



Ward(s) Affected: All

Pay Policy Statement 2022/2023

Report by the Director for Digital, Sustainability and Resources

Officer Contact Details

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Executive Summary

1. Purpose

- 1.1 To comply with all legislation and government guidance on transparency in pay within the Council, the constitution states that the Director for Sustainability and Resources will take a Pay Policy Statement to Council annually.
- 1.2 The Pay Policy Statement for 2022/23 is set out in Appendix 1.

2. Recommendations

- 2.1 That the Council is recommended to note the Pay Policy Statement 2022/23 set out in Appendix 1.

3. Context

- 3.1 The Council along with all other Local Authorities in England are required to prepare a Pay Policy Statement each year. 2012 was the first year these Statements had to be published.
- 3.2 The Localism Act includes an expression of the Government's aim that there is improved transparency about how public money is spent, including that of pay.
- 3.3 The Pay Policy Statement must articulate a Council's policies towards a range of issues relating to the pay of its workforce, particularly its senior staff ("chief officers") and its lowest paid staff.
- 3.4 The Councils are individual employers (albeit in a partnership arrangement with each other) and as such have the autonomy to make decisions on pay that are appropriate to local circumstances and which deliver value for money for the local taxpayer.

4. Issues for consideration

- 4.1 In producing the Pay Policy Statement (attached as Appendix 1) account has been taken of the fact that the partnership arrangement is between Adur District Council and Worthing Borough Council. However, separate Pay Policy Statements have been produced for the two Councils.
- 4.2 Following the Leadership redesign in 2022/2023 an additional proper grade 14 was added to the Councils pay scales in order to enable the assessment of the new Assistant Director roles. The spinal column points (SCPs) were calculated based on the average percentage difference between the different scales.
- 4.3 In undertaking the analysis of pay, (in particular the pay ratio between the median average salary of staff who are not chief officers and the Chief Executive) officers who form part of the shared service structure are treated as the Council's employees for the purpose of this exercise.
- 4.4 In paragraph 2.4, reference is made to the Council developing an approach to pay that seeks to achieve value for money. Since the introduction of Partnership working there has been a significant reduction in the size of the Council's Management Team.

	Chief Executive	Directors	EHoS	Heads of Service
Pre Partnership	2	4	17	0
1 st April 2008	1	3	10	0
June 2009	1	2	10	0
March 2010	1	2	9	0
May 2011	1	2	8	0
August 2011	1	2	7	0
April 2014 (revised structure)	1	4	0	13
April 2018	1	4	0	12
April 2019	1	3	0	14
April 2020	1	3	0	12
April 2021	1	3	0	13
April 2022	1	3	0	13

4.5 A cost allocation mechanism is in place for the Council's Management Team as follows:

Post	Adur	Worthing
Chief Executive	50%	50%
Directors	50%	50%

5. Financial Implications

5.1 There are no financial implications to publishing the Pay Policy Statement. The cost of all posts are allowed for within the Council's overall budget.

6. Legal Implications

6.1 The Pay Policy Statement is a statutory requirement under Section 38 (1) of the Localism Act 2011.

6.2 DCLG guidance on the Pay Policy Statement advises that the Secretary of State does not consider that the statement engages the Data Protection Act as they contain general principles underpinning decisions on pay and not personal data.

Local Government Act 1972

Background Papers:

Openness and accountability in local pay: Guidance under section 40 of the Localism Act. DCLG February 2012.

Localism Act: Pay Policy Statements. Guidance for Local Authority Chief Executives Supplementary Note 2. LGA / ALACE 1st March 2012.

Minutes of the respective Council meetings in February 2012 – Worthing Borough Council 21 February and Adur 23 February.

SCHEDULE OF OTHER MATTERS

1.0 COUNCIL PRIORITY

1.1 Ensuring Value for Money and low Council Tax

2.0 SPECIFIC ACTION PLANS

2.1 The Pay Policy Statement complements the Councils' Equalities Policy.

3.0 SUSTAINABILITY ISSUES

3.1 Matter considered and no issues identified.

4.0 EQUALITY ISSUES

4.1 The Council has a Job Evaluation scheme designed to ensure equality in pay and remuneration.

5.0 COMMUNITY SAFETY ISSUES (SECTION 17)

5.1 Matter considered and no issues identified

6.0 HUMAN RIGHTS ISSUES

6.1 The report recommends adoption of a Policy that is consistent with legislation relating to Data Protection and the handling of personal information.

7.0 REPUTATION

7.1 Failure to publish a Pay Policy Statement could result in negative reputational damage to the Council.

8.0 CONSULTATIONS

8.1 Matter considered and no issues identified

9.0 RISK ASSESSMENT

9.1 Matter considered and no issues identified

10.0 HEALTH & SAFETY ISSUES

10.1 Matter considered and no issues identified.

11.0 PROCUREMENT STRATEGY

11.1 Matter considered and no issues identified

12.0 PARTNERSHIP WORKING

12.1 The Council's approach to pay is undertaken in a Partnership Agreement between Adur District Council and Worthing Borough Council.

**ADUR DISTRICT COUNCIL PAY POLICY STATEMENT -
FINANCIAL YEAR 2022-23**

1.0 PURPOSE

1.1 This Pay Policy Statement is provided in accordance with Section 38(1) of the Localism Act 2011 and this will be updated annually from April each year.

This Pay Policy Statement sets out Adur District Council's policies relating to the pay of its workforce for the financial year 2022-23, in particular:

- (a) The remuneration of its Chief Officers;
- (b) The remuneration of its 'lowest paid employees';
- (c) The relationship between:
 - (i) The remuneration of its Chief Officers and;
 - (ii) The remuneration of its employees who are not Chief Officers.

2.0 DEFINITION

2.1 For the purpose of this Pay Policy, the following definitions will apply:

- (a) 'Pay' in addition to salary includes charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements, and termination payments;
- (b) To enable meaningful comparison of posts, the Council uses full-time equivalent salaries as set out in its pay structure;
- (c) 'Chief Officer' refers to the following roles within Adur District Council:
 - (i) Chief Executive, as Head of Paid Service;
 - (ii) Directors x 3; these officers are members of the Council's Leadership Team.
 - (iii) The Council's Monitoring Officer
 - (iv) The Council's Section 151 Officer

- (v) Any non administrative roles which directly report into the Chief Executive

2.2 'Lowest paid employees' refers to those staff employed within Grade 1 on the Council's pay framework.

The above definition for the 'lowest paid employees' has been adopted because Grade 1 is the lowest grade on the Council's pay framework. The bottom point on the pay scale as at 1st April 2022 is spinal column point 1 (£20,258) per annum. This excludes apprenticeships/trainee posts where we are guided by National Minimum Wage requirements.

2.3 'Employee who is not a Chief Officer' refers to all staff who are not covered under the Chief Officer group above (2.1). This includes the 'lowest paid employees'.

3.0 PAY FRAMEWORK REMUNERATION LEVELS

3.1 Remuneration at all levels needs to be adequate 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 not, nor is seen to be, unnecessarily excessive. Each Council has responsibility for balancing these factors and each Council faces its own unique challenges on opportunities in doing so and retain flexibility to cope with various circumstances that may arise that might necessitate the use of market supplements or other such mechanisms for individual categories of posts where appropriate.

3.2 Pay Framework

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 and that there is a verifiable and accountable process for recommending the levels of top salaries.

The Council's current pay framework for staff other than Chief Officers who are working jointly for Adur District Council and Worthing Borough Council was approved on 3rd February 2009 by the Joint Staff Committee and is based on the National Joint Council for Local Government Services: National Agreement on Pay and Conditions of Service.

Further details of the Joint Staff Committee can be found at: <http://www.adur-worthing.gov.uk/committee/>

Adur District Council's current pay framework for staff employed by Adur, but not working jointly with Worthing Borough Council as set out in Table 1 was agreed by the Corporate Resources Committee in June 2002.

3.3 Job Evaluation

The Council has adopted the Greater London Provincial Council (GLPC) Job Evaluation Scheme. All posts have been subject to the evaluation process which ensures that the grade for each role is determined on a consistent basis. 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.

Adur District Council determined a local pay framework and the overall number of grades is 14 with 65 spinal column points within the grade ranges 1 (lowest) to 14 (highest). Grade 14 (SCPs 62 - 65) is a new addition to the Adur District Council payscale to cover roles that are evaluated as higher than grade 13. These spinal column points were calculated based on the average incremental amounts between the spinal column points in grade 13.

As part of the job evaluation process, each employee who is not a Chief Officer will be placed on one of the 14 grades based on the job evaluation of their role. The employees can progress to the salary range maximum of their grade subject to assessment of their performance as part of on-going supervision and performance management practices.

Pay awards are considered annually for staff as part of the National Local Government pay bargaining process.

4.0 REMUNERATION - LEVEL AND ELEMENT

4.1 Salaries

The group of Chief Officers (2.1), is paid outside of the Council's pay framework, which applies to all other employees. The Joint Senior Staff Committee determines the terms and conditions of Chief Officers, subject to the approval, by Council of salaries in excess of £100,000.

Further details of the Joint Senior Staff Committee can be found at:

<https://democracy.adur-worthing.gov.uk/mgCommitteeDetails.aspx?ID=162>

The pay awarded to Chief Officers is based on a spot salary with no grade range or incremental progression. Salary is subject to the same percentage pay award agreed as part of the National Local Government pay bargaining process. The spot salary for Chief Officers was based on market testing undertaken by an Independent Consultant and was implemented on 1st April 2008.

Election duty payments are made to the Returning Officer (Chief Executive) and the Deputy Returning Officers (Directors). The pay for these roles is set out nationally for National Elections and for Local Elections, the scale is set jointly by West Sussex Local Authorities.

A review of the salary of the Chief Executive was undertaken in 2021/22 with a new pay scale proposed in the range from £134,000 rising to £155,000. This was approved by Adur District Council on the 22nd July 2021. The salary of the Chief Executive for 2022/23 £138,725.03 full time equivalent, with additional payments for the role of Returning Officer at elections.

The Council publishes details of all senior officer salaries including Chief Officers within the statement of the accounts in compliance with the requirements of the transparency code. Details can be accessed at the following web address:

<http://www.adur-worthing.gov.uk/about-the-councils/finance/statement-of-accounts/> .

All staff are paid directly. Staff may ask for part of their salary to be paid into the pension fund to support their future retirement in accordance with the Council's Pensions Discretions policy. No payment arrangements which might be viewed as tax avoidance will be countenanced.

Currently the approved remuneration for 2022/23 for each of the Chief Officers is:

	£
Director of Communities	£104,418
Director of Sustainability and Resources	£105,793
Director of Economy	£103,756
Head of Housing	£77,377 - £84,133
Head of Legal (Monitoring Officer)	£77,377 - £84,133
Chief Financial Officer	£77,377 - £84,133
Director of Coastal West Sussex Partnership	£52,189 - £57,180
Head of Communications	£52,189 - £57,180
Administration Manager	£42,503 - £46,549
Policy Officer	£38,296 - £41,496
Data and Evidence lead	£52,189 - £57,180

4.2 'Lowest paid employees'

Each lowest paid employee is paid within the salary range for Grade 1, Spinal Column Point 1 (£20,258 as at 1st April 2022) - Spinal Column Point 3 (£20,812 as at 1st April 2022).

Note: for employees paid on The National Minimum Wage for their age the rates are as follows from 1st April 2022:

Apprentice:	£4.81 per hour
Under 18	£4.81 per hour
18 – 20	£6.83 per hour
21 - 22	£9.18 per hour
National Living Wage	£9.50 per hour

4.3 Bonuses

Additional duties and Special merit payments can be made to staff, not including Chief Officers, as one-off payments in recognition of duties and/or acting-up duties undertaken that are additional to that expected from the normal day-to-day work. The size of the award paid to employee(s) is commensurate with the work being rewarded.

4.4 Chief Officers are subject to the same performance management process as the lowest paid employees and employees who are not Chief Officers. Chief Officers do not receive any incremental progression. The Chief Officers are subject to the same remuneration policies as all the other Council employees including termination payments, and other payments as detailed in the Council's Pay and Reward Policy.

4.5 Charges, fees, any allowance or other payments will only be made to staff in connection with their role or the patterns of hours they work and must be in accordance with the Council's policy.

The following allowances and benefits are available to staff and Chief Officers:

- (a) Health insurance (closed to new entrants);
- (b) Life assurance (closed to new entrants);
- (c) Long service increments (closed to new entrants);
- (d) Salary sacrifice scheme;
- (e) Benefits such as arranging group or staff discount schemes;

- (f) Child care provision or allowances;
- (g) Discounted sports facilities/benefits;
- (h) Membership of professional organisations, where such membership is necessary for the carrying out of their employment.

4.6 Pension

All employees, as a result of their employment, are eligible to join the Local Government Pension Scheme. Locally this scheme is administered by Hampshire County Council.

The Council will allow staff to take flexible retirement where they can access up to 80% of their previous salary and their pension benefits in accordance with the LGPS Pension Framework.

4.7 Severance Payments

The following types of severance payments can be made to staff:

- (a) Compulsory redundancy;
- (b) Voluntary redundancy;
- (c) Efficiency of the service;
- (d) Added pension benefit on leaving employment due to redundancy or efficiency of the service;
- (e) Conversion of lump sum compensation payment into additional Local Government Pension Scheme membership;
- (f) Voluntary early retirement;
- (g) Flexible retirement;
- (h) Exceptional compassionate grounds.

If there is less than a four week period between someone being made redundant from another Council and joining Adur District Council, they will be required to repay their redundancy to their previous employer. If the break is greater than 1 month, their continuous service is broken.

All redundancy and efficiency of service payments are approved by the Executive Member for Resources.

In accordance with each Council's Constitutions, at Paragraph 6 of the Officer Employment Procedure Rules, any severance packages with a value of over £100,000 (and in all cases for the Head of Paid Service) will go to Full Council for approval.

The Council's Joint Staff Committee approved the Managing People Change Policy on 24th July 2018, which sets out the Council's approach to redundancy; this policy applies to all staff, including Chief Officers.

4.8 New starters joining the Council

The Council approves the pay scales for all council roles, including those for the Chief Executive and the Directors.

Employees new to the Council will normally be appointed to the first Spinal Column Point of the salary range for their grade. Where the candidate's current employment package would make the first point of the salary range unattractive (and this can be demonstrated by the applicant in relation to current earnings) or where the employee already operates at a level commensurate with a higher salary, a higher salary may be considered by the recruiting manager. This will be within the salary range for the grade. The grade will be determined by the Job Evaluation Scheme.

In professions where there is a particular skill shortage, as a temporary arrangement, it may be necessary to consider a market supplement to attract high quality applicants. The Council's market supplements are subject to annual review.

The Council's Contract Standing Orders provides detail regarding not re-employing anyone within 6 months of them leaving.

5.0 RELATIONSHIP BETWEEN REMUNERATION OF CHIEF OFFICERS AND EMPLOYEES WHO ARE NOT CHIEF OFFICERS

5.1 The median average salary of employees who are not Chief Officers is £32,020. The pay ratio between the median average and the salary of the Chief Executive is 1:4.33.

6.0 PAY POLICY REVIEW STATEMENT REVIEW AND PUBLICATION

6.1 Any changes to the Pay Policy must be subject to agreement by the Council. A Pay Policy Statement will be published each year.

Pay Spine from 1st April 2022**APPENDIX 1**

Grade	Spinal Column Point	2021/22	2022/23
1	1	£ 18,333	£ 20,258
	2	18,516	20,441
	3	18,887	20,812
2	4	19,264	21,189
	5	19,650	21,575
	6	20,043	21,968
3	7	20,444	22,369
	8	20,852	22,777
	9	21,269	23,194
	10	21,695	23,620
	11	22,129	24,054
4	12	22,571	24,496
	13	23,023	24,948
	14	23,484	25,409
	15	23,953	25,878
	16	24,432	26,357
	17	24,920	26,845
5	18	25,419	27,344
	19	25,927	27,852
	20	26,446	28,371
	21	26,975	28,900
	22	27,514	29,439
	23	28,226	30,151
	24	29,174	31,099
	25	30,095	32,020
6	26	30,984	32,909
	27	31,895	33,820
	28	32,798	34,723
	29	33,486	35,411
	30	34,373	36,298
	31	35,336	37,261
7	32	36,371	38,296
	33	37,568	39,493
	34	38,553	40,478
	35	39,571	41,496

Grade	Spinal Column Point	2021/22	2022/23
8		£	£
	36	40,578	42,503
	37	41,591	43,516
	38	42,614	44,539
	39	43,570	45,495
9	40	44,624	46,549
	41	45,966	47,891
	42	47,061	48,986
	43	48,163	50,088
	44	49,216	51,141
10	45	50,264	52,189
	46	51,310	53,235
	47	52,594	54,519
	48	53,909	55,834
	49	55,255	57,180
11	50	58,330	60,255
	51	60,632	62,557
	52	64,270	66,195
	53	67,012	68,937
12	54	68,794	70,719
	55	70,790	72,715
	56	72,841	74,766
	57	74,955	76,880
13	58	75,452	77,377
	59	77,640	79,565
	60	79,890	81,815
	61	82,208	84,133
14	62	84,590	86,515
	63	N/a	88,998
	64	N/a	91,552
	65	N/a	94,180