

Appendix 1

HASTINGS BOROUGH COUNCIL

PAY POLICY STATEMENT 2014

Introduction

1. This pay policy statement under section 38 of the Localism Act 2011 shall apply for the financial year 2014-5 and each subsequent financial year, until amended.
2. The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees by identifying:
 - the methods by which remuneration of all employees are determined, including the remuneration of its most senior staff;
 - the arrangements for ensuring the provisions set out in this statement are applied consistently throughout the Council.

The Council's policies for setting remuneration

3. In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.
4. With the exception of Directors and Heads of Service, the Council uses the nationally negotiated pay spine as the basis for its local grading structure. The grade of a post is determined by application of an agreed Job Evaluation process. The value of scale points changes in line with national agreements, including any "cost of living" increases, the most recent of these at the time of preparation of this policy, was April 2013, this being the first since April 2009.

Grade and Salary Band (value at time of preparation of this statement)

Grade	Salary Band
12	14,880 to 15,189
11	£14,880 to £16,215
10	£15,882 to £17,979
9	£16,998 to £19,818
8	£18,639 to £21,735
7	£20,400 to £23,946
6	£22,443 to £27,324
5	£25,728 to £30,312
4	£28,923 to £33,129
3	£31,161 to £36,675
2	£35,784 to £41,148
1	£40,254 to £46,437

5. All other pay-related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council Policy.
6. New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where possible, the Council will ensure the requirement for such approaches is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources available from within and outside the local government sector.
7. There are a number of pay points within each grade. For staff not on the highest point within the band, there is a system of annual progression to the next point on the band. Faster progression is possible for posts identified and evaluated as career grades.
8. With regard to the equal pay requirements of the Equality Act 2010, the Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality proofed Job Evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.
9. The salary bands reflect the fact that the Council is a Living Wage employer.

Chief Officer Grade Range pay rate (value at time of preparation of this statement)

9. Chief Officer pay range £53,000 to £87,500
This range covers the Directors and Heads of Service.

Chief Officers

10. The Council's policy and procedures with regard to recruitment of Chief Officers are set out in the Officer Employment Procedure Rules in Section 13 of the Council's Constitution. The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with this pay policy statement and other relevant policies in place at the time of recruitment. In the case of recruitment of Directors and Heads of Service, the decision on remuneration will be taken by the Employment Committee. Any appointments at this level offering a salary in excess of £90,000 would require approval by Full Council. Where the Council is unable to recruit to a post at the designated grade, it will consider the use of temporary market forces supplements in accordance with its relevant policies.
11. Where the Council remains unable to recruit Directors or Heads Of Service under a contract of service, or there is a need for interim support to provide cover for a vacant substantive Director or Chief Officer post, the Council will, 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.

Additional payments

12. In addition to the basic salary for the post, staff are or may be eligible for other payments under the Council's existing policies. Some of these payments are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfilment of duties:

lease car provision, the Council no longer offers subsidised lease cars to new employees. A small number of staff remain eligible under historical contracts of employment;

benefits allowance, employees who are not entitled to a lease car but are required to travel in order to carry out their duties may receive a benefits allowance to cover motor costs of travel including mileage except for journeys over 50 miles.

reimbursement of mileage, Employees can claim mileage travelled in the course of council business. Hastings Borough Council mileage rates are paid dependant on which scheme the employee is in.

This could be:-

NJC rates which are based on the engine size, fuel type for protected employees in post prior to 27th November 2001

HMRC Company Advisory Fuel Rates for lease cars.

HMRC Approved Mileage Rates for all other employees. Passenger rate is also paid if appropriate;

professional fees. The Council will meet the cost of a legal practicing certificate for all those employees where it is a requirement of their employment;

long service awards. The Council allows staff to purchase a gift to a maximum amount if they have completed 25 years of service;

honoraria, in accordance with the Council's policy on salary and grading. Generally, these may be paid only where a member of staff has performed a role at a higher grade. Deputy returning officers are paid an honorarium.

fees for returning officer and other electoral duties, such as acting as a presiding officer of a polling station, excluding deputy returning officers. These are fees which are identified and paid separately for local government elections, elections to the UK Parliament and EU Parliament and other electoral processes such as referenda;

pay protection, where a member of staff is placed in a new post and the grade is one grade below that of their previous post, for example as a result of a restructuring, pay protection at the level of their previous post is paid for the first 18 months;

childcare vouchers are available to all eligible employees via the HMRC-approved salary sacrifice scheme. There is no direct subsidy towards childcare costs by the Council;

standby and/or call-out payments, employees who are required to be on standby at times which are outside their normal working week and/or who may be called-out to attend to an issue at the Council's premises or other location may receive an additional payment in accordance with the provisions of the relevant Council policy;

provision of mobile telephones, are provided to employees on the basis of business need where they are necessary to enable them to undertake their duties effectively. The Council funds the provision of the phone and business calls. Employees are expected to pay for any personal calls;

provision of landline telephone allowances, four protected employees receive a contribution towards their landline telephone rental and a small number of calls. This policy is no longer in operation due to the provision of mobile telephones.

discounted loans, permanent employees who have satisfactorily completed their probationary period have access to discounted loans for:

- The purchase of cars/bicycles; and/or
- The purchase of season tickets for travel;

Interest is charged on Car and Bicycle loans at current PWLB (Public Works Loan Board) rates plus 1.25%. For a small number of employees employed before 27th November 2001 no interest is chargeable under historical contract of employment terms. Travel season ticket loans are interest free;

employee assistance programme, is a 24/7 confidential support service for information and guidance on a range of work-life topics funded by the Council and made available to all staff.

Perkz, is an online benefits scheme that works with great retailers, both online and on the high street, to provide market-leading offers and discounts to all staff.

Performance-related pay and bonuses

13. The Council does not operate a scheme of performance-related pay or bonuses for its staff.

Lowest-Paid Employees

14. The Council's definition of lowest-paid employees is people employed in Grade 12 of the Council's grading structure. This is because it is the lowest pay band operated by the Council for permanent staff.

Relationship between remuneration of chief officers and remuneration of employees who are not chief officers

15. The Council's ratio of pay at the top to pay at the median is currently 1:3.9. The Council will look to ensure the ratio does not exceed the national average for the public sector.
This ratio is based on basic salary only, excluding variable pay and benefit in kind.

Payments on termination etc.

16. The Council's approach to statutory and discretionary payments on termination of employment is set out within its Redundancy Policy which includes the written statement in accordance with regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006. At the time of preparation of this policy statement, the policy is:
 - to pay statutory redundancy payments in accordance with the Employment Relations Act 1998, which provides for a maximum calculation of up to 30 weeks' pay, multiplied by two. The payment will be based on an employee's actual weekly salary rather than the figure set by the Government.
17. The Council's policy is normally not to make any awards under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011: this constitutes its written policy statement under the regulations.
18. Any large severance payments will be considered by the Employment Committee and referred to full Council for approval. Large payments would be those in excess of £100,000 including

salary paid in lieu, redundancy compensation, pension entitlements, holiday pay and any bonuses, fees or allowances paid.

Publication of information

20. This statement will be published on the Council's Website www.hastings.gov.uk
21. In accordance with regulation 7 of the Accounts and Audit (England) Regulations 2011, for posts where the remuneration in a year is £50,000 or more, the Council's Annual Statement of Accounts will include a note setting out the total amount of - salary, fees or allowances paid to or receivable by the person in the current and previous year;
- any sums payable by way of expenses allowance that are chargeable to UK income tax;
 - any compensation for loss of employment and any other payments connected with termination;
 - any benefits received that do not fall within the above

The statement of accounts is available on the Council's website.

22. The Council also publishes information about remuneration of JNC Chief Officers and staff in the transparency section of its website.
http://www.hastings.gov.uk/decisions_democracy/transparency
This information is updated from time to time and includes a list of Directors and Heads of Service as defined in the Localism Act 2011.