

PAY POLICY 2023/24

Under Chapter 8 of the Localism Act 2011 Local Authorities in England and Wales were required to produce a pay policy statement for 2012/13 and for each financial year thereafter, and must do so with regard to any guidance from the Secretary of State for Communities and Local Government.

Additional information is also reported in compliance with The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 (Policy Procedure paragraph 6).

This Policy must be agreed and signed off by the Full Council and be publicly available.

Objective

The purpose of the Pay Policy is to provide transparency of the Council's approach to the setting of pay for all its employees and identifies:

- The methods by which salaries of all employees are determined
- The details and levels of remuneration and any other benefits of the Council's most senior staff.
- The relationship between the remuneration of its most senior staff and other staff within the Council.
- Details relating to the Council's lowest paid staff.
- The person responsible for ensuring that the Pay Policy is consistently complied with throughout the Council.

The aim of the policy is to ensure that the Council's approach to determining the remuneration of all its employees is fair and transparent.

South Ribble Borough Council's responsibility

It is the Council's responsibility to ensure that:

- A policy is produced for each financial year.
- The policy is publicly available through its website.
- The policy is applied fairly and consistently and complies with all relevant legislation.

Compliance

It is the responsibility of the Council's Human Resources Services Manager to ensure that the Pay Policy is adhered to and is required to report any deviation from the Policy to the Leader of the Council.

This policy will be published on the South Ribble Borough Council website as soon as possible after it has been approved by Full Council.

POLICY PROCEDURE

Scope

The pay policy covers the remuneration of all employees of the Council including temporary employees. Individuals engaged through employment agency arrangements would also be covered by the policy in compliance with the Agency Workers Regulations 2010.

Pay Structure

The Council uses the nationally negotiated pay spine. The Council also adheres to the national pay bargaining arrangements in respect of increases to the national pay spine.

The Council has two active pay spines, the South Ribble Borough Council Pay Spine at Appendix A applies to all employees on historic South Ribble Borough Council contracts. The New Shared Pay Spine at Appendix B applies to employees at South Ribble Borough Council and Chorley Council who have accepted the Councils' new shared terms and conditions through a process of consultation and agreement.

The pay spines for 2022/23 are attached. These pay spines will remain unchanged until the 2023/24 pay award is agreed.

The pay spines are used to determine the salaries of all Council employees apart from the Chief Executive, Directors and Heads of Service.

All Council posts, apart from the Chief Executive, Directors and Heads of Service, are job evaluated using an established job evaluation scheme. All roles on the South Ribble Pay Spine have been evaluated using the Greater London Provincial Council (GLPC) scheme. All posts on the New Shared Pay Spine have been evaluated using the National Joint Council (NJC) Job Evaluation Scheme, in agreement with UNISON.

The Council may apply a supplement to the agreed job evaluated grade where there is a demonstrable differential between the market rate for a post and the Council salary, to enable the Council to recruit and retain talent. Market supplements must be agreed by the Chief Executive (Head of Paid Services) and are reviewed annually.

Shared Services

A number of services are shared by South Ribble Borough Council and Chorley Council. The following are employed by one council or the other, but provide services to both:

| Service | Employer |
|------------------------------------|------------------------------|
| Communications and Visitor Economy | South Ribble Borough Council |
| Transformation & Partnerships | Chorley Council |
| Audit and Risk | South Ribble Borough Council |
| Democratic Services | South Ribble Borough Council |
| Financial services | Chorley Council |
| Legal | South Ribble Borough Council |

The following have employees of both Councils working together to deliver services across the organisations:

- ICT Services

- Customer Services
- Property and Development
- Pest Control

Additionally, the following services, whilst not shared themselves, have shared management:

- Public Protection
- Operational Assets

Senior Management Remuneration

The Localism Act requires that Councils report on the remuneration of Chief Officers and Deputies, however this definition is very broad and so to ensure compliance all senior management pay information has been included. For the purpose of this policy, senior management is defined as:

- The Chief Executive
- Deputy Chief Executive
- Director (Customer & Digital)
- Director (Change and Delivery)
- Director (Commercial Services)
- Director of Finance - S151 Officer
- Director (Governance) – Monitoring Officer
- Director (Communities)
- Director (Planning and Development)

All Senior Management posts are shared with Chorley Council and salaries are agreed by Full Council.

Senior Management pay increases

Senior Manager salaries are increased in line with agreed NJC pay awards. The Chief Executive salary is increased in line with the JNC for Chief Executives. The most recent pay award was applicable from 1 April 2022.

Appointments

All appointment to Senior Management positions at South Ribble Borough Council are undertaken by the Appointments Panel, consisting of six members and agreed annually at Full Council.

All Appointments to Senior Management positions are undertaken by the Shared Services Joint Committee Appointments Panel, the membership of which is agreed annually by the Full Councils of South Ribble Borough Council and Chorley Council.

Full Council must agree the appointments of the Chief Executive.

Elections

The Chief Executive will also take on the role of Returning Officer for any Local, National and European elections, payment for which will be in accordance with the statutory calculation.

Should the Deputy Chief Executive or the other Directors participate in any of the electoral processes, then a relevant payment would be made, from monies received for carrying out elections, depending upon the role which they undertook.

Chief Executive

The Chief Executive has responsibility for both South Ribble Borough Council and Chorley Council, and the salary reflects those responsibilities. The post is currently employed by Chorley Council.

Prior to the appointment of a Chief Executive, Full Council will determine the salary of the post to be advertised. The level of salary for the Chief Executive, who is the Head of Paid Services, is a spot salary of £149,100.

Deputy Chief Executive

Appointment to the position of Deputy Chief Executive is undertaken by the Shared Service Appointment Panel. This post is currently vacant.

The level of salary for the Deputy Chief Executive is a single spot salary of £104,675.

Directors

All Directors are shared with South Ribble Borough Council. The following Directors are employed by South Ribble Borough Council:

| | |
|--------------------------------------|--|
| Director of Governance | £80,144 |
| Director of Communities | £83,125 |
| Director of Planning and Development | £80,000 This post is current vacant, with short term interim arrangements in place. |

The remaining Directors are employed by Chorley Council and the detail of their remuneration is contained within the Chorley Council pay policy:

- Director (Customer & Digital)
- Director (Change and Delivery)
- Director (Commercial Services)
- Director of Finance - S151 Officer

The level of pay for the Directors was set with regard to:

- The wide range of functions which the Directors are responsible for.
- Market analysis of similar posts within other local authorities.
- Further details regarding the rationale for the specific Director posts is at the end of this policy.

Relationship between the remuneration of the most senior staff and other staff within the Council

The comparison of senior management salary level to the median salary level within South Ribble Borough Council (required under the Localism Act 2011) is detailed below. The median figure excludes casual employees who are only employed on an ad hoc or occasional basis.

The median salary of South Ribble Borough Council is SCP 17 which is £26,845.

| Role | Ratio |
|--|-------|
| Chief Executive | 1:5.5 |
| Deputy Chief Executive | 1:3.9 |
| Director (Governance) – Monitoring Officer | 1:2.9 |
| Director (Communities) | 1:3.1 |
| Director (Planning and Development) | 1:2.9 |

*Indicates a post is vacant

Heads of Service

Heads of Service were established by Full Council in August 2022 on the following salary points, which were increased by £1,925 to reflect the 2022/23 pay award:

| Grade | Post | Salary |
|-------|---|---------|
| HoS1 | Head of Service post that is not shared | £60,000 |
| HoS2 | Shared Head of Service post | £64,000 |

The following Head of Service and Project Director posts report into a Senior Manager. All Senior Managers are shared however only the Head of Service posts indicated are shared with Chorley Council.

| Head of Service | Shared with Council | services Chorley | Salary | Ratio |
|--|---------------------|------------------|---------|-------|
| Head of Audit and Risk | Yes | | £65,925 | 1:2.4 |
| Head of Governance | Yes | | £65,925 | 1:2.4 |
| Head of Legal | Yes | | £65,925 | 1:2.4 |
| Head of Communications and Visitor Economy | Yes | | £65,925 | 1:2.4 |
| Head of Planning and Enforcement | No | | £61,925 | 1:2.6 |
| Head of Communities and Housing | No | | £61,925 | 1:2.3 |
| Head of Property and Development | Yes | | £65,925 | 1:2.4 |

| | | | |
|---------------------------------------|----|---------|-------|
| Head of Parks and Open Space Projects | No | £61,925 | 1:2.3 |
| Head of Neighbourhoods and Waste | No | £61,925 | 1:2.3 |

The following Head of Service posts are employed by and shared with Chorley Council and are detailed in the Chorley Council pay policy:

- Head of Planning and Development
- Head of Governance
- Head of Audit and Risk
- Head of Communications and Visitor Economy
- Head of Public Protection
- Head of Transformation and Partnerships

The level of pay for the Heads of Service was agreed based on:

- The wide range of functions which the Directors are responsible for.
- Market analysis of similar posts within other local authorities and public sector organisations.
- Those posts which work across South Ribble Borough Council and South Ribble Borough Council.
- Market shortages of specific skills and, where appropriate, private sector salaries of roles requiring those skills.

Other Pay Related Conditions

Pension Arrangements

All permanent and temporary employees, including senior management, are entitled to join the Local Government Pension Scheme if they so wish. No alternative options are available should employees not wish to join the scheme.

Enhancements to employee's pension entitlements will not normally be provided for any Council employee unless there are exceptional circumstances.

Professional fees

Where membership of a particular professional organisation is required by the postholder to undertake their duties these membership costs will be reimbursed by the Council.

Performance Related Pay

South Ribble Borough Council does not have any scheme relating to performance related pay for any employees including Senior Management.

Bonuses

South Ribble Borough Council does not have any schemes relating to the payment of bonuses for any employees including Senior Management, and therefore none are received.

Payments on the termination of employment

An employee being made redundant would receive a payment in accordance with the Council's Change Policy which is applicable to all permanent and temporary employees. Payments are based upon the statutory redundancy ready reckoner and the employee's actual weekly wage. This is then subject to a further multiplier of 2.2.

Adherence will be made to any restriction of public sector exit payments that may be implemented during the period of this Pay Policy Statement.

Senior Managers returning to South Ribble Borough Council

The relevant appointment panel would consider applications from former Senior Managers of either South Ribble Borough Council or another local authority who received either a redundancy payment or who were in receipt of a Local Government Pension, to determine whether it would be appropriate to appoint them to a Senior Management post within South Ribble Borough Council.

Health care

South Ribble Borough Council pays for all employees, including the senior managers detailed within this policy, to have level 1 access to a Health Care Plan, if they so wish. For all those employees participating in the scheme the value of the benefit is £66 per employee per annum. Anyone wanting to increase the level of cover or include partners or spouses on the Health Care Plan must pay any additional premium themselves, through their salary.

Car Allowance

Employees subject to the Shared Pay Spine at Level 10 and above receive a 6% car allowance, excluding the Chief Executive, Directors, and Heads of Service.

Reservists Leave

The Council will grant up to an additional 10 days (pro-rata for part-time employees) of paid leave per annum to employees who are Reservists under the 'Special Leave for Public Duties' to attend military training and annual camp.

Ex Gratia Payments

Where an employee goes well beyond the expected responsibility of their role, this directly benefits the organisation and our community, and job evaluation is not appropriate, an ex gratia payment may be made to them. The business case for all payments must be agreed by the Head of Paid Services. Ex gratia payments must not undermine the effectiveness of the job evaluation scheme.

Overtime

Employees are entitled to receive the same pay whilst on the four weeks of statutory amount of annual leave as they are whilst at work. To take into account overtime worked, an additional 7.69% is added to overtime payments to reflect overtime in holiday pay calculations for the 4 weeks of annual leave required.

Lowest Paid Employees

South Ribble Borough Council has adopted the “Living Wage Foundation” rates for all its employees, excluding apprentices in their first year of employment (see below), to address the issue of low pay. The hourly rate is set by the Centre for Research in Social Policy and is based upon what it considers to be the basic cost of living to provide a minimum income standard. This differs from the National Living Wage (formerly known as Minimum Wage). Both rates are shown below.

| | 2022-23 | 2023-24 |
|------------------------------------|----------------|----------------|
| Foundation Living Wage | £9.90 | £10.90 |
| National Living Wage (23 and over) | £9.50 | £10.42 |

All employees on the South Ribble Pay Spine commence on a minimum of Grade 2, Spinal Column Point (SCP) 3-6. This is above the Foundation Living Wage rate.

| SCP | Annual salary | Hourly rate |
|------------|----------------------|--------------------|
| 3 | £20,812 | £10.79 |
| 4 | £21,189 | £10.98 |
| 5 | 21575 | £11.18 |
| 6 | 21968 | £11.39 |

All employees on the New Shared Pay Spine commence on a minimum of Level 2, Spinal Column Points (SCP) 4-5.

| SCP | Annual salary | Hourly rate |
|------------|----------------------|--------------------|
| 4 | £21,189 | £11.21 |
| 5 | £21,575 | £11.41 |

Progression through the grade is by annual increments until the maximum of the scale is reached.

Apprenticeships

South Ribble Borough Council employees an apprentice workforce with apprentices currently in post in Finance, ICT, Customer Services, and Parks and Projects. In shared services, apprentice posts are shared with Chorley Council. South Ribble Borough Council has agreed that all apprentices would be paid the top rate of minimum wage for year 1, and foundation living wage rate for year 2.

| | |
|--------|--------|
| Year 1 | £10.90 |
| Year 2 | £10.42 |

Gender Pay Information

This information is published in compliance with the The Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 and relates to the salary levels of employees at the 31 March 2023.

To be completed at 31.03.2023

Appendices

Appendix A – South Ribble Borough Council Pay Spine
Appendix B – New Shared Pay Spine