

Pay Policy Statement

Financial Year 2017 - 18

Aim

The purpose of Horsham District Council's approach to pay and reward is to balance affordability and value for money with achieving the following aims:

1. Recruit and retain appropriately experienced and qualified employees
2. Pay at competitive rates
3. Increase motivation and drive service improvements
4. Comply with equal pay legislation

Definitions

For the purpose of this pay policy the following definitions will apply: -

- **'Pay'** in addition to salary includes charges, fees, allowances, benefits in kind, increases/enhancements to pension entitlements, and severance payments.
 - **'Chief Officer'** refers to the following roles within Horsham District Council: -
 - Chief Executive*, also Head of Paid Service ⁽¹⁾
 - Director of Corporate Resources*, also s.151 Officer⁽¹⁾
 - Director of Community Services*
 - Director of Planning, Economic Development & Property *
 - Head of Legal and Democratic Services, also Monitoring Officer⁽¹⁾
- * Members of the Council's Senior Leadership Team (SLT)
⁽¹⁾ Statutory Officer / Appointment
- **'Lowest paid employees'** refers to those employees employed on pay grade A, which has one spinal column point (scp) 12, and is the lowest grade of the Council's pay framework.
 - **'Employee who is not a Chief Officer'** refers to all employees that are not covered under the 'Chief Officer' group above.

Pay Framework and Remuneration Levels

General approach

Remuneration at all levels needs to be adequate to secure and retain high-quality employees, dedicated to fulfilling the Council's business objectives and delivering services to the public. This has to be balanced by ensuring remuneration is not, nor is seen to be, unnecessarily excessive. Consideration also needs to be given to other non-salary benefits provided to staff.

Responsibility for decisions on remuneration

Decisions for remuneration for all employees are determined by their manager in consultation with the relevant Director and following the principles of the agreed job evaluation scheme.

Salary and pay framework

Pay grades are agreed locally. Pay grades A, G1 to G7 are determined in line with a locally agreed evaluation process, pay grades G8 to SM4, Directors and the Chief Executive are determined in line with Hay job evaluation process. The Pay and Grading structure was agreed by Personnel Committee on 23rd July 2014.

There are 17 Pay grades

- Grade A
- G1 to G10
- SM1 – SM4
- Director
- Chief Executive

The salary ranges for each of the Grades are detailed in the Council's Pay Structure table. [\[LINK will be enclosed when published\]](#)

Each employee will be on one of the 17 grades based on the pay grade evaluation of their role. Each Pay grade comprises of a number of salary points. New employees will normally be appointed on the lowest point of the grade for the role and can progress to the salary maximum of their pay grade, subject to assessment of their performance in the annual performance review process.

Pay awards are considered annually for all employee categories in negotiation with their relevant national bodies of Trades Unions and Employers' representatives.

Employees who are not Chief Officers received a pay award from April 2016, worth 2% over two years covering the period from April 2016 to March 2018 (1% per annum).

Chief Officers received a pay award of 1% from April 2017, the same as in the previous year.

The **Chief Executive Officer** received a pay award of 1% from April 2017, the same as in the previous year. Prior to that, no annual pay award had been made since April 2008.

Remuneration

Salaries

Salaries are annual and paid in 12 equal monthly instalments.

“Lowest paid employees”

Each “lowest paid employee” is paid on Grade A, scp 12, which is £8.45 per hour. This is in line with the current recommended UK living wage (Foundation).

Casual workers are paid at least the national minimum wage were they are aged below 25 and the National Living Wage where they are 25 years of age and above. In addition, the Council employs apprentices in line with agreed apprentice schemes.

Other pay elements

Other pay elements include:

- Employer’s pension contribution
- Essential User Car Allowance
- Mileage Allowance in line with the HMRC Approved Mileage Allowance Payments
- One Professional subscription (where this is required for the function of the role)
- Election fees, in the case of the Chief Executive, Director of Resources and the Monitoring Officer.

Election fees are set nationally and locally depending on the type of elections and can vary according to the size of the electorate and number of postal voters; they are separate to salaries for additional election duties.

The salary bands for Directors and Chief Executive include the requirement to provide a vehicle for work, if so required.

New starters joining the Council

New employees to the Council will normally be appointed to the first point of the salary range for their pay grade. Where the candidate’s current employment package would make the first point of the salary range unattractive (and this can be demonstrated by the applicant in relation to current earnings) or where the employee already operates at a level commensurate with a higher salary, a higher salary may be considered by the recruiting manager. This will be within the salary range for the pay grade. The candidate’s level of skill and experience should be consistent with that of other employees in a similar position on the salary range.

Any proposal to offer a new senior appointment on terms and conditions which include a total remuneration package of £100,000 or more, including salary, fees, allowances and any benefits in kind to which the officer would be entitled as a result of their employment (but excluding employer’s pension contributions), will be referred to full Council for approval.

Market Supplements

The Council has a policy to use market supplements. In professions where there is a particular skills shortage, as a temporary arrangement, it may be necessary to consider a market premium to attract and retain high quality employees. Market supplements can be applied to existing employees and/ or to new employees. The final decision as regards any discretion lies with the Chief Executive.

Pension

All employees are automatically enrolled in the Local Government Pension Scheme, unless they choose to opt out.

Severance Payments

The Organisational Change Framework includes details of the general principles of Organisational Design and details of redeployment, redundancy and early retirements.

All severance payments in excess of £100,000 will be voted on at a meeting of Full Council. This will be reviewed in line with an anticipated statutory cap, arising from the Public Sector Exit Payment Regulations 2016, currently still in draft.

Relationship between remuneration of “Chief Executive” and “employees who are not Chief Officers”

The ratio between the highest paid employee and the median average salary of the whole of the Council’s workforce is 4.44. This has been calculated using all taxable earnings including base salary, variable pay and any allowances paid.

The ratio between the highest paid employee and the lowest paid employee is 6.92.

Publication of information regarding remuneration of employees over £50,000

The remuneration details of employees earning over £50,000 are included in the annual accounts and in the Management Structure Chart. **[LINK will be enclosed when published]**

This document is available in alternative formats upon request, such as large print.

Please contact Personnel on 01403 215133 or personnel@horsham.gov.uk

Also see info below on where to get alternative formats (page 10 onwards):

http://hdc-intranet.horsham.gov.uk/files/Dealing_with_Disabled_Customers_HDC_2011.pdf