



**Reasons for the Recommendation:**

To comply with the Localism Act 2011

**What will it cost and how will it be financed?**

**(A) Revenue Costs**

N/A

**(B) Capital Costs**

N/A

**Implications:**

The following implications of this proposal have been considered and where there are specific implications, these are set out below:

<b>Legal</b>	<p>The Council has the following duties under the following sections of the Localism Act 2011 :-</p> <p>Section 38- The Council must prepare a Pay Policy Statement for each financial year which sets out its policies for the financial year relating to the remuneration of its chief officers and its lowest-paid employees and the relationship between the remuneration of its chief officers and its employees who are not chief officers.</p> <p>Section 39-The Council’s Pay Policy Statement must be approved by resolution of the authority before it comes into force and prior to 31<sup>st</sup> March immediately preceding the financial year to which it relates.</p> <p>Section 40- With regard to its functions under sections 38 and 39 [above] ,the Council must have regard to any guidance issued or approved by the Secretary of State</p>									
<b>Human Resources</b>	<p>The Pay Policy has been amended and updated to reflect any changes that have occurred since the last report.</p>									
<b>Equality</b>	<table border="0"> <tr> <td data-bbox="143 1550 175 1585">1.</td> <td data-bbox="245 1550 576 1585">No Equality Implication</td> <td data-bbox="1018 1550 1115 1599"><input checked="" type="checkbox"/></td> </tr> <tr> <td data-bbox="143 1621 175 1657">2.</td> <td data-bbox="245 1621 879 1657">Equality Implications identified and mitigated</td> <td data-bbox="1018 1621 1115 1671"><input type="checkbox"/></td> </tr> <tr> <td data-bbox="143 1693 175 1729">3.</td> <td data-bbox="245 1693 906 1729">Equality Implication identified and risk remains</td> <td data-bbox="1018 1693 1115 1742"><input type="checkbox"/></td> </tr> </table>	1.	No Equality Implication	<input checked="" type="checkbox"/>	2.	Equality Implications identified and mitigated	<input type="checkbox"/>	3.	Equality Implication identified and risk remains	<input type="checkbox"/>
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3.	Equality Implication identified and risk remains	<input type="checkbox"/>								

**Impact on Service Delivery:** N/A

**What consultations have taken place on the proposals and when?** N/A

The Head of Corporate Finance (FD2722) notes that this report is to meet the Authorities statutory duties under the Localism Act 2011 to produce an Annual Pay Policy statement and has no other financial implications.

Head of Corporate Legal Services (LD2027.) have been consulted and any comments have been incorporated into the report.

**Are there any other options available for consideration?**

No

**Implementation Date for the Decision**

Immediately following the Council meeting.

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**Background Papers:**

None

## **INTRODUCTION/BACKGROUND**

1. This report deals with a requirement in the Localism Act 2011 (the Act) which became statute in November 2011. The Act introduces a requirement for Local Authorities to agree and publish an Annual Pay Policy Statement commencing 20<sup>th</sup> December 2011. The Department of Communities and Local Government (DCLG) also published statutory guidance on openness and accountability in local pay.
2. This report deals with two specific issues:
  - (a) the amendments to the pay policy to reflect changes within the Authority
  - (b) decision making in relation to Authority employees who may receive a severance payment of £100,000 or over.
3. The DCLG guidance is that Full Council should be asked to determine whether it wishes to vote on any remuneration package or payment on termination of employment of £100,000 or greater.
4. On 20<sup>th</sup> February 2012 the DCLG issued statutory guidance “Openness and Accountability in Local Pay: Guidance under Section 40 of the Localism Act 2011”. Local Authorities in England are required to take account of the supplementary guidance when preparing their Pay Policy Statements for 2013/14 and each subsequent year.
5. At its meeting on 28<sup>th</sup> February 2013 Council agreed the Pay Policy Statement for 2013/14 which included specifically a mechanism for the consideration of new appointments which have a remuneration package of £100,000 or greater. Full Council in accordance with the Pay Policy will have the opportunity to vote on this remuneration prior to a new appointment with a recommendation made by the Employment Procedure Committee.
6. In supplementary guidance issued subsequently “Openness and Accountability in Local Pay Guidance under Section 40 of the Localism Act 2011 – Supplementary Guidance” further guidance is given and the issue of severance payments is detailed. Additionally the Secretary of State for Communities and Local Government wrote to the Leaders of Local Authorities in England and Chairs of Fire and Reserve Authorities on this matter.

### **Severance Payments**

7. The further guidance which detailed the following:

#### ***“Severance Payments***

*There has been a great deal of public scrutiny of the level of severance payments awarded to senior local government staff and rightly so. Authorities should ensure that they manage their workforces in a way that best delivers best value for money for local taxpayers and sets the right example on restraint. This included any payments offered to staff leaving the authority.*

*Authorities are already required to publish their policies on severance for chief officers under The Localism Act 2011, Section 38 (4) (f) and their policy*

*on discretionary compensation for relevant staff in the event of redundancy (Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006. In addition other regulations provide for the disclosure of remuneration of senior employees including details of severance payment within authorities' annual statement of accounts (Accounts and Audit (England) Regulations 2011).*

*Taken together these measures enable greater scrutiny of the money spent by authorities on severance. However, given continuing public concern about the level and frequency of such payments, there is a case for going further to ensure that decisions to spend local taxpayers' money on large pay-offs are subject to appropriate levels of accountability. Authorities should therefore offer full Council (or a meeting of members in the case of fire authorities) the opportunity to vote before large severance packages beyond a particular threshold are approved for staff leaving the organisation. As with salaries on appointment, the Secretary of State considers that £100,000 is the right level for that threshold to be set.*

*In presenting information to full Council, authorities should set out clearly the components of relevant severance packages. These components may include salary paid in lieu, redundancy compensation, pension entitlements, holiday pay and any bonuses, fees or allowances paid.”*

8. Further guidance was sought from the DCLG in respect of the interpretation of a severance package elements and the DCLG indicated that they were unable to provide any further guidance as to the elements which the DCLG considered would constitute the total amount.
9. In considering the approach of what would constitute the elements of a severance package, Officers would recommend that given the intention of the guidance is to enable the monitoring of Local Authority costs, that elements of any severance package would include:
  - (a) A redundancy payment
  - (b) Any capital cost to the pension fund
  - (c) Any other contractual payments that are due to the employee
  - (d) Any other payments which the Local Authority may seek to make.
10. In respect of the definition of severance package, Officers considered as to whether the definition would include a lump sum from the pension scheme, however, Officers do not feel that this should be included as this is a benefit the employees draw from the relevant Fund according to their membership and length of service. It is not considered per se a cost to the Council, as any capital cost would be included in the definition above.

### **Decision Making**

11. The guidance as detailed above was drafted it seems with primary concern in relation to severance packages in relation to senior officers. It is recommended in respect of any severance package of £100,000 or above that full Council are given an opportunity to vote to determine in respect of the Chief Executive, Deputy Chief Executive and Service Directors. This would be after a recommendation from Pay and Grading Committee.

12. Officers would recommend that all other employees' severance packages if they were to be £100,000 or above be by determination of the Pay and Grading Committee and the terms of reference of the Pay and Grading Committee be amended accordingly to deal with such matters. Additionally for all officers other than those in paragraph 11, the matter may come before Full Council as part of the Budget process.
13. The reasoning for utilising the Pay and Grading Committee is that this would allow operational effectiveness in seeking the approval of such payments, leaving Full Council to deal with Senior Officers and Officer holders as detailed. Full Council would also be able to scrutinise matters and give approval to any severance payments over £100,000 as part of the process in respect of the approval of the budget.
14. It is also noted that given the transparency requirements listed already with the DCLG guidance, that there is a high level of transparency in respect of payments to employees.

### **Cabinet**

15. The proposed Pay Policy at Annex A to this report be recommended to the full Council for approval, noting the proposed arrangements for Council and Pay & Grading Committee in respect of severance payments over £100,000. This includes changes to the functions of the Pay and Grading Committee to approve and determine such payments.

### **Council**

16. The proposed Pay Policy at Annex A to this report be approved (including the arrangements for severance payments over £100,000) including the changes to the functions of the Pay and Grading Committee to approve and determine such payments.

## **PAY POLICY 2012/13** **(As required by the Localism Act 2011)**

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**Note:** Reference is made in this policy to various national and local terms and conditions agreements, policies and schemes. These can be accessed from the following links:

### **National Pay Agreements within Local Government**

1. JNC Chief Executive Terms and Conditions of Service: [www.lge.gov.uk](http://www.lge.gov.uk)
2. JNC Chief Officer Terms and Conditions of Service: [www.lge.gov.uk](http://www.lge.gov.uk)
3. Local Government Pension Scheme: [www.lgps.org.uk](http://www.lgps.org.uk)
4. NJC Terms and Conditions of Service (Green Book): [www.lge.gov.uk](http://www.lge.gov.uk)
5. NJC Terms and Conditions of Services for Craft Workers (Red Book): [www.lge.gov.uk](http://www.lge.gov.uk)
6. Soulbury Terms and Conditions of Service: [www.lge.gov.uk](http://www.lge.gov.uk) (Education & Young People)
7. Teachers Pension Scheme: [www.teacherspensions.co.uk](http://www.teacherspensions.co.uk)
8. Youth and Community Workers Terms and Conditions of Service (Pink Book): [www.lge.gov.uk](http://www.lge.gov.uk) (Education & Young People)

### **Sefton Council – Local Pay Policies**

1. Local Government Pension Scheme - Discretionary Powers:
2. Payments to Employees Temporarily Undertaking Additional Duties:
3. Point of Minimum Advantage:
4. Sefton's NJC Pay Scale:
5. Non Standard Working Arrangements – Associated Payments

These can be accessed through Sefton's website ([www.sefton.gov.uk](http://www.sefton.gov.uk))

### **Senior Salary Pay Bandings**

These can be accessed through the following link: <http://www.sefton.gov.uk/default.aspx?page=10903>

# **SEFTON COUNCIL**

## **PAY POLICY**

### **(As required by the Localism Act 2011)**

#### **A. OPENING STATEMENT**

1. The aim of this policy is to help maintain and improve the quality of service provision by ensuring that all employees are valued and receive proper reward for their work and contribution. It also serves to satisfy the requirements of the Localism Act 2011 relative to pay accountability.
2. It is recognised that both financial and non-financial rewards are necessary to attract, retain and motivate employees. As such there needs to be a close link between reward and the overall approach to people management, including workforce planning and development strategies. There needs to be a fair balance between changing organisational needs and the aspirations of individuals. Equally there needs to be a recognition of the financial constraints of the current economic climate and the imperative to manage public monies responsibly.
3. This policy will assist in managing pay and other rewards in a fair, equitable, responsible and transparent manner. The Council supports the principle of equality of opportunity in employment. In this regard every endeavour will be made to ensure that employees receive equal treatment, irrespective of their age, gender, race, colour ethnic origin, family commitments, marital status, sexual orientation, disability or religious beliefs.
4. All pay related decisions will be taken in compliance with the provisions of The Equality Act 2010, The Employment Rights Act 1996, The Employment Relations Act 1999, the Employment Act 2002, The Employment Act 2008, The Part-Time Workers (Prevention of Less Favourable Treatment) Regulations 2000, The Fixed Term Employees' (Prevention of Less Favourable Treatment) Regulations 2002, all as amended.

#### **B. SCOPE OF POLICY**

5. This policy covers all employees other than those in schools. Senior officers are defined as those currently earning £52,800 and above.

(\*The £52,800 threshold is given in the Code of Recommended Practice for Local Authorities on Data Transparency issued by the Secretary of State for Communities and Local Government [CLG].)

#### **C. AVAILABILITY OF POLICY**

6. This policy is available on the transparency pages of Sefton's website ([www.sefton.gov.uk](http://www.sefton.gov.uk)).



## **D. DECISION MAKING**

7. The pay policy aspects of this document are the responsibility of the Pay & Grading Committee with any recommendations for change being subject to the approval of the Council.
8. The policy will be reviewed by the Committee at least once every municipal year and referred to the Council for consideration prior to the beginning of the subsequent municipal year on 1<sup>st</sup> April.
9. The authority to make decisions in accordance with the policy (i.e. its application) is in accordance with the delegations described in the Council's constitution, which can be found in the documents library on Sefton's website
10. The full Council will have the opportunity to vote on the remuneration of senior officers where the value is over £100,000 prior to an offer being made in a new appointment. This will be when a decision is made to fill the post and a recommendation will be made by the Employment Procedure Committee.
11. In accordance with the guidance in respect of Section 40 of the Localism Act, any severance payment of £100,000 which will potentially be made to the Chief Executive, Deputy Chief Executive and any Service Directors will be subject to an opportunity of Full Council vote following a recommendation from Pay and Grading Committee.
12. In respect of any other Officers, Council has delegated the determination of severance packages of £100,000 or above in respect of all other Officers to the Pay and Grading Committee. Additionally Council may determine severance packages of £100,000 or more for other officers as part of the Budget process.
13. In respect of the definition of severance payment (for the purposes of paragraphs 11 and 12), this is defined as:
  - (a) A redundancy payment
  - (b) Any capital cost to the pension fund
  - (c) Any other contractual payments that are due to the employee
  - (d) Any other payments which the Local Authority may seek to make

## **E. BASIC PAY**

### ***(Senior Officers)***

14. Senior officers (other than those paid under the Soulbury agreement – see paras 18 to 21) are paid in accordance with the following grading structure which was constructed on the recommendation of HAY consultants taking account of market value:

	Chief Executive	*Strategic Directors	Service Directors	Senior Management		
		1	2	3	4	5
i	138,543	100,611	90,399	78,753	66,054	57,234
ii	142,008	103,128	92,661	80,724	67,707	58,665
iii	145,473	105,645	94,923	82,695	69,360	60,096
iv	148,938	108,162	97,185	84,666	71,013	61,527
v	152,403	110,679	99,447	86,637	72,666	62,958

\*Although banding exists, no individual is currently paid within this grading

15. The terms and conditions for the post of Chief Executive are in accordance with the Joint National Council (JNC) Scheme for Chief Executives and, in the case of other senior officer posts, the JNC Scheme for Chief Officers.
16. There is a further senior officer HAY grade (HAY 6) which attracts a salary range below £52,800:

6
44,847
46,029
47,211
48,393
49,575

17. The terms and conditions for posts graded HAY 6 are in accordance with the National Joint Council (NJC) Scheme for Local Government services employees (known as the "Green Book").
18. HAY grades are allocated to posts using the HAY job evaluation system. This system enables the factors of a job to be analysed and translated into a points score which, in turn, is related to the appropriate grade associated with the score. A HAY review is currently ongoing which by virtue of the Cabinet Report dated 13<sup>th</sup> September 2012, the Chief Executive has delegated authority to undertake and implement.
19. In exceptional circumstances a market supplement may be paid in order to attract/retain the best person for the job and having regard to market values which must be evidenced.

***(Educational Professionals – [Soulbury Agreement])***

20. The Soulbury Committee provides national collective bargaining machinery for advisory staff in Local Authorities. Nationally it covers approximately 10,500 staff including: education improvement professionals, education psychologists, and young people's/community service managers. In addition to the annual pay increase, the Soulbury Committee also determines the national salary framework.

21. The Soulbury agreement provides three separate sets of pay spines.

- (i) The first is the pay spine for education improvement professionals. The agreement specifies normal minimum entry points for main, senior and principal educational improvement professionals on that pay spine. The agreement also provides that the pay of other professionals on that spine should reflect the comparable levels of responsibility of those postholders and of other postholders, including all education improvement professionals, paid on Soulbury scale.

Spine Point	Salary from 1.9.2013
1	32,677
2	33,847
3	34,952
4	36,071
5	37,185
6	38,299
7	39,470
8	40,594*
9	41,906
10	43,075
11	44,230
12	45,348
13	46,614**
14	47,742
15	48,988
16	50,116
17	51,246
18	52,355
19	53,499
20	54,090***
21	55,226
22	56,215
23	57,305
24	58,282
25	59,328
26	60,346
27	61,389
28	62,445
29	63,505
30	64,563
31	65,611
32	66,676
33	67,742
34	68,833
35	69,920
36	71,040
37	72,141
38	73,254
39	74,352
40	75,449

41	76,553
42	77,654
43	78,755
44	79,862
45	80,966
46	82,070
47	83,180
48	84,280****
49	85,384****
50	86,488****

**Notes:** Salary scales to consist of not more than four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit and motivate staff.

\* normal minimum point for EIP undertaking the full range of duties at this level.

\*\* normal minimum point for Senior EIP undertaking the full range of duties at this level.

\*\*\* normal minimum point for Principal EIP undertaking the full range of duties at this level

\*\*\*\* Extension to range to accommodate structured professional assessments

The second set of spines, for educational psychologists, comprises a single scale for main grade psychologists; a pay spine for senior and principal educational psychologists; and a scale for unqualified assistant educational psychologists.

### **EDUCATIONAL PSYCHOLOGISTS – SCALE A**

Spine Point	Salary from 1.9.013
1	34,273
2	36,013
3	37,752
4	39,491
5	41,230
6	42,969
7	44,607
8	46,244
9	47,778*
10	49,313*
11	50,745*

**Notes:** Salary scales to consist of six consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff.

\* Extension to scale to accommodate structured professional assessment points

### **SENIOR & PRINCIPAL EDUCATIONAL PSYCHOLOGISTS – SCALE B**

Spine Point	Salary from 1.9.13
1	42,969
2	44,607
3	46,244*
4	47,778
5	49,313
6	50,745
7	51,333
8	52,431
9	53,519
10	54,626
11	55,711

12	56,818
13	57,944
14	59,031**
15	60,171**
16	61,300**
17	62,436**
18	63,571**

**Notes:** Salary scales to consist of not more four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff.

\* Normal minimum point for the Principal Educational Psychologist undertaking the full range of duties at this level.

\*\* Extension to range to accommodate discretionary scale points and structured professional assessments.

### **TRAINEE EDUCATIONAL PSYCHOLOGISTS**

Spine Point	Salary from 1.9.13
1	£22,019
2	£23,631
3	£25,241
4	£26,853
5	£28,464
6	£30,075

### **ASSISTANT EDUCATIONAL PSYCHOLOGISTS**

Spine Point	Salary from 1.9.13
1	£27,067
2	£28,172
3	£29,278
4	£30,377

- (iii) The third set of spines applies to Youth and Community Workers. The pay of Youth and Community Workers is determined from pay points that are prescribed by the Joint National Council (JNC) for this group of employees. There are two ranges of pay points, one for Youth and Community Support Workers and one for Professional staff. Scales are constructed from the ranges and the allocation of workers to the scales is undertaken using the JNC's guidance.

#### **Youth and Community Support Worker Range**

Pay Points	w.e.f. 1.9.09	Pay Points	w.e.f. 1.9.09
1	14,143		
2	14,733		
3	15,324		
4	15,917		
5	16,509		
6	17,100		
7	17,697		
8	18,291		
9	19,047		
10	19,636		
11	20,591	11	20,591
12	21,525	12	21,525
13	22,489	13	22,489
14	23,485	14	23,485
15	24,166	15	24,166
16	24,875	16	24,875
17	25,574	17	25,574
		18	26,279

19	26,975
20	27,673
21	28,461
22	29,352
23	30,219
24	31,091
25	31,968
26	32,847
25	31,968
26	32,847
27	33,726
28	34,613
29	35,496
30	36,377

22. The agreement provides guidance on the construction of grades from the pay spines.
23. The Soulbury agreement does not set its own specific conditions of service for Soulbury paid officers. Instead it provides that:

*“The conditions of service of officers ..... shall be not less favourable than those prescribed for the local government services staff of the authority”*

In the majority of cases this will be the NJC/Green Book agreement.”

**(NJC/Green Book Employees)**

24. The largest proportion of employees are paid in accordance with the NJC/Green Book terms and conditions of employment and in conjunction with a locally determined grading structure that is derived from the forty five spinal column points (SCPs) given in the Green Book. It is influenced by market values and is ‘shaped’ to reward employees fairly relative to job requirements.
25. Grades are allocated to posts using the Local Government Single Status Job Evaluation Scheme which forms part of the Green Book.
26. The grading structure and the arrangements for applying the job evaluation scheme are agreed with the local trade unions.

Current SCP		Grade			Grade			Grade
4	£12,266	A	18	£17,333	E	33	£28,127	
5	£12,435		19	£17,980		34	£28,922	
6	£12,614	B	20	£18,638		35	£29,528	
7	£12,915		21	£19,317		36	£30,311	
8	£13,321		22	£19,817	F	37	£31,160	I
9	£13,725		23	£20,400		38	£32,072	
10	£14,013	C	24	£21,067		39	£33,128	
11	£14,880		25	£21,734		40	£33,998	
12	£15,189		26	£22,443		41	£34,894	
13	£15,598		27	£23,188	G	42	£35,784	J
14	£15,882	D	28	£23,945		43	£36,676	
15	£16,215		29	£24,892		44	£37,578	
16	£16,604		30	£25,727		45	£38,422	
17	£16,998		31	£26,539		46	£39,351	K
			32	£27,323	H	47	£40,254	
						48	£41,148	L

					49	£42,032		M
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**(Craft/Red Book Employees)**

27. The remaining group of staff are employed under JNC Craft and Associated terms and conditions of employment known as the 'Red Book'. This group of employees have been assimilated to NJC/Green Book grades and attract the same locally agreed allowances.

**(Annual Pay Awards and Incremental Progression)**

28. The employees covered by this policy have last received annual national pay awards or incremental pay progressions as detailed below:

	HAY	Soulbury	Youth & Community Workers	NJC/ Green Book	Craft/Red Book
• Pay Award	April <sup>1</sup> 2013	September 2013	September 2009 <sup>2</sup>	April 2013	April 2013
• Incremental Progression	April 2008	September 2009	September 2009	*April 2009	April 2009

\*Does not apply to school employees who have progressed under school delegation

<sup>1</sup> In accordance with the Cabinet resolution on 1<sup>st</sup> April 2004, a 1% rise was awarded on recommendation from HAY.

<sup>2</sup> Current negotiations ongoing

**F. OTHER PAY**

29. Senior Officers (as defined in para. 5) do not receive any other pay.
30. The Council has to appoint a Returning Officer for elections. This is usually a senior officer of the Council who performs the role in addition to his/her normal duties. Appointment as a Returning Officer is deemed to be separate remunerable employment. .
31. Employees are not eligible for honoraria or ex gratia payments under current Council policy. However, an employee who, following a fair selection arrangement, is asked to perform the full duties and responsibilities of a higher graded post on a temporary basis, and accepts, will be paid in accordance with the pay applying to the post for the specified period and without any commitment to permanency in that post. This is known as "Acting Up". It is an operationally practical arrangement that is applied throughout the workforce. It is an expedient measure that should maintain for as short a period as possible – normally less than 12 months.

**(Advisory Staff in Local Authorities – [Soulbury Agreement])**

32. In each of the separate Soulbury pay spines there is provision for employees to receive up to three further spine points under the structure Professional

Assessment (SPA) system. This element of the pay structure is based on performance assessment and, therefore, forms part of the overall pay structure. Progression under the SPA system is subject to local assessment against nationally prescribed criteria.

***(Youth and Community Workers)***

33. Youth and Community workers do not receive any other pay save reimbursements as outlined in paragraph 43 and Acting up arrangements contained in Paragraph 28.

***(NJC/Green Book Employees)***

34. In accordance with the NJC/Green Book provisions the Council has negotiated local allowances in respect of employees who are required to work outside what is regarded as normal working hours:
- (a) Additional Hours (overtime)
  - (b) Saturday and Sunday working
  - (c) Night work
  - (d) Public and Extra-Statutory Holidays
  - (e) Sleeping-in Duty
  - (f) Other non standing working patterns
    - (i) shift working
    - (ii) Free Day/Rest Day working
    - (iii) Evening work (unsocial hours)
    - (iv) Recall to work
    - (v) Standby Duty
    - (vi) Emergency Duty Team

***(Performance Payments)***

35. Other than the Soulbury SPA system (para 29 refers), the Council does not make any bonus or other performance related payments.
36. Consideration has not been given at this time to the potential for 'earn back pay' for senior officers (i.e. whereby an element of basic pay has to be 'earned back' each year through meeting pre-agreed objectives). This would require a transparent and fair process to be developed which complies with employment legislation and contract law. Full trade union and employee consultation would also be required. The possibility is not rejected – it is simply that a proper consideration of the complexity and sophistication of an 'earn back' scheme is required.

**G. PAY PROTECTION**

37. In certain circumstances where employees suffer a loss in basic pay which occurs as a result of the actions of the employer, 12 months pay protection is available.

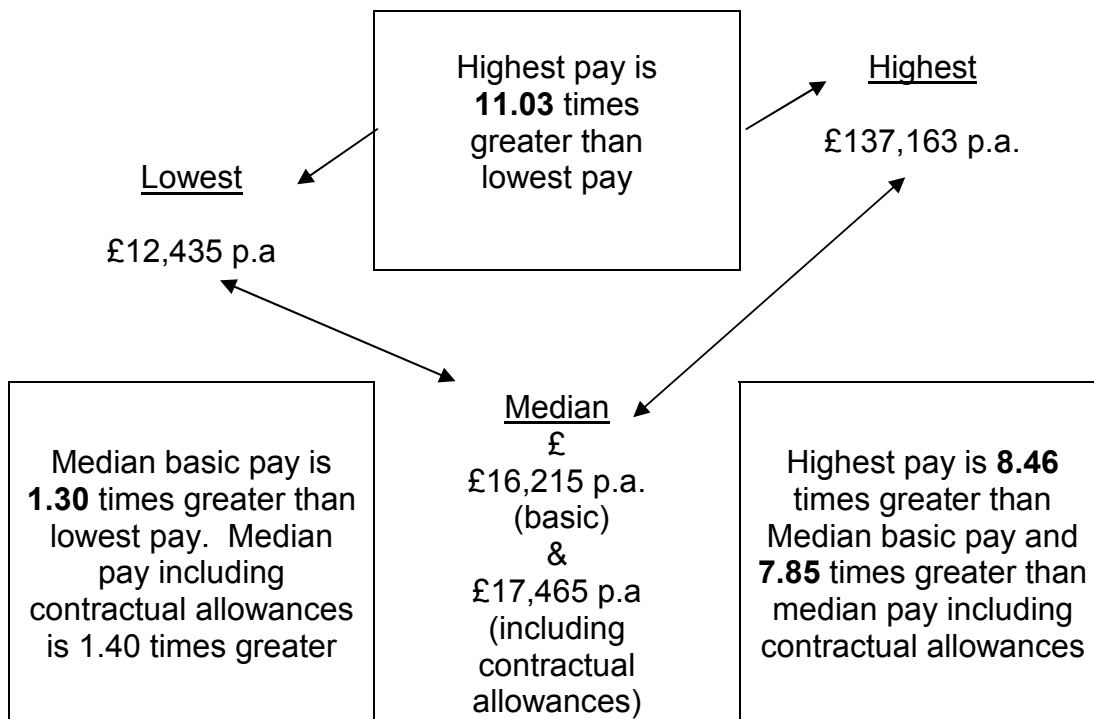
**H. PAY RELATIONSHIPS**

38. The highest level of (*full time equivalent – FTE*) employee remuneration in the Council is associated with the post of Chief Executive – para 6 refers.



(NOTE: The current postholder is on the maximum of the grade but since February 2011 has volunteered a 10% reduction. The actual payment is £137,163 p.a.).

39. The lowest level of (FTE) employee remuneration is £12,435 p.a. (NJC/'Green Book' – Spinal Column Point [SCP5]).
40. The median level of (FTE) basic pay is £16,215 p.a. The median level of (FTE) pay including contractual allowances (e.g. overtime, shift pay) is £17,465 p.a.
41. The ratio listed is required under the provisions of the Localism Act 2011 and compares favourably with the Upper 20:1 ratio as detailed in the Hutton Fair Pay Review Report. The 2013/14 (FTE) actual pay relationships are:



## I. OTHER TERMS AND CONDITIONS

42. Other than pay related terms and conditions there are the following provisions.
43. The normal working week is 36 hours (FTE) for all employees including those defined as senior officers. This is with the understanding, in the case of most senior officers, that, as necessary, additional hours will be worked without financial or time off recompense. However, it is acknowledged that senior officers will have the discretion to organise their times of attendance subject to them not compromising service requirements. For example, a senior officer starting at 8.00 a.m. on one day and, on the same day, concluding a meeting at, say, 7.30 p.m. may, subject to commitments on the second day, commence work at, say, 10.00 a.m. This will normally be in the knowledge of the person to whom s/he is responsible. For other employees a flexitime scheme is in operation, where appropriate, or fixed hours of work which may be at any time in the Monday to Sunday/24 hour period as defined relative to job requirements.

44. The Council recognises the importance of the need to balance personal and working demands. Employees are required to be receptive to such needs both in their own case and relative to those for whom they may be responsible. It is considered that an empathetic management approach to controlled attendance will contribute to high performance and outcomes.
45. In addition, the Council's terms and conditions of employment generally provide for 27 days leave for employees with less than 5 years service and 32 days after 5 years have been completed (35 days for HAY 5 and above). The Council also recognises long service by granting an additional 5 days leave (one off) after 25 years service has been completed and celebrates longer periods of service.
46. The Council also supports officers in the discharge of their duties by reimbursing expenditure, paying subsistence allowances and providing access to car loans where appropriate.

### **Cabinet Decision February 2011**

47. At its meeting on 17<sup>th</sup> February 2011 Cabinet approved a package of terms and conditions changes following consultation with the trade unions. It was implemented with effect from 1<sup>st</sup> April 2011 and lasted for two years and saved in the order of £2.5 million. It consisted of:
  - Freezing of Increments (to be reviewed, see below)
  - Pay award provision – frozen (in line with national policy) (Para 25 refers)
  - Night and Unsocial Hours payment reduced to 15%
  - Reducing all overtime to time and a half (including Sat/Sun, Free Day/Rest Day) and revised criteria for payment
  - Emergency Duty Team plussage reduced to 15%
  - No overtime at SCP32 and above
  - Continuing as a contractual matter 4 days unpaid leave to be associated with Christmas with deductions made at hourly rates (to be reviewed, see below)
  - Car allowances to be paid at HMRC rates

### **Cabinet Decision February 2012**

Additionally for the years 2013/14 and 2014/15 the following will continue to apply:

- (1) There will be no incremental progression for any employees of the Council (with the exception of any employees who are employed on statutory contracts, i.e. teachers or career related progression). All NJC, JNC – HAY, Red Book, Youth Workers - JNC and Soulbury will therefore not have any form of incremental progression in 2013/2014 or 2014/15. This measure will deliver a projected saving of £1.69m in 2013/14 and a further £1.5m 2014/15. This measure does not apply to schools.
- (2) The 4 day shutdown over the Christmas period continues on the current basis, i.e. deductions will continue to apply to employees. This will become a permanent feature within employee contracts; however, the Council retains a discretion to make employees work over the period if needed. The concessionary day no longer applies in any form.
- (3) All other matters contained in February 2011 Cabinet decision being contractual.

**J. LOCAL GOVERNMENT PENSION SCHEME (LGPS)/TEACHERS PENSION SCHEME/NHS SCHEME**

48. The Council's policy on the available discretions under the LGPS is available on Sefton's website. There are a number of employees within the Council who are members of the Teachers Pension Scheme. At this time the available discretions within that scheme are not exercised.
49. Subject to compliance with legislative/regulatory requirements:
- An individual may be in receipt of a pension (LGPS or otherwise) in addition to remuneration from their employment with the Council.
  - An individual who has left the Council and been in receipt of a severance or redundancy payment and/or pension (LGPS or otherwise) may subsequently be re-employed or engaged under a contract for services.
50. A number of individuals transferred pursuant to the Public Health function, these individuals are within the NHS Pension Scheme

**K. EMPLOYEES TRANSFERRED INTO THE COUNCIL**

51. Employees have transferred into the Authority as part of the re-integration of the Capita Contract on 1<sup>st</sup> October 2013. The Council recognised the Transfer of Undertakings (Protection of Employment) Regulations 2006. However organisational change will occur in the future.
52. Capita pay scales are as follows for employees who have transferred back to the Authority:

Salary Point	Employees on CAPITA Terms and Conditions	Salary Point	NJC Sefton pay scales - Scale 1 to 6	Salary Point	NJC Sefton pay scales - Senior Officer	Salary Point	NJC Sefton pay scales - Principal Officer	Salary Point	1Hay Grade
<b>1</b>	9,835	<b>5</b>	12,435.00	<b>29</b>	24,892.00	<b>33</b>	28,127.00	<i>vi</i>	50,757
<b>2</b>	18,000	<b>6</b>	12,614.00	<b>30</b>	25,727.00	<b>34</b>	28,922.00		
<b>3</b>	20,700	<b>7</b>	12,915.00	<b>31</b>	26,539.00	<b>35</b>	29,528.00		
<b>4</b>	23,473	<b>8</b>	13,321.00	<b>32</b>	27,323.00	<b>36</b>	30,311.00		
<b>5</b>	23,500	<b>9</b>	13,725.00	<b>33</b>	28,127.00	<b>37</b>	31,160.00		
<b>6</b>	24,000	<b>10</b>	14,013.00	<b>34</b>	28,922.00	<b>38</b>	32,072.00		
<b>7</b>	27,000	<b>11</b>	14,880.00			<b>39</b>	33,128.00		
<b>8</b>	28,000	<b>12</b>	15,189.00			<b>40</b>	33,998.00		
<b>9</b>	29,000	<b>13</b>	15,598.00			<b>41</b>	34,894.00		
<b>10</b>	30,000	<b>14</b>	15,882.00			<b>42</b>	35,784.00		
<b>11</b>	31,000	<b>15</b>	16,215.00			<b>43</b>	36,676.00		
<b>12</b>	32,000	<b>16</b>	16,604.00			<b>44</b>	37,578.00		
<b>13</b>	40,000	<b>17</b>	16,998.00			<b>45</b>	38,422.00		
<b>14</b>	42,500	<b>18</b>	17,333.00			<b>46</b>	39,351.00		
<b>15</b>	44,000	<b>19</b>	17,980.00			<b>47</b>	40,254.00		
<b>16</b>	55,000	<b>20</b>	18,638.00			<b>48</b>	41,148.00		

<b>17</b>	56,000	<b>21</b>	19,317.00	<b>49</b>	42,032.00
<b>18</b>	62,184	<b>22</b>	19,817.00		
<b>19</b>	64,400	<b>23</b>	20,400.00		
		<b>24</b>	21,067.00		
		<b>25</b>	21,734.00		
		<b>26</b>	22,443.00		
		<b>27</b>	23,188.00		
		<b>28</b>	23,945.00		

<sup>1</sup>Those employees who retained Sefton MBC terms whilst working within Capita

53. In respect of the Public Health function, some employees transferred to the Authority on 1<sup>st</sup> April 2013. The transfer was on a statutory basis within the Health and Social Care Act 2012.
54. The basis was on a statutory like TUPE scheme as detailed with a prescribed transfer scheme. All pay scales remain static.
55. Pay scales are as follows for employees who transferred on Agenda for Change pay scales:

<b>Public Health - NHS Salary Points &amp; Bands from April 2013</b>							
<b>Band 1</b>		<b>Band 4</b>		<b>Band 7</b>		<b>Band 8c</b>	
Point 1	14,294	Point 11	18,838	Point 26	30,764	Point 41	54,998
Point 2	14,653	Point 12	19,268	Point 27	31,768	Point 42	56,504
Point 3	15,013	Point 13	19,947	Point 28	32,898	Point 43	59,016
<b>Band 2</b>		Point 14	20,638	Point 29	34,530	Point 44	61,779
Point 1	14,294	Point 15	21,265	Point 30	35,536	Point 45	65,922
Point 2	14,653	Point 16	21,388	Point 31	36,666	Point 46	67,805
Point 3	15,013	Point 17	22,016	Point 32	37,921	<b>Band 8d</b>	
Point 4	15,432	<b>Band 5</b>		Point 33	39,239	Point 45	65,922
Point 5	15,851	Point 16	21,388	Point 34	40,558	Point 46	67,805
Point 6	16,271	Point 17	22,016	<b>Band 8a</b>		Point 47	70,631
Point 7	16,811	Point 18	22,903	Point 33	39,239	Point 48	74,084
Point 8	17,425	Point 19	23,825	Point 34	40,558	Point 49	77,850
<b>Band 3</b>		Point 20	24,799	Point 35	42,190	Point 50	81,618
Point 6	16,271	Point 21	25,783	Point 36	43,822	<b>Band 9</b>	
Point 7	16,811	Point 22	26,822	Point 37	45,707	Point 49	77,850
Point 8	17,425	Point 23	27,901	Point 38	47,088	Point 50	81,618
Point 9	17,794	<b>Band 6</b>		<b>Band 8b</b>		Point 51	85,535
Point 10	18,285	Point 21	25,783	Point 37	45,707	Point 52	89,640
Point 11	18,838	Point 22	26,822	Point 38	47,088	Point 53	93,944
Point 12	19,268	Point 23	27,901	Point 39	49,473	Point 54	98,453
		Point 24	28,755	Point 40	52,235		
		Point 25	29,759	Point 41	54,998		
		Point 26	30,764	Point 42	56,504		
		Point 27	31,768				
		Point 28	32,898				
		Point 29	34,530				

56. Additionally, one employee transferred under the NHS Consultant Contract identified in the Pay Circular M&D 1/2013 (March 2013) for hospital, medical and dental staff, doctors and dentists in public health, the Community Health Service and salaried primary dental care.

**MD**  
**November 2013**