

BOLSOVER DISTRICT COUNCIL

Pay Policy Statement 2017/18

1. Introduction

This Pay Policy for Bolsover District Council has been prepared in accordance with regulation 38 (1) of the Localism Act 2011.

The Council's Pay Policy for Chief Officer which covers appointments, remuneration and terms and conditions of appointment are set at Full Council before they come into force and are prepared annually. The responsibility to approve the Pay Policy cannot be delegated from Council.

This Policy relates to the period from 1st April [2016-2017](#) to 31 March [2017-2018](#) and may be amended by Council during this time.

2. Scope

The Pay Policy relates to Chief Officers as defined by the Local Government and Housing Act 1989 and includes the following posts:-

- Head of Paid Service (Chief Executive Officer)
- Monitoring Officer
- Statutory Chief Officer under Section 151 of the Local Government Act 1972
- Non Statutory Chief Officers who report directly to the Head of Paid Service
- Deputy Chief Officers who report directly to a Statutory or Non Statutory Officer

3. Background

3.1. This Council is committed to the principle of equal pay.

3.2. Whole Workforce

3.2.1. In order to secure equal pay within the organisation, job evaluation was applied to all posts (including Chief Officers). Chief Officers carrying out the role of Heads of Service were included in a new grading structure implemented for the whole workforce in April 2009. This grading structure placed Heads of Service who scored more than 741 points on Grade 12 within the Grading Structure at Appendix One. Grade 12 applies to Chief Officers who do not have joint post as described at point 3.3 below. Other Heads of Service scoring less than 741 points were placed within Grade

11 and are not conditioned to the JNC National Agreement for Chief Officers.

3.3. Shared Management Team

- 3.3.1. With a view to reducing expenditure and increasing efficiency, this Council has formed a Strategic Alliance with North East Derbyshire District Council
- 3.3.2. In respect of salaries payable for the senior managers appointed to joint posts, Full Council made the decision that payment would be based on North East Derbyshire District Council pay scales, which had been set following an independent review carried out of salaries payable to senior managers in 2008.
- 3.3.3. The costs of shared management posts are met on a 50/50 basis between the two Councils.

4. Remuneration

4.1. Regulation 43 (6) of the Localism Act defines remuneration to include salary, bonus, charges, fees and allowances, benefits in kind, increases / enhancements of pension entitlement (if resolved by the Council) and payments on ceasing to hold officer (other than those payable by any enactment).

4.1.1. The remuneration details given in this section refer to salary only, the reasons for this are:-

- 4.1.1.1. The Council does not pay bonuses, charges and allowances.
- 4.1.1.2. Fees are only related to the Returning Officer
- 4.1.1.3. Benefits in kind are minimal and exact details are prepared for the HMRC returns following the year end and not available at the time of preparing the pay multiple in March each year. However the amounts for Chief Officers are published in the Statement of Accounts.

4.2. The majority of the Council's Chief Officers which include the Joint Chief Executive Officer, Joint Executive Directors and Joint Assistant Directors hold joint appointments with North East Derbyshire District Council. The post of Head of Housing relates solely to Bolsover District Council. The Grading Structure for these post are set out below:-

4.2.1. Joint Chief Executive and Joint Executive Directors

The shared management team salary scale for the Chief Executive of the Council ranges from ~~£106,000~~[£108,131](#) to ~~£115,000~~[£117,312](#), with increments of £3,000.

The Executive Directors' salaries are based on a scale of ~~£70,014~~[£71,422](#) to ~~£78,374~~[£79,950](#) with increments of just over £2,000. The incremental scale is shown below:-

Incremental points	Chief Executive	Executive Directors
1	£107,060 £108,131	£70,715 £71,422
2	£110,090 £111,100	£72,826 £73,554
3	£113,120 £114,251	£74,936 £75,685
4	£116,150 £117,312	£77,047 £77,817
5	N/A	£79,158 £79,950

4.2.2. Joint Assistant Directors

Assistant Director level posts are characterised by their relatively high level of responsibilities, and deputise, as appropriate, in the absence of the Director. This is an important element in the Council's succession planning and leadership development processes, as well as providing valuable strategic input. At the time of the 2008 review at North East Derbyshire District Council, it was suggested that the market would support an appropriate salary scale of £46,000 to £52,000, with increments of just over £1,400, i.e. approximately 70% of the Chief Officers' salary. [This salary range has increased over time by nationally agreed pay awards and the current](#) ~~The~~ incremental scale is shown below:-

Incremental Points	Assistant Director
1	£49,500 £49,995
2	£50,978 £51,487
3	£52,455 £52,980

Incremental Points	Assistant Director
4	£53,933 £54,472
5	£55,410 £55,965

4.2.3. Chief Officer without a Joint Role

The pay scale which relates to all employees of the Council includes the salary range for the Chief Officer whose duties relate solely to Bolsover District Council. An extract which relates to the Chief Officer range is set out below:-

Grade	Incremental Points	Chief Officer
Grade 12	37	£46,188 £46,650
Grade 12	38	£47,126 £47,596
Grade 12	39	£48,062 £48,542

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4.2.4. Remuneration of The Council's Lowest Paid

The Council adopted the Living Wage with effect from 1st December 2013. The annual full time equivalent value of the Living Wage from ~~November 2015-April 2017~~ is ~~£15,917~~£16,302

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4.2.4.1. With reference to point 5.4 below, during ~~2014/2015 and 2015/2016~~2016/17 and part of 2017/18, the Council will operate an Apprenticeship Scheme. The pay under this scheme has not been used to determine the pay multiple because of the special nature of the apprenticeship scheme.

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4.3. Relationship between the Remuneration of Chief Officers and employees who are not Chief Officers.

4.3.1. The following tables show the ratio between the Officer Grades paid in ~~2014/2015~~2017/18 based on full time equivalent salary records at ~~12th February 2015~~ April 2017. An asterisk signifies that this Grade relates to Joint Chief Officers who are paid by North East Derbyshire District Council and there are no Chief Officers on the

same Grade at Bolsover District Council. In which case the median salary and the lowest paid salary relates to those employees paid by Bolsover District Council only.

4.3.1.

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Chief Officer Grade	Point	Amount (£)	Median salary (£)	Pay Multiple
CEO	3	116,150 <u>117,312</u>	22,153 <u>22,375</u>	5.2:1
Executive Director*	5	79,158 <u>79,950</u>	22,153 <u>22,375</u>	3.6:1
Assistant Director	1	49,500 <u>49,995</u>	22,153 <u>22,375</u>	2.2:1
Assistant Director*	2	50,978 <u>51,487</u>	22,153 <u>22,375</u>	2.3:1
Assistant Director	3	52,455 <u>52,980</u>	22,153 <u>22,375</u>	2.4:1
Assistant Director	5	55,410 <u>55,965</u>	22,153 <u>22,375</u>	2.5:1

Chief Officer Grade	Point	Amount (£)	Lowest Paid salary (£)	Pay Multiple
CEO	3	116,150 <u>117,312</u>	15,917 <u>16,302</u>	7.3:1 <u>7.2:1</u>
Executive Director*	5	79,158 <u>79,950</u>	15,917 <u>16,302</u>	5.0:1 <u>4.9:1</u>
Assistant Director	1	49,500 <u>49,995</u>	15,917 <u>16,302</u>	3.1:1

Chief Officer Grade	Point	Amount (£)	Lowest Paid salary (£)	Pay Multiple
Assistant Director*	2	50,978 <u>51,487</u>	15,917 <u>16,302</u>	3.2:1
Assistant Director	3	52,455 <u>52,980</u>	15,917 <u>16,302</u>	3.3:1 <u>3:2:1</u>
Assistant Director	5	55,410 <u>55,965</u>	15,917 <u>16,302</u>	3.5:1 <u>3:4:1</u>

4.4. The tables in section 4 are available in a CVS file in the Transparency Section of the Council's Website.

5. Definition of Lowest-paid employees

5.1. Following the implementation of Single Status and the NJC Job Evaluation Scheme, local grades were implemented as set out at Appendix One to the Pay Agreement. The lowest paid employee is determined by those whose job evaluation score was below 301 points. These employees were placed on Grade 1, which is a fixed point grade.

5.2. The Council adopted the Living Wage with effect from 1st December 2013. The pay rates for Grades 1 or 2 of the local grades are lower than the Living Wage therefore employees who are evaluated on Grades 1 and Grade 2 are paid the Living Wage.

5.3.

~~5.3. The annual full time equivalent value of the Living Wage from December 2015 April 2017 is ~~£15,917~~ £16,302. This will be updated when the Living Wage is reviewed in November 2016.~~

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5.4. With funding from the residual Working Neighbourhoods Fund, the Council will be engaged in an Apprentice scheme during ~~2016/2017~~ 2017/18 for a number of eligible 16 to 18 year olds. To reflect the nature and duration of their employment, this group of employees will not be paid in accordance with the local grades pay scale and will be paid the minimum wage rate for their age and not the national minimum wage for apprentices. The annual full time equivalent values of the minimum wage for these age groups are ~~£7,466~~ £7,717 and ~~£10,225~~ £10,707.

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6. This section sets out the Council's Policies relating to the requirements under Regulation 38(4) of the Localism Act.
 - 6.1. The level and elements of remuneration of each Chief Officer
 - 6.1.1. This is set out in section 4.2.
 - 6.2. Remuneration of Chief Officers on recruitment
 - 6.2.1. Decisions on the appropriate appointment within the grade for Chief Officer with a joint appointment are recommended to Full Council by an Appointments Panel.
 - 6.3. For Chief Officers without a joint role, recruitment will normally be to the first point of the grade, or in exceptional circumstances (as agreed with the Joint Assistant Director Head of Human Resources and Payroll) will reflect a level commensurate with candidates existing skills and existing skills and experience in the job.
 - 6.4. Increases and additions to remuneration of each Chief Officer
 - 6.4.1. Incremental progression for joint posts are applied at 1st April each year subject to there being at least 6 months service in post at this date, otherwise the increment will be applied between 2nd April and 30th September once 6 months service has been achieved
 - 6.4.2. Incremental progression for non joint posts for new recruits or existing employees who apply for and are appointed to a new post (including secondments). In both cases, increments will only become due from 1st of the month following completion of 12 month's service with the Council from appointment to post. Following this future increments will be awarded automatically on the anniversary of the first increment until the top of the grade is reached. (from pay agreement 2.2.3)
 - 6.4.3. Honoraria and ex gratia payments
 - 6.4.3.1. The Council does not make ex gratia payments.
 - 6.4.3.1.1. A honorarium is payable in circumstances where an employee temporarily takes on duties and responsibilities which are at a higher level than those carried out within their substantive post. This is known as an 'Acting Up Allowance' and details of how this is applied to all employees, including Chief

Officers is set out in Paragraph 5.2 on page 15 of the Pay Agreement.

6.5. The Council does not use performance related remuneration.

6.6. The Council does not pay any bonuses.

6.7. Payment to Chief Officers on ceasing to hold office or employment with the Council

6.7.1. In the case of redundancy, the policy of the Council is to use its discretions under (The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (as amended) to pay compensation on the basis of actual weekly pay (Regulation 5);

6.7.2. However as the Senior Management of the Council work on a shared basis with North East Derbyshire District Council, whose policy on redundancy uses a multiplier on the national redundancy table, compensation is calculated on the basis of a combination of both schemes as follows:

6.7.2.1.1. Service up to date of joint appointment: based on original Council's scheme.

6.7.2.1.2. Service after date of joint appointment: based on 50% per each Council's scheme.

6.8. The publication of and access to information relating to remuneration of Chief Officers.

6.8.1. The Council will publish this pay policy statement within the transparency section on its website.

6.8.2. The tables in section 4 are available in a CVS file in the Transparency Section of the Council's Website.

6.8.3. For further information about this pay policy statement please contact the Councils on 01246 242424 and ask for the HR and Payroll Section.

7. Other Terms and Conditions

7.1. Place of Work

7.1.1. The principal place employment shall be the main offices of both Councils. If required to work at a different location no relocation payment is made. Travel expenses for journeys between the main

Council offices will not attract expense payment unless the purpose of the journey is to attend a meeting.

7.2. Hours of Work

7.2.1. The hours of work are a minimum of 37 hours per week, for joint posts this is across both Councils. Due to the nature of the post the precise cannot be specified, generally it is expected that a reasonable amount of hours is worked necessary to carry out duties of the post and will include evening and weekend meetings as appropriate and bank holiday working in an emergency.

7.3. Secondary Employment

7.3.1. Notification of any additional employment must be given to the Council or Councils for joint post. This is to ensure that there is no conflict of interest and to meet the Council obligations under the working time regulations.

7.4. Holiday Entitlement

7.4.1. For joint posts the annual leave entitlement across both Councils is 36 days per year plus 3 days per annum to cover the Christmas closedown period. The leave year runs from 1st April to 31 March annually.

7.4.2. For non joint post the annual leave entitlement is 31 days plus 3 days per annum to cover the Christmas closedown.

7.4.3. All Chief Officers are entitled to 8 bank holidays plus any additional bank holidays agreed at national level.

7.5. Pensions

7.5.1 Employees of the Council pay a contribution to the Pension Scheme relative to their annual full-time equivalent pensionable pay (including pensionable allowances). The contribution rate for 2017/18 has increased to 13.9% from 12.9%

Band	Whole-time Pay Range (17/18)	Contribution rate
<u>1</u>	<u>Up to and including £13,600</u>	<u>5.5%</u>
<u>2</u>	<u>Above £13,601 and up to £21,200</u>	<u>5.8%</u>
<u>3</u>	<u>Above £21,200 and up to £34,400</u>	<u>6.5%</u>
<u>4</u>	<u>Above £34,400 up to £43,500</u>	<u>6.8%</u>
<u>5</u>	<u>Above £43,500 up to £60,700</u>	<u>8.5%</u>
<u>6</u>	<u>Above £60,700 up to £86,000</u>	<u>9.9%</u>
<u>7</u>	<u>Above £86,000 up to £101,200</u>	<u>10.5%</u>
<u>8</u>	<u>Above £101,200 up to £151,800</u>	<u>11.4%</u>

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9	Above £151,800	12.5%
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The Employer's contribution at BDC is currently **13.9%** of pensionable pay.

7.5.2 There are a number of discretions available under the Local Government Pension Scheme, and as a matter of policy, BDC does not exercise any discretion that would represent a cost to the Council.

7.5.

7.5.1. Chief Officers are contractually enrolled into the Local Government Pension Scheme. The contribution rates for employees are set nationally and viewed each year. The employer's contribution rate is determined by an actuary at the tri-annual fund valuation.

7.5.2. Employees may opt out of the Pension Scheme and if this happens the Council has to comply with the obligations of the Auto Enrolment.

7.5.3. Full details of the types of early retirement/flexible retirement are available in the Council's Re-deployment/Early Retirement Policy available on our website at www.bolsover.gov.uk.

7.5.4. Local Government Pension Scheme Employer Discretions

There are a number of discretions available under the Local Government Pension Scheme applicable to all employees. These are set out as follows:-

7.5.4.1. The Council as a general policy not exercise these discretion as they represents a significant cost to the Council:-

- Whether to augment membership of an active member (by up to 10 years)
- Whether to grant additional pensions to a member (by up to £5,000 per annum)
- Whether to waive, in whole or in part, actuarial reduction on benefits paid on flexible retirement
- Whether to grant application for early payment of benefits on or after age 55 and before age 60
- Whether to waive, on compassionate grounds, the actuarial reduction applied to benefits paid early

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- ~~• Whether to contribute to a shared cost Additional Voluntary Contribution (AVC) arrangement~~
- ~~• Whether to increase the number of weeks redundancy pay (up to 104 weeks)~~

7.5.4.2

7.5.3 In respect of the following discretion, the Council has a general policy that any flexible retirement must normally be at no cost to the Council.

- Whether all or some benefits can be paid if an employee reduces their hours or grade (flexible retirement).

7.5.4.3 The Council has a policy to apply the following discretion:-

- Whether to base redundancy payments on the employee's actual weeks pay rather than limit a weeks pay to the statutory maximum.

7.5.5. Re-employment of employees in receipt of a pension

Under the terms of the Local Government Pension scheme, an employee who has retired from local government service and is in receipt of a pension may reapply for local government employment. However where this happens the pension is subject to abatement, i.e. if the pension added to the new salary is higher than the original salary then the amount of pension will be reduced accordingly. There are currently no re-employed pensioners in senior management positions.

7.6. Car Allowances

7.6.1. North East Derbyshire Chief Officers are entitled to claim the lowest band of the national car allowances in the National Car Allowance Scheme for Chief Officers. Currently a lump sum of £846 per annum and 36.9p per mile to 8,500 miles and 13.7p thereafter for business journeys.

7.6.2. Bolsover District Council pay the HMRC rates for business journeys (currently 45p per mile and 5p per mile for passengers)

7.6.3. Chief Officers with joint post may choose which car allowance scheme to be paid under.

~~7.6.3.~~

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8. Terms and Conditions of Service

The Chief Executive is employed under the terms and conditions of service of the Joint Negotiating Committee for Chief Executives of Local Authorities, and Directors under the terms and conditions of service of the Joint Negotiating Committee for Chief Officers of Local Authorities. There are currently no additional local agreements relating to the employment of Chief Officers that represent a charge on the public purse, with the exception of election duties (see following paragraph).

8.1. Election Duties

~~The fee for Returning Officer duties at the District and Parish Elections in May 2011 was based on calculations included within the Local Elections Fees scales determined by Derbyshire County Council so that they are implemented on a county wide basis. In 2011 the fee paid for the designated Counting Officer was prescribed by central government by means of a Fees and Charges Order.~~

The fee for Returning Officer duties is dependent upon the type of election, and is prescribed by Central Government by means of a Fees and Charges Order.

9. Other financial benefits

The Chief Executive and the Council's Directors and Assistant Directors are not in receipt of any financial benefits that are not also available to other employees.

Chief Officers are exempt from receiving the following benefits which other employees receive:

- Shift Allowance
- Weekend Working
- Bank Holiday Working
- Overtime Payments
- Standby/Call Out Payments
- Flexible Working

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