



NOTICE OF MEETING

Meeting: Staffing Committee

Date and Time: Tuesday, 14 February 2017 at **6 pm**

Place: Committee Room 1, Council Offices, Fleet

Telephone Enquiries to: Gill Chapman 01252 774141
Gill.chapman@hart.gov.uk

Members: Billings, Burchfield (Chairman), Butler, Kennett, Leeson, Neighbour, Parker, Radley (James)

Joint Chief Executive

CIVIC OFFICES, HARLINGTON WAY
FLEET, HAMPSHIRE GU51 4AE

AGENDA

**COPIES OF THIS AGENDA ARE AVAILABLE IN LARGE PRINT
AND BRAILLE ON REQUEST**

1 MINUTES OF PREVIOUS MEETING

The Minutes of the meeting held on 17 March 2016 are attached to be confirmed and signed as a correct record. **Paper A**

2 APOLOGIES FOR ABSENCE

3 CHAIRMAN'S ANNOUNCEMENTS

4 DECLARATIONS OF INTEREST

To declare disclosable pecuniary, and any other interests.

5 PAY POLICY STATEMENT FINANCIAL YEAR 2017-18

To seek approval to the council's Pay Policy for 2017-18. **Paper B**

RECOMMENDATION to Council

That the Pay Policy attached as Appendix A to this report be recommended to Council for approval.

Date of Despatch: 7 February 2017

STAFFING COMMITTEE

Date and Time: Thursday, 17 March 2016 at 7pm

Place: Ground Floor Meeting Room, Civic Offices

Present:

COUNCILLORS

Billings, Burchfield (Chairman), Kennett, Leeson, Neighbour, Parker, Radley JE

Officers:

Daryl Phillips Joint Chief Executive

26 MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 1 March 2016 were confirmed and signed as a correct record.

27 APOLOGIES FOR ABSENCE

Apologies had been received from Councillors Butler and Leeson.

28 CHAIRMAN'S ANNOUNCEMENTS

None.

29 DECLARATIONS OF INTEREST

None.

30 SENIOR MANAGEMENT STRUCTURE REPORT

Members considered the report which detailed the high level restructure proposal by the Joint Chief Executives (JCX) which aims to build on and strengthen management capacity, accountability and to help support the new approaches to contract management.

Members discussed the following points:

- There was support for the principle of the Senior Management Restructure as set out within the report
- Whether the Job Description and salary package for the new Head of Corporate Services position would be attractive to a suitably qualified candidate
- The need for continued Business Support Management and the budget implications. The business case for this post had not been articulated. The assumption also was that funding was only to be required for the financial year 2016/17.

RESOLVED

- 1 The contents of the report be noted

RECOMMENDATION to Cabinet

- 2 That appropriate budget provision be made to support the implementation of the senior management restructure as set out in paragraphs 5.1 and 5.2 of the report.

The meeting closed at 7.40 pm

STAFFING COMMITTEE

DATE OF MEETING: 14 FEBRUARY 2017

TITLE OF REPORT: PAY POLICY STATEMENT FINANCIAL YEAR 2017-18

Report of: Joint Chief Executive

1. PURPOSE OF REPORT

1.1 To seek approval to the Council's Pay Policy for 2017/18.

2. OFFICER RECOMMENDATION

2.1 That the Pay Policy attached as Appendix A to this report be recommended to Council for approval.

3. BACKGROUND INFORMATION

3.1 Section 38(1) of the Localism Act 2011 requires councils to produce a Pay Policy each financial year. The legislation stipulates that the policy must be approved by the full Council before 31 March in the preceding financial year. To comply with the legislation, therefore, councils have to approve their Pay Policies for 2016/17 by 31 March 2016.

3.2 The draft Pay Policy for 2017/18 is attached to this report as Appendix A. The draft policy is broadly unchanged from 2016/17. However amendments to the policy have been made to the pay scales in accordance with NJC (in Paragraph 3.3.6) reflected in Appendix I of the draft pay policy. There is also a change into how we engage apprentices in 2017/18 (in paragraph 3.3.8). To aid Members in their consideration, all changes have been highlighted.

4. FINANCIAL IMPLICATIONS

4.1 There are limited financial implications arising from this report, but such that they are (due to small fluctuations in employee remuneration) these have been factored into the budget for 2017/18.

CONTACT:
EXTENSION: 4450

Patricia Hughes – Joint Chief Executive
EMAIL: patricia.hughes@hart.gov.uk

APPENDICES:
Appendix A Pay Policy Statement 2017/18



Pay Policy Statement
Financial Year **2017 - 2018**

Date created	18 January 2017	Department	Human Resources
Review date	1 February 2018	Version	0.1
Effective date	1 April 2017		

Hart District Council believes that interests of staff and the Council are best served by the formulation and implementation of clear and consistent employment policies and procedures. This policy statement details the Authority's policy on pay. It takes into consideration all legal requirements and will be applied in accordance with the Authority's Equality and Diversity Commitment to treat all its employees with dignity and respect.

HART DISTRICT COUNCIL

PAY POLICY APRIL 2017

1. PURPOSE

- 1.1 This Pay Policy Statement is provided in accordance with Section 38(1) of the Localism Act 2011 and will be updated annually from 1 April each year.
- 1.2 The Pay Policy Statement sets out Hart District Council's policies relating to the pay of its workforce for the financial year **2017-18**, in particular:
1. the remuneration of its Chief Officers
 2. the remuneration of its "lowest paid employees"
 3. the relationship between:
 - a. the remuneration of its Chief Officers and
 - b. the remuneration of its employees who are not Chief Officers
- 1.3 The purpose of the statement is to provide an open and transparent framework that ensures clarity, fairness and consistency in the remuneration of Chief Officers. This includes officers designated as Chief Executive, Corporate Directors, Statutory Chief Officers and Non Statutory Chief Officers. It also ensures that employees at all levels of the council are paid on a fair and equitable basis in accordance with equality legislation.

2. DEFINITIONS

- 2.1 For the purpose of this statement the following definitions will apply:
- 2.2 **"Pay"** in addition to salary will also include charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements, and termination payments.
- 2.3 **"Chief Officer"** refers to the following roles within Hart District Council:
- The Chief Executive (Head of Paid Service)
 - The Monitoring Officer¹ and the Chief Finance Officer (Section 151 Officer) as the council's statutory Chief Officers
- 2.4 **"Lowest paid employees"** refers to those staff employed on Grade B of the council's pay framework (ie those posts assessed through the job evaluation scheme as having the least amount of complexity and responsibility and therefore attracting the lowest salary).

¹ The Monitoring Officer role is performed as part of the duties of one of the Corporate Director posts

3. PAY FRAMEWORK

3.1 General approach

3.1.1 Remuneration for all employees needs to be at the appropriate level to secure and retain high-quality employees dedicated to fulfilling the council's business objectives and delivering services to the public. This has to be balanced by ensuring remuneration is proportionate and appropriate for the role. Each council has responsibility for balancing these factors and faces its own unique challenges and opportunities in doing so. As a small council with limited staff resources it is important that Hart District Council retains flexibility within its pay framework to cope with a variety of circumstances that might necessitate the use of market supplements or other such mechanisms for individual categories of posts where appropriate. Using such solutions should only be short term and reviews should ensure that they are discontinued when circumstances change.

3.2 Responsibility for decisions on remuneration

3.2.1 It is essential for good governance that decisions on pay and reward packages for Chief Executives and Chief Officers are made in an open and accountable way.

3.2.2 Pay for employees at all grades is based on the national agreements on pay as follows:

- National Joint Council for Local Government Services (for Grades A to M and Heads of Service),
- Joint Negotiating Council for Chief Officers (for Chief Finance Officer)
- Joint Negotiating Council for Chief Executives (for Joint Chief Executives).

3.2.3 The pay and remuneration packages (including pension issues) for the Joint Chief Executives, and Chief Finance Officer, and any other post with a remuneration package in excess of £100,000 per year, are set by Council on the advice of Staffing Committee, which comprises elected Councillors from the main political parties.

3.2.4 Responsibility for setting the pay and remuneration of all other officers is delegated to the Joint Chief Executive (Head of Paid Service or his/her nominee), and is carried out in accordance with national agreements and the council's local employment policies and practices as appropriate.

3.3 Salary grades and grading framework

3.3.1 Grades for all posts governed by the National Joint Council for Local Government Services (ie Grades A to M and Heads of Service) are determined by the council's job evaluation process. This followed a national requirement for all Local Authorities and other public sector employers to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer.

- 3.3.2 The council uses the Hay Job Evaluation Scheme. Job Evaluation is a systematic process for ranking jobs within an organisation ensuring consistency of approach and outcomes appropriate to the complexity and accountability of the role.
- 3.3.3 The council's pay structure is based on the pay spine issued by the National Joint Council (NJC) as part of the National Agreement for Local Government Services. This incorporates posts on Grade A to M and Heads of Service. There are 15 grades in total. Each grade contains no more than five points to provide incremental pay points within the grade. The incremental rises occur on each 1 April, subject to satisfactory performance in the role, until the maximum pay point for the grade is reached. Annual increments will not be awarded to employees who commence employment on or after 1 October. Increments will be withheld where performance has not met the required standard and where the issue has been raised with the employee formally.
- 3.3.4 Chief Officers are appointed to a fixed salary point so incremental progression does not take place for these posts. The precise salary level is determined at the time of appointment by negotiation with the successful candidate, taking account of their skills and experience and market conditions at the time.
- 3.3.5 The current pay and grading structure was agreed by the Council in 2009 following a review, in order to ensure compliance with equal pay legislation.
- 3.3.6 Pay awards are normally made in line with the national agreements detailed in 3.2.2 on an annual basis for all employees, in conjunction with the nationally recognised trade unions. In the financial year 2010/11 the council did not pay the nationally agreed award due to the financial constraints it was facing; instead staff were given an additional day's annual holiday.

In April 2016 NJC recommended a 1% increase with effect from 1 April 2016 and a further 1% with effect from 1 April 2017. In addition the JNC for Chief Officers recommended an increase of 1% with effect from 1 April 2016 and 1% with effect from 1 April 2017.

- 3.3.7 Full details of the Councils pay structure (A to Heads of Service) is attached as Appendix I
- 3.3.8 The council has run Apprenticeship programs, in conjunction with Inclusion Hampshire. With the introduction of the Apprenticeship Levy in April 2017 the program will be engaged through Waverley Training Services. The levy applies to those employers that have an annual pay bill of £3 million. Under the new levy apprentices must be at least 2.3% of the workforce.

3.4 Market Comparison

- 3.4.1 The council benchmarks its pay and benefits by comparing pay and rewards for similar posts in neighbouring areas. The council seeks to position itself within the median salary levels in order to keep costs down while still being able to attract a good range of suitable candidates for posts.

4. REMUNERATION

4.1 Remuneration details including benefits in kind are set out in the council's published Annual Statement of Accounts.

4.2 **“Chief Officers”**, as defined in paragraph 2.3 of this statement, are paid within the council's pay framework which applies to all other employees. Typically, Chief Officers have received the same percentage pay award as other managers and staff groups within the council. Current chief officer remuneration levels are shown in the following table:

ROLE	REMUNERATION RANGE*
Joint Chief Executive (2 post*)	£98161
Corporate Directors (0 posts)	£0
Chief Finance Officer/ Head of Corporate Services	£76989

* Includes all charges, fees, allowances and benefits in kind

4.3 “Lowest paid employees”

4.3.1 The lowest paid employees are paid within the salary range for Grade A which covers five salary points are paid at the living wage.

4.4 Honoraria and Acting Up Allowances

4.4.1 The Joints Chief Executives (or his/her nominee) has the discretion to award an honorarium payment to recognise temporary increased responsibility or work of a particularly high standard. Generally it should be the case that this must have been carried out for at least one month before an honorarium payment will be considered. The amount awarded should reflect the nature and duration of the work or responsibility and not normally exceed the value of an increment point in the employee's salary scale.

4.4.2 Where the employee has been covering in the absence of a more senior officer (eg maternity leave cover or long term sickness absence), honoraria payments are calculated based on the difference between the employee's scale point and the bottom scale point of the role they are covering. Temporary acting-up arrangements of this nature will not exceed more than 12 months duration and should generally be undertaken for at least one month before payment will apply.

4.5 Other pay elements

- 4.5.1 Chief Officers are subject to the same performance management process as all other employees. The Joint Chief Executives have an appraisal involving the Leader of the Council in consultation with all Political Group Leaders.
- 4.5.2 Targets and objectives are set and performance is assessed through an appraisal process. All employees apart from Chief Officers receive incremental progression until the top of their grade is reached, unless they fail to perform adequately against targets and objectives.

4.6 Charges, fees or allowances

- 4.6.2 Any allowance or other payment will only be made to an employee in connection with their role or the patterns of hours they work and must be in accordance with the council's employment policies.
- 4.6.2 No fees for election duties are included in the salaries of any employee. Any additional fees payable for such responsibilities are calculated in accordance with the statutory rules and recommendations of the Hampshire and Isle of Wight Election Fees Working Party for all local government elections and by central government for Parliamentary elections. Special fees are paid for Returning Officer duties which are not part of the post holder's substantive role. These fees are payable as required and can be made to any senior officer appointed to fulfil the statutory duties of this role.
- 4.6.3 The Returning Officer is an officer of the District Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the District Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the District Council. As Returning Officer, he/she is paid a separate allowance for each election for which he/she is responsible.
- 4.6.4 The council pays a market supplement to certain posts where it has not proved possible to recruit staff at the salary level resulting from Job Evaluation of the post.
- 4.6.5 The council pays overtime for grades A to F. Paid overtime will be paid if the equivalent of 37 hours per week has been completed at a rate of time and a half for any day other than a Sundays and public holidays and a rate of double time on Sunday. Special rates apply on public holidays.
- 4.6.6 The council offers car allowances to staff who are required to use their cars for business purposes, in accordance with the appropriate NJC/JNC schemes
- 4.6.7 The contractual remuneration package for Chief Officers includes either a lease car allowance or essential users allowance. This benefit also applies to all staff at Grades HSI and HS2 who are not Chief Officers.

4.6.8 The Council pays a standby allowance to certain key posts in Environmental Health and Housing to ensure 24 hour emergency cover for the provision of vital public services. Allowance rates are dependent on the level of unsocial hours and qualifications gain to carry out those roles.

4.6.9 For certain posts the council pays the membership subscription fees to recognised professional bodies, where the employee's continued membership of that body is in the council's interests.

4.7 Performance related pay

4.7.1 The council does not offer performance related pay to any employee.

4.8 Benefits in kind

4.8.1 The council provides free workplace parking to all its staff.

4.8.2 The council offers its staff access to a small in house gym plus reduced membership of the sports facilities based at Hart Leisure Centre

4.9 Pensions

4.9.1 All employees, as a result of their employment, are eligible to join the Local Government Pension Scheme (LGPS). Employee contribution rates vary depending on their whole-time equivalent pay, as follows:

Whole-time equivalent pay band	Employee contribution rate from 1 April 2016
Up to £13,600	5.5%
£13,601 to £21,200	5.8%
£21,201 to £34,400	6.5%
£34,401 to £43,500	6.8%
£43,501 to £60,700	8.5%
£60,701 to £86,000	9.9%
£86,001 to £101,200	10.5%
£101,201 to £151,800	11.4%

Employee 2017/18 contribution rate changes will be released in April 2017

4.9.2 In addition to the employee's own contribution, the council makes a contribution of 13.1% towards the pension of each member of the LGPS scheme.

4.10 Termination of employment

4.10.1 The LGPS requires employers to prepare and publish a written statement of policy in relation to pensions. The council's policy on pensions and discretionary redundancy payments is set out in the 'Early Retirement & Discretions Policy'

4.10.2 The policy for the award of any discretionary payments is the same for all staff regardless of their pay level. The following arrangements apply

4.10.3 Approval of Full Council

In accordance with Section 40 of the Localism Act 2011, any proposal to grant a severance package in excess of £100,000 is subject to Full Council approval.

4.10.4 Early termination of employment (for reasons other than redundancy)

The council may award additional years service in cases of early termination of employment in exceptional circumstances, in accordance with the Early Retirement & Discretions Policy.

4.10.5 Compromise agreements

In exceptional circumstances, and specifically so as to settle a claim or potential dispute, the Joint Chief Executives can agree payment of a termination settlement sum for any post. In such cases, each decision as to the level of payment will be taken on its individual merits and with the advice of the Chief Finance Officer.

4.10.6 Re-employment of officers

The council needs to retain the flexibility to respond to unforeseen circumstances as regards re-employing former local government employees. Such an occurrence would be considered very much the *exception* rather than the *rule*. If the council were to re-employ a previous local government employee who had received a redundancy or severance package on leaving, or who was in receipt of a pension covered by the *Redundancy Payments (Continuity of Employment in Local Government, etc) (Modification) Order 1999* (known as the Modification Order) (with the same or another authority), then the council's policy is to ensure that the rules of the Modification Order are applied. In addition, the council will ensure that an open and fair selection process has taken place before any appointment is confirmed. The same principle would be applied to such a person if they were to be engaged by the council on a 'contract for services' basis.

4.11 Remuneration on appointment and promotion

4.11.1 The starting salary on appointment or following promotion will normally be at the lowest incremental level on the salary scale. In exceptional circumstances, a Head of Service can approve appointment on a higher incremental point within the salary scale, following consultation with the relevant Joint Chief Executive, based on the appointee's level of relevant experience, difficulty in recruiting to a post or other relevant factors.

4.11.2 As regards Chief Officer posts, pay and remuneration is determined by council at the time of appointment, following negotiation with the successful candidate, taking account of their skills and experience and market conditions at the time.

4.12 Annual Leave entitlement

4.12.1 The following table shows the annual leave entitlement to all Hart employees

Salary Point	Period of continuous service		
	0-5 years	after 5 years	After 10 years
Heads of Service and above	31 days	31 days	34 days
SCP 40 and above	30 days	30 days	33 days
SCP 29 to SCP 39	28 days	29 days	31 days
SCP 22 to SCP 28	26 days	29 days	29 days
Up to and including SCP 21	24 days	29 days	29 days

5. RELATIONSHIP BETWEEN REMUNERATION OF CHIEF OFFICERS AND OTHER EMPLOYEES

5.1 The Local Government Association has offered advice on the Government's requirement in reporting remuneration relationships. The advice is that the measure of the relationship between Chief Officers and other employees be considered by the ratio between the highest paid employee and the median earnings across the organisation as a multiple. This has been calculated as follows:

Remuneration for the Joint Chief Executives (excluding pension contributions)	£98161
Median remuneration for all employees at the council	£ 28202
Ratio Chief Executive to Median	3.48

5.2 The ratio between the Joint Chief Executive's remuneration and that of the council's lowest paid employee is 6.35

6. DATA TRANSPARENCY

6.1 Under the Code of Recommended Practice for Local Authorities on Data Transparency, pay and benefits information for staff paid over £58,200, are required to be published. This information is published on the council's external website www.hart.gov.uk/council-finances and can be found in the most recent Statement of Accounts document. Information on senior employees' remuneration can also be found in the annual Statement of Accounts.

6.2 In addition to the Chief Officer posts listed in paragraph 4.2 above, the following posts have remuneration levels in excess of £58,200:

ROLE	REMUNERATION RANGE*
Heads of Service (3 posts)	£ 67761

* Includes all charges, fees, allowances and benefits in kind

Hart District Council
January 2017

Appendix I

Salary Scales 1st April 2017

Job Evaluation Score	GRADES	SCP	Salary	Per Month	Per hour
	A	6	15,449	1,287	8.01
99 or below		7	15,449	1,287	8.01
		8	15,449	1,287	8.01
		9	15,449	1,287	8.01
		10	15,449	1,287	8.01
	B	11	15,887	1,324	8.24
100-122		12	16,205	1,350	8.40
		13	16,628	1,386	8.62
		14	16,921	1,410	8.77
	C	15	17,264	1,439	8.95
123-134		16	17,666	1,472	9.16
		17	18,072	1,506	9.37
		18	18,417	1,535	9.55
	D	19	19,086	1,591	9.89
		20	19,765	1,647	10.25
135-191		21	20,467	1,706	10.61
		22	20,983	1,749	10.88
		23	21,585	1,799	11.19
	E	24	22,272	1,856	11.54
192-227		25	22,435	1,870	11.63
		26	23,166	1,931	12.01
		27	23,935	1,995	12.41
	F	28	24,717	2,060	12.81
228-268		29	25,694	2,141	

PAPER B
Appendix A

					13.32
		30	26,556	2,213	13.77
		31	27,395	2,283	14.20
	G	32	28,202	2,350	14.62
269-313		33	29,033	2,419	15.05
		34	29,855	2,488	15.48
		35	30,480	2,540	15.80
		H	36	31,289	2,607
314-370	37		32,163	2,680	16.67
	38		33,105	2,759	17.16
	39		34,196	2,850	17.73
	I	40	35,093	2,924	18.19
371-438		41	36,019	3,002	18.67
		42	36,937	3,078	19.15
		43	37,858	3,155	19.62
	J	44	38,789	3,232	20.11
439-509		45	39,661	3,305	20.56
		46	40,618	3,385	21.05
	K	47	41,550	3,463	21.54
510-559		48	42,474	3,540	22.02
		49	43,386	3,616	22.49
	L	50	44,523	3,710	23.08
560-639		51	45,658	3,805	23.67
		52	46,795	3,900	24.26
	M	53	47,927	3,994	24.84
640-739		54	49,060	4,088	25.43
		55	50,184	4,182	26.01
	HS1	56	51,316	4,276	26.60
740-900		57	52,455	4,371	27.19
		58	53,590	4,466	27.78
	HS2	59	54,725	4,560	28.37
		60	60,979	5,082	31.61
		61	62,363	5,197	32.33
900-1100		62	63,750	5,313	33.05
		63	65,137	5,428	33.76

		64	66,522	5,544	34.48
--	--	----	--------	-------	-------

STAFFING COMMITTEE

Date and Time: Tuesday, 14 February 2017 at 6.00 pm

Place: Ground Floor Meeting Room, Civic Offices

Present:

COUNCILLORS

Billings, Burchfield (Chairman), Butler, Kennett, Leeson, Parker, Radley (James)

Officers:

Patricia Hughes Joint Chief Executive (from 6.10 pm)
Gill Chapman Committee Services

I MINUTES OF THE PREVIOUS MEETING

Councillor Leeson had not been present and would therefore need to be removed from the attendees list. With this amendment the minutes of the meeting held on 17 March 2016 were confirmed and signed as a correct record.

2 APOLOGIES FOR ABSENCE

Apologies had been received from Councillor Neighbour.

3 CHAIRMAN'S ANNOUNCEMENTS

None.

4 DECLARATIONS OF INTEREST

None.

5 PAY POLICY STATEMENT FINANCIAL YEAR 2017-18

Members considered the report setting out the Council's Pay Policy for 2017/18.

Members discussed and asked for clarification on the following points:

- One of the Joint Chief Executives had forfeited pay for holiday. After discussion it was agreed that as this opportunity was open to all staff, the basic remuneration figure published was correct. (Paragraph 5.1)
- The Corporate Directors line in the table (Paragraph 5.1) should be deleted as the Corporate Director posts did not now exist.
- Members asked for Ratio to Median information from other authorities to compare. The Joint Chief Executive agreed to investigate. (Paragraph 5.1)
- Paragraph 3.3.8 - Members asked for a further sentence to give the approximate cost to Hart, which was about £4k pa.

- Members asked for a further sentence to Paragraph 4.6.2 detailing that Daryl Phillips, Joint Chief Executive, was at present the organisation's Returning Officer.

Members agreed the amendments as above, and that the updated Pay Policy would be appended to the minutes for approval at Council.

RECOMMENDATION to Council:

That the Pay Policy, attached as Appendix I to these minutes, be approved.

The meeting closed at 6.20 pm