management appointments are made in accordance with the Council's procurement policy.

9. Review

- 9.1 The Localism Act 2011 requires relevant authorities to prepare a Pay Policy Statement for each subsequent financial year. The next statement will be submitted to Full Council for approval by 31 March 2022.
- 9.2 As necessary, the Council may by resolution amend the pay policy statement at times other than that of the prescribed annual statement.

Appendix A – Other aspects of Chief Officer Remuneration as at 1 April 2021

Post	Salary grade	Expenses / car allowances	Bonuses / PRP / Earn Back	Honoraria / Acting Up	Market/Salary Supplements	Election Fees	Severance Arrangements
Chief Executive Officer	1	Travel and other expenses are reimbursed through normal Council procedures. Car allowances are paid in accordance with the rates set out in Council's Travel Policy (see Appendix D)	The current terms and conditions of employment do not provide for any of the above elements	Honoraria and acting up payments do not apply	None	Returning Officer fees for national elections are set by Central Government. Local election fees are paid in accordance with a scale of fees which is based on national election rates and agreed locally. Election fees are paid separately.	The Council's normal policies regarding redundancy and early/flexible retirement apply to the postholder
Director for Resources – S151 Officer	2	As above	As above	As above	None	As above (where applicable)	As above
Director for Place and Climate Change	2	As above	As above	As above	None	As above (where applicable)	As above
Director for Communities	2	As above	As above	As above	None	As above (where applicable)	As above
Monitoring Officer	TBC	As above	As above	As above	£4,965 per annum, pro rata (Monitoring Officer responsibilities)	As above (where applicable)	As above
Assistant Director for Planning	4	As above	As above	As above	£4,965 per annum, pro rata (specialist delegated responsibilities)	As above (where applicable)	As above

Aspect of Chief Officer Remuneration	Council Policy
Recruitment and Retention	<p>All posts in the Council are evaluated using the Council's job evaluation scheme. Each grade comprises a range of pay points (spinal column points). Employees will receive an annual increment (and in some cases, 6 months after starting work with the Council), subject to the top of their grade not being exceeded.</p> <p>The post will be advertised and appointed to at the appropriate approved salary for the post in question and individuals will be placed on the appropriate SCP within the pay grade for the post that they are appointed to.</p> <p>Where the Council is unable to recruit to a post at its designated grade, it will consider the use of temporary market supplements or 'Golden Hello's'. Golden Hello's are re-payable in whole or in part in certain circumstances should the officer leave before an agreed period has been served.</p> <p>In areas of skills shortages (locally or nationally) the Council will consider the use of retention payments.</p> <p>Access to appropriate elements of the Council's relocation scheme may also be granted in line with the policy when new starters move to the area.</p> <p>All staff are covered by the Council's appraisal scheme.</p> <p>The above applies to all employees.</p> <p>The rules regarding appointment to a Chief Officer role are set out in the Constitution.</p>
Pay Increases	<p>The Council will apply any pay increases that are agreed by the relevant national negotiating bodies. The Council will also apply any pay increases that are as a result of Council decisions to significantly increase the duties and responsibilities of the post in question beyond the normal flexing of duties and responsibilities that are expected in senior posts.</p> <p>This applies to all employees.</p>
Additions to Pay	<p>The Council would not make additional payments beyond those specified in the terms and conditions of employment and this policy statement.</p> <p>This applies to all employees.</p>
Professional Subscriptions	<p>These are payable where they are required for the post and should be limited to one subscription per Officer.</p> <p>This applies to all employees.</p>
Employee Assistance Programme (EAP)	<p>Access to the EAP scheme is available to all employees and elected Members.</p>
Contract for Services	<p>Where the Council remains unable to appoint Chief Officers on recruitment, or there is a need to provide interim support to cover for a vacant substantive Chief Officer post, the Council may, where necessary, consider engaging individuals under 'contracts for service'. These will be sourced through a relevant procurement process ensuring the Council is able to demonstrate value for money from competition in securing the relevant service.</p>
Redundancy and payments on termination	<p>The Council has a single policy statement on discretionary payments which applies to all employees.</p> <p>Where termination of employment is subject to a settlement agreement, that agreement may include a negotiated payment in exchange for which the employee undertakes not to pursue claims against the Council. This is always subject to the completion of a business case and appropriate authorisation as laid out in the above policy.</p>
Pension contribution rates	<p>Staff who opt to join the Local Government Pension Scheme (LGPS) pay current contribution rates between 5.5% to 12.5%. The employer contribution rate is currently 14.5% and this is the same rate for all staff.</p>

Appendix B

Salary grades for Chief Executive Officer/Chief Officers (1 April 2020) *

Grade	SCP	Annual Salary	Monthly Amount	Hrly Rate	Wkly Rate
4	331	£51,615.00	£4,301.25	£26.7534	£989.88
	332	£52,961.00	£4,413.42	£27.4511	£1,015.69
	333	£54,316.00	£4,526.33	£28.1534	£1,041.68
	334	£58,737.00	£4,894.75	£30.4449	£1,126.46
	335	£60,124.00	£5,010.33	£31.1639	£1,153.06

3	321	£61,977.00	£5,164.75	£32.1243	£1,188.60
	322	£63,702.00	£5,308.50	£33.0184	£1,221.68
	323	£69,928.00	£5,827.33	£36.2455	£1,341.08
	324	£71,505.00	£5,958.75	£37.0629	£1,371.33
	325	£73,985.00	£6,165.42	£38.3484	£1,418.89

2	311	£75,849.00	£6,320.75	£39.3146	£1,454.64
	312	£81,544.00	£6,795.33	£42.2664	£1,563.86
	313	£83,637.00	£6,969.75	£43.3513	£1,604.00
	314	£85,989.00	£7,165.75	£44.5704	£1,649.10
	315	£88,432.00	£7,369.33	£45.8367	£1,695.96

1	300	£108,650.00	£9,054.17	£56.3162	£2,083.70
	301	£110,976.00	£9,248.00	£57.5218	£2,128.31

*Subject to change following completion of national pay negotiations. Until negotiations are complete these rates will continue to be effective.

Appendix C
Salary grades 5-12 (1 November 2020)*

Grade	SCP	Salary	Hrly Rate	Wkly Rate
Grade 12	1	17,842	9.2480	342.18
	2	18,198	9.4325	349.00
	3	18,562	9.6212	355.98
	4	18,933	9.8135	363.10
Grade 11	5	19,312	10.0099	370.37
	6	19,698	10.2100	377.77
	7	20,092	10.4142	385.33
	8	20,493	10.6221	393.02
Grade 10	9	20,903	10.8346	400.88
	10	21,322	11.0518	408.92
	11	21,748	11.2726	417.09
	12	22,183	11.4980	425.43
	13	22,627	11.7282	433.94
Grade 9	14	23,080	11.9630	442.63
	15	23,541	12.2019	451.47
	16	Not used		
	17	24,491	12.6943	469.69
	18	Not used		
	19	25,481	13.2075	488.68
	20	25,991	13.4718	498.46
Grade 8	21	Not used		
	22	Not used		
	23	27,741	14.3789	532.02
	24	28,672	14.8615	549.88
	25	29,577	15.3305	567.23
	26	30,451	15.7836	583.99
	27	31,346	16.2475	601.16
Grade 7	28	Not used		
	29	32,910	17.0581	631.15
	30	33,782	17.5101	647.87
	31	34,728	18.0004	666.01
	32	35,745	18.5276	685.52
	33	36,922	19.1377	708.09
Grade 6	34	37,890	19.6394	726.66
	35	38,890	20.1577	745.83
	36	39,880	20.6709	764.82
	37	40,876	21.1871	783.92
	38	41,881	21.7080	803.20
Grade 5	39	Not used		
	40	43,857	22.7322	841.09
	41	44,863	23.2537	860.39
	42	45,859	23.7699	879.49
	43	Not used		
	44	47,833	24.7931	917.34
	45	48,905	25.3488	937.91

REAL LIVING WAGE
£9.50 per hour
to be paid as a salary supplement to any employee on SCP2 or below

APPRENTICE RATES	
Under 18's	£8,779.00
18 - 20	£12,444.00
21 - 24	£15,821.00
25 +	£16,824.00

*Subject to change following completion of national pay negotiations. Until negotiations are complete these rates will continue to be effective.

Appendix B

TRAVEL POLICY

INTRODUCTION

The purpose of this policy is to set out North Norfolk District Council's (NNDC) policy on travel arrangements that employees are eligible to claim in reimbursement for journeys made in carrying out their duties.

GENERAL TRAVEL PRINCIPLES

Employees will be required to ensure that:

- the choice of travel mode should always be the most cost effective to the Authority, taking into account both claim costs and staff time
- they ensure that journeys are planned to do the least number of miles possible, through good route planning and car sharing
- a full record of their journey is kept including the reason for travelling and the names of official passengers carried
- they do not use their own vehicle on journeys where there is room in the car of another officer making the same journey on the same business. In this situation, an essential car user should drive in preference to a casual user, if possible
- they have included and maintain in their policy of insurance a clause indemnifying the Authority against all third party claims (including those concerning passengers) arising out of the use of the vehicle on official business
- all claims must be submitted electronically through MyView within 3 months of the journey
- VAT receipts should be obtained and scanned to file for the line manager to review
- they are familiar with and comply with the Driver Policy and

Handbook

Mobile workers can claim from their first and last visits in both mileage and time. In addition if their first/last journey exceeds normal home to work mileage, the excess mileage can be claimed.

Examples:

- Sandy lives in North Walsham and is based at Cromer which is 10 miles from her home, she is asked to visit a site in Hickling on her way to work. North Walsham to Hickling is 14 miles and Hickling to Cromer 22 miles total journey 36 miles. Her claim will be from her first visit in Hickling to Cromer – 22 miles - plus 4 excess miles – total 26 miles.
- Ken lives in Roughton which is 4 miles from his base at Cromer. He has to travel to a meeting in Cambridge. The total return journey from his home to Cambridge is 175 miles. His claim will be for 167 miles (Total miles 175 less normal commuting 8).
- Jim lives in Norwich and is based in Cromer and normally has a journey of 25 miles to work. He is required to visit Fakenham area office for a meeting on his way into work before continuing his journey to Cromer later in the day. His total journey is 47 miles.

- His claim will be for 22 miles (first visit in Fakenham to Cromer).
- Jane lives in Gresham and is based in Cromer, which is 5 miles from her home. She has to visit a site in Felbrigg one morning and travels direct from home to Felbrigg 3 miles away before continuing to the Cromer Office a journey of 2 miles. Her claim will be from her first visit in Felbrigg to Cromer, 2 miles.

CAR ALLOWANCES

NNDC recognises that employees will be required to use their own motor vehicle for the efficient performance of their duties and that it is appropriate to reimburse for additional authorised expenditure.

All employees are designated as casual users unless their post attracts an essential car user allowance.

ESSENTIAL USER ALLOWANCES

Essential users are those whose duties are of such a nature that it is essential for them to have a motor car at their disposal whenever required. If the employee uses a private car in carrying out those official duties then they shall be entitled to receive the lump sum allowance and mileage rates set out in this policy.

- Heads of Service may, in consultation with HR, offer post holders (upon appointment to role) an essential car user allowance dependent on the following criteria:
 - Where the role is customer facing and demands the use of a vehicle and demands regular, short notice, reactive response to deliver to customers the standard of service expected; or
 - Where inadequate or no public transport is available and the employee frequently and regularly has no option but to use their car and it is not reasonably practicable to use a pool or hire car/van; or
 - Where there is a demonstrable and serious risk to personal safety if the employee's car is not available as part of their normal duties; or
 - A vehicle will need to be always available; or
 - The employee is required to carry heavy equipment on a frequent and regular basis and it is not reasonably practicable to cycle, use public transport or a pool car.
- Essential car user eligibility will be reviewed annually by HR in liaison with Heads of Service. UNISON will be consulted if it is proposed that an essential car user allowance is withdrawn.
- Employees not fitting the criteria in that period will be issued with one calendar month's notice of the allowance ceasing.
- If an employee wishes to appeal against the decision to withdraw their allowance they must do so in writing to the Corporate Directors/Head of Paid Service within 10 days of their notice being issued. The eligibility will be reviewed and the decision will be confirmed by the Director in consultation with HR and UNISON. The Director's decision will be final.
- The Essential Car User Allowance is set at £963 per annum. This will be paid monthly and is subject to tax and national insurance deductions.

- Staff on maternity leave will continue to receive the essential car user allowance.
- For staff on long term sickness absence, the essential car user lump sum payments will be paid at 100% for the remainder of the month in which the absence commenced, and for a further 3 months thereafter. For the following three months, payment will be reduced to 50%. The payments will cease after the 3 months at 50%. This is in line with the Green Book provisions. The payments will be reinstated upon the return to work.
- Where a role has changed and no longer requires an essential user allowance, one calendar month's notice will be given to the post-holder, at which point the allowance will cease.
- In cases of secondment, any essential car user allowance will cease where the new role does not qualify for the allowance. The allowance will normally be re-instated once the employee returns to their substantive role.
- In cases of extended absence such as career breaks or sabbaticals, the essential car user allowance will cease for the period of absence.
- Drivers are able to claim for additional business passengers at the rate detailed in the Travel Policy.
- Staff who are not designated as essential users will automatically be considered as casual users.

CASUAL USER ALLOWANCES

Casual users are those for whom it is desirable that a car should be made available when required and as such are eligible to receive the appropriate mileage rate set out in this policy.

ALLOWANCES AND MILEAGE RATES (Essential and Casual User)

Casual User Rate

Mileage:-

Per mile first 10,000 52.2p

Per mile after 10,000 25p

Essential User

Lump sum £963 per annum (paid pro-rata on a monthly basis)

Mileage:-

Per mile first 10,000 45p

Per mile after 10,000 25p

Other rates (per mile)

Motorcycle

24p

Cycle

20p

Car sharing

5p (per mile not per passenger)

CAR LOAN SCHEME

Employees may apply to the Authority for a loan to purchase a vehicle.

Details of the scheme can be obtained from the Payroll Officer.

MILEAGE CLAIMS

All claims must be submitted via My View within 3 months of undertaking the journey/expenditure. All claims are to be authorised by the appropriate authorised line manager. VAT receipts should be obtained and scanned to file for the line manager to review.

Failure to submit a claim within 3 months of undertaking the journey would mean that, except under exceptional circumstances, the claim would not be met.

OTHER

ALLOWANCES

SUBSISTENCE

Subsistence will be paid to employees who necessarily incur additional expense in the course of their work. Reimbursement will be on the actual cost incurred up to the maximum amount shown below. This is subject to producing a receipt which shows the actual cost of the meal. Maximums are:-

Breakfast	-	£6.88 (Where work/travel commences before 7.30 am)
Lunch	-	£9.50 (When away for entire lunch period 12.00 - 14.00)
Tea	-	£3.76
Evening meal	-	£11.77 (When work/absence extends beyond 7.30 pm)

OVERNIGHT ALLOWANCES

Overnight	-	£3.63
Max per week	-	£14.55

Any exceptions to the above (subsistence and overnight allowances) would need to be agreed in advance with the HR Manager.

RELEVANT POLICIES

Driver Policy and Handbook - employees are required to comply with the requirements of this policy.

MONITORING

This policy, allowances and rates will be reviewed, updated if appropriate and published on an annual basis by the HR Manager in line with the national agreement or as required by the Authority.

Last reviewed: 13 February 2019 (no amendments)