



Borough of Poole Council

**Chief Officers'
Fair Pay Policy Statement:
01 April 2018 to 31 March 2019**

Document Control

Policy title	Fair Pay Policy Statement: 01 April 2018 to 31 March 2019
Policy owner	Executive Director, Corporate Services
Policy author	Joint Service Director Human Resources and OD
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Approval body	Council
Approval date	
Review frequency	Annual
Next review due	31 March 2019

Revision History

Date	Version	Summary of Changes	Section(s) Changed
11/01/2018	1	<ul style="list-style-type: none">New document in all respects to meet legislative requirements for publishing salary information	All
11/01/2018	1	<ul style="list-style-type: none">Updated discretion regarding Full Council vote on severance packages	Paragraph 14 Appendix B

Equalities Impact Assessment

Assessment date	12 December 2017
Assessment location	Attached as Appendix D

Freedom of Information Act Exemption

FOI Exempt?	YES /NO
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Document Location

Once approved, the source of this document will be found within the corporate fileplan or intranet.

Document Distribution

Copy of this document has been externally distributed upon publication to:

Name	Organisation	Date of Issue	Version

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Alternative Document Formats

Format	Location

Why do we have this policy?

Reason

- 1 This policy is established to meet requirement of section 38(1) of the Localism Act (2011).

Purpose

- 2 The purpose of this policy is to provide transparency on the salaries of Chief Officers of the Council, how those salaries are set and other issues related to the pay of Chief Officers.

Who must comply with the policy?

- 3 Chief Officers are defined as the Chief Executive Officer and Strategic Directors of Borough of Poole who must comply with this policy.

Who else should be aware of this policy?

- 4 This policy will be published on the Council's website to ensure that all Council staff, Councillors, Poole residents and local businesses have access to it.

What is this policy?

- 5 The salaries of the Chief Executive and Strategic Directors are set by the Leader and Deputy Leader of the Council on advice from the South West Local Government Employers Association and having regard for the Chief Executive and Chief Officers' national pay scales.
- 6 In accordance with the supplementary guidance on Section 40 of the Localism Act, full council will be given the opportunity to vote on salaries to new employees if the salary package is in excess of £100,000 per annum.
- 7 The salaries for these staff will be increased in line with national pay awards agreed by Joint National Committee (JNC) for Chief Executives and Chief Officers unless financial constraints prevent the required funding from being available. In this case, some lesser figure or no increase will be applied.
- 8 The Chief Executive Officer and Strategic Directors are employed on JNC conditions of service.
- 9 Section 38(1) requires the following information to be published annually as part of the policy:
 - a The Chief Executive base salary for 2017/18 is £119,222, receives a pension contribution of £19,314 and an NI contribution of £15,327 giving a total £153,863 per annum (excluding expenses allowance).
 - b The median full time equivalent salary for staff for 2017/18, excluding employees paid on national scales known as Soulbury grade staff, Youth

Worker, Apprentices and employees in schools, is £24,951, with a pension contribution of £4,204 and a NI contribution of £2,455 giving a total of £32,610. The ratio between this salary and the salary of the Chief Executive is 1:4.7.

- c The lowest full time equivalent salary is £15,014, with a pension contribution of £2,432 and a NI contribution of £945 giving a total of £18,391. The ratio between this salary and the salary of the Chief Executive is 1:8.4.
- d These ratios are published in line with the recommendations of the Hutton review of Fair Pay in the Public Sector. This review also recommends that local authorities define what they mean by 'lowest salary'.
- e The lowest salary is defined as the full time equivalent salary of employees in receipt of the lowest salary point of the salary and grading structure for Borough of Poole Council employees who are not covered by Soulbury or youth workers or Teachers national scales. This salary structure is the result of a review of all jobs not covered by national bargaining arrangements and was established using the Greater London and Provincial Council's job evaluation system. This review was carried out jointly with Management and the two trade unions recognised for collective bargaining purposes, namely UNISON and GMB and the was result of the review implemented under the provisions of a Collective Agreement "Equal Pay and Conditions of Service" signed in October 2009.

The bottom spine point salary is the lowest pay for the smallest jobs, in job evaluation terms, in the authority.

- f The salaries of Service Unit Heads, the posts that report into Strategic Directors, are determined under a job evaluation scheme based on the South West Councils Scheme. A separate, locally agreed Service Unit Head pay scale applies.
- g An extract from the annual statement of accounts for 2015/16 is given in Appendix C which gives details of the payments made to Chief Officers in 2015/16.
- h Whilst it is the Council's policy to recruit on the minimum of a pay scale, due regard will be taken of the prevailing market rates.
- j Returning Officer fees for general elections which are set by government and for local elections agreed by Dorset County Council are available to the Chief Executive.
- k No other fees are paid to Chief Officers but they are able to make claims under the Council's Business Travel and Subsistence policy.
- l Payments for working hours additional to contractual hours are not made.

- 10 The Council publishes the total remuneration of Chief Officers and Strategic Directors as part of the annual statement of accounts on its public website.
- 11 The decision to employ Chief Officers, who were previously employed by the Council and left with a severance or redundancy payment, will be based on the applicants' suitability for the post. In the event that the employment is within four weeks of the original termination, the employee will have to reimburse any redundancy payments to the previous employer if they have been made to them.
- 12 Redundancy costs are made from public money and as such are a matter of regular audit and scrutiny. It is important to ensure that such payments are not made inappropriately or with a short term perspective. For this reason the Council will not normally re-engage former employees who have accepted voluntary redundancy terms. Any re-engagement must be as a result of an open and external recruitment process.
- 13 The Council's policy is to usually employ Chief Officers under employment contracts, not under a contract for services.
- 14 The decision to employ Chief Officers who are in receipt of a Local Government Pension Scheme or Fire fighter pension (whether their previous service was with the same authority or not) is dependent on the applicants suitability for the post. The remuneration will be set in line with the Chief Executive and Chief Officers' national pay scales, the going market rate and affordability.
- 15 An outline of the Council's policy with respect to redundancy is given in Appendix B. The supplementary guidance on the implementation of section 40 of the Localism Act 2011 provides that the full council is given the opportunity to vote on severance payments over £100,000. Where severance packages contain any discretionary element and exceed £100,000 Full Council should consider and, that in other cases where contractual payments are made which exceed this threshold, an annual report is made which includes reference to such cases for transparency purposes.
- 16 The policy in relation to employer discretions under the Local Government Pension scheme is given in Appendix A.

How is this policy implemented?

Procedures

- 16 This policy is reviewed annually by the Corporate Management Team and any recommendations for change will be made to the Cabinet for approval.

Supporting information

- 17 The Localism Act (2011) is available on the Parliament website here:
http://www.legislation.gov.uk/ukpga/2011/20/pdfs/ukpga_20110020_en.pdf
- 18 The Council is required by law to review its Pay Policy Statement annually. Each subsequent statement must be prepared and approved before the 31 March immediately preceding the financial year to which it relates.
- 19 Related Council policies and supporting documents:
- The Council's Business Travel and Subsistence Policy
 - The Council's policy in relation to employer discretions under the Local Government Pension scheme
 - Retirement Payments Scheme
 - BOP Salary and grading structure:
 - Equal Pay and Conditions of Service Collective Agreement 2009
 - Salary Scales available at www.poole.gov.uk

BOROUGH OF POOLE (“THE COUNCIL”)

POLICY IN RELATION TO EMPLOYER DISCRETIONS UNDER THE LOCAL GOVERNMENT PENSION SCHEME

This document forms the Council’s policy in relation to the various discretions available to in the Local Government Pension Scheme in respect of Regulations 12, 13, 18 and 30 of the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2013 (“Benefits Regulations”), as required by Regulation 66 of the Local Government Pension Scheme (Administration) Regulations 2008 (“Administration Regulations”). References to specific Regulations are to the Benefits Regulations.

This policy does not form part of employees’ terms and conditions of employment and the Council may repeal, review or amend its policy at any time.

Regulation	Policy
<p>Regulation 12:</p> <p><u>Increasing the membership of an active member by up to 10 years</u></p>	<p>While Discretionary Service Augmentation is allowable within the Local Government Pension Regulations, it is Borough of Poole’s normal policy not to augment.</p>
<p>Regulation 13:</p> <p><u>Awarding additional pension of up to £5,000 pa</u></p>	<p>The Council has elected not to use this discretion.</p>
<p>Regulation 18:</p> <p><u>Flexible Retirement</u> – the early payment of all or part benefits where the employee is aged 55 or over and has reduced their hours and/or grade.</p>	<p>Each case will be considered on its individual merits by the Service Unit Head or Headteacher and the Head of Human Resources.</p> <p>It is the normal expectation of the Council and its Schools that following flexible retirement the sum of the employee’s pension and ongoing salary should not equal more than their total salary immediately prior to retirement. Reductions in working hours may therefore frequently be for up to 50% of existing working hours, and/or employees may wish to be considered for a post at a lower grade. If</p>

	<p>pension benefits are released through flexible retirement the employee cannot therefore revert to their previous contractual provisions, nor to a contract with higher contractual provisions.</p>
<p>Regulation 30:</p> <p><u>Whether to grant application for early payment of benefits for pension members aged 55 – 60.</u></p>	<p>Rule of 85 - The decision to allow immediate release of scheme accrued pension benefits for some employees with a continued protected entitlement to request this is at the discretion of the Borough of Poole. Consideration will be given to such requests received with account being given to the financial costs to the Service Unit or School that would arise as a consequence as well as the impact on service efficiency.</p> <p>The Council or School also has the discretion under the Pension Regulations to allow early retirement on compassionate grounds. This will only be agreed in very exceptional circumstances and there is no right to be awarded retirement benefits or to retire under these provisions.</p> <p>The Council will not normally waive any actuarial reduction which is applied to the early payment of benefits.</p>

Early termination in the interest of the efficiency of the service and Redundancy

The Council has a single redundancy scheme which applies to all employees. Redundancy payments are calculated in accordance with the Employment Rights Act 1996 and the 2006 Discretionary Compensation Regulations and are based on the employee's age, length of continuous local government service and salary. Details of the redundancy scheme can be found in the Council's Redundancy Policy.

The Council does not provide any further payment to employees leaving the Council's employment other than in respect of accrued annual leave.

Employees who have TUPE transferred into the Council under the transfer of undertakings regulations on redundancy terms which are more favourable than those detailed above will retain these provisions in accordance with those regulations.

Where severance packages contain any discretionary element and exceed £100,000 Full Council should consider and, that in other cases where contractual payments are made which exceed this threshold, an annual report is made which includes reference to such cases for transparency purposes.

EMPLOYEE REMUNERATION 2016/17

Senior Employees emoluments-salary between £50,000 and £150,000 :

	Remuneration Salary (including supplements)	Expense Allowances	Compensation for Loss of Office	Employers Pension Contributions	Total payments including Pension Contributions	
	2016/17	2016/17	2016/17	2016/17	2016/17	
	£			£	£	
Chief Executive	118,042	0	0	21,838	139,880	
Strategic Director - People	107,617	0	0	19,909	127,526	
Strategic Director - Place	97,769	0	0	18,087	115,856	
Strategic Director - Corporate Services	Note 1	74,667	0	13,813	88,480	
Service Unit Head - Adult Social Services (Commissioning)		81,432	0	15,065	96,497	
Service Unit Head - Children & Young People Integrated Services		84,710	0	15,671	100,381	
Service Unit Head - Children & Young People Social Care	Note 2	32,913	0	6,089	39,002	
Service Unit Head - Children & Young People Strategy Quality & Improvement		76,216	0	14,100	90,316	
Service Unit Head - Culture & Community Learning		68,439	0	12,661	81,100	
Service Unit Head - Environmental Consumer Protection	Note 8	65,525	0	12,122	77,647	
Service Unit Head - Financial Services	Note 3	102,797	0	19,017	121,814	
Service Unit Head - Housing & Community Services	Note 4	62,331	0	11,531	73,862	
Service Unit Head - ICT Services	Note 5	74,869	0	13,851	88,720	
Service Unit Head - Legal, Democratic & Strategy Services		82,190	0	15,205	97,395	
Service Unit Head - Human Resources	Note 6	69,901	0	30,515	113,348	
Service Unit Head - Planning & Regeneration	Note 7	58,496	0	56,102	125,420	
Service Unit Head - Growth & Infrastructure		77,207	0	14,283	91,490	
Totals		1,335,121	0	86,617	246,997	1,668,735

Where joint services are operating a post will have an 'employing authority' and the full costs of such posts are shared.

Poole is the employing authority for the Strategic Director - Corporate Services and Service Unit Head - Financial Services, hence the full costs are shown above.

Note 1 Joined the Authority 1st August 2016 - This is a joint role with Bournemouth Borough Council. The costs are shared.

Corporate Services encompasses responsibility for Business Improvement.

Note 2 Service Unit Head - Children & Young People Social Care left the authority on 4th September 2016.

This Service Unit Head post is now being covered by an Agency worker until such time as joint arrangements are made with Bournemouth.

The costs if this amounted to £95k during 2016/17 - these costs are not included above.

Note 3 This post is now 30 hours per week.

Note 4 Service Unit Head - Financial Services - The costs of this post are shared with Bournemouth Borough Council as part of a joint service arrangement.

Note 5 Service Unit Head - Housing & Community Services left the authority 21st February 2017. The Head of Children Young People Strategy & Quality improvement now leads both Units.

Note 6 Service Unit Head - Human Resources left the authority on the 31st March 2017.

Note 7 Service Unit Head - Planning & Regeneration left the authority 18th December 2016. A new unit was formed Growth and Infrastructure combining Transportation Services & Planning & Regeneration led by the Head of Transportation Services.

Equality Impact Assessment Record (EQIA)

Our Equality Policy 'Fairness for All'

Title of Policy/Service/Project	Pay Policy Statement: 01 April 2018 to 31 March 2019
Service Unit	Human Resources
Senior Responsible Officer & Job Title	Julian Osgathorpe, Executive Director Corporate Services
Lead Responsible Officer and Job Title	Saskia de Vries, Joint Service Director Human Resources & OD
Members of the Assessment Team: Please indicate for each person if they are an employee, partner or customer.	Saskia de Vries / Sorrelle Ford (HR Business Partner)
Start Date of assessment: End Date of Assessment (this should be before the date of decision):	12/12/2017

About the Policy/Service/Project:

- 1. Everyone can access the services and information they need**
- 2. Our workforce includes people from all parts of Poole's community and values what they add to the Council**

<http://www.poole.gov.uk/your-council/equality-and-diversity/equality-and-diversity/#Equality-in-our-corporate-strategy>

List the main people, or groups of people, that this policy/service/project will benefit?

Chief Executive and Strategic Directors

Other stake holders – Elected members

The public through the availability of the information the policy provides

Detail how will they benefit below:

Will increase transparency of Council decisions regarding remuneration packages for Chief Officers employed by Borough of Poole Council

Increase the Trust and Confidence of the Public in Borough of Poole Decision making Processes

Enable more people (Councillors to influence decisions relating to severance agreements, that contain any discretionary element and exceed £100,000 and the Remuneration packages in excess of £100,000)

Please detail below how this policy/service/impact on any other organisation and their customers.

Not Applicable

Consultation, Monitoring and Research

Consultation:

Please list those who have been consulted with in development / design of this policy/service/project provide a summary of the results below.

Since this policy codifies existing practice and introduces changes to current arrangements as required by the Localism Act 2011 no consultation was undertaken. However, the remuneration packages of the people to whom the statement relates are matters of Public Record.

The Corporate Management Team as detailed below have scrutinised and signed off the policy prior to its publication.

Corporate Management Team

Andrew Flockhart, Chief Executive, Jan Thurgood, Executive Director People, Kate Ryan, Executive Director Place, Julian Osgathorpe Executive Director Corporate Services

Internal (e.g. council staff, Members)

Tanya Coulter, Joint Service Director Legal and Democratic Services

Saskia De Vries, Joint Service Director Human Resources & OD

External (e.g. partners, service users, general public)

Not Applicable

Please provide a summary of the findings from these consultations below.

Not Applicable

How do the findings in the above consultation & research been used to inform or used to design the new service or influence Policy or project?

Not Applicable

If you have not carried out any consultation, or if you need to carry out further consultation, who will you be consulting with and by what methods?

No consultation will be carried out in relation to the Pay Policy Statement to which this Equality Impact Document applies as it has been developed to meet the duty of 'due regard' as required by the Equality Act 2010. However, this document does serve to increase transparency in decisions made that relate to remuneration packages of Strategic Directors and Service Unit Heads and any severance packages agreed between Borough of Poole and its employees where the package or settlement contains any discretionary element and exceeds the sum of £100,000. This is likely to enhance the Councils reputation and lead to higher levels of trust and confidence in the Council from the public. The Pay Policy Statement is for information only and supports Borough of Poole in codifying current practice and also meets responsibilities under the Localism Act 2011.

Monitoring and Research:

What data, research and other evidence or information have you used to inform your decision making? Detail all sources below

- Workforce monitoring Data
- Advice from the South West Local Government Employers Association
- Chief Executive and Chief Officers' national pay scales
- JNC conditions of service.
- National and local statistics regarding the pay of Chief Officers within Local Authorities
- Sections 40 and Section 38 (1) of the Localism Act 2011
- Hutton Review
- Information from formal audits

Is there any service user/employee monitoring data available and relevant to this policy/service/project? What does it show in relation to equality groups?

None

Do you have enough information to make a decision? Yes / No

If No then how are you going to remedy the gap in knowledge?

Yes

Assessing the Impact

Which of the following protected characteristics would actually or potentially benefit or be disadvantaged as the result of this policy as evidenced above?

	Comments
Age	Having considered the Duty of 'due regard and its relevance to the Chief Officers Pay Policy Statement. The conclusion is that it is neither beneficial nor detrimental to any relevant protected characteristic as defined by the Equality Act 2010.
Disability	Having considered the Duty of 'due regard and its relevance to the Chief Officers Pay Policy Statement. The conclusion is that it is neither beneficial nor detrimental to any relevant protected characteristic as defined by the Equality Act 2010.
Gender	Having considered the Duty of 'due regard and its relevance to the Chief Officers Pay Policy Statement. The conclusion is that it is neither beneficial nor detrimental to any relevant protected characteristic as defined by the Equality Act 2010.
Gender reassignment	Having considered the Duty of 'due regard and its relevance to the Chief Officers Pay Policy Statement. The conclusion is that it is neither beneficial nor detrimental to any relevant protected characteristic as defined by the Equality Act 2010.
Pregnancy and Maternity	Having considered the Duty of 'due regard and its relevance to the Chief Officers Pay Policy Statement. The conclusion is that it is neither beneficial nor detrimental to any relevant protected characteristic as defined by the Equality Act 2010.
Marriage and Civil Partnership	Having considered the Duty of 'due regard and its relevance to the Chief Officers Pay Policy Statement. The conclusion is that it is neither beneficial nor detrimental to any relevant protected characteristic as defined by the Equality Act 2010.
Race	Having considered the Duty of 'due regard and its relevance to the Chief Officers Pay Policy Statement. The conclusion is that it is neither beneficial nor detrimental to any relevant protected characteristic as defined by the Equality Act 2010.

	Comments
Religion or Belief	Having considered the Duty of 'due regard and its relevance to the Chief Officers Pay Policy Statement. The conclusion is that it is neither beneficial nor detrimental to any relevant protected characteristic as defined by the Equality Act 2010.
Sexual Orientation	Having considered the Duty of 'due regard and its relevance to the Chief Officers Pay Policy Statement. The conclusion is that it is neither beneficial nor detrimental to any relevant protected characteristic as defined by the Equality Act 2010.
Any other factor/ groups e.g. socio-economic status/carers etc	The Chief Officers Pay Policy Statement does not benefit nor is it detrimental to carers. Reductions in severance packages and limitations on salary may impact on socio –economic status
Human Rights	The Chief Officer Pay Policy Statement does not appear to have implications for the Human Rights of the people to which it relates.

STOP - Any policy which shows actual or potential discrimination.

Reason for Decision?

The Chief Officer Pay Policy Statement does not impact on the duty to advance equality nor impact the Human Rights of the people to whom it will apply.

The Policy supports the Councils Equality Objective getting more people involved in influencing decisions at the Council.

Action Plan

Review date: 12/12/2017

Monitored by: Sorrelle Ford, HR Business Partner

Reporting to: Saskia de Vries, Joint Service Director Human Resources & OD

Date Actions transferred to Service Equality Action Plan:

Include:

- What has/will be done to reduce the negative impacts on groups as identified above.
- The arrangements for monitoring the actual impact of the policy/service/project

Brief Summary of Issue(s) identified	Specific action required to mitigate, lesson or remove issues identified	Measurable Outcomes	Responsible officer	Due Date
No Issues of relevance identified.	N/A	N/A	N/A	N/A