



## Pay Policy Statement 2019/20

### Cllr Sanders, Cabinet Member for Economic Development and Corporate Affairs

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<b>Report to</b>	<b>Human Resources Committee</b>
<b>Ward(s):</b>	<b>All</b>
<b>Key Decision:</b>	<b>No</b>
<b>Appendix 1:</b>	<b>Pay Policy Statement 2019/20</b>
<b>Papers relied on:</b>	<ol style="list-style-type: none"><li><b>1. Localism Act 2011 Part 1 – Local Government Chapter 8 – Pay Accountability</b></li><li><b>2. Communities and Local Government – Openness and accountability in local pay: guidance under Section 40 of the Localism Act (February 2012)</b></li><li><b>3. Statement of policy regarding discretionary functions in the Local Government Pension Scheme (LGPS)</b></li><li><b>4. The MJ article – ‘Public and private sectors poles apart in senior pay’ – 1 February 2018 (page 1)</b></li></ol>

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Recommendation that HR Committee:

1. Recommends the pay policy statement at Appendix 1 to Council
2. Note the delegation to the Head of HR and Organisational Development to update the pay policy statement to reflect legislation affecting public sector exit payments, should that become effective during 2019/20.
3. Notes the position with regards to the local government pay offer for the period 2018-2020 and resulting changes to pay structure.
4. Notes the other issues to be progressed during 2019/20 which will impact on the pay policy statement. These elements of work have been combined into a single Pay Project, progress on which will be reported to HR Committee in September 2019.

## Background, corporate objectives and priorities

This report sets out the council's pay policy statement for 2019/20 and updates members of a number of other issues which are being progressed which could impact on the pay policy statement in future. The report accords with the council's Policy and Budget Framework and supports the development of an effective and efficient council.

## Glossary of terms

Term	Definition
HR	Human Resources
BDBC	Basingstoke and Deane Borough Council
CD	Director
CX	Chief Executive
SLT	Strategic Leadership Team
NJC	National Joint Council for Local Government Services
JNC for Chief Officers	Joint Negotiating Committee for Chief Officers
JNC for Chief Executives	Joint Negotiating Committee for Chief Executives

## Main considerations

### 1 Executive summary

- 1.1 This report proposes a pay policy statement for 2019/20 for HR Committee to recommend to the Council. It is based on the statement for 2017/18 which has been updated throughout to reflect the requirements of transparency and national changes to salary scales along with other minor amendments to ensure that the council's approach to paying its employees is clear.
- 1.2 HR Committee was advised in February 2018 that the pay policy statement would be updated to reflect forthcoming legislation which will apply a cap to public sector exit payments and impact on recovery of exit payments. It is still not clear when this legislation will come in to force and further, the details of the specific data requirements relating to each element of legislation have still not been published. Given the time that has passed, HR Committee are asked to re-confirm the delegated authority to the Head of HR and Organisational Development to make any changes required to the pay policy statement as a result of these statutory changes.
- 1.3 The local government pay offer for 2018-2020 was agreed during 2018 and therefore will be applied on 1 April 2019 without the requirement for further negotiation. The Head of HR and Organisational Development has delegated authority to make amendments to the pay policy statement as a result of any national pay awards which the council is contractually bound to agree.
- 1.4 There are a number of other issues which could impact on the pay policy statement in future. These include; the system used for evaluating posts within the Council, structures to facilitate pay progression based on supporting

career progression, market supplements for hard to fill roles, the frequency with which pay benchmarking reviews should be undertaken against the council's comparator group, the definition of upper quartile pay, a review of car allowances and external pay benchmarking for senior roles.

- 1.5 These strands of work have been combined into a single pay project, progress on which will be reported into HR committee in September.

## **2 Background**

- 2.1 Every local authority must produce an annual pay policy statement for the financial year; it must be adopted by the Council and be reviewed annually. Appendix 1 contains the proposed 2019/20 pay policy statement.
- 2.2 The pay policy statement must explain the authority's approach to the pay of its "chief officers" (as defined by the Act) and its "lowest paid" employees (as defined by the council in its pay policy statement) and the relationship between the two. The authority has to comply with its pay policy statement for the financial year to which it relates.
- 2.3 The pay policy statement must be accessible to the public so as to ensure "*that communities have access to the information they need to determine whether remuneration, particularly senior remuneration, is appropriate and commensurate with responsibility*<sup>1</sup>". The council's policy is published in the 'Our spending and accounts' section on the external website.
- 2.4 Any revisions must be approved by the Council although delegated authority has been granted to the Head of HR and Organisational Development to make amendments to the statement as a result of any national pay awards or other changes which the council is contractually bound to agree.

### **Requirements of the Localism Act**

- 2.5 The information that must be included in the pay policy statement is:
- the level and elements of remuneration for each "chief officer";
  - policy on the remuneration of the "lowest-paid" employees (and the council's definition of "lowest-paid employees" and its reasons for adopting that definition);
  - policy on the relationship between the remuneration of its chief officers and other officers;
  - policy on other specific aspects of chief officers' remuneration; and
  - policy on remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency.
- 2.6 The Localism Act defines remuneration widely, not just as salary but also charges, fees, allowances, benefits in kind, increases in/enhancements of pension entitlements, and termination payments.

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<sup>1</sup> Openness and accountability in local pay: Guidance under section 40 of the Localism Act Paragraph 11

- 2.7 The Localism Act also requires local authorities to have regard to relevant statutory guidance. Guidance also requires local authorities to include additional information relating to their policies on pay that they consider appropriate and specifically, policies relating to the other terms and conditions for chief officers, and any additional arrangements that may not amount to formal terms and conditions.
- 2.8 The Act does not require the pay policy statement to include numerical data on pay and reward as this information has been published under the Local Government Transparency Code 2014 and the Accounts and Audit (England) Regulations 2011.

### **3 Key issues for consideration**

#### Updates for the 2019/20 pay policy statement

- 3.1 The statement has been generally updated to reflect good practice. The following main changes have been made to the statement for 2019/20:
- Updated throughout to reflect new salary scales and changes to the pay structure as a result of national changes
  - 15.3 introduces a requirement for full Council to approve severance packages over £100k
- 3.2 The NJC agreement for 2018-20 included the introduction of a new pay spine on 1 April 2019 based on the introduction of a bottom rate of £9 per hour, 'pairing off' some lower scale points and creating new scale points with equal steps of 2%. As a nationally agreed change the Council is contractually obliged to introduce the changes and local agreement has been reached to do so. Changes are reflected in the 2019 pay scales appended to this report.
- 3.3 The pay ratio shows the gap between the highest paid employee and the median salary at the council. Most councils have not yet published their pay policy statements for 2019/20 so it has not been possible to complete benchmark the BDBC ratio of 5.7:1 against others but it remains comparatively low based on historical data.
- 3.3 New legislation around Companies Governance came into force in January 2019 requiring listed UK Companies with over 250 staff to publish details of the ratio between their highest and lowest paid employee. This is like to lead to greater interest in high/low pay ratios across all sectors from 2020 when the first official reports are required. For 2019 the council's pay ratio between its highest and lowest paid employee is 7.57:1 compared to 8.07:1 in 2018.

#### Future Legislation

- 3.4 The following legislative changes, which will impact on the content of future pay policy statements, were due to be implemented in 2017/18 but are still awaited:

- Public Sector Exit Payments Cap. It is currently anticipated this will include a £95k exit payment cap and may also include caps on the calculation of redundancy payments.
  - Recovery of Exit Payments. It is anticipated this will apply to public sector workers with a minimum salary of £80k and will require them to return their exit payment (or a proportion of it) if they return to work in any part of the public sector within 12 months of leaving.
- 3.5 It is still not clear when this legislation will come in to force and the details of the specific data requirements relating to each element of legislation have not yet been published. The council will comply fully with the legislation requirements when in place.
- 3.6 HR Committee has previously been updated about these forthcoming changes and delegated authority was given to the Head of HR and Organisational Development to make any changes to relevant policies which will be required in order to comply with expected changes in legislation in respect of public sector exit payments, once issued, so that the relevant policies can be updated expeditiously.
- 3.7 HR Committee receives an annual report on all early retirements, redundancies and settlement agreements made in any one year and will be able to use this report to monitor the impact of the new legislation.

#### Local government pay 2019/20

- 3.8 The 2018-20 NJC pay offer was for a flat rate increase of 2% to spinal points 20 and above from 1 April 2018, and 2% to spinal points 23 and above from 1 April 2019. The increase to spinal points 19 and below in year 1 and spinal point 22 and below in year 2 will be slightly higher than 2% in order to continue to close the gap with the National Living Wage. At BDBC this impacts all staff on grades 2 to 10 (there are no posts at grade 1).
- 3.9 The JNC for Chief Officers negotiating body agreed a flat rate increase of 2% on 1 April 2018 and 1 April 2019. At BDBC this impacts all staff at grade 11 and above.
- 3.10 The Head of HR and Organisational Development had been given delegated authority to make amendments to the pay policy statement as a result of any national pay awards which the council is contractually bound to agree. Revised scales for 1 April 2019 are appended to the pay statement.

#### **4 Other pay issues**

- 4.1 Work is underway on a number of other issues, highlighted to the HR Committee in 2018, which will impact on the pay policy statement in future. A project plan has been agreed by SLT, incorporating the following elements:
- Pay scale changes April 2019
  - Job evaluation system
  - Pay structures to facilitate career progression
  - Additional payments including car allowances, market supplements and out of hours/standby payments

- Future policy for market positioning and benchmarking

4.2 Initial work on changes to the national pay scales has been prioritised as this requires implementation on 1 April 2019. Progress and outcomes of this project will be reported to HR Committee throughout 2019.

## **5 Corporate Implications**

### **5.1 Financial Implications**

5.1.1 There will be financial implications arising from changes to the pay structure. The cost of this is not yet known but will be met from within existing budgets.

5.1.2 There are no other financial implications arising from the recommendation in this report as the pay policy statement is based upon existing policies and procedures.

### **5.2 Risk Issues**

5.2.1 There are no significant risk issues arising from this report.

### **5.3 HR Issues**

5.3.1 These are detailed within the report.

### **5.4 Equalities**

3.3.1 There are no significant issues arising from this report.

### **5.5 Legal Implications**

5.5.1 There are no significant legal issues arising from this report.

## **6 Communication and Consultation**

6.1 As the pay policy statement is largely a matter of fact in terms of how the council currently determines the pay and conditions of its staff, consultation with Unison and the Staff Forum is not required.

**Date: 18 March 2019**  
**Decision taken by: HR Committee**

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<b>Status</b>	Open
<b>Confidentiality</b>	It is considered that information contained within this report and appendices do not contain exempt information under the meaning of Schedule 12A of the Local Government Act 1972, as amended, and therefore can be made public.



## **PAY POLICY STATEMENT 2019-20**

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## **1. Purpose**

1.1 Basingstoke and Deane Council is committed to delivering a fair, equitable and transparent policy covering pay and other employee benefits which improves flexibility in delivering services and provides value for money. 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.

Within the framework of its terms and conditions of employment, the Council aims to develop and maintain appropriate pay systems and benefit packages to attract and retain motivated, flexible people who take responsibility, work as a team, improve performance and acquire new skills.

1.2 This Pay Policy Statement is provided in accordance with Section 38(1) of the Localism Act 2011 and will be updated annually from 31 March each year.

1.3 This Pay Policy Statement sets out the Council's policies relating to the pay of its workforce for the period from 1st April 2019 to 31st March 2020, in particular the:

- Remuneration of chief officers;
- Remuneration of the lowest-paid employees;
- Relationship between the remuneration of chief officers and employees who are not chief officers.

1.4 The statement meets the Council's obligations under the Localism Act 2011 and will enable the elected members of the Council to make decisions on pay.

1.5 The Council's Human Resources Committee approves staff retention packages and incentives and recommends to Full Council approval of any element of discretion involving the Local Government Pension Scheme that falls outside the delegated powers of the Head of Paid Service and Head of Human Resources and Organisational development. The committee comprises elected Councillors and has responsibility for local terms and conditions of employment for staff within the council's pay framework.

1.6 The Council's Pay Policy Statement will be agreed by Full Council before the beginning of each financial year and will then be published on the Council's website. The statement may also be amended during the course of the year if necessary by the HR Committee, the HR committee can refer with recommendations to Full Council on any major changes to the policy in year.

1.7 The Council will endeavour to maintain the constructive partnership approach it has developed with the recognised Trade Unions and will continue to work closely with them on pay issues.

## **2. Scope**

2.1 This statement applies to all employees of the Council employed under the conditions of service of the following bodies:

National Joint Council for Local Government Services;

- Joint Negotiating Committee for Chief Officers of Local Authorities;
- Joint Negotiating Committee for Local Authority Chief Executives;

- National Joint Council for Local Government Services

### 3. Definitions

For the purposes of this Pay Policy Statement the following definitions will apply:

#### 3.1 Remuneration includes three elements:

- Basic salary;
- Pension;
- Any other allowances arising from employment.

#### 3.2 Chief Officers

Under the Localism Act 2011 a Chief Officer is defined as:

- The head of the Council's paid service designated under section 4(1) of the Local Government and Housing Act 1989;
- The monitoring officer designated under section 5(1) of that Act;
- A statutory chief officer mentioned in section 2(6) of that Act;
- A non-statutory chief officer mentioned in section 2(7) of that Act;
- A deputy chief officer mentioned in section 2(8) of that Act.

In Basingstoke and Deane Council this definition would apply to the following posts:

- The Chief Executive (Head of Paid Service)
- The Head of Law and Governance (Monitoring Officer) and the Executive Director of Finance and Resources (Section 151 Officer) as the council's statutory Chief Officers
- Executive Director of Borough Services, Executive Director of Borough Development and Deputy Chief Executive as non-statutory Chief Officers
- Deputy Chief Officers i.e. all other Heads of Service and all senior managers if reporting directly to, or directly accountable to, a statutory or non-statutory Chief Officer in respect of all or most of their duties (excluding roles which are clerical or secretarial).

Role	Remuneration
Chief Executive	£149,090*
Directors	£99,101 - £104,438
Project Directors	£92,196 - £95,990
Heads of Service	£69,582 - £82,832
Other Chief Officers	£46,840 - £69,582

\*Includes all charges, fees, allowances and benefits in kind, but excludes the Returning Officer's fee

The contractual remuneration package for Chief Officers includes a car allowance. This benefit also applies to all staff at Grade 9 and above who are not Chief Officers.

#### 3.3 Definition of a Day's Pay

The definition of a day's pay is the hours worked on the day multiplied by the employee's hourly rate of pay.

#### 3.4 Lowest Paid Employees

This refers to employees on Grade 2. This definition has been adopted as it is the lowest level of remuneration attached to a post within the Council. The lowest pay point value with effect from 1 April 2019 will be £10.14, as per the second year of the National Joint Council for Local Government Employees' (NJC) pay deal. This is greater than the projected National Living Wage rate at that date.

The lowest paid employees are paid within the salary range for Grade 2 which covers four salary points ranging between £ 19,554 and £20,751.

The lowest paid employees do not include apprentices for whom there are separate pay arrangements as follows:

- During first year of employment:  
£ 203.87 per week (£ 10,637 per annum)
- During second year of employment:  
£ 203.87 per week (£ 10,637 per annum) if aged under 18;  
£ 226.81 per week (£11,842 per annum) if aged 19 – 20;  
£ 284.53 per week (£14,813 per annum) if aged 21 – 24;  
£ 301.18 per week (£15,716) if aged 25 or above

## **4. Pay and Grading Structure**

4.1 The grading of all posts in the Council, is determined using the K plan job evaluation scheme the council will be moving this year to new evaluation scheme. This is in order to ensure that all posts are graded and therefore rewarded financially through a fair and non-discriminatory process, that there is consistency in treatment between posts and that the Council complies with equal pay legislation. The scheme is an analytical one that takes into consideration three key elements of a post:

- Know How - the levels of knowledge, skill and experience (gained through work experience, education and training) which are required to perform the job successfully;
- Problem Solving - the complexity of thinking required to perform the job when applying Know How;
- Accountability - the impact the job has on the organisation and the constraints that the job holder has on acting independently.

4.2 Basic pay is paid in accordance with the evaluated grade of the post. Each grade comprises a range of pay points. A copy of the Council's pay and grading structure is attached at Appendix A.

4.3 The National Living Wage rates, with effect from 1 April 2019 does not impact on the value of the Council's lowest pay grades as the council pay is of a higher value. Annual pay awards for all employees will be agreed by the Human Resources Committee having regard to any agreement reached by the relevant national negotiating bodies.

- 4.4 The Joint Negotiating Committee for Chief Officers of Local Authorities and the Joint Negotiating Committee for Chief Executives of Local Authorities have agreed a pay award of 2% each year for 2018/19 and 2019/20.
- 4.5 Employees in post when a pay award is due but who subsequently leave the Council before it is implemented are entitled to receive the difference in pay. To claim backdating from their date of leaving they must contact the Human Resources.
- 4.6 Details of senior management remuneration are published annually on the Council's website as part of this Pay Policy Statement and in the Council's Statement of Accounts.

**5. Relationship between remuneration of 'Chief Officers' and 'employees who are not Chief Officers'**

- 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 employees who are not Chief Officers be considered on the ratio between the highest paid employee and the median average earnings across the organisation as a multiple. This has been calculated as follows:

Remuneration for the Chief Executive (excluding pension contributions)	£149,090
Median remuneration for all employees at the Council (excluding pension contributions)	£28,847
Ratio	5.17

**6. Remuneration on Appointment**

- 6.1 All employees are usually appointed to the minimum pay point applicable to the grade of the post. If the employee is already being paid above the minimum pay point, the Head of Human Resources and Organisational development has discretion in some circumstances to appoint to a higher pay point, subject to the maximum of the grade.
- 6.2 Annual increments are not awarded in the first year of employment to employees who commence employment between 1 January and 31 March. This also applies to current employees who receive an incremental rise, for example, due to a change of role, accelerated increment or regrading between 1 January and 31 March. The next incremental rise will be due in April, the following year subject to satisfactory performance.
- 6.3 Where it is necessary for a newly appointed employee to relocate in order to take up a post, the Council may make a contribution towards the reimbursement of relocation expenses in line with the Relocation Allowances Guide.
- 6.4 Human Resources Committee are given the opportunity to consider salary packages over £100,000 before new posts are established and advertised.

**7. Market Review and Supplements**

- 7.1 The council benchmarks its pay and benefits by comparing pay and rewards for a sample of posts, and will also carry out full market testing against a comparator group. The council will seek to position itself at the upper quartile level in accordance with the aspirations of the council to continue to deliver excellent, high performing services to the community.
- 7.2 For the purpose of pay benchmarking and market testing the comparator group comprises public sector authorities in Berkshire, North Hampshire, Oxfordshire and South Buckinghamshire and authorities in other areas if relevant, who are similar to the council in terms of size (number of employees, population and turnover) and other relevant factors. Jobs within London Boroughs will not be used for comparator purposes due to London weighting allowance. In exceptional circumstances, other external market pay data, including private sector data, will also be considered where relevant. Pay and benefits benchmarking on a sample of posts will be carried out every year, but a full market review will be carried out every five years if required.
- 7.3 There is provision for the award of market supplements where a job has been evaluated under the Job Evaluation Scheme and the resulting salary is proven to be out of step with the market rate for the job. Payment of temporary market supplements include payments such as 'golden hellos', retention payments or regular monthly payments. In situations where a market supplement is being considered a report detailing the business case must be presented to the Head of HR and Organisational Development, who will make the final decision as to whether a supplement is payable, the amount and the frequency of review, in consultation with the Head of Financial Services and the relevant Executive Director.
- 7.4 For Executive Director and Chief Executive posts approval for payment of a market supplement will also need to be given by HR Committee.

## **8. Incremental Progression**

- 8.1 Subject to one year's satisfactory service in the grade, employees are eligible to receive annual increments on 1st April each year until they reach the maximum pay point for the grade of their job. Where circumstances warrant, accelerated increments may be granted by the Head of Human Resources and Organisational development.
- 8.2 This also applies to current employees who receive an incremental rise, for example, due to a change of role. Employees subject to career grade schemes will progress in line with the arrangements for that post.
- 8.3 Increments will be withheld where performance has not met the required standard and where the issue has been raised with the employee formally.

## **9. Additional Payments**

- 9.1 Employees are eligible to receive a flat-rate enhancement for working at night.
- 9.2 Employees are eligible to receive enhancements for working on public holidays.
- 9.3 Employees in posts graded 2 – 10 who work additional hours are eligible to receive time off in lieu or payment at plain time rate for hours worked. Hours

worked above 37 hours (full time) will be paid at time and a half. Grade 11 and above, there is no entitlement to pay or time off in lieu for working additional hours. Further details on overtime can be found in the council's overtime working policy.

- 9.4 Employees required to "sleep in" on the premises receive an allowance as agreed by the National Joint Council for Local Government Services.
- 9.5 Employees required to participate in a standby rota due to the nature of their job will receive an allowance based on that agreed by the National Joint Council for Local Government Services as part of the annual pay award.
- 9.6 A Special Responsibility Allowance is paid to the Executive Director of Borough Development and Deputy Chief Executive to reflect the additional responsibilities that would be undertaken by the post holder when deputising for the Chief Executive in his or her absence.
- 9.7 Car mileage for work related travel is classed as expenses, i.e. are not tax deductible and relate to additional costs incurred.

## **10. Other Allowances**

- 10.1 All Chief Officers receive allowances as detailed in the Conditions of Service of the Joint Negotiating Committee for Chief Officers of Local Authorities and the Joint Negotiating Committee for Local Authority Chief Executives. However, where these conditions are silent, or do not cover an allowance or process, the Chief Executive and senior officers receive the same as those employees covered by the National Joint Council for Local Government Services. Conditions of service for all other Pay Policy Statement 2019/20 employees covered by this statement can be requested from the Local Government employers.

### **10.2 Election Duties**

No fees for election duties are included in the salaries of Chief Officers. 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.

The Returning Officer is an officer of the Borough Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the Borough 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 Borough Council. As Returning Officer, he/she is paid a separate allowance for each election for which he/she is responsible.

### **10.3 Professional Fees**

The Council reimburses annual registration or comparable fees to employees who are unable to practise their professions unless such fees are paid. Professional fees are also paid to employees who are being sponsored to undertake training leading to a professional qualification. However, once the qualification has been gained, the individual will become responsible for paying their own professional fees.

#### **10.4 Car Allowances**

Staff are paid for business travel based on their designation, i.e. essential user, cash alternative or casual user and are paid rates as defined in the council's car policy. We operate a salary sacrifice scheme for vehicles which all staff can access once they have been employed for 6 months and have either a permanent contract or a temporary one of a minimum of three years.

#### **10.5 Fire Wardens and First Aid Allowances**

Employees who are classified as a 'designated fire wardens or first-aider' are eligible to receive an allowance.

All designated fire wardens and first-aiders will receive an allowance of £200. The allowance will not be used in calculating any enhancements.

### **11. Bonus Payments**

11.1 The Council does not pay any group of employees a bonus. The council does not offer performance related pay to any employee.

### **12. The Health Care Cash Plan**

12.1 The council offers a Health Care Cash Plan scheme and a Benefits Platform which are available to all employees regardless of their role and grade within the council.

### **13. Pension Benefits**

13.1 All employees under the age of 75 are eligible to join the Local Government Pension Scheme. The scheme is a statutory scheme with contributions from employees and employers.

13.2 The scheme allows for the exercise of discretion on the enhancement of retirement benefits. The Council will consider each case on its merits, but has determined that its usual policy is not to enhance benefits for any of its employees.

13.3 The scheme provides for flexible retirement. To be eligible to request flexible retirement, the Council requires that an employee must either reduce their working hours by a minimum of 40% and/or be appointed to a post on a lower grade. In applying this provision no distinction is made between employees.

13.4 Under the Local Government Pension Scheme, employees who return to work after drawing their pension will not have their pension abated (i.e. reduced or suspended) except where they have been previously awarded "added years".

13.5 The Council does not award "added years" to employees and has not done so since 2006.

## **14. Honoraria**

- 14.1 Subject to certain conditions, employees who are temporarily required to undertake some or all of the duties of a higher graded post are eligible to be paid an honorarium. Heads of Service have 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. The Head of Financial Services and the Head of Human Resources and Organisational Development must be consulted before any action is taken.
- 14.2 Where the employee has been covering in the absence of a more senior officer (i.e. 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.

## **15. Salary Protection**

- 15.1 The Council will take reasonable steps to protect an employee's basic pay where it is reduced as a result of:
- Organisational change
  - Redeployment where the individual is at risk of or under notice of redundancy and is redeployed or assimilated into either a lower graded post or a post which attracts a lower total remuneration package than their previous post
- 15.2 The Council protects the remuneration of employees for a maximum of twelve months from the date of the change to basic pay, subject to a maximum of one grade difference or equivalent between the old post and the new post.

## **16. Termination of Employment**

- 16.1 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 payments is set out in the 'Statement of policy regarding discretionary functions in the Local Government Pension Scheme'. The policy for the award of any discretionary payments is the same for all staff regardless of their pay level. The following arrangements apply:

### **16.2 Early Retirement (Efficiency of Service)**

The Local Government Pension Scheme allows employers certain discretionary powers but the Council's usual policy is not to enhance pension benefits for any employee. Therefore, there are no provisions for employees to seek early retirement on the grounds of efficiency of the service.

### **16.3 Redundancy**

The Council has a single redundancy scheme which applies to all employees. Redundancy payments are calculated in accordance with the Employment Rights Act 1996 and the 2006 Discretionary Compensation Regulations and are based on the employee's age, length of continuous local government service and salary. This provides an overall lump sum of two times the statutory redundancy payment multiplier based on an actual week's pay. This is payable to employees made redundant with two or more years local government service regardless of their age. The Council does not provide any further payment to employees leaving the Council's employment other than in respect of accrued annual leave.

Employees who have TUPE transferred into the Council on redundancy terms which are more favourable than those detailed above will retain these provisions as per TUPE legislation.

#### **16.4 Settlement agreements**

In exceptional circumstances, and specifically so as to settle a claim or potential dispute, the Head of Law and Governance/Monitoring Officer can agree to enter into a settlement agreement. In such cases, each decision as to the level of payment will be taken on its individual merits and with approval from the Head of Human Resources and Organisational Development and the Executive Director of Finance and Resources/S151 Officer.

Full Council will be given the opportunity to vote on severance packages over £100,000 before they are approved. The Government announced its intention to introduce a cap on Public Sector exit payments in order to restrict these to a maximum of £95,000. This has the potential to reduce both redundancy dismissal and efficiency pension benefits where the Chief Officer is aged 55+ and may have some of their pension benefits reduced where the overall cost of termination exceeds £95,000 including pension strain costs, the policy will be adjusted should this come into law.

### **17. Re-Engagement of Employees**

- 17.1 Where employees have left the Council's employment due to Voluntary redundancy (with or without release of pension benefits) or settlement agreement within the last 12 months, re-engagement will only be considered in exceptional circumstances where there is a business critical reason.

The above restriction does not apply where an employee was dismissed on the grounds of voluntary redundancy but without an entitlement to a redundancy payment and/or pension benefits, or where an employee was made compulsorily redundant.

- 17.2 Where it is agreed that a former employee should be offered re-employment with the Council during the 12 month non re-engagement period, the individual will be required to repay either all or a proportion of the severance payment received from the Council. The amount to be recovered will depend on the time that has elapsed since they received the payment. The individual must be advised of this requirement when they are provisionally offered the post.

17.3 Any necessary adjustments to pension would be made in accordance with the scheme regulations. Employees who are offered another post with any organisation covered by the Modification Order Act prior to their redundancy leaving date and commence this post within 4 weeks of that date are not eligible to receive their redundancy payment. 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.

## **18. Publication and Information Access**

18.1 This Pay Policy Statement will be published on the Council's website, together with the Council's pay and grading structure and information relating to senior management remuneration. Remuneration details including benefits in kind are set out in the council's published Annual Statement of Accounts and can be accessed via the Council's website.

Pay Scales, Effective 1 April 2019 <sup>2</sup><sup>2</sup> Incorporating changes to pay scale

		BASINGSTOKE AND DEANE BOROUGH COUNCIL							
		LOCAL VARIATION TO SALARY SCALES							
		2019 - 2020 SALARY SCALES							
		GRADES 1 - 10							
SCP	Salary	Grade 1							
3	£18,065	£18,065							
4	£18,426	£18,426							
5	£18,795	£18,795							
6	£19,171	£19,171							
			Grade 2						
7	£19,554		£19,554						
8	£19,945		£19,945						
9	£20,344		£20,344						
10	£20,751		£20,751						
				Grade 3					
11	£21,166			£21,166					
12	£21,589			£21,589					
13	£22,021			£22,021					
14	£22,462			£22,462					
					Grade 4				
15	£22,911				£22,911				
16	£23,369				£23,369				
17	£23,836				£23,836				
18	£24,313				£24,313				
19	£24,799				£24,799				
20	£25,295				£25,295				
						Grade 5			
21	£25,801				£25,801				
22	£26,317				£26,317				
23	£26,999				£26,999				
24	£27,905				£27,905				
25	£28,785				£28,785				
							Grade 6		
26	£29,636				£29,636				
27	£30,507				£30,507				
28	£31,371				£31,371				
29	£32,029				£32,029				
30	£32,878				£32,878				
								Grade 7	
31	£33,799				£33,799				
32	£34,788				£34,788				
33	£35,934				£35,934				
34	£36,876				£36,876				
35	£37,849				£37,849				
									Grade 8
36	£38,813				£38,813				
37	£39,782				£39,782				
38	£40,760				£40,760				
39	£41,675				£41,675				
40	£42,683				£42,683				
41	£43,662								
									Not in use
									Grade 9
42	£44,632								£44,632
43	£45,591								£45,591
44	£46,732								£46,732
45	£47,896								£47,896
46	£49,101								£49,101
									Grade 10
47	£50,318								£50,318
48	£51,429								£51,429
49	£52,869								£52,869
50	£54,194								£54,194
51	£55,544								£55,544

NB: Point 41 is not in use

resulting from national negotiations

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BASINGSTOKE AND DEANE BOROUGH COUNCIL  
 LOCAL VARIATION TO SALARY SCALES  
 2019 - 2020 SALARY SCALES  
 GRADES 11 - 14

SCP	Salary	Grade 11			
52	£56,922	£56,922			
53	£58,138	£58,138			
54	£59,383	£59,383			
55	£60,656	£60,656			
			<b>Grade 12</b>		
56	£61,965		£61,965		
57	£63,309		£63,309		
58	£64,658		£64,658		
59	£66,056		£66,056		
60	£67,467		£67,467		
				<b>Grade 13</b>	
61	£70,409			£70,409	
62	£71,923			£71,923	
63	£73,464			£73,464	
64	£75,050			£75,050	
65	£76,663			£76,663	
					<b>Grade 14</b>
66	£78,309				£78,309
67	£80,735				£80,735
68	£85,275				£85,275
69	£88,982				£88,982
70	£92,852				£92,852

BASINGSTOKE AND DEANE BOROUGH COUNCIL  
 LOCAL VARIATION TO SALARY SCALES  
 2019 - 2020 SALARY SCALES  
 GRADES CD & CX

SCP	Salary	CD			
71	£99,756	£99,756			
72	£101,483	£101,483			
73	£103,209	£103,209			
74	£105,423	£105,423			
75	£107,695	£107,695			
			<b>CX</b>		
76	£130,621		£130,621		
77	£134,068		£134,068		
78	£137,514		£137,514		
79	£140,961		£140,961		
80	£144,408		£144,408		

