

Swindon Borough Council

Pay Policy Statement: April 2023

Introduction and Purpose

The Pay Policy Statement (the 'statement') sets out the Council's approach to pay and reward for senior managers and the lowest paid employees for the financial year 2023 – 2024.

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, teachers or casual workers.

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:

- Chief Executive
- Corporate Director
- Director
- Assistant Director
- Head of Service
- Some strategic and technical specialist roles

The term 'lowest paid employees' refers to those employees on the lowest pay point of our grading system which is currently spinal column point 1, £20,258 per annum (as of 1st April 2023).

This policy statement has been approved by the council and is effective from 1st April 2023. It will be subject to review annually and in accordance with new or proposed legislation to ensure that it remains relevant and effective.

Accountability and decision-making

In accordance with the constitution of the Council, Cabinet are responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of the Council.

Responsibility and scale

The Council is directly responsible for a net budget of £156.7m and for the employment of circa 2700 staff. The Council provides services to a total population of circa 233,400 residents.

Pay and remuneration for employees

In determining the pay and remuneration of its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations.

With regard to the Equal Pay requirements contained within the Equality Act, the Council ensures that all pay arrangements can be objectively justified through the use of the following Job Evaluation methods:

Hay

The Hay Job Evaluation Scheme is widely used in both public and private sectors, primarily for managerial, administrative and clerical roles, but in some cases for all jobs within user organisations.

Jobs have been evaluated by trained assessors. A trained evaluation panel evaluates jobs against each of the elements within the scheme using detailed role profiles. The outcome of the evaluation assigns a profile and points score that shows the total size of the job. All jobs from Q Grade and above, including Chief Officers are graded using the Hay Job Evaluation scheme.

National Joint Council (NJC) Evaluation Scheme

The NJC scheme comprises thirteen factors of various weightings. The scheme was jointly developed and agreed between the local authority employers and the trade unions. A trained evaluation panel evaluates jobs against each of the elements of the scheme using detailed job descriptions. The outcome of the evaluation assigns a point's score that shows the total size of the job. The points score enables jobs to be placed in a rank order with other jobs in the organisation. All jobs from grade N and below are graded using the NJC Evaluation Scheme.

All roles are evaluated using either scheme; however, the Council sets its own pay line. A copy of the Council's pay scales can be obtained from recruitmentandhradministration@swindon.gov.uk.

Pay design

The council's pay policy is based on a nationally negotiated pay scheme, which applies to local government employees. This scheme determines the salaries of the majority of the non-school based workforce. The majority of employees are on the National Joint Council scheme or Joint Negotiating Committee terms and conditions. The Council also have employees on other terms and conditions mainly Soulbury and Agenda for Change.

Pay structure

Pay grades and progression

There is no incremental progression through all the pay grades unless employees are on a career grade. New employees will normally be appointed to the minimum pay level for the relevant grade.

Fixed pay rates

The council also uses fixed pay rates. These are used under the Hay and Director pay grades. Employees will be appointed a salary between the bottom and top of the grade. New employees will normally be appointed to the minimum pay level for the relevant grade.

Pay Supplements

From time to time, it may be necessary to pay special allowances or supplements to individual employees as part of their employment contract where specific circumstances require this and where it can be justified in accordance with council policies. Such allowances are negotiated nationally or locally through collective bargaining arrangements and/or as determined by council policy.

The council uses the following:

- External labour market conditions can produce a situation in which staff with scarce skills and expertise can command higher salaries than the maximum provided under the current grading mechanism for that post. In these circumstances, based on evidence from the relevant labour market, it may be deemed appropriate to pay an additional **Market Factor Supplement** in addition to basic pay. They are not linked to an individual's actual or anticipated performance within the role but are linked to the difficulty in recruiting to certain posts requiring specific skills or qualifications.
- A special payment (**acting up / honoraria**) where an employee has taken on additional duties and responsibilities for a defined period of time, for example covering a vacancy or taking on a special project
- The aim of the **relocation scheme** is to provide financial recompense to employees who need to move their main residence to take up an appointment with the Council.

This scheme does not cover the purchase of a second property. Eligibility criteria will also apply, including the decision to offer relocation will be made prior to the post being advertised. Relocation expenses can be claimed up to £8,000. The Council's policy requires repayment in part or in full if, the employee leaves within 3 years of appointment.

- An **allowance** is a payment made to staff by the Council that is not part of the basic contracted salary. Allowances are subject to taxation rules provided by the Inland Revenue and some are pensionable.
- Payments made to employees (including the **Returning Officer** and the Deputy Returning Officer) working during local, parliamentary or European elections or referenda are made in line with either the statutory fees or a local scale of fees agreed in consultation with Wiltshire Council. This could apply to Chief Officers.

The council will ensure that the requirement for additional allowance or supplement is objectively justified by reference to clear and transparent evidence and where market supplements are considered that this is with reference to data available from within and outside the local government sector and is in line with Council policy.

Other employment-related arrangements

Local Government Pension Scheme

Subject to qualifying conditions, employees have a right to belong to the Local Government Pension Scheme. The employee contribution rates, which are defined by statute, currently range between 5.5% and 12.5% of pensionable pay depending on full time equivalent salary levels. The employee contribution rate for the 50/50 schemes currently range between 2.75% and 6.25% on full time equivalent salary levels.

NHS Pension Scheme

The Council have employees who were transferred from the NHS. As part of the transfer agreement (TUPE), these employees were able to keep their NHS pension scheme and continue to contribute into that scheme. Further information about the [NHS Pension Scheme](#) can be found on their website.

Benefits schemes

The council believes that it has a responsibility to help support the health, wellbeing and welfare of its employees in order to ensure that they are able to perform at their best. As part of this approach the Council provide its staff with an Employee Assistance Programme (EAP) and Occupational Health.

Employment arrangements

When recruiting to all posts the council will take full and proper account of its own recruitment policy. The determination of the remuneration to be offered to any newly appointed chief officer will be in accordance with the pay structure and relevant policies in place at the time of recruitment.

Senior Pay

For the purposes of this statement, senior management means 'chief officers' as defined within S43 of the Localism Act.

The posts falling within the statutory definition are set out below, with details of their basic salary as at 1 April 2012:

- **Chief Executive** – the current salary of the post is £179,574. The salary falls within a salary band of £165,075 pa - £205,254 pa.
The postholder is a full time employee on a permanent employment contract.
- **Board Directors** – the salaries of these posts fall within a salary band of £129,434 pa to £154,671 pa.
- **Directors / Assistant Directors** – the salaries of these posts falls within a salary band of £75,198 pa - £127,995 pa

The Council's organisation structure can be found on the Council's [website](#).

Executive Pay Strategy

Due to the nature and responsibilities of their role senior managers are normally employed on full time permanent employment contracts. The council's policy and procedures with regard to recruitment of chief officers is set out within the Executive Pay Strategy.

In exceptional circumstances, where the council remains unable to recruit to a chief officer or senior manager post or where there is a need for interim support to provide cover for a vacant post, the council may consider engaging an individual through a 'contracts for service'. Such arrangements can be advantageous because they can reduce employment costs and are flexible because they can be used for short periods of time without the need to pay termination payments. Where these arrangements are used the council will use relevant procurement processes to ensure that it can demonstrate value for money. The Corporate Director of Finance and Assets (Section 151 Officer) will keep such arrangements under regular review.

Performance-related pay and bonuses

The council does not apply any bonuses or performance related pay to its chief officers.

Arrangements for senior managers

The council believes that no additional or no specific requirements are necessary for the employment and reward of senior managers to reflect the nature of their roles, responsibilities and accountabilities and the national employment market.

Lowest paid employees

The lowest paid persons employed under a contract of employment with the council are employed on full time (37 hours) equivalent salaries in accordance with the minimum spinal column point currently in use within the council's grading structure. As at 1st April 2023, this is £20,258 pa.

The exception is employees who are employed on a Government sponsored apprenticeship programme. Apprentices aged 23 and over will be paid the National Living Wage rate (currently £9.50 per hour). Apprentices aged 22 and under receive the 21-22 pay rate for 22-23 which is £9.18 per hour.

The current pay scales are available from recruitmentandhradministration@swindon.gov.uk

Pay multiple

As described above the council uses an established process of defining roles, determining job size and salary levels. This process determines the relationship between the rate of pay for the lowest paid and senior manager post, including chief officers, described as the pay multiple.

The current pay multiple is as follows:

Highest Pay	£179,574
Mean Pay	£31,828
Median Pay	£29,863
Lowest Pay	£20,258
Ratio of Mean to Highest	1 to 5.6
Ratio of Median to Highest	1 to 6.0
Ratio of Lowest to Highest	1 to 8.9

This is currently within/beyond the limits recommended by The Hutton Review of Fair Pay in the Public Sector (2010) and will be monitored and recorded annually.

The recommendation of the Hutton Report into "Fair Pay in the Public Sector", as recognised by the Government in the Code of Recommended Practice for Local Authorities on Data Transparency, was that a pay ratio of the salary of the Chief Executive compared to the median average salary in the organisation should be published. The Hutton Review raised concerns about multiples in the order of 1:20 or higher, between the lowest and the highest paid employees in local authorities. The Council's current ratio of lowest to highest is 1:8.9 and so is well below that level.

Salary Protection

Salary protection does not apply to employees who apply and are appointed into a lower grade role because of service re-design. A lower graded role is not suitable alternative employment.

Payments on termination of employment

On termination, redundancy payments and any discretion exercised in relation to retirement or redundancy will be paid in line with the Council's Policy on Flexible Retirement, Early Retirement and Redundancy Payments Policy. The Council does not provide any further payment to employees leaving the Council's employment other than in respect of payment for accrued leave, if agreed that it is not possible to take this leave before the date of leaving. Any other payments that are agreed or negotiated will be done so in line with current employment law practices.

Any other payments falling outside the provisions or the relevant periods of contractual notice are subject to a formal decision made by the relevant Corporate Director with delegated authority to approve such payments and will be determined on a case by case basis.

The Council will apply the provisions of the Redundancy Payments Modification Order regarding the recovery of redundancy payment if this is relevant. Pensions Regulations also have provisions to reduce pension payment in certain circumstances to those who return to work within the local government service.

Trade Union Facility Time – publication and access to information

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 on 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 pay bill).

Publication of pay statement

Upon approval by the full council, the council will publish this pay policy statement on its website at

http://www.swindon.gov.uk/info/20028/open_data_and_transparency/401/senior_council_officers as soon as is reasonably practicable after it has been approved by Full Council. Any subsequent amendments to this pay policy statement made during the financial year to which it relates will also be similarly published.

For further information about this pay policy statement please contact the Council's Director of People, Customer and Organisational Resilience at sgrewal@swindon.gov.uk.