



Chichester District Council
Senior Staff Pay Policy Statement

This statement was approved by Cabinet on the xx and by Council on the xx.

1. In line with the requirement to publish an annual policy statement for Chief Officers this statement outlines the Council's approach to senior staff pay. The statement includes reference to the relationship and ratio between the pay for the highest paid staff and the lowest paid staff in the Council. This statement is effective from the 1st April 2016.
2. The attached Appendices to this statement contain Council policies and other documents that determine elements of senior officer rewards and remuneration.
3. The Localism Act 2011(The Act) seeks to examine the pay and benefits of statutory and non-statutory Chief Officers and their deputies.
4. This statement focuses on the items and obligations outlined in chapter 8 of the Act.
5. The Council has five Chief Officers in terms of the Act, comprising the Chief Executive, two Executive Directors, Section 151 Officer and Monitoring Officer. The Chief Executive and Executive Directors are paid in line with pay awards determined by the Joint Negotiating Committee (JNC) for Chief Executives and JNC for Chief Officers of Local Authorities as applicable. All other staff in the Council are paid in line with National Joint Council for Local Government Services (NJC) pay awards apart from staff at Westgate Leisure where pay awards are determined locally once business results for the year have been finalised. Base salaries for all NJC staff are decided by the Hay grading system (see section 8 below) however this does not include Chichester Contract Services (CCS) and Westgate Leisure who are not part of NJC. National Minimum Wage (NMW) or National Living Wage hourly rates are however always applied as a minimum rate where necessary.
6. The lowest paid staff in the Council work at Westgate Leisure and are paid £6.70 per hour, which is the National Minimum Wage. The exception is if staff are employed on an official government sponsored apprenticeship programme that allows for some staff to be paid below full National Minimum Wage or National Living Wage rates.
7. The lowest paid NJC member of staff is paid Salary Point 6, £7.20 per hour minimum*, which is £13,891 p/a, and the highest paid member of staff (the Chief Executive) is paid within 10 times this amount at £59.41 per hour which is £114,620 p/a. The Chief Executive's pay has been within this 10 times multiple over the last 10 years. In 2005 the Chief Executive earned a total of

£52.76 per hour which was £101,808 p/a (figures inclusive of £5,220 p/a car allowance). This compared to the lowest paid NJC staff member who earned £5.6352 per hour (£10,872 p/a). The Council considers this a reasonable and justifiable ratio to maintain.

**£7.20 is the National Living Wage applicable from the 01.04.16. The National Employers' final NJC pay offer dated 09.12.15 for Salary Point 6, is £7.5229 per hour (£14,514 p/a). This is part of a wider national pay offer that to date has not been agreed.*

8. The two Executive Directors below Chief Executive are paid on the basis of comparative salary data for local authority chief officers of similar sized councils in this region provided by South East Employers and advice from Hay Group reward consultants about the validity of the pay level proposed. The current level of salary, effective from the 1st January 2015, is £91,800 per annum. Executive Directors do not receive a separate car allowance. This salary will increase in line with JNC awards for Chief Officers. Staff, other than the Chief Executive and Executive Directors, are graded in line with the Hay Job Evaluation scheme. The grading structure developed by Hay reward consultants remains in force and embraces 11 grades from 1/2 to 12 incorporating a salary range starting at £7.20 per hour minimum (£13,891 p/a) rising to £31,173 per hour (£60,141 p/a) and a spinal column range starting at 6 and rising to 68. Spinal point increases within grades are subject to satisfactory performance and the positive recommendation of the staff member's manager. Heads of Service receive a fixed point salary determined by Hay Job Evaluation supplemented by advice from South East Employers, with the addition of a consolidated car allowance.
9. In order to ensure that pay equality is maintained across the Council, particularly for staff with a Protected Characteristic as defined by the Equality Act, the Council regularly produces reports reviewing and analysing equalities data.
10. The Council currently have 17 staff that fall under the Act's definition of senior staff and of these 8 are female. This group currently constitutes the Chief Executive, two Executive Directors, the Section 151 Officer (Head of Finance & Governance Services), the Monitoring Officer and all those officers who report to any of the aforementioned (6 Heads of Service, the Deputy Section 151 Officer and 5 lower graded managers).
11. Staff on any grade may be awarded an Honorarium payment (see criteria shown in Appendix 4) or a Responsibility Allowance if they meet the criteria for either payment. A Responsibility Allowance may be paid, either on a temporary or permanent basis, where an officer is carrying out significant additional duties, usually of a higher level nature, in excess of the duties of their post and evaluated pay grade. For any officer defined under section 10 above as being senior staff, the payment of a Responsibility Allowance must be approved by the Senior Leadership Team.

12. Payments made to staff working during local, parliamentary or European elections or national referendum are made in line with the pay scales set by the Electoral Commission and applied equally to all staff irrespective of their grade.
13. Premia payments are paid in response to market forces and are paid as market supplements. A Premia payment can be paid to staff at any grade if there is clear evidence that without it suitable staff cannot be recruited and / or retained for a given post. Once a Premia payment has been allocated it does not increase in line with pay awards.
14. Senior staff as categorised in this document are not normally entitled to any performance related payments or bonuses unless agreed by Full Council. The Council may make performance related payments to some other staff in the year 2016/2017 or honoraria in accordance with its approved scheme.
15. The Council operate two car allowance schemes (the Cash Alternative and Essential User schemes). Senior staff, with the exception of Chief Executive, Executive Directors and Heads of Service, receive an allowance in line with the provisions of the Cash Alternative scheme that is applied to all other staff on Hay Scale 9 and above. Provision of lease cars has now been phased out for all staff that previously received one.
16. The Council will normally pay one professional subscription per staff member on an annual basis if membership of the professional body concerned is either a pre-requisite of the job or viewed as necessary to fulfill the role. Exceptionally however more than one may be paid where the role justifies this and membership of the professional body is judged as being integral to the job. This must be agreed by the staff member's line manager in each case.
17. Where appropriate senior staff, in the same way as other Council employees, may be offered the opportunity to undertake relevant professional qualification training where there is a strong business case for doing this (see Appendix 9).
18. When senior staff are recruited they will be paid at a rate commensurate with the agreed rate for the job and wherever possible they will commence on the minimum spinal column point for the post if the grading of the post contains more than one spinal column point. Rarely however, a market supplement (Premia payment) may be paid, with Senior Leadership Team approval, if necessary to secure the appointment (see section 13 above). The provisions of the Relocation Package are potentially available to staff at all grades and those of the Assisted House Purchase Scheme to staff on Hay Scale 7 and above. Where the overall remuneration package of the officer is over £100,000, approval of it will always be subject to a full vote by Council members.
19. On termination, redundancy payments and any discretion exercised in relation to retirement or redundancy will be paid in line with the LGPS & Early Termination of Employment Discretions Policy** that applies equally to staff at all grades. Where the overall severance costs are over £100,000 approval of

the employment termination will always be subject to a full vote by Council members. Where this applies all components making up the total severance costs will be set out clearly in the report provided to Members.

***this policy will be amended to reflect the requirements of the expected Public Sector Exit Payment Cap Regulations under the Enterprise Bill expected to be effective from Summer / Autumn 2016. The cap would place a limit of £95,000 on the total payments in relation to a termination of employment with this to include pension access costs .*

20. This statement explains the Council's policy on staff remuneration, particularly for staff categorised as senior staff. The statement will be updated annually but may be amended during the year, with agreement by Council, if the need arises.

Appendices

1. Chief Officers and Deputies Pay & Benefits
2. Salary tables for grades 1/2 to 12
3. Hay Job Evaluation process – summary
4. Honorarium Payments criteria (October 2007)
5. Car Allowances Table (Cash Alternative and Essential User)
6. Relocation Policy
7. Assisted House Purchase Scheme
8. LGPS & Early Termination of Employment Discretions Policy
9. Training & Development Policy section 11 Qualification Training