

**WIRRAL COUNCIL**

**PAY POLICY STATEMENT**

**2014 – 2015**

## **1. Introduction and Purpose**

- 1.1. Under section 112 of the Local Government Act 1972, the council has the "power to appoint officers on such reasonable terms and conditions as authority thinks fit". The Localism Act 2011 (sections 38-43) requires local authorities in England and Wales to publish a pay policy statement for each financial year beginning with 2012-13. This provision of the Act does not apply to staff in local authority schools.
- 1.2. The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees (excluding schools based staff) by identifying:
  - The methods by which salaries of all employees are determined;
  - The detail and level of remuneration of its most senior staff i.e. 'Chief Officers', as defined by the relevant legislation;
  - The Chief Executive and Head of Paid Service responsibility for ensuring the provisions set out in this statement are applied consistently throughout the Council and recommending any amendments to Full Council.
- 1.3. The Council will consult with the relevant Trade Unions in relation to changes and updates to the Pay Policy, before the Policy is considered by Full Council.
- 1.4. Once approved by Full Council, this policy statement will come into immediate effect and will be subject to review on a minimum of an annual basis, the policy for the next financial year being approved by 31 March each year.
- 1.5. Council may, by resolution, amend this Pay Policy, including after the beginning of the financial year to which it relates.

## **2. Other legislation relevant to pay and remuneration**

- 2.1. In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation.
- 2.2. It is Council policy to ensure that there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of job evaluation mechanisms, which directly establish the relative levels of posts in grades according to the requirements, demands and responsibilities of the role.

## **3. Pay Structure**

- 3.1. The Council uses the nationally negotiated pay spine(s) (i.e. a defined list of salary points) as the basis for its local pay structure, which determines the salaries of the large majority of its (non schools) workforce.
- 3.2. The Council's Collective Agreement has kept the national negotiated pay spine for National Joint Council (NJC) employees at the rate set on 1 April 2009 as the Council has not paid the national pay award for 2013/14 (see the Collective Agreement).
- 3.3. The national negotiated pay spine is also varied at Band A and Band B through the introduction of the Living Wage (see Living Wage).
- 3.4. The Council's grading structure is attached at Appendix One.

- 3.5. The grading structure for Bands A to H (up to spinal column point (scp 34) was implemented as part of the Council's Job Evaluation process in August 2008, using the National Joint Council for Local Government Services (NJC) Job Evaluation Scheme.
- 3.6. Where a nationally negotiated pay spine does not apply, the Council will determine the salary rate through local negotiation and agreement.
- 3.7. The Council adopts the national pay bargaining arrangements in respect of the establishment and revision of the national pay spine, for example through any agreed annual pay increases negotiated with joint trade unions, subject to any local agreements in place (see the Collective Agreement).
- 3.8. All other pay related allowances are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery.
- 3.9. In determining its grading structure and setting remuneration levels for any posts which fall outside the scope of the national pay bargaining arrangements, council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required within a fair, transparent and equality proofed framework.

### **3.10. Collective Agreement**

- 3.10.1 The Council signed a Collective Agreement with recognised Trade Unions in May 2013 to change some terms and conditions of employment. This included changes to elements of pay and allowances and agreement for Council employees to each take four days unpaid leave each year for a period of three years from 2013/14. It also included the national pay award not being paid for all employees for 2013/14, subject to alternative savings being identified.

### **3.11. Variations to pay grade**

- 3.11.1. From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, 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.
- 3.11.2. Any temporary supplement to the salary scale for the grade is approved in accordance with the Council's Honoraria Policy, or any applicable market rate supplement arrangements.

### **3.12. Job Evaluation**

- 3.12.1 The Council has implemented Job Evaluation for employees paid up to scp 34: £28,636.

3.12.2 The Council is committed to implementing a new grading structure and pay line in 2014/15 as part of the future council work.

### **3.13. The Living Wage**

3.13.1. Living Wage rates are based on Minimum Income Standards methodology and seek to take account of real living costs for essential goods and services. The Living Wage rate for outside London increased to £7.65 per hour in November 2013.

3.13.2. Through Wirral's Pay Policy Statement, the Council is committed to paying the Living Wage. The provision for the Living Wage will be kept under review.

3.13.3. From 1 November 2013, council will set Band A at scp 10 at a locally agreed rate of £7.65 an hour (equivalent to £14,361 per annum), and Band B at scp 11, at a locally agreed rate of £7.85 (equivalent to £14,733 per annum), as shown at Appendix One.

### **3.14. New Appointments**

3.14.1. New appointments will normally be made at the minimum scp of the relevant pay scale for the grade. Where the candidate is already on or above the minimum scp of the relevant pay scale, the appointment will normally be made at the same scp.

3.14.2. The appointment salary can be varied in exceptional circumstances with the approval of The Head of Human Resources and Organisational Development.

### **3.15. Progression through pay grades**

3.15.1. An employee's progression through the increments of a particular pay grade is linked to length of service. Increments are awarded on 1 April each year, or for new appointments between 1 October and 31 March, six months from start date.

3.15.2. The arrangements and factors considered in determining an individual's progression through different pay grade are determined by experience, skills and qualifications as set out in the relevant Job Description.

## **4. Senior Management Remuneration**

4.1. For the purposes of this statement, senior management means 'Chief Officers' as defined within the Localism Act. The posts falling within the statutory definition are set out in '*The Code of Recommended Practice for Local Authorities on Data Transparency ("the data transparency code")*'.

4.2. The Council's grading structure for Chief Officers is attached at Appendix Two and includes:

#### **Chief Executive**

The salary falls within a range of 5 incremental points between £121,807, rising to a maximum of £135,341.

### **Strategic Director**

The salary package of posts designated as Strategic Director, fall within a salary range of 5 incremental points between £109,626 to a maximum of £121,807.

### **Director 1**

The salary package of posts designated as Director 1 fall within a range of 5 incremental points between £101,564 rising to a maximum of £112,849.

### **Director 2**

The salary package of posts designated as Director 2 fall within a range of 5 incremental points between £80,316 rising to a maximum of £89,240.

### **Head of Service 1**

The salary package of posts designated as Head of Service 1, fall within a range of 5 incremental points between £76,173 rising to a maximum of £84,637.

### **Head of Service 2**

The salary package of posts designated as Head of Service 2, fall within a range of 5 incremental points between £66,017 rising to a maximum of £76,173.

- 4.3 The terms and conditions, including the payment of any allowances for Chief Officers is set out within the Joint Negotiating Committee for Chief Officers of Local Authorities constitution conditions of service salaries.
- 4.4 The Chief Executive handbook sets out the terms and conditions of employment for Chief Executives and some provisions within this also apply to Council's Statutory Officers.

## **5. Recruitment of Chief Officers**

- 5.1. The Council's policy and procedures with regard to recruitment of Chief Officers is set out in Part Four of Council's Constitution. The appointment of Chief Officers and Deputy Chief Officers is delegated to The Employment and Appointments Committee as set out in Part Three of Council's Constitution.
- 5.2. When recruiting to all posts council will take full and proper account of all provisions of relevant employment law and its own Equal Opportunities, Recruitment and Selection and Redeployment Policies as approved by Council.
- 5.3. 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.
- 5.4. In line with guidance under The Localism Act, proposed appointments to posts with remuneration exceeding £100, 000 will be subject to a vote at Full Council.

## **6. Additions to Salary**

- 6.1. With the exception of progression through the incremental scale of the relevant grade being subject to satisfactory performance, which is assessed on an annual basis, the level of remuneration is not variable dependent upon the achievement of defined targets.

6.2. In addition to basic salary, the following posts receive additional pay as set out below:

Post / Tier of post	Payment details
Chief Executive and Head of Paid Service	Returning Officer duties: <ul style="list-style-type: none"> <li>• National statutory amount for Parliamentary/National Elections.</li> <li>• Locally determined amount in accordance with national guidance for Local Government Elections.</li> </ul>
All eligible employees	Allowances in accordance with council's terms and conditions.
Eligible Social Workers	Approved recruitment and retention allowances paid as a market supplement.

## 7. Pension Contributions

7.1. The employer's pension contribution is required to be published under S7 of the Accounts and Audit Regulations 2011.

7.2. The Council will automatically enroll all eligible employees into the Local Government Pension scheme and council is required to make a contribution to the scheme representing a percentage of the pensionable remuneration due under the contract of employment of that employee.

7.3. The rate of contribution is set by Actuaries advising Merseyside Pension Fund and reviewed every three years in order to ensure the scheme is appropriately funded. The current rate and deficit is equal to 22.6%.

## 8. Payments on Termination

8.1. The Council's approach to statutory and discretionary payments on termination of employment for all employees, including Chief Officers, prior to reaching normal retirement age, is set out within council's Retirement Policy.

8.2 The Council will keep its Enhanced Discretionary Severance Scheme under review. Any changes, as approved by the Employment and Appointments Committee are published in accordance with the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) regulations 2006.

8.3 In line with guidance under The Localism Act, proposed severance packages exceeding £100,000 in total will be subject to a vote at Full Council.

## 9. Lowest Paid Employees

9.1. The lowest paid persons employed by the Council are employed on full time (36 hours) equivalent salaries in accordance with spinal column points 10 (Band A) of council's grading structure (locally agreed). The grading structure takes

account of the Living Wage hourly rate (see section 3 above). As at 1 November 2013, this is £14,361 per annum, subject to local pay award.

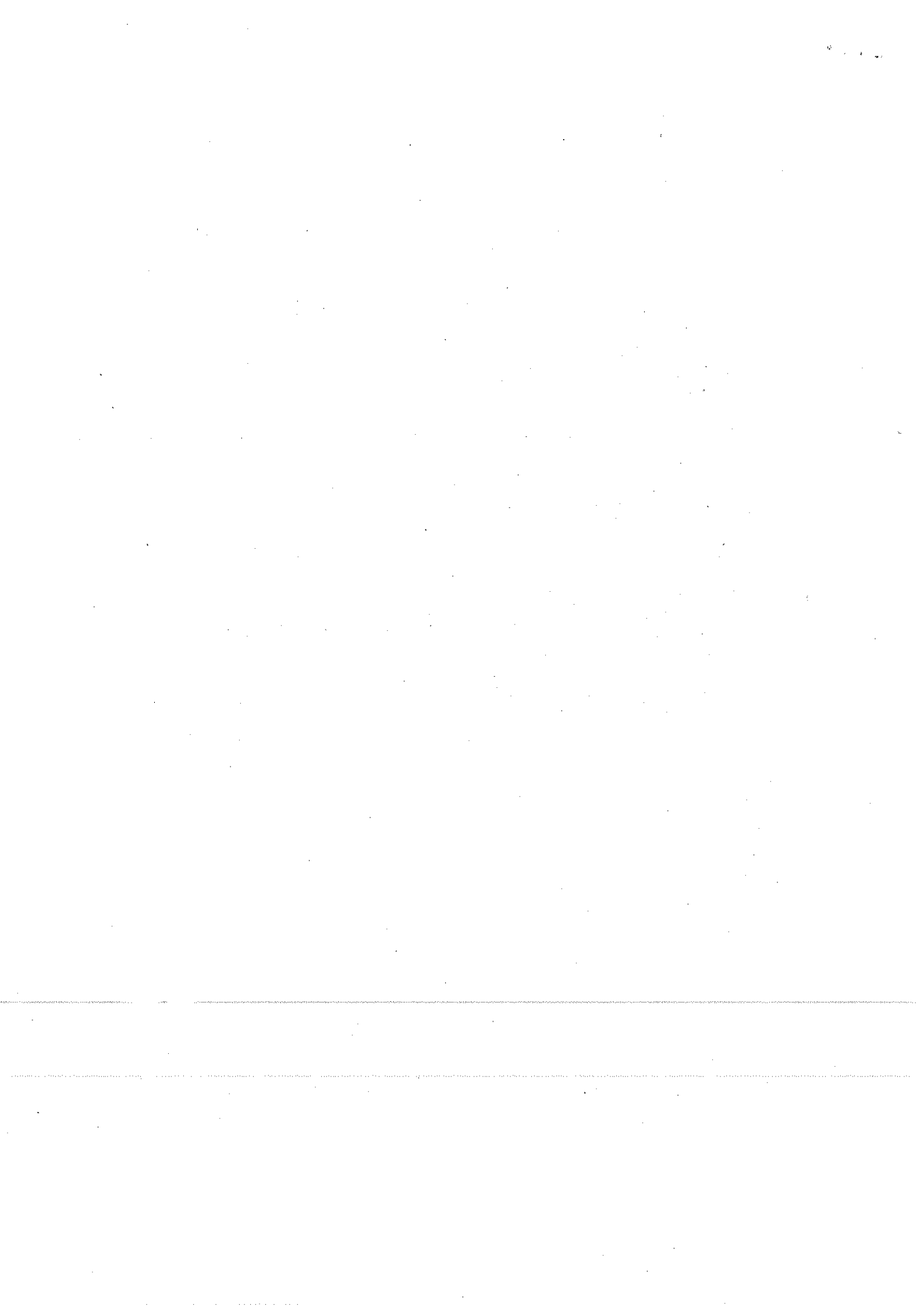
- 9.2. The Council employs Apprentices which are not considered within the definition of 'lowest paid employees' as they are employed under a training contract, starting at minimum wage, with pay progression routes available.
- 9.3. The relationship between the rate of pay for the lowest paid and Chief Officers is determined by the processes used for determining pay and grading structures as set out earlier in this policy statement.
- 9.4. The current pay levels within council define the multiple between the average full time equivalent (FTE) earnings and the Chief Executive as 1: 5.78.
- 9.5. The current pay levels within council define the multiple between the lowest paid employee full time equivalent (FTE) earnings and average Chief Officer earnings as 1: 6.17.
- 9.6. The current pay levels within council define the multiple between the average FTE earnings and the average of Chief Officer earnings as 1: 3.78.
- 9.7. As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate. In addition, upon the annual review of this Statement, the Council will also monitor any changes in the relevant 'pay multiples' and benchmark against other comparable local Authorities.

## **10. Accountability and Decision Making**

- 10.1 In accordance with The Constitution of Council, The Employment and Appointments Committee is responsible for decision making in relation to Chief Officer recruitment.
- 10.2 The Chief Executive and Head of Paid Service has delegated responsibility for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to employees of council below Chief Officer level.

## **11. Re-employment / Re-engagement of Employees**

- 11.1 The Council will not re-employ any former employees that have left the Council with an early retirement package or under the Voluntary Severance Scheme, except in exceptional circumstances and with the approval of the Head of Human Resources and Organisational Development.

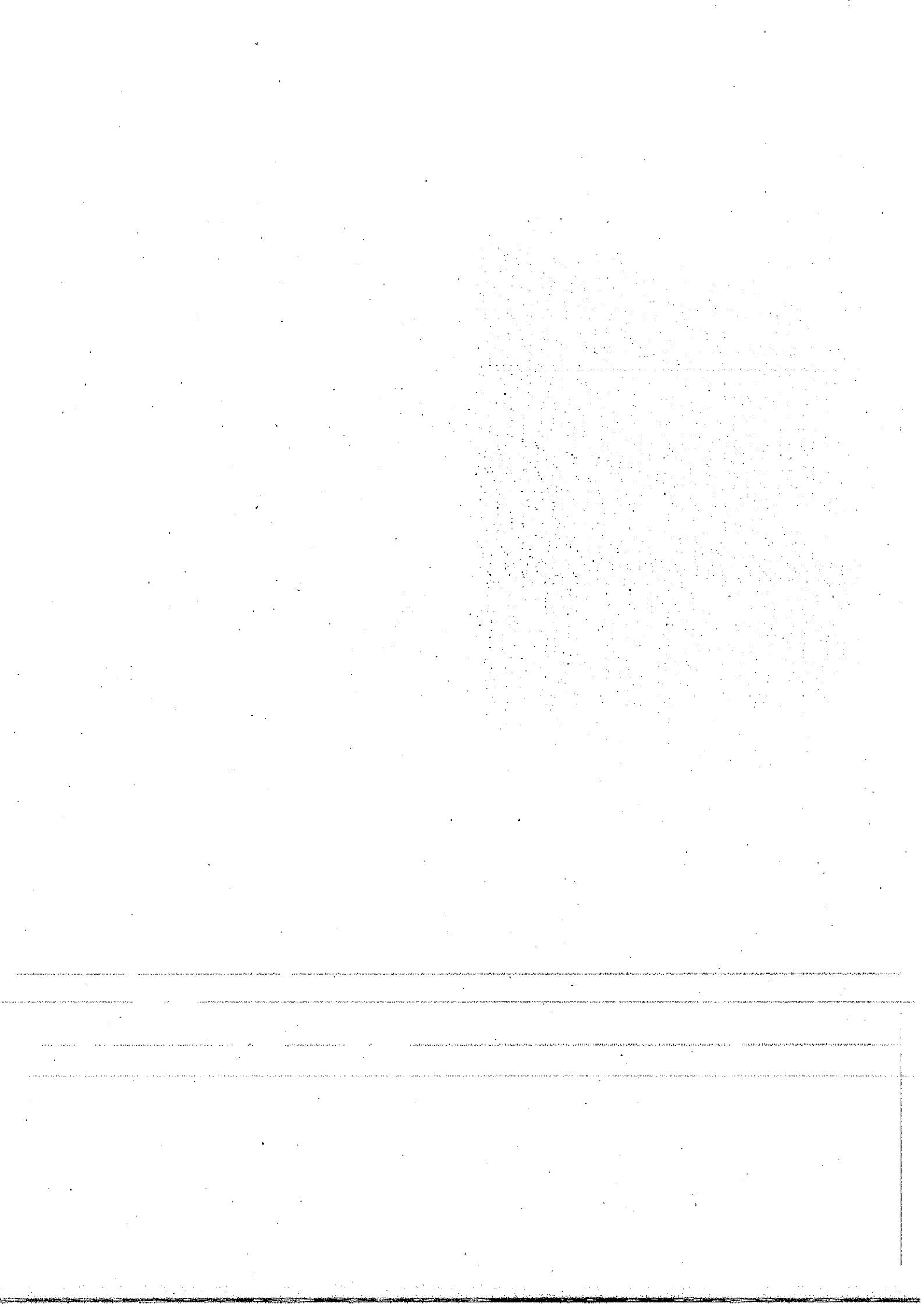




**LIVING WAGE SALARY RATES  
(WITH EFFECT FROM 1.11.2012)**

Appendix One

SCP	Band	Full Time Salary	Job Share Salary	Monthly	Weekly	36 Hourly
9	A	£13,985	6,992.50	1,165.42	268.21	7,4502
10	B	£14,360	7,180.00	1,196.67	275.40	7,6499
11		£14,733	7,366.50	1,227.75	282.55	7,8486
12	C	£15,103	7,519.50	1,253.25	288.42	8,0476
13		£15,444	7,722.00	1,287.00	296.19	8,2274
14		£15,725	7,862.50	1,310.42	301.66	8,3774
15	D	£16,059	8,027.00	1,337.85	307.88	8,5524
16		£16,440	8,220.00	1,370.00	315.29	8,7590
17		£16,830	8,415.00	1,402.50	322.27	8,9658
18	E	£17,131	8,560.50	1,430.08	329.04	9,1702
19		£17,532	8,766.00	1,462.50	337.04	9,3803
20		£17,933	8,971.50	1,495.25	345.29	9,5963
21		£18,334	9,177.00	1,528.00	353.80	9,8183
22	F	£19,621	9,810.50	1,635.08	376.29	10,4526
23		£20,198	10,099.00	1,683.17	387.36	10,7600
24		£20,858	10,429.00	1,738.17	400.02	11,1416
25		£21,519	10,759.50	1,793.25	412.69	11,4637
26	G	£22,281	11,140.50	1,850.75	426.76	11,8877
27		£22,950	11,479.00	1,913.17	440.29	12,3303
28		£23,708	11,854.00	1,979.67	454.67	12,8298
29		£24,646	12,323.00	2,056.83	472.66	13,3995
30		£25,472	12,736.00	2,128.67	488.60	13,9696
31	H	£26,276	13,138.00	2,195.67	506.92	14,5973
32		£27,052	13,526.00	2,254.33	518.01	14,9470
33		£27,849	13,924.50	2,320.75	534.09	15,3356
34		£28,686	14,345.00	2,386.33	549.78	15,7551
35		£29,236	14,618.00	2,436.33	560.69	15,5747
36		£30,011	15,005.50	2,500.92	575.55	15,9876
37		£30,851	15,425.50	2,570.92	591.66	16,4351
38		£31,754	15,877.00	2,646.17	608.98	16,9161
39		£32,800	16,400.00	2,733.33	629.04	17,4734
40		£33,661	16,830.50	2,805.08	645.55	17,9320
41		£34,549	17,274.50	2,879.08	662.58	18,4051
42		£35,430	17,715.00	2,952.50	679.48	18,8744
43		£36,313	18,156.50	3,026.08	696.41	19,3448
44		£37,206	18,603.00	3,100.50	713.54	19,8205
45		£38,042	19,021.00	3,170.17	729.57	20,2659
46		£38,961	19,480.50	3,246.75	747.20	20,7555
47		£39,855	19,927.50	3,321.25	764.34	21,2317
48		£40,741	20,370.50	3,395.08	781.33	21,7037
49		£41,616	20,808.00	3,468.00	798.12	22,1699
50		£42,320	21,160.00	3,526.67	811.62	22,5449
51		£43,038	21,519.00	3,586.50	825.39	22,9274
52		£43,900	21,950.00	3,658.33	841.92	23,3866
53		£44,752	22,376.00	3,729.33	858.26	23,8405
54		£45,552	22,776.00	3,796.00	873.60	24,2667
55		£46,423	23,211.50	3,868.58	890.30	24,7307
56		£47,297	23,648.50	3,941.42	907.07	25,1963
57		£48,088	24,044.00	4,007.33	922.24	25,6177
58		£48,979	24,489.50	4,081.58	939.32	26,0923
59		£49,827	24,913.50	4,152.25	955.59	26,5441
60		£50,667	25,333.50	4,222.25	971.70	26,9916
61		£51,515	25,757.50	4,292.92	987.96	27,4433
62		£52,361	26,180.50	4,363.42	1004.18	27,8940
63		£53,209	26,604.50	4,434.08	1020.45	28,3457
64		£54,057	27,028.50	4,504.75	1036.71	28,7975
65		£54,901	27,450.50	4,575.08	1052.90	29,2471
66		£55,739	27,869.50	4,644.92	1068.97	29,6935
67		£56,591	28,295.50	4,715.92	1085.31	30,1474
68		£57,437	28,718.50	4,786.42	1101.53	30,5981
69		£58,278	29,139.00	4,856.50	1117.66	31,0461
70		£59,130	29,565.00	4,927.50	1134.00	31,5000
71		£60,017	30,008.50	5,001.42	1151.01	31,9725
72		£60,917	30,458.50	5,076.42	1168.27	32,4520
73		£61,826	30,913.00	5,152.17	1185.70	32,9362
74		£62,761	31,380.50	5,230.08	1203.64	33,4343



Appendix Two

Chief Officer Grade/Salaries

	Chief Executive (CE)	Strategic Director (SD)	Director 1 (D1)	Director 2 (D2)	Head of Service 1 (HS1)	Head of Service 2 (HS2)
<b>Salary Range</b>						
01	121,807	109,626	101,564	80,316	76,173	66,017
02	125,190	112,671	104,385	82,547	78,289	67,850
03	128,573	115,716	107,206	84,778	80,405	69,684
04	131,957	118,761	110,027	87,009	82,521	71,518
05	135,341	121,807	112,849	89,240	84,637	73,352

