



PAY POLICY STATEMENT 2020/21

REPORT BY DIRECTOR FOR DIGITAL AND RESOURCES

1.0 SUMMARY

- 1.1 This report seeks approval of the Pay Policy Statement 2019/20, which is a statutory requirement under Section 38 (1) of the Localism Act 2011. The statement will be updated on an annual basis.
- 1.2 The pay policy statement is set out in Appendix 1.

2.0 BACKGROUND

- 2.1 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.
- 2.2 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.
- 2.3 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.
- 2.4 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.

3.0 COMMENTARY

- 3.1 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.
- 3.2 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.

- 3.3. 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 Councils' 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 (latest structure)	1	4	0	12
April 2019	1	3	0	14
April 2020	1	3	0	12

- 3.4 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%

4.0 LEGAL

- 4.1 The Pay Policy Statement is a statutory requirement under Section 38 (1) of the Localism Act 2011.
- 4.2 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.

5.0 FINANCIAL IMPLICATIONS

- 5.1 There are no financial implications to publishing the Pay Policy Statement.

6.0 RECOMMENDATION

- 6.1 Council is recommended to note the Pay Policy Statement 2020/21 set out in Appendix 1.

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.

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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 Council's Equalities Policy.

3.0 SUSTAINABILITY ISSUES

3.1 Matter considered and no issues identified.

4.0 EQUALITY ISSUES

4.1 The Councils have implemented 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 Councils.

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 2020-21**

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 2020-21, 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.

- 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 2020 is spinal column point 1 (£17,842) 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.

Adur District 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 13 with 63 spinal column points within the grade ranges 1 (lowest) to 13 (highest). The Adur District Council payscale also has a spot salary - spinal column point 62, which was introduced for one particular Head of Service role that was evaluated as higher than grade 13. This spot salary was 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 13 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://www.adur-worthing.gov.uk/meetings-and-decisions/committees/joint/senior-staff/>

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. The salary of the Chief Executive as at 1st April 2020 is £125,406 full time equivalent, with additional payments for the role of Returning Officer at elections.

Details of the remuneration of Chief Officers is published in the Council's statement of accounts which can be accessed at the following web address: <http://www.adur-worthing.gov.uk/about-the-councils/finance/statement-of-accounts/>

4.2 'Lowest paid employees'

Each lowest paid employee is paid within the salary range for Grade 1, Spinal Column Point 1 (£17,842 as at 1st April 2020) - Spinal Column Point 3 (£18,562 as at 1st April 2020).

Note: for employees paid on The National Minimum Wage for their age the rates are as follows from 1st April 2020:

Apprentice:	£4.15 per hour
16 - 17	£4.55 per hour
18 – 20	£6.45 per hour
21 - 24	£8.20 per hour
25 and over	£8.72 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 is 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 Other pay elements 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.
- 4.5 Charges, fees or allowances 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.

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.

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.

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 4 weeks, their continuous service is broken.

4.8 New starters joining the Council

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.

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 £25,481. The pay ratio between the median average and the salary of the Chief Executive is 1:4.92.

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 2020

APPENDIX 1

GRADE	SCP	2019/20 SALARY	2020/21 SALARY
			£
1	1	17,364	17,842
	2	17,711	18,198
	3	18,065	18,562
2	4	18,426	18,933
	5	18,795	19,312
	6	19,171	19,698
3	7	19,554	20,092
	8	19,945	20,493
	9	20,344	20,903
	10	20,751	21,322
	11	21,166	21,748
4	12	21,589	22,183
	13	22,021	22,627
	14	22,462	23,080
	15	22,911	23,541
	16	23,369	24,012
	17	23,836	24,491
5	18	24,313	24,982
	19	24,799	25,481
	20	25,295	25,991
	21	25,801	26,511
	22	26,317	27,041
	23	26,999	27,741
	24	27,905	28,672
	25	28,785	29,577
6	26	29,636	30,451
	27	30,507	31,346
	28	31,371	32,234
	29	32,029	32,910
	30	32,878	33,782
	31	33,799	34,728
7	32	34,788	35,745
	33	35,934	36,922
	34	36,876	37,890
	35	37,849	38,890
8	36	38,813	39,880
	37	39,782	40,876
	38	40,760	41,881
	39	41,675	42,821
	40	42,683	43,857
9	41	43,966	45,175
	42	45,014	46,252
	43	46,068	47,335
	44	47,075	48,370

GRADE	SCP	2019/20 SALARY	2020/21 SALARY
			£
10	45	48,078	49,400
	46	49,078	50,428
	47	50,306	51,689
	48	51,564	52,982
	49	52,852	54,305
11	50	55,793	57,327
	51	57,994	59,589
	52	61,474	63,165
	53	64,096	65,859
12	54	65,801	67,611
	55	67,710	69,572
	56	69,672	71,588
	57	71,694	73,666
13	58	72,169	74,154
	59	74,263	76,305
	60	76,415	78,516
	61	78,632	80,794
	62	77,090	80,910
SPOT (13+)	63	80,910	83,135