

DRAFT

WIRRAL COUNCIL

PAY POLICY STATEMENT

2019 – 2020

1. Introduction and Purpose

- 1.1. In line with the Localism Act 2011 (the Act), the purpose of this statement is to provide transparency with regard to the Council's approach to setting pay by identifying:
 - The methods by which salaries of all employees are determined;
 - The detail and level of the salary package 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.
- 1.2. 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.
- 1.3. 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 being approved by 31 March each year.
- 1.4. The Council may, by resolution, amend this Pay Policy, including after the beginning of the financial year to which it relates.

2. The Scope of this Policy

- 2.1. This Pay Policy Statement relates to staff employed by Wirral Council whose salary package including rate of pay and terms and conditions are determined by and are within the control of the Council.

3. Other Legislation Relevant to Pay and Salary Package

- 3.1. In determining the pay and salary packages of all of its employees, the Council will comply with all relevant employment legislation.
- 3.2. 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.
- 3.3. Under the Public Sector Equality Duty 2011, the Council is required to publish and analyse equal pay across protected groups and disaggregate the information to address under-representation across the workforce.
- 3.4. The Council will ensure that it meets the requirements of the Local Government Transparency Code 2014. The Transparency Code requires that all local authorities publish certain information related to the organisation, salaries and fraud including:
 - Organisation chart
 - Senior salaries
 - The pay multiple
 - Trade union facility time

- Fraud
- Constitution

4. Pay Structure

- 4.1. The Council uses the National Joint Council (NJC) nationally negotiated pay spine (i.e. a defined list of salary points) as the basis for its pay structure. Following consultation, this includes the assimilation of the redesigned spinal points, effective 1 April 2019.
- 4.2. The Council employs staff on other pay and terms and conditions including Craft, Youth and Community, Soulbury, Teachers, NHS, and pay is in accordance with national pay spines.
- 4.3. The Council adopts the national pay bargaining arrangements in respect of the establishment and revision of national pay spines, for example through any agreed annual pay increases negotiated with joint Trade Unions, subject to any local agreements in place.
- 4.4. Where a nationally negotiated pay spine does not apply, the Council will determine the salary rate through local negotiation and agreement.
- 4.5. All other pay related issues are the subject of either nationally or locally negotiated rates, in accordance with collective bargaining.
- 4.6. In determining its grading structure and setting salary packages for any posts which fall outside the scope of the national pay bargaining arrangements, the 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.
- 4.7. There are circumstances where the terms of Transfer of Undertakings (Protection of Employees: TUPE) may determine the eligibility of pay awards for employees who transfer into the Council on protected terms and conditions.

4.8. Variations to Pay Grade

- 4.8.1. 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.
- 4.8.2. 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.

4.9. Job Evaluation

4.9.1 Post grades are determined using Job Evaluation schemes.

4.10. The Living Wage

4.10.1. Living Wage rates are based on Minimum Income Standards methodology and seek to take account of real living costs for essential goods and services.

4.10.2. Through the Council's Pay Policy Statement, the Council is committed to and pays the Living Wage for all employees.

4.10.3. The Living Wage rate is reviewed and announced by The Living Wage Foundation on 1 November each year. The Council will consider any increases to the Living Wage as part of the annual Pay Policy Statement. If agreed, increases to the Living Wage will take effect from 1 April the following year. The provision for the Living Wage will be kept under review.

4.13.4 The current Living Wage rate for outside London increased from 1 November 2018 to £9 per hour.

4.11. New Appointments

4.11.1. New appointments will normally be made at the minimum Spinal Column Point (SCP) of the relevant pay scale for the grade. Where the candidate is already in receipt of remuneration above the minimum SCP of the relevant pay scale, the appointment will normally be made at the nearest equivalent SCP in the grade. If the employee is already in receipt of acting up or honoraria this will also apply.

4.11.2. The appointment salary may be varied with the agreement of the Head of Human Resources. Proposals should be made by the recruiting manager, supported by a business case providing objective justification for the proposed variation prior to any offer of employment.

4.12. Progression through Pay Grades

4.12.1. 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 the start date.

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

5. Senior Management Salary

- 5.1. For the purposes of this statement, senior management means 'Chief Officers' as defined under section 43(2) of the Localism Act 2011. This includes statutory chief officers, non-statutory chief officers and deputy chief officers as listed within that Act.
- 5.2. 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)*'.
- 5.3. The Council's grading structure for Chief Officers is as follows:
 - Chief Executive
 - Senior Director 1
 - Senior Director 2
 - Director 1
 - Director/Deputy Director 2
 - Assistant Director 1
 - Assistant Director 2
- 5.4. 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. All details of Chief Officer salaries are published in accordance with the Transparency Code.
- 5.5. The Chief Executive handbook sets out the terms and conditions of employment for the Chief Executive and Head of Paid Service. Some provisions within this also apply to Council's Statutory Officers (Section 151 Officer and Monitoring Officer).

6. Recruitment of Chief Officers

- 6.1. The Council's policy and procedures with regard to recruitment of Chief Officers is set out in Part Four of The 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 The Council's Constitution.
- 6.2. The determination of the salary 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. The Council's Chief Officer pay scales are published on the Council's website.
- 6.4. The Localism Act Guidance says that Council should have the opportunity to vote before salary packages of £100,000 or more are agreed. Through The Council's Constitution, this is delegated to the Employment and Appointments Committee, as above, which appoints Chief Officers other than for those roles where the full Council has reserved powers in respect of defined posts.
- 6.5. There is a statutory requirement to notify the Leader of the Cabinet of the selection decision, and provide an opportunity for each Cabinet Member to make representations on the decision to the proper officer.

- 6.6 A meeting of full Council will approve the appointment to the following:
- Head of Paid Service;
 - Section 151 Officer (also known as Chief Finance Officer);
 - Monitoring Officer;
 - Returning Officer (for which expenses may be claimed); and
 - Electoral Registration Officer.

7. Additions to Salary

- 7.1. 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"> • National statutory amount for Parliamentary/National Elections. • Locally determined amount in accordance with national guidance for Local Government Elections.
All eligible employees	Allowances in accordance with The Council's Terms and Conditions.

8. Pension Contributions

- 8.1. The employer's pension contribution is required to be published under S7 of the Accounts and Audit Regulations 2011.
- 8.2. The Council will automatically enroll all eligible employees into the Local Government Pension scheme and the Council is required to make a contribution to the scheme representing a percentage of the pensionable Salary due under the contract of employment of that employee.
- 8.3. 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.

9. Payments on Termination

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

9.3 Any payments upon termination in respect of a Chief Officer exceeding £100,000, (apart from contractual payments, where the Council has no discretion) shall be subject to a vote at Council or relevant Committee or Panel of Members with delegated authority to approve such payments. Payments upon termination are subject to any legislative requirements or caps.

10. Lowest Paid Employees

10.1. 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).

10.2. 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.

10.3. The current pay levels within the Council define the multiple between the average full time equivalent (FTE) earnings and the Chief Executive as 1:6.39.

10.4. The current pay levels within the Council define the multiple between the lowest paid employee full time equivalent (FTE) earnings and average Chief Officer earnings as 1:5.99.

10.5. The current pay levels within the Council define the multiple between the average FTE earnings and the average of Chief Officer earnings as 1: 3.62.

10.6. 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.

11. Accountability and Decision Making

11.1. In accordance with the Constitution of the Council, the Employment and Appointments Committee is responsible for decision making in relation to Chief Officer recruitment. The Employment and Appointment Committee may delegate this to the Head of Paid Service.

11.2 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 the Council below Chief Officer level.

12. Re-employment / Re-engagement of Employees

12.1. The Council will not re-employ any former employees that have left the Council through early retirement or under the Voluntary Severance Scheme where there has been a cost to the Council, except in exceptional circumstances and with the approval of the Head of Human Resources.

13. Publication

13.1. Upon approval by Full Council, this statement will be published on the Council's Website and Intranet.

13.2. In line with the requirement of the Local Government Transparency Code 2014, the Council will publish an organisation chart covering staff in the top three levels of the organisation, which will include the following information:

- Grade
- Job Title
- Salary in £5,000 brackets
- Salary ceiling (the maximum salary for the grade)

13.3. The following information for senior salaries (employees whose Salary in that year was at least £50,000) will also be published:

- Job Title
- Salary