

**SOUTH RIBBLE BOROUGH COUNCIL**

**PAY POLICY - 2012/13**

**1. Purpose of the Policy**

- To maintain a transparent approach to the setting of the pay of the Council's employees.
- To comply with the requirements of the Localism Act, Section 38 – Pay Accountability.

The Policy will detail;-

- The methods by which salaries of all employees are determined
- The details of the remuneration of its senior employees, ie Chief Officers
- The relationship between the salary of its Chief Officers and other employees

**2. Background**

The Localism Act 2011 – [Chapter 8 - Pay Accountability] requires all local authorities to set out its position on a range of issues relating to the remuneration of its employees.

The Policy will reflect where appropriate, relevant aspects of other already existing Human Resources Policies, such as the Pay Policy – 2007, which details the Council's agreements on Job Evaluation and Single Status.

The Policy must be approved by the Council in open forum, by the end of March each year and then be published on its website.

**3. Legislation relevant to Pay and Remuneration**

In determining the pay and remuneration of its employees the Council will comply with all relevant employment legislation. This includes the Equality Act 2010 and the Part-time Regulations 2008. The Council will ensure that there is no pay discrimination within its pay structures and that pay differentials can be quantified through the application of its Job Evaluation Scheme.

The Council operates the GLPC [Greater London Provincial Council] Scheme for all posts not defined as a Chief Officer. The posts of Chief Executive and Director, have been evaluated by utilising the external expertise of the North-West Employers Organisation, which includes comparative benchmarking data from other local authorities. The posts of Head of Service [Assurance Services and Human Resources] have been evaluated using the GLPC Scheme.

An Equality Impact Assessment has been undertaken for the Policy.

**4. Pay Structure**

The Council complies with the nationally negotiated spinal column points for all posts, with the exception being those senior level posts referred to within the Policy. The salary grades that the Council applies for all other posts are at Appendix A.

The salary increase for all posts within the Council is set nationally, through collective bargaining between the national Employers and Trade Unions.

The pay and grading structure for the majority of posts was established as part of the Pay Policy 2007. This Policy was approved by the Council in 2007 and addressed the Council's approach to the job evaluation of posts and the harmonisation of key terms and conditions of employment. Since 2007 all newly created posts and posts that have varied are subject to evaluation against the Job Evaluation Scheme. The Policy is at Appendix B.

On occasion, it maybe necessary to take account of external pay levels in the labour market in order to attract and retain employees with particular skills, knowledge and experience. On such occasions the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using data sources available from within the local government sector and outside, as appropriate.

## **5. Definitions**

The Localism Act refers to the position of Chief Officer and states that this refers to: the Head of Paid Service; Statutory Chief Officers; non-statutory Chief Officer posts and their direct reports [Deputy Chief Officers]. It should be noted that this definition is very broad, and takes account of Metropolitan and County Councils as well as District Councils.

It is considered that the posts that the term Chief Officer applies to at South Ribble Borough Council, in relation to the Localism Act are; Chief Executive, Director [5 posts], Head of Shared Assurance Services and Head of Human Resources. These being, the actual post of Chief Executive and those posts that report to the post of Chief Executive.

Although other posts report to the above posts and could be defined as Chief Officers, they have a maximum salary of less than £40,000 and are below the threshold for disclosure under the Accounts and Audit requirements. These posts are therefore considered not to be defined as Chief Officers. The post of Head of Shared Financial Services is excluded, as it is a post employed by Chorley BC and is covered by its Pay Policy.

Remuneration is defined as the pay and rewards an individual receives.

## **6. Chief Executive Remuneration**

The post of Chief Executive [Head of Paid Service] was filled by the current postholder in September 2010. The appointment and terms relating to the appointment were agreed at a meeting of the Council. At that time an independent review of the role and the remuneration package was undertaken. This review involved obtaining guidance and advice from the North West Employers Organisation.

An outcome of this review was that the salary range for this post was to remain the same as that of the previous post holder.

The current postholder not only fulfils the duties and responsibilities of the post of Chief Executive, but also fulfils the duties and responsibilities of the post of Chief Finance Officer [Statutory Finance Officer].

In most other local authorities the post of Chief Finance Officer [Statutory Finance Officer] is a separate post within its senior management structure. In order to reflect that the post of Chief Executive retains the responsibility of the post of Chief Finance Officer a temporary additional increment is awarded. Should this responsibility be transferred to another post, then the temporary additional increment will be removed.

Salary range;

SPINAL POINT	SALARY [per annum]
1	96,000
2	98,277
3	99,954
4	101,631
5	103,308
6	104,985

Additional Allowances;

Essential car user lump sum - £1,239 per annum.

Reimbursement of two professional subscription fees per annum.

Reimbursement of telephone line rental [*note: the current postholder has decided not to claim this allowance*].

Returning Officer fees – This is based upon a fee calculated periodically by the Cabinet Office, with the fee being based on a sum of money multiplied per every 10,000 of electorate. The Council appointed the Chief Executive the Returning Officer as part of the appointment process in September 2010. The Council pays the fees for the local election [every four years] and the fees for other elections, such as Parliamentary and County Council, are paid for externally.

Progression through the grade occurs through the payment of an additional annual increment on 1 April, each year.

The other terms and conditions of service relating to this post are in accordance with the Joint Negotiating Committee for Chief Executives of Local Authorities.

Any other allowances relating to the post are the same as for all other posts within the Council, for example, reimbursement of fuel expenditure from business travel.

## **7. Director Remuneration**

There are five posts of Director reporting to the Chief Executive;

- Director of Corporate Governance [Statutory Monitoring Officer]
- Director of Business Transformation
- Director of Neighbourhoods
- Director of Planning and Housing
- Director of Regeneration and Healthy Communities

These posts were established in 2010, following a review of the senior management structure, resulting in the deletion of two posts of Corporate Director and the post of Head of Policy and Community Engagement.

Salary range;

SPINAL POINT	SALARY [per annum]
1	59,353
2	60,268
3	61,183
4	62,098
5	63,013
6	63,928

Additional Allowances;

Essential car user lump sum - £1,239 per annum.

Reimbursement of one professional subscription fee per annum.

Progression through the grade occurs through the payment of an additional annual increment on 1 April, each year.

The other terms and conditions of service relating to these posts are in accordance with the National Joint Council – National Agreement on Pay and Conditions of Service.

Any other allowances relating to the posts are the same as for all other posts within the Council, for example, reimbursement of fuel expenditure from business travel.

## 8. Head of Service Remuneration

There are two posts of Head of Service [employed by South Ribble Borough Council] reporting to the Chief Executive:-

Head of Shared Assurance Services  
Head of Human Resources

Salary range;

SPINAL POINT	SALARY [per annum]
1	44,352
2	45,552
3	46,752
4	47,925
5	49,152
6	50,352

Additional Allowances;

Essential car user lump sum £1,239 per annum.

Reimbursement of one professional subscription fee per annum.

Progression through the grade occurs through the payment of an additional annual increment on 1 April, each year.

The other terms and conditions of service relating to these posts are in accordance with the National Joint Council – National Agreement on Pay and Conditions of Service.

Any other allowances relating to the posts are the same as for all other posts within the Council, for example, reimbursement of fuel expenditure from business travel.

## 9. Recruitment of Chief Executive and Chief Officers

Under Section 112 of the Local Government Act 1972, the Council has the “power to appoint officers on such reasonable terms and conditions as the authority thinks fit”.

Where there is a requirement to recruit to the post of Chief Executive or Chief Officer, the Council's Constitution, Section 41 and Standing Order No. 47 will apply. Details are at Appendix C.

## 10. Salary upon Appointment

Under normal circumstances, all new appointments to a post of Chief Executive or Chief Officer will be made at the bottom spinal column point of the grade, unless there are objective reasons for not doing so. Any appointment above the bottom spinal column point will require the approval of the Appointment Panel.

## 11. Performance-related Pay

The Localism Act requires Councils to provide details of any performance related pay for its Chief Officers, however, South Ribble Borough Council does not have any such arrangements.

## 12. Relationship between Chief Executive/Chief Officer Pay and other Employees

The relationship between the salaries of the Chief Executive and Chief Officers and the median salary and the lowest paid salary are;-

Post	Benchmark Salary	Ratio
Chief Executive salary	median salary	1:4.5
Chief Officer salary	median salary	1:2.8
Chief Executive salary	lowest salary	1:8.1
Chief Officer salary	lowest salary	1:5.0

Chief Executive salary at mid-point = £100,793 – [average of the two mid-salary points]

Chief Officer salary at mid-point = £61,640 - [average of the two mid-salary points]

Median salary = £22,212

Lowest salary = £12,415

## 13. Lowest Paid Employees

The Council complies with the National Joint Council – Pay and Conditions of Service. The Pay Policy – 2007 created a new grading structure, with grade 1 being the lowest grade. The minimum salary the Council pays in accordance with the National Conditions of Service is spinal point 4 of the pay scale, which at present equates to £12,145 per annum, within grade 1.

Salary range;

SPINAL POINT	SALARY [per annum]
4	12,145
5	12,312
6	12,489
7	12,789

Progression through the grade occurs through the payment of an additional annual increment on 1 April, each year.

Part-time posts are paid the same salary, but on a pro-rata basis.

The post that this salary applies to is Cleaner.

#### **14. Termination Payments**

The Council's Redundancy Policy applies equally to all permanent employees regardless of their grade. A redundancy payment will be paid to an employee when their post is made redundant and there are no suitable redeployment opportunities. The Redundancy Policy is at Appendix D.

For all permanent employees where there is the option for early retirement, the Council's Policy on Discretionary Compensation will apply where appropriate.

This Policy is only used on those occasions when there can be demonstrated savings to the Council in releasing an employee early. The Council has the discretion to enhance an employee's pensionable service by up to a maximum of three years. The Policy is at Appendix E.

#### **15. Employer Pension Contribution**

The Council contributes to the Local Government Pension Scheme in 2012/13 for all its employees equally 20.3% of an employee's salary. This rate of contribution is set by Actuaries advising the Lancashire Pension Fund and is reviewed on a triennial basis.

#### **16. Employee Pension Contribution**

Employees in the Local Government Pension Scheme pay at present the following annual contributions, based upon their salary;-

Full-time salary	Contribution rate
Up to £12,900	5.5%
£12,900 - £15,100	5.8%
£15,100 - £19,400	5.9%
£19,400 - £32,400	6.5%
£32,400 - £43,000	6.8%
£43,000 - £81,100	7.2%
£81,000 and above	7.5%

#### **17. Publication of the Policy**

The Policy will be published on the Council's Website, in April 2012 following its approval by the Council in February 2012.

#### **18. Review of Pay Policy**

The Policy will be subject to annual review and must be approved by the Council prior to 31 March each year. If there is a need to amend the Policy between reviews, then any such amendments will be considered by the Cabinet, prior to approval by the Council.

*Policy compiled B Head of HR - January 2012. approved at Cabinet and Council February 2012*

**SOUTH RIBBLE BOROUGH COUNCIL – PAY AND GRADES [1-9] – 2011**

<b>Grade 1</b>		<b>Grade 4</b>	
<b>(scp 4-7)</b>		<b>(scp 20-24)</b>	
4	£12,145	20	£18,453
5	£12,312	21	£19,126
6	£12,489	22	£19,621
7	£12,787	23	£20,198
		24	£20,858
<b>Grade 2</b>		<b>Grade 5</b>	
<b>(scp 9-16)</b>		<b>(scp 24-28)</b>	
9	£13,589		
10	£13,874	24	£20,858
11	£14,733	25	£21,519
12	£15,039	26	£22,221
13	£15,444	27	£22,958
14	£15,725	28	£23,708
15	£16,054		
16	£16,440	<b>Grade 6</b>	
<b>Grade 3</b>		<b>(scp 28-32)</b>	
<b>(scp 16-20)</b>		28	£23,708
		29	£24,646
16	£16,440	30	£25,472
17	£16,830	31	£26,276
18	£17,161	32	£27,052
19	£17,802		
20	£18,453		

<b>Grade 7</b>		<b>Grade 9</b>	
<b>(scp 32-36)</b>		<b>(scp 41-45)</b>	
32	£27,052	41	£34,549
33	£27,849	42	£35,430
34	£28,636	43	£36,313
35	£29,236	44	£37,206
36	£30,011	45	£38,042
<b>Grade 8</b>			
<b>(scp 36-41)</b>			
36	£30,011		
37	£30,851		
38	£31,754		
39	£32,800		
40	£33,661		
41	£34,549		

## **SOUTH RIBBLE BOROUGH COUNCIL FINAL PAY POLICY (01/06/07)**

### **1. Purpose**

The purpose of this Policy is to provide a framework which enables a fair, transparent and affordable approach to current and future pay and related benefits; in accordance with equal pay legislation, our equality and diversity policy, our culture and values and to assist in achievement of our corporate priorities.

### **2. General Statement**

As a modern, responsible Employer, the Council is committed to delivering a fair, equitable, effective approach to pay and related benefits. The authority aims to develop and maintain appropriate pay structures and benefit packages to attract and retain motivated, flexible people who share the Council's values, take responsibility, work as a team, improve performance and acquire new skills in a culture of continuous improvement.

Pay and related benefits are only part of the Council's overall employee package, which also includes both an excellent working environment and top class training and development opportunities.

### **3. Aims**

The Policy aims to:-

- be transparent and fair, ensuring that all employees receive equal pay for work of equal value, including ensuring compliance with all statutory requirements;
- contribute to the provision of effective and efficient value for money services that meet customers' needs;
- ensure that our pay/grading structure etc. is affordable to introduce and maintain;
- enable the Council to attract and retain the quality and quantity of employees it needs to meet its objectives, including addressing market forces;
- encourage innovation and our values;
- reward the acquisition of skills/competences and excellent performance and employees' contributions to the Council's objectives;
- address national developments when determining changes to the policy, e.g. the Local Government Pay and Workforce Strategy;
- ensure consistent application of this Policy.

### **4. Consultation**

Unison and employees have been involved in the Fair Pay project since its inception. Formal consultation has taken place with the Unison as part of developing this Policy.



## **5. Job Evaluation**

All current and future jobs will be evaluated under the Council's Job Evaluation Scheme/Procedure, prior to those jobs being allocated to an appropriate pay grade. No post can be regraded unless it has been evaluated using the Council's Job Evaluation Scheme/Procedure.

## **6. Pay and Grading Structure**

The Council will maintain an appropriate pay and grading structure that best meets the aims of this Policy. The new pay/grading structure is attached as Appendix 1. This is supplemented by career grades, customised for relevant jobs, in accordance with the guidelines on career grades..

## **7. Date of Implementation**

This Policy, including the pay and grading structure, will be effective from 1 April, 2007.

## **8. Starting Wage/Salary and Assimilation**

All posts shall be assimilated into the new grading structure on the following basis:-

Employees whose current pay falls into the pay band for their new grade will be assimilated onto their existing spinal column point. Where an additional increment would normally be paid on 1 April 2007, this will still apply. Employees who are not currently paid on a spinal column point within the NJC pay scale will be assimilated upwards to the next spinal column point.

Employees whose current pay falls below the pay for their new grade will be assimilated to the lowest point of that grade.

All new starters, including internal appointments and any person regraded, will commence on the lowest point of a grade other than where there is strong justification of the need for a higher starting point, such as the starter's current spinal column point. This justification must be supported by both the appropriate member of the Senior Management Team and the Head of Policy and Organisational Development.

## **9. Market Supplements**

Where there is sound evidence that a particular post is difficult to fill due to market conditions and this view is supported by the Council's Corporate Management Team, then the Council's market supplement guidelines may be used. (See also Appendix 2)

## **10. Appeals**

Any appeals against the job evaluation score/pay shall be made in accordance with the Council's Appeals Procedure.

## **11. Progression**

The appropriate member of the Senior Management Team may authorise accelerated incremental progression to reward exceptional performance where there is strong justification that is also supported by the Head of Policy and Organisational Development.

For several years, incremental progression for the Corporate Management Team and Heads of Service has been subject to satisfactory performance, in accordance with the Council's performance appraisal system. The Council intends to extend this approach to cover all employees, including the introduction of a competency framework, in consultation with Unison.

Unison recognises the Council's position and has agreed to discuss this further and work with the Council to help develop an appropriate scheme. Some initial key principles have been proposed to Unison as a starting point for discussion. The Council's intention is to finalise the proposed new approach by 31 December, 2007, for implementation from 1 April, 2008.

## **12. Productivity/Bonus Schemes**

Notice will be given to terminate all existing productivity/bonus schemes at the first opportunity. The Council will consider, in consultation with Unison, introducing new productivity/bonus schemes for services, that meet corporate objectives and legal requirements.

## **13. Monthly Pay**

It is intended that, with effect from 1 September, 2007, all employees will be paid monthly on the 27<sup>th</sup> day of each month by automatic bank transfer. Appropriate transitional arrangements will be made for those employees currently on weekly pay, which are to be finalised in consultation with Unison.

## **14. Other Pay Related Issues**

The existing and proposed other pay related issues are outlined in Appendix 2.

## **15. Non- Pay Benefits**

The existing and proposed non-pay benefits are outlined in Appendix 3.

## **16. Monitoring and Review**

This Policy and its effects will be monitored, including affordability. The Policy will also be reviewed from time to time in consultation with the Trade Unions and employees, to ensure that it continues to meet the Council's needs. The first review will be commenced no later than 1 April 2010.

# APPENDIX 1

## PAY AND GRADING STRUCTURE

<u>SCP</u>	<u>Salary</u>	<u>Old Grades</u>		<u>New Grades</u>	
4	11,193	M1	S1	GR1	
5	11,454				
6	11,619				
7	11,994				
8	12,372				
9	12,747			GR2	
10	13,014				
11	13,854				
12	14,142	S2	M2		
13	14,523				
14	14,787				
15	15,096	M3	S3	GR3	
16	15,459	M4-6			
17	15,825	M7-8			
18	16,137				
19	16,740	M9-10	S4	GR4	
20	17,352	M11			
21	17,985				
21	18,450	M12	S5	GR5	
23	18,993				
24	19,614				
25	20,235		S6	GR6	
26	20,895				
27	21,588				
28	22,293		SO1	GR7	
29	23,175				
30	23,952				
31	24,708		SO2	GR8	
32	25,437				
33	26,187	PO1		GR9	
34	26,928	PO2			
35	27,492	PO3			
36	28,221	PO4			
37	29,010	PO5			
38	29,859	PO6			
39	30,843	PO7			
40	31,653	PO8			
41	32,487	PO9			
42	33,315	PO10			
43	34,146	PO11			
44	34,986	PO12			
45	35,772	PO13			
46	36,636	PO14			
47	37,476	PO15			
48	38,310	PO16			
49	39,132	PO17			
50	39,450				
51	40,578				
52	41,706				
53	42,834				
54	43,962				
55	45,090				
56	46,218				
57	47,346	HOS		GR10	

Note: The above salaries are 06/07; therefore the 2007 annual inflationary increase is not included.

## APPENDIX 2

### PAY-RELATED BENEFITS

CURRENT	PROPOSED
<p><b>Overtime</b> National pay and conditions (Green book) generally includes payment for working beyond a normal week at the rate of time and a half, or double on Sunday. However the flexible working hours schemes minimises the need to use this facility. Other rules apply for non standard working patterns.</p> <p>Working beyond a standard week without enhanced payments is written into the contracts of more senior employees</p> <p>Variable rates particularly in Environment and Streetscene Services have developed over the years.</p>	<p>Status quo, except amend contracts where necessary to ensure all employees have the same rules applied. This is necessary to ensure equality and to comply with single status.</p>
<p><b>Unsocial hours</b> Currently a local agreement to pay 12½ % allowance (14 employees).</p>	<p>Status quo at this stage. Approach to be reviewed in medium term.</p>
<p><b>Standby</b> Where employees are required to undertake standby duty, reasonable allowances are paid to reflect the needs of different services and the potential for call-out.</p>	<p>Status quo.</p>
<p><b>Honoraria</b> The council has guidelines on the use of honoraria for substantial additional duties</p>	<p>Status quo.</p>
<p><b>Car user allowance</b> The council currently uses the national scheme. This is to be reviewed at national level.</p>	<p>Status quo, pending national review.</p>

CURRENT	PROPOSED
<p><b>Subsistence</b> As above</p>	<p>As above.</p>
<p><b>First Aid / signing</b> £8.40 per month for nominated first aiders. An allowance in the form of extra increments has been paid to an employee in relation to signing.</p>	<p>Status quo, but linked to annual inflation.</p>
<p><b>Professional fees</b> One subscription paid where relevant to job.</p>	<p>Status quo.</p>
<p><b>Sick pay</b> The national scheme currently applies in all areas except for some employees in the Environment and Streetscene area. This is also due to be reviewed at national level.</p>	<p>Extend national scheme to all Environment and Streetscene, pending national review.</p>
<p><b>Market Supplements</b> Market supplements are paid for some 'hard to fill' posts in accordance with the Council's guidelines. Market Supplements apply for whole period of service for each relevant job.</p>	<p>All existing market supplements are removed. Market supplements may be paid for relevant 'hard to fill' posts, in accordance with revised guidelines, subject to Annual review.</p>
<p><b>Bonus</b> Historically, bonus schemes have operated within Environment and Streetscene. Two schemes remain, as outlined in the main body of the report.</p>	<p>See paragraph 12 of the Pay Policy.</p>

## APPENDIX 3

### NON-PAY BENEFITS

CURRENT	PROPOSED
<p><b>Annual leave</b> 22 days 27 after 4 years 29 after 6 years</p> <p>Leave year runs from April to March for most employees. At Moss Side this is Jan to Dec.</p> <p>3 days can be carried over at year end.</p>	<p>Status quo, except leave year to run from each employee's start date, with appropriate transitional arrangements.</p>
<p><b>Special Leave</b> Up to 3 days for funeral of close family member.</p> <p>Statutory unpaid entitlement for other dependant leave.</p>	<p>Up to 5 days a year, with range of compassionate circumstances including bereavement.</p>
<p><b>Study leave</b> Half a day per half day exam. No provision for distance learning.</p>	<p>Up to 5 days for approved qualification course, plus reasonable time for attendance and exams.</p>
<p><b>Flexi-time</b> Subject to business needs / office cover, employees can work between 7.30 and 7.30 with minimum 30 minutes for lunch. Limit on debit hours to 10 hours at end of 2 week accounting period. No limit on credit allowance. Employees can take 1 day off per fortnight if sufficient credit, subject to needs of the service.</p>	<p>Status quo, except impose maximum credit allowance of 74 hours to avoid excessive build up of flexi. Those with large credits to reduce over an agreed timescale.</p>
<p><b>Life Insurance</b></p>	

CURRENT	PROPOSED
For employees who have been members of the Local Government Pension Scheme for more than 5 years, this provides death benefit of up to a year's salary, on a sliding scale based upon service.	Status quo.
<b>Notice periods</b> 1 month 3 months for existing SO2 upwards	1 month 2 months for new grade 6 and 7 3 months for new grades 8 and above.
<b>Childcare Vouchers</b> There is a scheme in place with Busy Bees to cut the price of childcare, by having the costs of childcare vouchers deducted from salary. This gives savings on Tax and National Insurance.	Status quo.
<b>Health Sure scheme</b> In return for a small monthly deduction from pay, employees can enjoy the benefits of a contribution towards dental cost, optical, osteopathy, chiropody etc.	Status quo.
<b>Car Loan scheme</b> If employees are to use their car in carrying out official duties, they may be eligible for a loan from the Council to assist in purchasing a car at a rate of 4.45%. If employees join the authority from another local authority, they may apply to transfer your current car loan.	Status quo.
<b>Leisure Centre membership</b> Reduced rates for SRBC employees for membership of all 7 leisure centres in the borough.	Status quo.
<b>Coppice Restaurant</b> Subsidised restaurant.	Status quo.

CURRENT	PROPOSED
<p><b>Reduced rate mortgage and savings</b>  The Council has an arrangement with the Marsden Building Society for employees to have access to their Aquarius mortgage and savings package which provides for:</p> <ul style="list-style-type: none"> <li>- Discounted mortgages</li> <li>- Special mortgage transfer package</li> <li>- Attractive instant access savings account</li> </ul>	<p>Status quo.</p>



**EXTRACTS FROM THE COUNCIL'S CONSTITUTION**

**4I. OFFICER EMPLOYMENT PROCEDURE RULES**

(See also Standing Orders 45, 46, 47, 48 & 49)

**1. Recruitment and Appointment**

(a) Declarations

- i) The Council shall draw up a statement requiring any candidate for appointment as an officer to state in writing whether they are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew or niece of an existing councillor or officer of the Council; or of the partner of such persons.
- ii) No candidate so related to a councillor or an officer shall be appointed without the authority of the relevant chief officer or an officer nominated by him/her.

(b) Seeking support for appointment.

- i) Subject to paragraph (iii), the Council will disqualify any applicant who directly or indirectly seeks the support of any councillor for any appointment with the Council. The content of this paragraph shall be included in any recruitment information.
- ii) Subject to paragraph (b)(iii), no councillor shall seek support for any person for any appointment with the Council.
- iii) Nothing in paragraphs (b)(i) and (b)(ii) above shall preclude a councillor from giving a written reference for a candidate for submission with an application for appointment.

**2. Recruitment of Head of Paid Service and Chief Officers**

Where the Council proposes to appoint a chief officer and it is not proposed that the appointment be made exclusively from among their existing officers, the Council shall:

(a) draw up a statement specifying:

- i) the duties of the officer concerned; and
- ii) any qualifications, competencies and qualities to be sought in the person to be appointed;

(b) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and

(a) make arrangements for a copy of the statement mentioned in paragraph 2(a) to be sent to any person on request.

**3. Appointment of Head of Paid Service**

- (a) Full Council shall agree the most appropriate panel for the selection and appointment of the head of paid service. That panel must include at least one member of the Cabinet and reflect the Council's political balance.

#### **4. Appointment of Chief Officers**

- (a) An appointments panel of the Council shall appoint chief officers. That panel must include at least one member of the Cabinet.
- (b) An offer of employment as a chief officer shall only be made where no well-founded objection from any member of the Cabinet has been received.

#### **5. Other Appointments**

- (a) **Officers below chief officer.** Appointment of officers below chief officer (other than assistants to political groups) is the responsibility of the head of paid service or his/her nominee, and may not be made by councillors.
- (b) **Assistants to political groups.** Appointment of an assistant to a political group shall be made in accordance with the wishes of that political group.

#### **6. Disciplinary action**

- (a) Councillors shall not be involved in the disciplinary action against any officer below chief officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct, though the Council's disciplinary, capability and related procedures, as adopted from time to time, may allow a right of appeal to members in respect of disciplinary action.
- (b) The Head of Paid Service/Chief Financial Officer and the Monitoring Officer may be suspended whilst an investigation takes place into alleged misconduct. That suspension shall be on full pay and last no longer than two months. However, any disciplinary action in respect of any of those officers may be taken only in accordance with a recommendation in a report made by a designated independent person.

#### **7. Dismissal**

Councillors shall not be involved in the dismissal of any officer below chief officer except where such involvement is necessary for any investigation or inquiry into alleged misconduct, though the Council's disciplinary, capability and related procedures, as adopted from time to time, may allow a right of appeal to members in respect of dismissals.

### **STANDING ORDER NO. 47**

#### **Staff Establishment and Appointments (See also Section 4I)**

- (1) The Cabinet or any committee appointed by the Council for that purpose shall from time to time determine the establishment of every Service Group of the Council. Any creation of new office(s) or employment of person(s) in addition to a Service Group's establishment, where this would result in an overall budgetary increase, shall only be undertaken with the agreement

of the Cabinet. Changes not resulting in an overall budgetary increase may be dealt with in consultation with the relevant Cabinet member(s).

- (2) When a vacancy occurs in any existing office of Director or Head of Service, the Cabinet shall decide, in the case of an office which the Council is not required by statute to fill, whether the office is necessary; and in any case what shall be the terms and conditions of the office; and no steps shall be taken to fill the post until these decisions have been taken.
- (3) Where the authority proposes to appoint a senior officer, i.e. one whose salary is to be equal to or exceed spinal column point 29 in the National Joint Council for Local Government Scheme of Conditions of Service, and it is not proposed that the appointment be made exclusively from among existing authority officers, the authority shall:-
  - (a) draw up a statement specifying:-
    - (i) the duties of the officer concerned, and
    - (ii) any qualifications, competencies and qualities to be sought in the person to be appointed;
  - (b) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it; and
  - (c) make arrangements for a copy of the statement mentioned in paragraph (a) to be sent to any person on request.
- (4) (a) Where a post has been advertised as provided in (3) (b) of the Standing Order, the authority shall:-
  - (i) interview all suitable applicants for the post, or
  - (ii) select a short list of suitable qualified applicants and interview those included on the short list.
- (b) Where no suitable person has applied, the authority shall make further arrangements for advertisement in accordance with provision (3)(b) of this Standing Order.
- (5) (a) The steps to be taken under provisions (3) and (4) of this Standing Order may be taken by the Cabinet or a Director or Head of Service, in consultation with the concerned member of the Cabinet.
- (b) Any chief officer, within the meaning of the Local Authorities (Standing Orders) Regulations 1993, may be appointed by the Cabinet.
- (c) Except in the case of a chief officer, as defined by the Local Authorities (Standing Orders) Regulations 1993, if a

vacancy in a similar post occurs within six months of advertisement, then an appointment may be made from the pool of candidates who applied for the original vacancy.

## **SOUTH RIBBLE REDUNDANCY POLICY**

### **POLICY STATEMENT**

The council aims to ensure as far as possible, security of employment for its employees. However, it also recognises that whether through the requirements of legislation, Best Value, changing local demands or budgetary pressures there may be circumstances when the Council has to reduce the number of employees. Such changes may mean that some jobs are redundant or alter substantially to improve service efficiency.

In this event the Council will seek to minimise the effects of redundancies by seeking suitable volunteers and will provide sufficient time and effort to finding alternative employment. (See redeployment policy) Where compulsory redundancies are unavoidable, the council will handle the redundancies in the most fair, consistent and sympathetic manner.

### **CONSULTATION**

The council is committed to keeping the local Trade Unions fully informed about employee requirements and any potential redundancy situation. When change becomes necessary, consultation with the local Trade Union and individual employees who are affected will commence at the earliest practicable opportunity.

However consultation will start

- at least 30 days before the first dismissal takes effect if 20 to 99 employees are to be made redundant over a period of 90 days or less
- at least 90 days before the first dismissal takes effect if 100 or more employees are to be made redundant over a period of 90 days or less.

If redundancies are expected then the Council will, disclose to the Union information required by law:-

- i) The reasons for the proposals.
- ii) The numbers and descriptions of employees involved.
- iii) The selection criteria to be used.
- iv) Procedures to be used in carrying out the dismissals including the period over which dismissals are to take effect.

Consultation with employees affected will involve:-

- i) Giving as much warning as practicable of the change and its implications.
- ii) Consideration for redeployment.
- iii) Consideration of any relevant matters they wish to raise.

### **MEASURES TO AVOID OR TO MINIMISE REDUNDANCY**

Every effort will be made by the Council to reduce the number of possible redundancies.

The Council will look at the following issues:-

- i) Freezing vacancies or restricting the recruitment of permanent staff.
- ii) Reducing the use of temporary employees.
- iii) Reducing or eliminating overtime.
- iv) Short time working
- v) Volunteers for early retirement or voluntary redundancy.

However, it is important that the Council retains the balance of skills and experience within the remaining workforce. Consideration will only be given to volunteers for redundancy if this is not detrimental to the Council.

### **SELECTION CRITERIA**

If, having taken any of the above steps, the number of employees still exceeds the requirements, selection criteria may have to be applied. This would come into effect where two or more employees who hold similar jobs are at risk of redundancy. The criteria to be considered will be based on objective assessment of:-

- i) Performance/capability
- ii) Skills and experience
- iii) Length of service
- iv) Attendance
- v) Personal circumstances

This criteria will be applied without discrimination.

### **ALTERNATIVE WORK**

This is dealt with in detail in the redeployment policy.

### **ASSISTANCE WITH JOB SEEKING**

Employees who are under notice of redundancy and qualify for a statutory redundancy payment have statutory rights to reasonable time off to look for work and arrange for training for new employment. Where ever possible assistance will be given by the Human Resources Team on compiling CV's and guidance on attending job interviews.

### **COMPENSATION**

Compensation will vary according to age, length of service and membership of the Local Government Pension Scheme.

### **REDUNDANCY PAYMENTS**

Employees aged 17 and over will receive a redundancy compensation payment based on the provisions of the Employment Rights Act 1996 (ERA), as updated by the Employment Equality (Age) Regulations 2006.

This payment will be calculated using a formula which comprises of a defined number

of weeks' pay based on age and continuous service at the date when employment is terminated, the statutory scheme is then enhanced by a multiplier of 2.2.

For employees dismissed as redundant who have been continuously employed for at least two years, they will receive the following number of weeks pay;-

Up to 21 years of age - 0.5 week's pay for each completed year of service

22 - 40 years of age - 1 week's pay for each completed year of service

41+ years of age - 1.5 week's pay for each completed year of service

The calculation will be on the basis of an employee's actual week's pay, rather than the statutory limit.

The calculation will be based on continuous local government service with any other local authority or employer covered by the Redundancy Payments Modification Order.

In addition to the redundancy compensation payment specified above, employees aged 55 and above who have at least three months membership of the LGPS, will receive immediate payment of an unreduced pension and lump sum based on their accrued contributory service at the date their employment is terminated.

Those employees leaving on grounds of redundancy will be offered: -

- i) The option of payment in lieu of outstanding leave.
- ii) Consideration of early release with no loss of benefits.

### **PAYMENT IN LIEU**

Where it is inappropriate for an employee, who is given notice of termination of employment, to work out his/her notice a payment in lieu of notice will be made.

### **APPEALS**

Where an employees believes that the selection criteria has been unfairly applied in their case, they will have the right to appeal to the Appeals Committee within 10 working days of being notified that they have been selected for redundancy.

### **REVIEW**

The operation of this policy will be subject to a review after 12 months, the first review taking place 12 months from its introduction.

Produced April 2007  
Revised April 2008  
Amended April 2011

## **SOUTH RIBBLE BOROUGH COUNCIL POLICY ON DISCRETIONARY COMPENSATION**

The policy is effective from 1<sup>st</sup> April 2007 and it replaces the previous policy in place.

This policy covers situations involving early termination of employment:

- Termination in the efficiency of the service

The policy statement complies with the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 following the implementation of the Employment Equality (Age) Regulations 2006.

The Council's policy is intended to be fair and equitable to all. Consideration will have to be given to the total costs, the payback period the impact on services and in all cases the financial position of the authority. There is no automatic right to any of the benefits, each case will be considered on its merits.

### **DECISIONS**

The council has delegated to the Chief Executive in consultation with the appropriate portfolio holders the authority to take decisions on discretionary early retirements for employees below Corporate Management Team, providing they are within the guidelines outlined below.

All other cases will require the approval of Cabinet

### **NORMAL RETIREMENT AGE**

For employees who are active members of the Local Government Pension Scheme (LGPS) at 1 October 2006, normal retirement date (i.e. the date at which an employee's pension can be paid without reduction and without capital cost to the Council) is now age 65.

Under LGPS regulations, employees who meet certain criteria and who have at least three months membership of the LGPS can elect to receive their annual pension and lump sum at age 60, without the Council's consent, and at no capital cost to the Council. If the employee elects to receive their benefits before their normal retirement date the benefits will be reduced to reflect the costs of the pension coming into payment early.

However, this is subject to transitional protection arrangements and further details should be obtained from Human Resources.

### **TERMINATION ON THE GROUNDS OF INTEREST OF EFFICIENCY OF THE SERVICE**

The council can make use of this facility to facilitate internal reorganisation, where there is an opportunity to develop more creative working and to allow the retirement of employees where efficiency is impaired through failing health.

The council's policy in these cases is that augmentation of membership of the



pension scheme is not automatically granted, it must be demonstrated that an efficiency saving is being made.

The maximum augmentation that may be awarded is three years, however, the payback period must not exceed five years. Any enhancements would be at the minimum level to achieve the efficiency saving.

Alternatively a lump sum compensatory payment up to 12 months salary can be awarded.

Employees who have at least three months membership of the LGPS and are granted early retirement in the interests of the efficiency of the service will receive immediate payment of an unreduced pension and lump sum based on their accrued contributory service at the date their employment is terminated.

Anyone in the LGPS cannot apply for early retirement until they reach age 55.

.

### **REVIEW**

The operation of this policy will be subject to a review after 12 months from the implementation date followed by further 12 monthly reviews.

Produced April 2007  
Revised April 2008  
Amended April 2011