

Wiltshire Council Human Resources

Pay Policy Statement

This policy can be made available in other languages and formats such as large print and audio on [request](#).

What is it?

The pay policy statement sets out the council's approach to pay and reward for senior managers and the lowest paid employees for the financial year 2018-2019.

Its purpose is to provide a clear and transparent policy, which demonstrates accountability and value for money. The policy also meets the council's obligations under the Localism Act 2011 and the Code of Recommended Practice for Local Authorities on Data Transparency.

The pay policy is applicable to council staff and does not include schools support staff or teachers.

The pay policy statement sets out the authority's policies for council staff for the financial year relating to:

- the remuneration of chief officers
- the remuneration of the lowest-paid employees
- the relationship between the remuneration of chief officers and employees who are not chief officers.

Remuneration for the purposes of this statement includes the following elements:

- basic salary
- any other allowances arising from employment

The term "chief officer" in this instance applies to more posts than the usual council definition, and includes the following senior manager roles:

Corporate Director
Director
Head of Service
Some specialist roles

The term “lowest paid employees” refers to those employees on the lowest pay point of our grading system which is spinal column point 6, £15,014 per annum.

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Introduction

Wiltshire Council is a large and complex organisation providing a wide range of services to the community, with an annual budget of xxx (2018/19).

In order to deliver these services around 10,630 people work for the council, 4,602 of whom work in the council (non-schools), in a variety of diverse roles such as corporate director, social worker, public protection officer and general cleaner.

The council published the new business plan 2017 – 2027 last year. At the heart of the business plan the vision continues to be to create strong communities, and the ten year plan sets out the key actions that will be taken to deliver this. The key priorities of the business plan are to grow the economy, protect the vulnerable, build strong communities and ensure the council is innovative and effective across all services.

The coming year will be challenging with the council having to find innovative ways to deliver services within strict cost parameters. It is now more important than ever to ensure the council has the right people in the right place at the right time to deliver services. An annual review of market pay for senior roles will ensure the council is able to compete in the jobs market to recruit and retain the right people in these senior roles.

The apprenticeship levy came into force on 6 April 2017 which means that the council is now paying a levy of 0.5% of the pay bill into a digital apprenticeship account which can be used to fund the cost of training for apprenticeships. As well as focussing on recruiting new apprentices, the council is also using the levy to fund upskilling current employees. In 2018 there will be a focus on developing our future and current leaders in order to improve our skills in this area. Two accredited programmes will be available for aspiring and developing managers and the levy funding will be used to purchase the apprenticeship training modules.

In early 2016, negotiations took place between Wiltshire Council and the recognised trade unions in order to deliver annual savings of £2.5m over a 4 year period. The trade unions agreed to an increment freeze for a two year period covering 2016/17 and 2017/18 in order to avoid permanent changes to any terms and conditions as well as further redundancies. Incremental progression will recommence in April 2018.

The National Living Wage (NLW) will increase to £7.83 per hour from 1st April 2018 and is set to increase to over £9.00 by April 2020. As a result of this the national employers and trade unions have been meeting to discuss and agree a new pay spine which will take effect from April 2019. The new pay spine will mean the erosion of spinal points at the lower end of the scale to take account of the increases to the NLW, and will mean that some spinal column points will be combined. There is an expectation that the total increase to the national pay bill over the two-year period 2018/19 will be around 5.5% due to these changes, and this will mean savings will have to be made to account for this.

The Gender Pay Gap regulations came into effect in 2017 and the council must publish this data in March 2018. This will be set out alongside the equality monitoring report and will include an action plan to address any issues that arise.

Legislation was expected in 2017 on a proposed cap of £95,000 on public sector total exit payments as well as the recovery of exit payments from employees in the public sector with annual earnings of £80,000, where they return to work in the public sector within 12 months of leaving. However, this legislation has not been forthcoming this year and there is no firm news of when, or if, this is likely to be progressed.

Who does it apply to?

This pay policy statement applies to all non-schools employees of Wiltshire Council with the exception of Centrally Employed Teachers who are covered by the Teacher's Pay Policy.

When does it apply?

This pay policy statement was first published in February 2012 and is updated on an annual basis. It has now been updated for the financial year 2018/2019.

What are the main points?

1. This pay policy statement sets out the pay policies which apply to both the lowest paid and highest paid employees within the council.
2. In many cases the pay policies are the same for all employees. Where there are differences, these have been clearly outlined below.

The level and elements of remuneration for employees

3. In line with good employment practice the majority of jobs within the council have been evaluated using a job evaluation scheme. This is to ensure that jobs are graded fairly and equitably, and that the council complies with the Equal Pay Act.
4. A small number of jobs i.e. Youth and Community workers, centrally employed teachers and Soulbury staff are subject to national salary scales which determine the pay for each job, and therefore the evaluation schemes do not apply.
5. The council uses two job evaluation schemes in order to rank jobs.

HAY job evaluation scheme:

6. The HAY job evaluation scheme is used to evaluate senior manager jobs within the council (currently 112 employees), which include the following roles:
 - Corporate Director
 - Director
 - Head of Service
 - Strategic and technical specialists
7. Each job is assessed by a panel of three HAY trained evaluators. The evaluators consider the job against each HAY element and sub-element and apply the description and points that best fit the job being evaluated. The values awarded are subsequently added together to give a total job score.
8. The HAY Group periodically carry out quality control checks to ensure the consistency of job scores in line with the conventions of the scheme.
9. The job score determines the grade for the job. There are 6 HAY grades each containing a salary range over 4 spinal column points.

10. See the [HAY job evaluation scheme](#), the [points to grades](#) and [salary bands](#) for further details.
11. The council's policy is to pay the median market rate for the jobs evaluated using the HAY job evaluation scheme, and aims to ensure that the pay scales for HAY graded posts are sensitive to labour market pressures. There can be exceptions to this where the market pay for particular roles indicates that pay above the median may be required, in which case a market supplement may be applied.
12. There are no national pay scales for senior roles so pay is a matter for local determination. Pay scales for HAY grades are determined using the HAY pay databank for the public and not for profit sector and are reviewed on an annual basis and realigned should a pay drift be identified.

Greater London Provincial Council job evaluation (GLPC) scheme:

13. The GLPC job evaluation scheme is used to evaluate the majority of jobs within the council.
14. Each job is assessed by a panel of three trained GLPC evaluators. The evaluators consider each job against a suite of agreed role profiles that set out the level of work required of the grade within the relevant job family.
15. There are 8 job families each containing a set of role profiles stating the requirements at each grade.
16. There are 15 grades, each grade containing between 3 and 4 increments except for the lowest grade which has just one salary point. The GLPC pay grades were first implemented and agreed with the unions as part of the Pay Reform agreement in 2007.
17. See the [GLPC evaluation scheme](#), [the points to grades](#) and [salary bands](#) for further details.
18. The council aims to ensure that the GLPC scheme is appropriately applied and that there is continuity and consistency in the results. The evaluation process has been checked externally by job evaluation specialists in the South West Councils organisation.
19. For jobs evaluated using the GLPC job evaluation scheme the national pay spine determined by the National Joint Council (NJC) for Local Government Services applies and changes to the national pay spine are subject to annual pay negotiations.

Remuneration on recruitment

20. The same recruitment policies apply to all employees who take up a new appointment with the council, regardless of grade.
21. The council advertises all posts through the careers website, and may also employ a recruitment agency to provide a shortlist of candidates for senior manager jobs.
22. Candidates are normally appointed on the minimum spinal column point of the grade for the post.
23. If a candidate is currently being paid above the minimum point of the post they are applying for, the appointment may in some circumstances be on the next increment above their current salary, subject to the maximum of the grade.
24. The recruitment procedure for Corporate Director and Director posts is undertaken by the Officer Appointments Committee. This committee represents Council for all Corporate Director and Director appointments. Once an appointment is proposed by the committee, cabinet is required to ratify the decision and salary level within the band before the appointment is confirmed.
25. In line with the requirements of the Localism Act 2011, all chief and senior officer jobs, including those paid over £100,000 per year, are evaluated by applying the HAY job evaluation scheme. The job is then allocated the appropriate existing HAY grade and pay band, and a salary offer will only be made within that pay band. There can be exceptions to this where the market pay for particular roles indicates that pay above the median may be required, in which case a market supplement may be applied.
26. Where it is necessary for any newly appointed employee to relocate more than 15 miles in order to take up an appointment the council may make a contribution towards relocation expenses.

Market supplements

27. The council has a [market supplement policy](#) which stipulates that if there are recruitment and retention difficulties for a particular post and it is shown that the council are paying below the market rate for the job, a market supplement may be paid.
28. Market supplements are only payable to a small number of jobs which are evaluated using the GLPC or HAY schemes. See the list of [market supplements](#) for current details.
29. Where skills shortages exist in specific areas, or where despite paying at the median market rate for the role the pay rate for the role is still not sufficient to recruit and retain the skills required, a rate higher than the market median

may be paid. This could be an additional increment or a percentage market supplement, and requires the authorisation of the Director – HR&OD in conjunction with the Corporate Directors.

30. The level of market supplement applied to GLPC posts is determined by analysing market data from an external source e.g. Croner Solutions.
31. The data used for assessing market supplements for HAY graded posts is the HAY pay databank for the public and not for profit sector. The HAY databank provides the market median, upper quartile and upper decile pay range for each HAY pay grade.

Salary protection

32. As a result of service redesign, employees may be redeployed to a role which is one grade lower than their current role. In this case, the employee will be in receipt of salary protection for a period of 12 months. Incremental progression and any negotiated pay award will not be applicable during the period of salary protection. Redeployment (and salary protection) is subject to the following criteria:

- transferable skills,
- knowledge of work / experience
- agreement to undertake relevant training, which may include formal qualification
- match behaviours framework and skills profile
- working hours
- location

Increases and additions to remuneration

33. The council's policy is to apply the nationally negotiated NJC pay award for GLPC graded employees which takes effect from 1st April each year and which applies to the national pay spine.
34. Most NJC employees received a pay award of 1% in April 2017 whilst those on the lower spinal points (below SCP 18) received a higher percentage increase. Negotiations are currently ongoing between the national employers and the trade unions to reach agreement on a pay deal for 2018/19.
35. For GLPC graded employees, increments are awarded automatically up to the maximum of the grade unless formal proceedings are taking place under the Improving Work Performance Policy. Increments are paid on the 1st April each year, or six months after the start date (if the starting date is between October and April). There is no provision for the payment of an increment at any other time, unless there are recruitment or retention difficulties.

36. The council's policy for HAY graded employees is to review salaries on an annual basis using the HAY pay databank and realign these should a pay drift be identified. As a result the JNC pay award is not applied to HAY graded employees.
37. For HAY graded employees incremental progression through the grade is based on satisfactory performance measured over a 12 month period. Increments are paid on 1st April each year subject to satisfactory performance, and a minimum of 6 months in post at that time. There is no provision for the payment of an increment at any other time.
38. As one of a number of cost saving measures a two year increment freeze was agreed jointly between Wiltshire Council and the recognised unions. This meant that no annual increments were paid in April 2016 and April 2017, and incremental progression will recommence in April 2018.
39. The council also employs a small number of specialist employees covered by either Youth and Community, Teachers or Soulbury salary scales which are also negotiated nationally.

The use of performance-related pay

40. It is the council's policy that HAY graded employees are subject to a performance appraisal each year. If the performance is measured as satisfactory, an increment may be awarded. If the performance does not meet the required standard an increment may be withheld.
41. For GLPC graded employees, increments are awarded automatically to the maximum of the grade unless formal proceedings are taking place under the Improving Work Performance Policy.

The use of bonuses

42. The council does not offer a bonus or honorarium scheme to any employee.

The approach to the payment of employees on their ceasing to be employed by the authority

43. Employees who leave the council's employment are entitled to payment of their contractual notice, along with any outstanding holiday pay.
44. All employees, including chief and senior officers, are subject to the same redundancy payments policy which has been agreed by Staffing Policy Committee.
45. There is no discretion to make redundancy payments which do not comply with the policy.

46. If employees choose to volunteer and are accepted for redundancy they are entitled to a payment calculated as follows:

Statutory weeks x normal weekly pay x 2.5, capped at 40 weeks, with a minimum payment of £3000 (pro rata for part time staff).

47. If employees choose not to volunteer for redundancy, and cannot be redeployed, they will leave on compulsory grounds. The payment is calculated as follows:

Statutory weeks x weekly salary (capped at £479), with a cap of 30 weeks pay or 20 years service. There is a minimum payment of £1500 (pro rata for part time staff).

48. If employees are aged 55 or over, and have been a member of the pension scheme for at least 3 months, they are able to receive their pension and lump sum early if their employment is terminated on grounds of redundancy.

49. No augmentation to pension will apply for any employee.

50. If employees are dismissed on redundancy grounds, and receive a voluntary (enhanced) redundancy payment, they may be considered for re-employment to posts within Wiltshire Council after the minimum statutory period of four weeks has elapsed subject to the following conditions:

- The post did not exist or was not foreseeable at the time of the dismissal.
- The vacancy has been advertised in accordance with Wiltshire Council policy and procedures.
- The appointment was made on the basis of the best person for the job with regard to the usual selection procedures.
- The appointment has corporate director approval.

51. These conditions apply for 12 months from the date of the dismissal, after which the employee may be considered for re-employment to any post within Wiltshire Council.

52. In accordance with the Localism Act 2011, full council will be given the opportunity to vote on severance packages over £100,000 before they are approved. In line with the council's redundancy pay policy the severance package includes the redundancy payment and any other non contractual payments which may be appropriate e.g. outplacement support.

The pension scheme

53. All employees are entitled to join the Local Government Pension Scheme (LGPS).

54. The LGPS changed in 2014 and the benefits structure has moved from a Final Salary basis to a Career Average Revaluation Earnings (CARE) approach for benefits accruing after this date. Employee contribution bandings have also changed and the new regulations have introduced 9 bandings with rates varying between 5.5 – 12.5% according to the employee's salary, with the employer contributions varying on an annual basis.

55. The benefits of the scheme for all members include:

- A tiered ill health retirement package if employees have to leave work at any age due to permanent ill health. This could give employees benefits, paid straight away, and which could be increased if they are unlikely to be capable of gainful employment within 3 years of leaving.
- Early payment of benefits if employees are made redundant or retired on business efficiency grounds at age 55 or over.
- The right to voluntarily retire from age 55 (on an actuarially reduced pension), even though the Scheme's normal pension age is 65.
- Flexible retirement from age 55 if employees reduce their hours, or move to a less senior position. Provided the employer agrees, employees can draw all of their benefits – helping them ease into their retirement.

56. Further information about the pension scheme can be found on the [pensions website](#).

Any other allowances arising from employment

Payment for acting up or additional duties

57. This policy applies only to all employees who, on a temporary basis:

- act up – carrying out the full responsibilities and duties of a higher graded post either for some or all of their working hours; or
- carry out some, but not all, duties or responsibilities of a higher graded post for some or all of their working hours; or
- take on additional duties within their role.

58. The policy allows for employees to receive the salary difference between the lower and higher graded job, calculated on a percentage basis if the additional duties are taken on for only part of the working week.

Unsocial hours allowances

59. The council provides an additional allowance, expressed as a percentage of the basic rate, for regularly working late evenings/early mornings/nights/Sundays. These payments are graduated according to the

degree of unsocial hours working and range from 10% to 33% in addition to normal hourly rate.

60. Unsocial hours allowances are only payable for GLPC graded jobs, and are not available for senior managers.

Overtime allowances

61. The council has an overtime policy where all employees are entitled to receive additional payment for hours worked in excess of 37 hours. GLPC graded employees are able to claim overtime hours at their normal hourly rate x1.5 for hours worked on a Monday to Saturday, and x 2 for working a Sunday. HAY graded staff are only able to claim overtime in exceptional circumstances where there is an emergency situation and payment is based on the highest spinal point (point 49) of the GLPC pay scale.

Standby and callout allowances

62. The council has a standby and callout policy where all employees receive an allowance should they be on standby out of normal office hours. If employees are called out whilst on standby additional hours or overtime will be paid in accordance with the overtime policy.

Sleeping in allowance

63. The council pays a sleep in allowance to employees required to sleep in on the premises. This includes up to 30 minutes call out per night, after which the additional hours provisions will apply. The sleep in allowance payable is currently £34.68 and increases in line with the NJC pay award. The Local Government Association are currently considering the application of this allowance in light of recent case law which states that employees should earn at least the national minimum wage whilst on sleeping in duties.

Local election duties – Acting Returning Officer

64. The role of Acting Returning Officer is currently being carried out by a nominated corporate director. Fees are paid in line with the guidance stipulated from the Elections and Democracy Division for the relevant elections.

Governance arrangements

65. The council's policy is to apply the nationally negotiated NJC pay award to the pay scales for jobs evaluated using the GLPC job evaluation scheme.
66. There are no national pay scales for senior roles so pay is a matter for local determination. Pay scales for HAY grades are determined using the HAY

pay databank for the public and not for profit sector and are reviewed on an annual basis and realigned should a pay drift be identified.

67. The council also relies on national negotiation for some key provisions of employment such as the sickness and maternity schemes.
68. The council negotiates locally on some other conditions of employment, such as pay and grading, travel expenses, overtime payments and unsocial hours allowances.
69. For these local conditions of employment, the council consults and negotiates with the relevant trade unions in order to reach agreement. These conditions and allowances are then referred to Staffing Policy Committee for agreement.
70. The role of Staffing Policy Committee is to determine, monitor and review staffing policies and practices to secure the best use and development of the council's staff. This includes the power to deal with all matters relating to staff terms and conditions.
71. The full remit of the council's Staffing Policy Committee is contained within the constitution.

The publication of and access to information relating to remuneration of chief officers

72. In accordance with the Local Government Transparency Code 2015, the council is committed to publishing the following information relating to senior employees via the council's website:
 - Senior employees salaries which are £50,000 and above. This is updated on a monthly basis
 - A list of their responsibilities
 - An organisational chart of the staff structure for the top three tiers of the local authority to include each individual's job title, contact details, grade, salary in a £5,000 bracket, grade maximum and whether each individual is a permanent or temporary employee. This is updated on an annual basis or more frequently if a significant restructure takes place

The publication of and access to information relating to trade union facility time

73. In accordance with the Local Government Transparency Code 2015, the council is committed to publishing the following information relating to trade union facility time as a percentage of the Council's total wage bill via the council's website:

- Basic estimate of spending on unions (calculated as the number of full time equivalent days spent on union duties by authority staff who spent the majority of their time on union duties, multiplied by the average salary)
- Basic estimate of spending on unions as a percentage of the total pay bill (calculated as the number of full-time equivalent days spent on union duties by authority staff who spent the majority of their time on union duties, multiplied by the average salary divided by the total paybill).

The relationship between the basic pay remuneration of chief officers and employees who are not chief officers.

74. In terms of overall remuneration packages the council’s policy is to set different levels of basic pay to reflect the different sizes of jobs, but not to differentiate on other allowances, benefits and payments it makes.

75. The table below shows the relationship between the basic pay of the highest and lowest paid employees in the council, excluding pensions and allowances. The figures include all staff in the council (non schools) and are based on annual full time equivalent salaries.

	Annual FTE Salary November 2016	Ratio November 2016	Annual FTE Salary November 2017	Ratio November 2017
Highest Paid	£149,767		£151,265	
Lowest paid	£14,514	10.2	£15,014	10.1
Mean Salary	£25,908	5.8	£26,106	5.8
Median Salary	£23,935	6.3	£24,174	6.3

76. The council would not expect the basic pay remuneration of its highest paid employee to exceed 20 times that of the lowest group of employees, excluding apprentices.

77. The apprentice rate of pay varies according to the age and level of apprentice and ranges from £8,146 to £14,470 per annum at the lower levels. The apprentice pay rates have not been taken into account when calculating the highest to lowest pay ratios as the apprentice rate of pay reflects the requirement for all apprentices to spend 20% of their working week undertaking learning away from the job, and therefore this is not a viable comparison with other jobs.

78. The current ratio of highest to lowest paid employees is well within the guidelines and is 1:10.1. This has reduced slightly since last year due to the increase at the bottom of the pay scale in line with the national living wage.

The ratios for the mean and median salary levels remain the same as last year at 5.8 and 6.3 respectively.

Definitions

NJC – National Joint Council

JNC – Joint Negotiating Committee

GLPC – Greater London Provincial Council

SOULBURY staff - Educational improvement professionals. These staff are drawn from different sources, including senior members of the teaching profession. Their role is to advise local authorities and educational institutions on a wide range of professional, organisational, management, curriculum and related children's services issues, with the overall aim of enhancing the quality of education and related services.

Equal Opportunities

This policy has been Equality Impact Assessed to identify opportunities to promote equality and mitigate any negative or adverse impacts on particular groups.

Legislation

Local Government Transparency Code 2015
Equality Act 2010

This policy has been reviewed by the legal team to ensure compliance with the above legislation and our statutory duties.

Further information

There are a number of related policies and procedures that you should be aware of including:

HAY job evaluation policy and procedure

GLPC job evaluation policy and procedure

Market supplements policy and procedure

Moving home policy and procedure

Redundancy payments policy

Overtime policy

Unsocial hours guidance

Standby and callout policy

Starting salaries and incremental progression policy and procedure

Acting up and additional duties policy and procedure

The Local Government Transparency Code 2015

Trade Union Recognition Agreement

The policies not published with this report are available from the HR department at Wiltshire Council on request.

Policy author	HR Strategic Delivery Team – AG
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