

Personnel Committee – 13<sup>th</sup> February 2018

Pay Policy Statement 2018/19

1. **Summary**

The purpose of this report is to seek approval for the updated Pay Policy Statement 2018/19 (**Appendix 1**).

2. **Recommendations**

That the Personnel Committee recommends Full Council to approve the Pay Policy Statement for 2018/19.

3. **Background Information**

3.1 Under the Localism Act 2011 the Council has to prepare a Pay Policy Statement each financial year outlining policies in relation to the level of remuneration for all employees from the Chief Executive to the lowest paid employees.

3.2 During the review of the existing Pay Policy a number of requests were received for possible implementation in order to support the organisation. **Appendix 2** details those requests that are supported for inclusion and which have been reflected in the Pay Policy Statement 2018/19.

3.3 In addition a number of requests have been declined as detailed below:

a) To review the ability for the Council to accelerate an employee along the pay spine for retention reasons.

The ability for managers to award an employee more than one incremental progression point would expose the council to a risk of equal pay challenges if it was not consistently applied across the Council. However, it has been recognised that it is appropriate to have flexibility in certain circumstances such as appointments and honorarium payments, where there are clear mechanisms in place to ensure a consistent approach is taken.

b) To review the merger of the market supplements and relocation and temporary accommodation allowances.

The Market Supplement Procedure is currently under review, comments relating to this procedure have been passed onto the Lead HR Advisor reviewing this procedure.

4. **Financial Implications**

4.1 Applying the Living Wage Allowance to advance and higher level apprenticeships will incorporate an additional cost to the Council which would need to be met through the directorate's budgets. The additional cost to each apprentice will differ based on the age appropriate rate of pay, which is likely to be as follows;

- 18 -20 year olds hourly rate would rise by £2.85 per hour increasing the full time annual salary by approximately £5,498 (5.90)
- 21-24 year olds hourly rate would rise by £1.37 per hour increasing the full time annual salary by approximately £2,643 (7.38)
- 25 years olds hourly rate would rise by £0.92 per hour increasing the full time annual salary by approximately £1,774 (7.83)

4.2 There will be financial implications attached to professional fees paid under Executive Director discretion, this will need to be met through the directorates budgets.

## **5. Legal Considerations**

5.1 The Localism Act 2011 introduced the concept of increased accountability over senior officer pay in local government by requiring councils to prepare and publish a pay policy statement every financial year, which is required to meet various statutory requirements as set out below. In performing this function the council must have regard to any guidance issued by the Secretary of State for the Department of Communities and Local Government. A pay policy statement for a financial year must set out the authority's policies for the year relating to; the remuneration of its chief officers; the remuneration of its lowest-paid employees, and the relationship between the remuneration of its chief officers, and the remuneration of its employees who are not chief officers. In addition the statement must state the definition of "lowest-paid employees" adopted by the authority for the purposes of the statement, and the authority's reasons for adopting that definition. The statement must include the authority's policies relating to the level and elements of remuneration for each chief officer; remuneration of chief officers on recruitment; increases and additions to remuneration for each chief officer; the use of performance-related pay for chief officers; the use of bonuses for chief officers, the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority; and the publication of and access to information relating to remuneration of chief officers.

5.2 One of the key objectives of the primary legislation and subsequent statutory guidance is to provide local accountability through councillors having an input into how decisions on remuneration for chief officers are made. The 2012 statutory guidance stated that full council or a meeting of members should be offered the opportunity to vote before large salaries are offered in respect of a new appointment. It provided for a notional threshold of £100,000 or above. The 2013 statutory guidance, which supplemented the 2012 guidance, extended this requirement to severance packages of £100,000 or above. On the 1st June 2015 full council delegated the determination of severance packages to the relevant committee. The objective of increasing transparency in the council's approach to pay is achieved through the publication of the pay policy statement itself, which itself builds upon the requirement to publish senior employees remuneration under Regulation 4 Accounts Audit (Amendment No 2) (England) Regulations as part of its published salaries information, and more latterly the Local Government Transparency Code 2014.

5.3 Council policy in respect of the recruitment and appointment of Chief Officers is set out at Part 4.6 of the Council's Constitution, Officer Employment Procedure

Rules, whereby the Council has historically delegated the power to approve remuneration levels for the Chief Executive, Executive Directors and Assistant Directors to the relevant committee since 2004. Therefore councillors have always had a significant input on the appointment of chief officers and their remuneration. As previously stated this is set out in the council's constitution which is a public document. All of these appointments are also subject to the well-founded objection process involving Members of the Executive.

## **6. Citizen Impact**

- 6.1 There is no direct impact on our citizens as a result of this procedure. The procedure is however, part of the employment framework that helps to ensure that resident of Walsall get the best possible services from council employees.

## **7. Equality implications**

- 7.1 An equality impact assessment is attached (**Appendix 3**)

## **8. Consultation**

- 8.1 The Pay Policy Statement 2018/19 has been consulted upon with senior managers across the Council between 25th October 2017 to 15th January 2018 and was approved at CMT on 25<sup>th</sup> January 2018.

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# Pay Policy Statement

## 2018/2019



**Walsall Council**

## Version Control

<b>Document title</b>	<b>Pay Policy Statement</b>		
<b>Owner</b>	Human Resources Strategic Services		
<b>Status</b>	Draft	Version	7.0
<b>Effective from</b>	1 <sup>st</sup> April 2018	Approved on	
<b>Last updated</b>		Last updated by	HR Strategy and Planning
<b>Purpose</b>	The Pay Policy Statement sets out Council policy on pay and conditions for senior managers and employees, assisting the Council to attract and retain skilled employees and ensuring compliance with legislative requirements under the Localism Act 2011.		

This procedure links to:

- Job Evaluation & Grading Procedure
- Relocation and Temporary Accommodation Expenses Procedure
- Redeployment Procedure
- Recruitment and Selection Procedure
- Market Supplements Procedure
- Walsall Council Terms and Conditions Document (Orange Book)

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**Appendices**

- A – Senior management pay and grading structure
- B – Other employees pay and grading structure & business mileage rates
- C – Pension Policy Statements

## 1.0 Introduction

- 1.1 The Pay Policy statement sets out Council policy on pay and conditions for senior managers and employees for the year ending 31<sup>st</sup> March 2019.
- 1.2 The Council aims to attract and retain skilled employees motivated to deliver the priorities of the Council. In determining pay policy for Chief Officers and other employees, the Council is committed to ensuring a fair, equitable and transparent approach to pay. Within this, it is recognised that different approaches may be required between groups of employees reflecting factors such as difficulties in attracting and retaining key skills.

## 2.0 Key principles

- 2.1 The Pay Policy Statement outlines the remuneration arrangements within the Council and aims to ensure:
- That employees pay levels are set and reviewed using a clear, rational and transparent process that meets equal pay legislation.
  - That pay rates are both competitive in the market place, reflect the need to retain key skills and appropriately reward employees for their contribution to the Council's achievements.
  - That pay and reward decisions support the provision of valued public services and are affordable.
  - That any decisions relating to pay and salary progression are consistent, fair and non discriminatory.
- 2.2 The Council will not promote employees through the grading system nor use other pay mechanisms in order to assist in securing an employee's improved pension entitlement on retirement or any other allowance/pay (such as maternity or redundancy).

## 3.0 Scope of the statement

- 3.1 This statement relates to all Council employees (including the Chief Executive, Chief Officers, Deputy Chief Officers) and Casual Workers, with the exception of;
- Employees on teachers' pay & conditions and educational support staff (employed directly by the school and subject to the School Staffing (England) Regulations (2009)) who are covered separately by the Schools Model Pay Policy.

- Unattached Teachers on Teachers Pay and Conditions who are covered separately by the Unattached Teachers Pay Policy.

#### 4.0 Senior management pay structure

- 4.1 Senior management are defined for this purpose as the Chief Executive and Chief Officers (as defined under the Localism Act 2011 Part One Chapter 8, section 43(2), Government and Housing Act 1989 2(8), and for the avoidance of doubt include Executive Directors and Assistant Directors. Senior management grades are locally agreed salary scales which are reviewed annually having regard to the JNC pay award for Local Authority Chief Executives and Chief Officers and market conditions. The senior management pay structure is attached at Appendix A.
- 4.2 The aim is to ensure that the Council retains key employees by maintaining pay rates which are competitive in the market and reflect the need to retain valuable skills.
- 4.3 The salary levels of the Chief Executive and Chief Officers on appointment are set by elected members at the relevant committee of the Council. The Council's relevant committee (or appointed sub committees) approves remuneration levels for the Chief Executive, Executive Directors and Deputy Chief Officers on appointment, subject to negotiation. The Council's relevant committee has delegated authority from Council in respect of the actual appointment and dismissal of Executive Directors and Deputy Chief Officers in accordance with the Employment Procedure Rules.
- 4.4 Pay levels are reviewed and locally agreed taking into account any cost of living increase negotiated nationally by the JNC for Chief Officers of Local Authorities Conditions of Services. The pay offer for 2018/19 for Chief Officers is yet to be decided. It should be noted due to the terms and conditions review where a 1% reduction was implemented in April 2017 that this will remain in place whatever pay offer is eventually agreed.
- 4.5 The salary details for Chief Officers are published on the Council's website and can be located on the open data pages; <https://go.walsall.gov.uk/opendata-datasets>
- 4.6 The process for recruitment and remuneration of Chief Officers is set out in Part 4.6 of the Council's Constitution.
- 4.7 The Chief Executive's total remuneration package includes fees payable for local election duties. Where appropriate fees for European, National and Regional elections and referenda are set out and paid by central government.
- 4.8 The Council's Section 151 Officer and Monitoring Officer receive an additional allowance of £4,510.88 (subject to the Chief Officer pay offer 2018/19) for the undertaking of this statutory function.



4.9 In relation to the termination of employment of Chief Officers, the Council will consider making appropriate payments where it is in the Council's best interests. Any such payments will be in accordance with contractual entitlements or statutory requirements and take into account the potential risks and liabilities to the Council, including any legal costs, disruption to services, impact on employee relations and management time. Any such arrangements are reported to a committee of the Council where required by the Council's Constitution. Furthermore external auditors are consulted about severance packages where appropriate.

## 5.0 Others pay structure (including the lowest paid employees)

- 5.1 Remuneration for other employees is normally determined by the Council's Job Evaluation (JE) scheme which covers all employees on NJC Local Government Services (Green Book) terms and conditions of service. These employees have their pay based upon the NJC pay and grading structure which is extended locally to incorporate 68 spinal column points (SCP) and is attached at Appendix B.
- 5.2 The Council's pay and grading structure ranges from G1 to G16 and covers SCP 006 – 068. Each grade range contains a number of SCPs and this allows for annual incremental progression up to the top of the grade.
- 5.3 The Council has paid the Living Wage (LW), since April 2015, in the form of an additional allowance to basic hourly rate, which is subject to an annual review. All council employees, casual workers and those employees on advanced or higher level apprenticeships are eligible for the living wage allowance where their substantive pay falls below the living wage rate including all non standard hours such as overtime.
- 5.4 The Council's Job Evaluation scheme is based on the NJC prescribed Job Evaluation scheme for posts graded G1 to G13 and the Hay Group Job Evaluation scheme for posts graded G14 to G16. Both schemes comply with equal pay requirements.
- 5.5 Currently (January 2018) apprentices pay starts at £6,752.50 in line with the national minimum apprenticeship rate of pay. The council pays age appropriate rates for all levels of apprenticeships; the Council will not apply the 12 month minimum apprenticeship rate (with the exception of those who are covered by point 5.3).
- 5.6 Pay levels are reviewed and locally agreed taking into account any cost of living increase negotiated nationally by the NJC for Local Government Services. The two year pay offer for 2018/19 and 2019/20 is currently under negotiation. It should be noted due to the terms and conditions review where a 1% reduction was implemented in April 2017 that this will remain in place whatever pay offer is eventually agreed.

## 6. Non standard terms and conditions

- 6.1 Employees transferring into the Council under TUPE arrangements have the right to retain their existing terms and conditions and as such retain the pay scales applicable to their employment prior to transfer.
- 6.2 Some specialist employees, mainly in education related services, such as Educational Psychologists, and the Youth Service are paid on the national pay scales relevant to their specialist employment.
- 6.3 Employees covered under TUPE who transferred into the Council prior to the terms and conditions review (implemented 2017) and employees on relevant specialist pay scales were included in the terms and conditions review.

## 7. Starting pay

- 7.1 Employees are usually paid on an incremental scale and will normally be appointed at the minimum point of the pay grade for that post. However, in certain circumstances it may be appropriate to appoint external candidates to a higher point within the pay grade to support the appointment and retention of high calibre candidates. Such practice must be objectively justified and within current budgetary constraints. In order to ensure a level of control and consistency of such appointments, the support of Human Resources should be sought before obtaining Executive Director approval.
- 7.2 Internal appointments are made at the minimum point of the pay grade where being appointed into a promotional post or at the minimum point of advantage where grade boundaries overlap with the new higher grade. If appointments are made to equivalent graded posts then the employee will move across on their existing SCP with normal incremental progression in line with 8.3. However, in certain circumstances it may be appropriate to appoint internal candidates to a higher point within the pay grade to support the appointment and retention of high calibre employees. Such practice must be objectively justified and within current budgetary constraints. In order to ensure a level of control and consistency of such appointments, the support of Human Resources should be sought before obtaining Executive Director approval.
- 7.3 Internal appointments moving into an additional/second post of equivalent grade and nature will be appointed on the same SCP as their existing post with normal incremental progression in line with 8.3.
- 7.4 Where employees are appointed into posts where there is a grade reduction, they will normally be appointed at the top of the grade unless their current SCP is already below this level in which case they will transfer across on their existing SCP with no further increase until the normal incremental progression is due.

- 7.5 Casual workers will be appointed on the minimum point within the pay grade and will not receive incremental progression. Existing casuals (pre 2017/2018 pay policy) will be frozen on their current SCP and will not receive any further incremental pay progression.

## 8. Pay progression

- 8.1 Where employees are on annual incremental scales progression within grade boundaries is automatic (with the exception of casual workers).
- 8.2 Annual incremental pay progression takes place until the maximum SCP within the grade for the post is achieved. Thereafter the employee is only eligible to receive the annual cost of living award as negotiated by the appropriate bodies and implemented by the Council.
- 8.3 Increments are due on the 1<sup>st</sup> April each year, or 6 months after appointment where the employee has been in the post for less than 6 months by 1<sup>st</sup> April, i.e. if the employee is appointed between 1<sup>st</sup> October and 31<sup>st</sup> March the increment will be paid after 6 months in post and then annually on the 1<sup>st</sup> April thereafter up to the maximum SCP within the grade.
- 8.4 Employees are able to request re-evaluations of the grade of their post where they believe that work duties have substantially altered. All re-evaluation requests will be graded using the Council's JE scheme in line with the Job Evaluation & Grading Procedure that provides the right of appeal against any grade outcomes.

## 9. Performance related pay (PRP)

- 9.1 The Council does not operate a corporate performance related pay scheme or any type of bonus pay scheme.

## 10. Pay protection

- 10.1 Pay protection will be granted for a maximum period of 12 months and will apply where Council is enforcing a reduction in an employee's pay due to one of the following situations:
- i. redeployment as a result of a restructure and/or compulsory redundancy in accordance with the Councils' redeployment procedure
  - ii. redeployment as a result of a dismissal on health grounds in accordance with the Councils' redeployment procedure
  - iii. as a result of a re-grade in accordance with the council's job evaluation and grading procedure

- 10.2 Pay protection will only apply where the post/re-grade is no more than 2 grades below the employee's substantive post.
- 10.3 Pay protection will apply to the grade of the substantive post and not the amount of hours worked, therefore pay protection will be pro-rata if the employee accepts a post at fewer hours. However, where an employee accepts a post with increased hours, pay protection will only apply to their previous substantive hours.
- 10.4 Where pay protection applies any loss in annual leave (affected by a grade reduction) will also be protected for a maximum period of 12 months on a pro-rata basis.
- 10.5 All other terms of the employee's substantive post will not be protected (e.g. unsocial hours payments, allowances etc.).

## 11. Market supplements

- 11.1 The Council recognises that at times it may be difficult to recruit new employees or retain existing employees in certain key posts. To ensure that the Council attracts and maintains a skilled and experienced workforce, supplements may be paid in addition to the grade of the post in accordance with the Council's Market Supplements Procedure.

## 12. Relocation and temporary accommodation allowances

- 12.1 Relocation and temporary accommodation expenses may be paid to employees to cover costs associated with relocating in order to take up new employment with the Council. These expenses are paid in accordance with the Council's Relocation and Temporary Accommodation Expenses Procedure.

## 13. Honorarium payments

- 13.1 Honorarium payments are additional monies that may be paid to remunerate employee's where;
  - a) employee's are 'acting up' into a higher graded post and undertaking the full range of duties of the post on either a full time or part time basis. Such payments are temporary in nature normally for a maximum of 12 months and are paid in accordance with the Recruitment & Selection Procedure. Any extensions to such payments in excess of 12 months will be subject to Executive Director approval.

OR

b) employee's are undertaking additional work duties that are outside the scope of the employees normal role AND such duties are graded at a higher level than the employees substantive post. Such payments are temporary in nature, normally for a maximum period of 12 months and are paid in accordance with the Council's job evaluation scheme to ensure principles of fairness and equality are maintained. Any extensions to such payments in excess of 12 months will be subject to Executive Director approval.

13.2 Where an honorarium payment is deemed at a higher grade than the substantive post, the employee will be awarded the bottom SCP of the higher grade. Where this is less than 2 spinal column points the SCP will be adjusted to reflect a 2 point increase.

#### 14. Allowances / Expenses

14.1 Overtime – any overtime worked over 37 hours regardless of when the hours are worked will be paid at time plus 1/2. This is usually only applicable to those on grades G6 or below, however in exceptional circumstances and where pre-approved by the Executive Director, can be extended to those above G6. Overtime is not normally paid to those on senior management grades. All overtime must be agreed by the relevant manager and closely monitored.

14.2 The council also pays an additional payment in certain circumstances which fall under the overtime and holiday pay ruling.

14.3 Unsocial hours payment – where employees work unsocial hours (Monday – Saturday between the hours of 22.00 – 06.00 and all day on Sunday) they will receive additional unsocial hours payments based on the percentage of their standard contractual 37 hour working week worked in unsocial hours and this will equate to either a 5%, 10% or 15% enhancement to their basic pay in accordance with Walsall Local Terms and Conditions Document.

14.4 Standby payment –where employees are required to be on standby they will receive a standardised payment, currently £20 per session and £180 weekly rate. This is usually only applicable to those on grades G12 or below, however in exceptional circumstances and where pre-approved by the Executive Director, can be extended to those above G12.

14.5 Callout payment –where employees are called out to required locations they will receive the appropriate additional hours or overtime rate subject to a minimum payment of two hours for any single call out period. This is usually only applicable to those on grades G12 or below, however in exceptional circumstances and where pre-approved by the Executive Director, can be extended to those above G12. Where an employee provides telephone advice and the response time is in excess of one hour, a call out payment will be made.

- 14.6 Professional subscriptions / registration fees – These may be paid by the Council, at the discretion of the Executive Director (or delegated deputy chief officer), where it is an essential requirement of the job. Essential would normally relate to a statutory function, and to support recruitment and retention.
- 14.7 Car allowances –employees using a private vehicle on official business will be entitled to claim business mileage at the HMRC rate as detailed in appendix B.
- 14.8 There are separate travel allowance arrangements in place for Executive Directors and they receive a lump sum payment equivalent to 2.3% of their annual salary.

## 15.0 Exit Payments

- 15.1 Exit payments will be paid in accordance with legislative requirements. At the time of writing draft regulations are out to consultation.
- 15.2 Exit payments will be subject to recovery in accordance with legislative requirements. At the time of writing draft regulations are out to consultation.

## 16. Pensions

- 16.1 Employees of the Council are eligible to join the Local Government Pension Scheme. The benefits and contributions payable under the scheme are set out in the Local Government Pension Scheme Regulations 2013.
- 16.2 Under the Local Government Pension Scheme Regulations, each scheme employer must publish and keep under review a Statement of Policy to explain how it will apply certain discretions allowed under the Pension Regulations
- 16.3 The Council's current published LGPS discretionary policy is contained in Appendix C of this document and was effective from 1<sup>st</sup> April 2014. There have been no changes to the discretionary policy at the time of writing this policy and therefore this remains in place. This document also incorporates discretionary provisions that are still in force under the former LGPS regulations that the employer is required to publish within its current policy.

## 17. Pay multiples (or pay dispersion)

- 17.1 There is no formal mechanism for direct comparison between pay levels of the wider workforce with senior manager pay and there are no Council policies on reaching or maintaining a specific pay multiple.
- 17.2 The pay multiple recommended for adoption by the Hutton Review of Fair Pay in the Public Sector is the ratio between the salary of the highest paid employee and the median full time equivalent (fte) salary of the organisation.

- 17.3 The Council's current (November 2017) pay multiple from the highest pay (£165,000 per annum) to the median pay (£22,434 per annum) is 1:7. This pay multiple is lower than the ratio in the previous year which was 1:9.
- 17.4 The Council's current (November 2017) pay multiple from Chief Officers within the Corporate Management team (£122,905 per annum) to the median pay (£22,434 per annum) is 1:5. This pay multiple is the same ratio as the previous year.
- 17.5 The Council will monitor these ratios on an annual basis to ensure that there is not undue wage inflation in senior management pay rates.

## Appendix A

### JNC for Chief Officers of Local Authorities

Spinal Column Point Salaries effective from 1st April 2017 (subject to change following pending pay offer agreement for 2018/19)

		1 <sup>st</sup> April 17
	Spot point	*Annual
<b>Chief Executive</b>		
	Spot point	**£165,000
<b>Executive Director</b>		
	Spot point	£118,358
	Spot point	**£132,000

	Pay Points	*Annual
<b>Assistant Director</b>		
Pay range	1	£78,476
	2	£81,491
	3	£84,510
	4	£87,527
	5	£90,550

\*Salary scales reflect the 1% reduction following the terms and conditions review

\*\* Salary scale effective from 13 November 2017



## Appendix B

### Spinal Column Point Salaries effective from 1st April 2017 (subject to change following pending pay offer agreement for 2018/19)

\* Salary scales reflect the 1% reduction following the terms and conditions review

\*\* note Hourly rates are shown rounded down to whole penny

Grade	SCP	*Annual Salary £	Monthly Rate £	Weekly Rate £	**Hourly Rate £	
G1		006	14864	1238.67	284.90	7.70
		007	14964	1247.00	286.75	7.75
	G2	008	15094	1257.83	289.34	7.82
G1		009	15221	1268.42	291.56	7.88
		010	15457	1288.08	296.37	8.01
		011	15649	1304.08	300.07	8.11
G3		012	15962	1330.17	305.99	8.27
	G2	013	16326	1360.50	313.02	8.46
		014	16613	1384.42	318.57	8.61
		015	16901	1408.42	324.12	8.76
	G4	016	17245	1437.08	330.41	8.93
G3		017	17594	1466.17	337.07	9.11
		018	17891	1490.92	342.99	9.27
		019	18560	1546.67	355.94	9.62
G5		020	19238	1603.17	368.89	9.97
	G4	021	19939	1661.58	382.21	10.33
		022	20456	1704.67	392.20	10.60
		023	21057	1754.75	403.67	10.91
	G6	024	21745	1812.08	416.99	11.27
G5		025	22434	1869.50	429.94	11.62
		026	23166	1930.50	444.00	12.00
		027	23935	1994.58	458.80	12.40
G7		028	24717	2059.75	473.97	12.81
	G6	029	25694	2141.17	492.47	13.31
		030	26556	2213.00	509.12	13.76
		031	27394	2282.83	525.03	14.19
	G8	032	28203	2350.25	540.57	14.61
G7		033	29033	2419.42	556.48	15.04
		034	29854	2487.83	572.39	15.47
		035	30480	2540.00	584.23	15.79
G9		036	31288	2607.33	599.77	16.21
	G8	037	32164	2680.33	616.79	16.67
		038	33106	2758.83	634.55	17.15
		039	34196	2849.67	655.64	17.72
	G10	040	35093	2924.42	672.66	18.18
G9		041	36019	3001.58	690.42	18.66
		042	36937	3078.08	708.18	19.14
		043	37858	3154.83	725.94	19.62
G11		044	38789	3232.42	743.70	20.10
	G10	045	39660	3305.00	760.35	20.55
		046	40619	3384.92	778.85	21.05
		047	41551	3462.58	796.61	21.53
	G12	048	42474	3539.50	814.37	22.01
G11		049	43387	3615.58	831.76	22.48
		050	44356	3696.33	850.63	22.99
		051	45316	3776.33	868.76	23.48
G13		052	46408	3867.33	889.85	24.05
	G12	053	47527	3960.58	911.31	24.63
		054	48645	4053.75	932.77	25.21
		055	49778	4148.17	954.60	25.80
G13		056	50905	4242.08	976.06	26.38
G14		061	56730	4727.50	1087.80	29.40
		062	57914	4826.17	1110.37	30.01
	G15	063	59783	4981.92	1146.26	30.98
G14		064	62774	5231.17	1203.61	32.53
		065	65761	5480.08	1260.96	34.08
G16		066	68878	5739.83	1320.90	35.70
	G15	067	71870	5989.17	1378.25	37.25
G16		068	74857	6238.08	1435.60	38.80

### Midpoint (Average Cost) of Salary Grades

Grade	SCP	Midpoint £
Grade 1	pts 6-9	15036
Grade 2	pts 8-13	15618
Grade 3	pts 12-17	16774
Grade 4	pts 16-21	18411
Grade 5	pts 20-25	20812
Grade 6	pts 24-29	23615
Grade 7	pts 28-33	26933
Grade 8	pts 32-37	30170
Grade 9	pts 36-41	33644
Grade 10	pts 40-45	37393
Grade 11	pts 44-49	41080
Grade 12	pts 48-53	44911
Grade 13	pts 52-56	48653
Grade 14	pts 61-64	59300
Grade 15	pts 63-67	65813
Grade 16	pts 66-68	71868

### Business Mileage Effective from 1 April 2017

Business Mileage	HMRC Approved mileage rates
	Cars (per mile)
First 10,000 business miles in the tax year	45p
Each business mile over 10,000 in the tax year	25p



Walsall Council



## **Local Government Pension Scheme Policy Statement: 1 April 2014**

### **Policy Statement for all eligible employees**

Under the Local Government Pension Scheme Regulations, each scheme employer must publish and keep under review a Statement of Policy to explain how it will apply certain discretions allowed under the Pension Regulations.

This statement is applicable to all employees of Walsall Council who are eligible to be members of the LGPS. Before the exercise of any discretion it will be necessary in each case to consider the full financial cost implications to the Council and the Pension Fund.

Existing policy discretions for employers which are in place under the 2008 and 1995 schemes will remain in force for employees who left the scheme prior to 1<sup>st</sup> April 2014.

All other past policies and discretions will be revoked following the approval of this policy. The discretions detailed in this policy will apply from 1<sup>st</sup> April 2014.

### **Part 1 – Discretions to be applied under the LGPS Regulations 2013 and LGPS (Transitional Provisions and Savings) Regulations 2014 (denoted as ‘TP’ within the policy).**

<p><b><u>Regulation 16(2)e &amp; Reg 16(4)d:</u></b> Where an active Scheme member wishes to purchase extra annual pension of up to £6,500* (figure at 1 April 2014) by making Additional Pension Contributions (APCs), the employer can choose to contribute towards the cost of purchasing that extra pension via a Shared Cost Additional Pension Contribution (SCAPC).</p>	<p><b><u>Council Policy</u></b> The Council has <u>NOT</u> adopted this discretion.</p>
<p><b><u>Regulation 30(6) and TP11(2):</u></b> Whether to permit flexible retirement for staff aged 55 or over who, with the agreement of the employer, reduce their working hours or grade in order to release some or all of their retirement benefits.</p>	<p><b><u>Council Policy</u></b> The Council will consider employee requests to take flexible retirement on a case by case basis after taking into factors such as service delivery and any costs that may apply.</p>

<p><b><u>Regulation 30(8):</u></b> Whether to waive any actuarial reductions that would otherwise apply under Regulation 30(5) and Regulation 30(6) for active members, deferred members and suspended tier 3 ill health pensioners who elect to receive early payment of benefits prior to normal pension age.</p>	<p><b><u>Council Policy</u></b> Waiving of actuarial reductions and the application of 85 year rule protections will be considered only where there is a clear financial or operational advantage in doing so. A request for early unreduced payment of benefits on compassionate grounds would be considered only where the former member is prevented from full-time working due to the need to provide long-term care for a dependant.</p>
<p><b><u>TP Regulation 1(1)(c) of Schedule 2:</u></b> Whether, to apply the 85 year rule protections to members who choose to voluntarily draw their benefits on or after age 55 and before age 60, [under paragraph 1(1)(c) of Schedule 2 to the LGPS (Transitional Provisions, Savings and Amendment) Regulations 2014].</p>	<p><b><u>Council Policy</u></b> Waiving of actuarial reductions and the application of 85 year rule protections will be considered only where there is a clear financial or operational advantage to the Council in doing so.</p>
<p><b><u>Regulation 31:</u></b> Whether to grant extra annual pension of up to £6,500 to an active Scheme member or within 6 months of leaving to a member whose employment was terminated on the grounds of redundancy or business efficiency.</p>	<p><b><u>Council Policy</u></b> The Council has <u>NOT</u> adopted this discretion.</p>
<p><b><u>Regulation 22(8 &amp; 9):</u></b> Whether to extend the 12-month period in which a member can elect to retain separate benefits for previous pensionable service.</p>	<p><b><u>Council Policy</u></b> The Council will consider applications under this Regulation but only when it can be demonstrated that the delay is because of an administration issue and not as a result of the scheme member's failure to make an election within the 12 month timescale.</p>
<p><b><u>Regulation 9(3):</u></b> Determining the rate of employees' contributions</p>	<p><b><u>Council Policy</u></b> The Council will review the contribution rate bands at six monthly intervals. Account will be taken when determining the rate of any impending pay award.</p>
<p><b><u>Regulation 100(6):</u></b> Whether to extend the 12-month period from joining the scheme in which to allow a transfer-in of previous non-local government pension rights.</p>	<p><b><u>Council Policy</u></b> The Council will consider applications under this Regulation but only when it can be demonstrated that the delay is because of an administration issue and not as a result of the scheme member's failure to make an election within the 12 month timescale.</p>

**Part 2 – Discretions to be applied under the LGPS (Benefits, Membership and Contributions) Regulations 2007 (as amended)**

<p><b><u>Regulation B12:</u></b> Power of employing authority to increase total membership of members leaving prior to 1<sup>st</sup> April 2014 on redundancy or business efficiency grounds by up to 10 years.</p> <p>This resolution must be made within 6 months of leaving and will therefore be obsolete after 30<sup>th</sup> September 2014.</p>	<p><b><u>Council Policy</u></b> The Council has <u>NOT</u> adopted this discretion.</p>
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<p><b><u>Regulation B30(2) and 30(5):</u></b> Whether to grant application for early payment of deferred benefits on or after age 55 and before age 60; and whether to waive on compassionate grounds the actuarial reduction applied to such benefits paid under regulation B30.</p>	<p><b><u>Council Policy</u></b> The Council has adopted this regulation to be used in exceptional circumstances only.</p> <p>The criteria for exceptional circumstances are defined in the detailed guidelines.</p> <p>The Council will consider each specific case which will be judged equally and fairly on its own merits having fully considered the reasons for early payment and any associated financial costs.</p>
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<p><b><u>Regulation B30A(3) and 30A(5):</u></b> Whether to grant application for early payment of suspended tier 3 ill health pension on or after age 55 and before age 60; and whether to waive on compassionate grounds the actuarial reduction applied to such benefits paid under regulation B30A.</p>	<p><b><u>Council Policy</u></b> The Council has adopted this regulation to be used in exceptional circumstances only.</p> <p>The criteria for exceptional circumstances are defined in the detailed guidelines.</p> <p>The Council will consider each specific case which will be judged equally and fairly on its own merits having fully considered the reasons for early payment and any associated financial costs.</p>
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**Part 3 – Discretions to be applied under the LGPS Regulations 1997**

<p><b><u>Regulation 31(2) and 31(5):</u></b> Whether to grant application for a leaver between 31 March 1998 and 31 March 2008, or from a Councillor for early payment of benefits on or after age 50/55 and before age 60; and whether to waive on compassionate grounds the actuarial reduction applied to such benefits paid under regulation 31.</p>	<p><b><u>Council Policy</u></b> The Council has adopted this regulation to be used in exceptional circumstances only. The criteria for exceptional circumstances are defined in the detailed guidelines.</p> <p>The Council will consider each specific case which will be judged equally and fairly on its own merits having fully considered the reasons for early payment and any associated financial</p>
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	costs.
<b>Regulation 31(7A):</b> Whether to grant employer consent for a scheme member to access their retirement benefits from their Normal Retirement Date without reduction, while continuing to be employed by a Scheme employer listed in Schedule 2.	<p><b>Council Policy</b></p> <p>The Council has adopted this regulation to be used in exceptional circumstances only.</p> <p>The criteria for exceptional circumstances are defined in the detailed guidelines.</p> <p>The Council will consider each specific case which will be judged equally and fairly on its own merits having fully considered the reasons for early payment and any associated financial costs.</p>

**Part 4 – Discretions to be applied under the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006**

<b>Regulation 5:</b> The Council may decide to calculate a redundancy payment entitlement as if there had been no limit on the amount of the week's pay used in the calculation.	<p><b>Council Policy</b></p> <p>The Council has decided to adopt this discretion and base redundancy payment calculations on an unrestricted week's pay.</p>
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<b>Regulation 6:</b> A one-off lump sum compensation payment may be awarded to an employee up to a maximum value of 104 weeks pay (2 years) inclusive of any redundancy payment made.	<p><b>Council Policy</b></p> <p>The council has decided to adopt this discretion in part and will award an additional lump sum compensation payment equal to the value of the statutory redundancy payment – maximum payment 30 weeks – but only in cases of some compulsory redundancies Each award will be subject to a cap to be paid to an employee who is paid less than the full time equivalent of scale point 29.</p> <p>Each specific case will be judged equally and fairly on its own merits having fully considered service delivery and financial costs.</p>
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**Part 5 – Discretions to be applied under the Local Government (Discretionary Payments) (Injury Allowances) Regulations 2011**

<p><b>Explanation</b></p> <p>The Council operates The Walsall Council Injury Allowance Scheme under the permissive powers of The Discretionary Payment Regulations 2011.</p> <p>The scheme is unique to Walsall Council employees and is operated within the regulatory guidelines.</p>	<p><b>Council Policy</b></p> <p>The Council has decided that all claims are to be submitted to and agreed by an Injury Allowance Panel. The panel will consist of The Head of Legal Services, The Head of Finance and the Head of Human Resources or their nominees.</p> <p>Both temporary and permanent allowances are available within the terms of reference of the scheme. Each award will be judged on the</p>
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	<p>relevant evidence presented to the panel.          Payment will be made from the service budget.          There is no separate internal appeals process as designated by the Injury allowance panel.</p>
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**Part 6 – Appeals Process – Local Government Pension Scheme (Administration) Regulations 2008**

<p><b><u>Regulation 57: Internal Dispute Resolution Procedure (IDRP)</u></b>          Responsibility for determination of LGPS disputes under the first stage of the procedure now lies with the “Adjudicator” at the employing authority.</p> <p>The Executive Director (Resources) is the Adjudicator for the purposes of the Internal Dispute Resolution Process. If this presents a conflict of interest when the complaint relates to a member of the Resources directorate, the Chief Executive will act as the Adjudicator.</p>	<p><b><u>Council Policy</u></b>          Any disputes about decisions made under the LGPS should be sent in writing to:</p> <p>The Section 151 Officer          The Council House          Walsall Council          WS1 1TW <b>or</b></p> <p>The Chief Executive if the complaint relates to member of the Resources and Transformation Directorate.</p>
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**April 2014**

# Pay Policy 2018/19

## Appendix 2

The Pay Policy has been amended to reflect the recommendations below:

Subject	Request	Recommendation
Living wage allowance [Refer to 5.3 of the <b>Pay Policy</b> ]	To continue to pay the Living Wage as recommended by the Resolution Foundation. The new rate of £8.75 will be implemented from 1 <sup>st</sup> April 2018 and will be reviewed on an annual basis.	Agreed at Personnel Committee on 18 December 2017.  The NJC pay award for 2018/19 and 2019/20 is currently under negotiation, if the proposal from the National Employers is agreed and implemented this will reduce the costs of paying the additional allowance for the living wage significantly.
To extend Living Wage to higher and advance level apprenticeships <b>[Refer to 5.3 of the Pay Policy]</b>	To review the payments made to higher and advanced level apprenticeships to attract and retain a higher calibre of candidates and to ensure the Council remains competitive in the market place.	The recommendation is for higher level and advanced apprenticeships to be within scope of the living wage allowance to enhance the hourly rate meeting the current £8.75 agreed by Personnel Committee for substantive employees and casual workers.  The Council envisage the creation of a maximum of 15 posts at advanced or higher level apprenticeship. All other apprentices will continue to be paid on the age appropriate rate.  Research undertaken indicates a number of other local authorities have already committed to paying a living wage or higher to this level of apprenticeships.
In respect of CMT recommendations 16 March 2017 to pay all apprenticeship at age appropriate rate and to backdate to 1 April 2017. <b>[Refer to 5.5 of the Pay Policy]</b>	Pay policy to reflect CMT recommendation to pay all apprentices at the age appropriate rate and not apply the 12 month minimum apprenticeship rate	The recommendation is to pay apprentices at the age appropriate rate and not apply the 12 month minimum apprenticeship rate and for this to be backdated to the 1 April 2017 in line with the CMT recommendations on 16 March 2017.
<b>Non Standard Terms</b>	To review the wording surrounding TUPE	Clarity has been provided regarding the retention of employee's rights to reflect,

<p><b>and Conditions</b> [Refer to 6.3]</p>	<p>arrangements under section 6 to include the effect of the terms and conditions review in these circumstances.</p>	<p>employees covered under TUPE who transferred into the Council prior to the terms and conditions review (implemented 2017) and employees on relevant specialist pay scales were included in the terms and conditions review.</p>
<p><b>Reflect starting salary for internal and external appointments</b> [Refer to 7.1 and 7.2 of the Pay Policy]</p>	<p>To reflect the Councils decision on starting pay for internal appointees to be comparable with external appointments which allows for both internal and external appointments in certain circumstances, and subject to Executive Director approval for the starting salary to be at a higher point than the minimum point of the pay grade.</p>	<p>Agreed at Personnel Committee on 24<sup>th</sup> October 2017</p>
<p>Honorary payments [Refer to 13.2 of the pay Policy]</p>	<p>To review the remuneration of honorary payments. As in certain circumstances, the minimum point of advantage is not deemed as an incentive to undertake additional duties or take on more responsibility, and therefore it has sometimes proved difficult to attract employees to undertake the additional duties or responsibilities.</p>	<p>The recommendation is to reflect an increase of 2 scp or minimum point of advantage (which ever is the greater) for the period of the honorary to secure commitment to undertaking the duties.</p>
<p><b>Payment of Professional fees</b> [Refer to 14.6 of the pay policy]</p>	<p>To remove payments for paying professional fees as there is an inconsistency across the Council.</p>	<p>The recommendations is not to remove payment of professional fees, however, to assist in ensuring consistency of application it is recommended to provide further clarity on the terms 'essential' to now also support recruitment or retention.</p>



## Equality Impact Assessment (EqIA) for Policies, Procedures and Services

Proposal name	Pay Policy Statement 2018/19		
Directorate	Resources and Transformation		
Service	HR Strategy and Planning Team		
Responsible Officer	Tracey Edwards		
EqIA Author	Tracey Edwards		
Proposal planning start	October 2017	Proposal start date (due or actual)	April 2018

<b>1</b>	<b>What is the purpose of the proposal?</b>		<b>Yes / No</b>	<b>New / revision</b>
	Policy		<b>Yes</b>	<b>Revision</b>
	Procedure		<b>No</b>	<b>N/A</b>
	Internal service		<b>No</b>	<b>N/A</b>
	External Service		<b>No</b>	<b>N/A</b>
	Other - give details			
<b>2</b>	<b>What are the intended outcomes, reasons for change? (The business case)</b>			
	<p>The Pay Policy Statement sets out Council policy on pay and conditions for senior managers and employees, assisting the Council to attract and retain skilled employees and ensuring compliance with legislative requirements under the Localism Act 2011 and the Equality Act 2010.</p> <p>This policy is a key element of our employment practices and it is vital that it meets the needs of the employees and managers who use it. To provide a policy which is free from any form of discrimination which is a key aim of Human Resources (HR)</p> <p>The policy has been updated and is in line with current legislation and good practice. The policy will be applicable to all employees and managers with the exclusion of those employees on teachers' pay &amp; conditions and educational support staff.</p>			
<b>3</b>	<b>Who is the proposal potential likely to affect?</b>			
	<b>People in Walsall</b>	<b>Yes / No</b>	<b>Detail</b>	
	All	<b>No</b>		
	Specific group/s	<b>No</b>		



	Council employees	Yes	All corporate employees including Chief Officers																																								
	Other																																										
<b>4</b>	<b>Please provide service data relating to this proposal on your customer's protected characteristics.</b>																																										
<b>4.1</b>	<p>As of 31 March 2017 the total number of Walsall Council employees (excluding Schools) were 3428. In total there were 131 (3.82%) employees who declared they had a disability, as defined by the Equality Act 2010, some of these may require communication in a different format.</p> <p>The Councils workforce is made up of just over 69% females and 18.82% of employees from an minority ethnic group; the Council's Job Evaluation process ensures the council has a fair and equitable approach to pay which is free of discrimination, as the evaluation of each role is based on the merits and duties of the role alone, this is reflected within the Pay Policy Statement.</p> <p>The mechanisms for remuneration set out with the policy are free from bias and provides the organisation with clear guidance on best practice to ensure its application is consistently applied.</p> <table border="1"> <tr> <td>Type</td> <td></td> <td>Date</td> <td></td> </tr> <tr> <td>Audience</td> <td colspan="3"></td> </tr> <tr> <td>Protected characteristics</td> <td colspan="3"></td> </tr> <tr> <td>Feedback</td> <td colspan="3"></td> </tr> <tr> <td colspan="4">N/A</td> </tr> </table> <table border="1"> <tr> <td>Type</td> <td></td> <td>Date</td> <td></td> </tr> <tr> <td>Audience</td> <td colspan="3"></td> </tr> <tr> <td>Protected characteristics</td> <td colspan="3"></td> </tr> <tr> <td>Feedback</td> <td colspan="3"></td> </tr> <tr> <td colspan="4">N/A</td> </tr> </table>			Type		Date		Audience				Protected characteristics				Feedback				N/A				Type		Date		Audience				Protected characteristics				Feedback				N/A			
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<b>4.2</b>	<b>Concise summary of evidence, engagement and consultation (including from area partnerships, where relevant)</b>																																										
	<p>Consultation took place with senior managers within the Council, the consultation was undertaken at stages to establish any barriers or concerns the Pay Policy Statement 2018/19 may have caused that would benefit from a review.</p>																																										

25 October 2017-15 December 2017- DMT members participated in a feedback exercise to establish areas of improvement to be taken into consideration during the review of the Pay Policy Statement 2018/19.

04 January 2018-15 January 2018 – consultation on the draft Pay Policy Statement 2018/19

25 January 2018 – CMT approval before presenting the Pay Policy Statement to Personnel Committee on 13 February 2018.

Consultation feedback is detailed in appendix 2 of the Personnel Committee Report and the Personnel Committee Report

<b>5 How may the proposal affect each protected characteristic or group? The effect may be positive, negative or neutral.</b>			
<b>Characteristic</b>	<b>Effect</b>	<b>Reason</b>	<b>Action needed Y or N</b>
Age	<b>neutral</b>	The policy sets out the approach to pay, therefore it sets out clear guidelines to reduce the risk of discrimination.	No
Disability		Potential impact on employees who require reasonable adjustments for communication and for those who do not understand the policy e.g. employees with learning disabilities.	Yes
Gender reassignment	<b>neutral</b>	The policy sets out the approach to pay, therefore it sets out clear guidelines to reduce the risk of discrimination.	No
Marriage and civil partnership	<b>neutral</b>	The policy sets out the approach to pay, therefore it sets out clear guidelines to reduce the risk of discrimination.	No
Pregnancy and maternity		Potential impact for people who are on maternity or paternity leave and are not updated about the policy.	Yes
Race		Potential impact on those employees whose first language is not English as they may not understand the policy. The Council are aware of their obligations under part 7 of the Immigration Act 2016 which	Yes

			creates a duty to ensure that all public authority staff in customer facing roles speak fluent English (or Welsh in Wales) to an appropriate standard to perform their role effectively.	
	Religion or belief	<b>neutral</b>	The policy sets out the approach to pay, therefore it sets out clear guidelines to reduce the risk of discrimination.	No
	Sex	<b>neutral</b>	The policy sets out the approach to pay, therefore it sets out clear guidelines to reduce the risk of discrimination.	No
	Sexual orientation	<b>neutral</b>	The policy sets out the approach to pay, therefore it sets out clear guidelines to reduce the risk of discrimination.	No
	Other (give detail)			
	Further information			
<b>6</b>	<b>Does your proposal link with other proposals to have a cumulative effect on particular equality groups? If yes, give details below.</b>			(Delete one) <b>Yes/ No</b>
<b>7</b>	<b>Which justifiable action does the evidence, engagement and consultation suggest you take? (Bold which one applies)</b>			
	A	No major change required		
	<b>B</b>	<b>Adjustments needed to remove barriers or to better promote equality</b>		
	C	Continue despite possible adverse impact		
	D	Stop and rethink your proposal		

**Action and monitoring plan**

Action Date	Action	Responsibility	Outcome Date	Outcome
12 months after launch date	There is a statutory requirement to review and publish this policy annually.	Strategy and Planning Team	1 April 2019	Ensure compliance with statutory requirements
Day of launch	To ensure employee who are on maternity leave to be made aware of the updated Pay Policy Statement.	Employees Line Manager	As and when required	
Day Of launch	The policy will be explained/made available in other languages on request for employees whose first language is not English.	Appropriate liaison as required with the councils Interpretation, Translation, Transcription and Easy Read service (ITTE)	As and when requested	
Day of launch	Alternative formats (audio and Easy Read) for disabled employees of the new policy will be made available on request.	Appropriate liaison as required with the councils Pearl Linguistics Service	As and when requested	

**Update to EqIA**

Date	Detail