

Pay Policy Statement 2021/2022



Walsall Council

Version Control

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Purpose	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 policy links to:

- Corporate Plan
- Walsall Proud Programme
- Job Evaluation & Grading Policy
- Redeployment Procedure
- Market Supplements Policy
- Walsall Council Terms and Conditions Document (Orange Book)
- Standby and Call Out Guidance
- Workforce Strategy
- Behaviour & Standards Framework
- Relocation and Temporary Accommodation Expenses Policy
- Recruitment and Selection Policy
- Joint Negotiating Committee for Local Authority Chief Officers Conditions of Service Handbook
- Retention Payments Policy

This list is not exhaustive.

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1.0 Introduction

- 1.1 Walsall Council is PROUD. We are proud of our past, our present and for our future. The council is committed to reducing inequalities and ensuring all potential is maximised and its employment policies, procedures and guidelines are designed to support this vision and deliver the council's priorities.
- 1.2 The council is committed to creating an environment that provides opportunities for all individuals and communities to fulfil their potential. This policy provides a framework in which employees will be supported to deliver the council's priorities in line with the council's expected behaviours and values; professionalism; leadership; accountability; transparency and ethical.
- 1.3 The council's values and behaviours will be at the core of everything the council deliver and through a culture of continuous improvement the council will increase performance, efficiency and champion the design of services to meet the needs of customers. As a digital by design council, employees will be empowered to deliver new ways of thinking and new ways of working, encouraging innovation and creativity in a learning environment. The council is committed to technological investment to deliver transformation in order to improve the efficiency and effectiveness of its services, both internally and externally.
- 1.4 This policy framework promotes the council's strategic priority of internal focus ensuring all council services are effective and efficient and helps embed the behaviours and values expected of all employees as part of the Behaviour and Standards Framework.
- 1.5 The Pay Policy Statement sets out council policy on pay and conditions for senior managers and employees for the year ending 31 March 2022.

2.0 Scope

- 2.1 This policy applies to all council employees, including Directors, Executive Directors and the Chief Executive, as well as fixed term and temporary employees and casual workers.
- 2.2 With the exception of;
 - 2.2.1 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.
 - 2.2.2 Unattached Teachers on Teachers Pay and Conditions who are covered separately by the Unattached Teachers Pay Policy.
- 2.3 This policy does not apply to contractors, consultants, agency workers or any self-employed individuals working for the council.

3.0 Principles

- 3.1 The council aims to attract and retain skilled employees motivated to deliver the priorities of the council. In determining the 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 employees and ensuring valuable skills are retained.
- 3.2 The Pay Policy Statement outlines the remuneration arrangements within the council and aims to ensure:
- That employee's 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.
- 3.3 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).

4.0 Accountabilities

- 4.1 Managers are accountable for the following;
- Applying this policy consistently, fairly and objectively in accordance with the council's vision and purpose and clearly demonstrate the council's management behaviours and values, seeking further advice and guidance from HR where necessary.
- 4.2 Employees are accountable for the following;
- All employees should support the delivery of the council's vision and purpose, clearly demonstrating the council's behaviours and values;
 - Actively engage in employment practices and processes in which they are involved and ensure they understand this policy, seeking further advice and guidance from managers where necessary;
 - Complying with the requirements of this policy.

5.0 Senior management pay structure

- 5.1 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 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.
- 5.2 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 Directors 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.
- 5.3 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 2021/22 for Chief Officers is yet to be decided (where applicable).
- 5.4 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>
- 5.5 The process for recruitment of Chief Officers is set out in Part 4.6 of the Council's Constitution.
- 5.6 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.
- 5.7 The council's Monitoring Officer (currently attached to a Director post) receives an additional allowance for the undertaking of this statutory function. The additional allowance would not be payable if the Monitoring Officer duties were to be attached to an Executive Director post.
- 5.8 The Councils Section 151 statutory function is undertaken by an Executive Director normally the Executive Director for Resources and Transformation and does not attract an additional allowance. Where the Executive Director (Resources and Transformation) is or becomes vacant and the Section 151 duties are delegated to an appropriate deputy an allowance will be awarded to undertake the statutory function.

- 5.9 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.

6.0 Others pay structure (including the lowest paid employees)

- 6.1 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 62 spinal column points (SCP) and is attached at Appendix B.
- 6.2 The council's pay and grading structure ranges from G1 to G16 and covers SCP01 – 062. Each grade range contains a number of SCPs and this allows for annual incremental progression up to the top of the grade.
- 6.3 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.
- 6.4 Currently (based on council structures as at November 2020) apprentices pay starts at £8,778 in line with the national minimum apprenticeship rate of pay. The council pay age appropriate rates for all levels of apprenticeships (with the exception of those covered by 6.5) and will not apply the 12-month minimum apprenticeship rate.
- 6.5 The council has paid the Real Living Wage, since April 2015, in the form of an additional allowance to basic hourly rate, implemented in April each year and subject to an annual review. All council employees (excluding interns, intermediate and advanced apprentices), casual workers, higher and degree level apprentices 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.
- 6.6 The council pay spot salaries to Interns and Graduates (based on council structures as at November 2020).
- 6.7 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 pay offer for 2021/22 for NJC is yet to be decided (where applicable), however

will continue to be subject to 1% reduction agreed locally as part of the terms and conditions review (2017).

7.0 Non-standard terms and conditions

- 7.1 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. This paragraph would not preclude any changes, which were not by reason of the TUPE transfer or where there were economic, technical or organisational reasons for such changes.
- 7.2 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, namely Soulbury and JNC for Youth and Community Workers respectively attached at Appendix C & D.
- 7.3 Pay levels are reviewed and locally agreed taking into account any cost of living increase negotiated nationally by Soulbury and the JNC for Youth and Community. The pay offer for 2021/22 for Soulbury and JNC for Youth and Community is yet to be decided (where applicable).
- 7.4 Employees covered under TUPE who transferred into the Council prior to the terms and conditions review (2017) and employees on relevant specialist pay scales were included in the terms and conditions review and where relevant, any pay offer agreed will continue to be subject to 1% reduction.

8.0 Starting pay

- 8.1 Employees are usually paid on an incremental scale and will normally be appointed at the minimum point of the pay grade for that post or at the minimum point of advantage (applicable to internal appointments) where grade boundaries overlap with the new higher grade or in the case of equivalent graded posts, appointment will be made on the existing SCP with normal incremental progression in line with 9.3 below. However, in certain circumstances it may be appropriate to appoint internal or 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 Head of Service approval.
- 8.2 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 9.3 below.
- 8.3 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 in line with 9.3 below.

- 8.4 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.

9.0 Pay progression

- 9.1 Where employees are on annual incremental scales progression within grade boundaries is automatic (with the exception of casual workers and those on spot salaries, such as Interns and Graduates).
- 9.2 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.
- 9.3 Increments are due on the 01 April each year, or 6 months after appointment where the employee has been in the post for less than 6 months by 01 April, i.e. if the employee is appointed between 01 October and 31 March the increment will be paid after 6 months in post and then annually on the 01 April thereafter up to the maximum SCP within the grade.
- 9.4 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 policy that provides the right of appeal against any grade outcomes. Where a manager or employee led job evaluation request results in a grade increase the appointment will be made at the bottom of the grade or at the minimum point of advantage.

10.0 Performance related pay (PRP)

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

11.0 Pay protection

- 11.1 Pay protection will be granted for a maximum period of 12 months and will apply where the council is enforcing a reduction in an employee's pay due to one of the following situations:
- 11.1.1 redeployment as a result of a restructure and/or compulsory redundancy in accordance with the councils' redeployment policy
 - 11.1.2 redeployment as a result of a dismissal on health grounds in accordance with the councils' redeployment policy

- 11.1.3 as a result of a re-grade in accordance with the council's job evaluation and grading policy
- 11.2 Pay protection will only apply where the post/re-grade is no more than 2 grades below the employee's substantive post.
- 11.3 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.
- 11.4 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.
- 11.5 All other terms of the employee's substantive post will not be protected (e.g. unsocial hours payments, allowances etc.).

12.0 Market supplements

- 12.1 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 policy.

13.0. Retention payments

- 13.1 Retention payments may be paid where there are risks associated with workforce instability and concerns regarding retaining suitably skilled employees in the mid to long term in accordance with the council's retention payments policy.

14.0 Relocation and temporary accommodation allowances

- 14.1 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 policy.

15.0 Honorarium payments

- 15.1 Honorarium payments are additional monies that may be paid to remunerate employee's where;
- a) Employees 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 appointed to in accordance with the recruitment and selection policy. In exceptional circumstances an honoraria may be extended beyond 12 months up to a maximum of 3 months, discretion to extend will normally only be permitted once. Incremental pay progression will apply to acting up honorarium payments.

Or

b) Employees are undertaking additional work duties that are outside the scope of the employee's normal role AND such duties are graded at a higher level than the employee's 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. In exceptional circumstances an honoraria may be extended beyond 12 months up to a maximum of 3 months, discretion to extend will normally only be permitted once. Incremental pay progression will not apply to additional duties honorarium payments.

15.2 All honorariums require authorisation from a Head of Service with the relevant salary authorisation level (or delegated manager with the relevant salary authorisation level), and HR approval.

15.3 Where honorarium payments are approved, the employee will normally be awarded the bottom SCP of the higher grade. However, where this represents less than a 2 spinal column point increase from the existing SCP, the SCP will be adjusted to reflect a 2 point increase.

16.0 Allowance / expenses

16.1 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 Head of Service with the relevant salary authorisation level (or delegated manager with the relevant salary authorisation level), 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.

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

16.3 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 Council local terms and conditions document.

The unsocial hours allowance is specific to posts that are, or become:

a) subject to working in the unsocial hours window on a regularised working pattern/rota,

And

b) on a permanent or long term basis.

In exceptional circumstances authorisation of shorter term temporary unsocial hours payments may be applied. Consideration of a temporary payment will be considered on a case by case basis where the work undertaken in the unsocial window is deemed as ongoing (usually more than 2 consecutive months) and regular.

For temporary application of an unsocial hours payment please discuss the circumstances with HR.

- 16.4 Standby payment – where employees are required to be on standby they will receive a standardised payment in accordance with the guidance on standby and call out payments, 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 Head of Service with the relevant salary authorisation level (or delegated manager with the relevant salary authorisation level), can be extended to those above G12.
- 16.5 Callout payment – where employees are called out to required locations they will receive the appropriate additional hours (payment for additional hours up to and including G6 and TOIL for those G7 and above in accordance with the standby and call out guidance) or overtime rate subject to a minimum of two hours for any single call out period in accordance with the guidance on standby and call out payments. This is usually only applicable to those on grades G12 or below, however in exceptional circumstances and where pre-approved by the Head of Service with the relevant salary authorisation level (or delegated manager with the relevant salary authorisation level), 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.
- 16.6 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.
- 16.7 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.
- 16.8 The council also pay a sleep in allowance to specific roles to ensure the council operate in accordance with legislation, which are agreed for application in specific service areas.

- 16.9 Executive Directors using a private vehicle on official business will be entitled to claim business mileage at the HMRC rate as detailed in Appendix B. With the exception of those Executive Directors commencing in post prior to 01 April 2018 who receive a lump sum payment equivalent to 2.3% of their annual salary, which covers, the first 60 miles, after which business mileage claims can be made at the HMRC rate as detailed in Appendix B.

17.0 Exit payments

- 17.1 Exit payments will be paid in accordance with The Restriction of Public Sector Exit Payments Regulations 2020 effective from 4 November 2020. The regulations introduced a cap for total exit payments at £95,000. Any exit payments made will be subject to recovery in accordance with legislative requirements.

18.0 Pensions

- 18.1 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 (subject to 18.4).
- 18.2 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.
- 18.3 The council's current published LGPS discretionary policy is contained in Appendix E of this document and was effective from 1st April 2014. There have been subtle changes to the discretionary policy at the time of writing this policy to reflect recent regulatory changes but these do not impact on the council's policy conveyed in the previous version of the policy statement. 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. Any changes that are required as a result of the proposals identified in 18.4 will result in the LGPS Discretionary Policy being updated at the appropriate time.
- 18.4 At the time of writing the 2021/22 Pay policy, a new set of draft LGPS Regulations are currently under consultation and are likely to come into force before April 2021. The policy therefore reflects the known legislative position at the time of publication.

19.0 Pay multiples (or pay dispersion)

- 19.1 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.

- 19.2 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.
- 19.3 The council's current (31 October 2020) pay multiple from the highest pay (£187,077 per annum) to the median pay (£27,468 per annum) is 1:7. This pay multiple is the same ratio as the previous year.
- 19.4 The council's current (31 October 2020) pay multiple from Chief Officers within the Corporate Management Team (£131,488 per annum) to the median pay (£27,468 per annum) is 1:5. This pay multiple is the same ratio as the previous year.
- 19.5 The Council will monitor these ratios on an annual basis to ensure that there is no undue wage inflation in senior management pay rates.