

Kettering Borough Council Pay Policy Statement (2016/17)

1. Purpose

The purpose of this statement is to demonstrate Kettering Borough Council's transparency and accountability in relation to policies to determine pay levels in the authority.

The Council's Pay Policy is an important component in how the Council is able to attract staff of the required calibre and experience to deliver its priorities for all customers and stakeholders of the Borough.

2. Introduction

Policies relating to pay and rewards and other terms and conditions of employment reflect national conditions of service for the relevant groups of staff and are agreed by the relevant member body within the Council, or through the delegated authority, as appropriate and in accordance with the Council's Constitution.

In applying its pay policies, the Council will honour its contractual arrangements with employees – as such the Pay Policy Statement is one of fact.

It is worth noting that nothing in the pay accountability provisions in the Act are intended to supersede existing responsibilities and duties placed on authorities in their role as employers, under relevant employment legislation, and authorities must, of course, bear in mind these responsibilities and duties when formulating a pay policy statement.

3. Pay Policy for Chief Officers

The following posts are considered to be Chief Officers, for the purposes of this statement:-

- The Chief Executive
- Deputy Chief Executives (including the Statutory Section 151 Officer)
- Heads of Service (including the Statutory Monitoring Officer).

The Council determined the terms and conditions of employment for the Chief Executive, as Head of Paid Service, through the Appointments Panel. All other terms and conditions for chief officers are in accordance with national terms and conditions, as agreed by the relevant Joint Negotiating Committees, supplemented by the specific salary ranges for each post, through the contracts of employment with each individual.

The policy for the remuneration of all chief officers is to provide an annual salary within a grade consisting of several salary points. Progression within the pay band takes place each year on an incremental basis until the standard maximum

point is reached, subject to satisfactory performance. Where performance is less than satisfactory, the annual increment may be withheld. Progression may be accelerated to the standard maximum point to reward exceptional performance.

The salary levels that relate to the points within the band will be increased by a percentage equal to the percentage increase awarded nationally through the relevant Joint Negotiating Committee.

Other Pay Policies relating to Chief Officers

Returning Officers (and Deputy Returning Officers) fees in respect of local government election rates are paid separately. This recognises that the duties of the Returning Officer (and Deputy Returning Officers) are separate from their duties as a local government officer. The Returning Officer is directly accountable to the courts system as an independent statutory office holder.

Performance-Related Pay

Previously, a performance related payment was contractually provided for of up to 6% of base salary for Deputy Chief Executives and Heads of Service. The payment related to collective team performance and was paid annually. When this arrangement was entered into, it was established to ensure that some pay was 'held-back' and that not all remuneration was guaranteed. In line with the Flexible Resourcing changes approved by the Council during 2015, to correct this anomaly, performance-related pay has now been embedded into the basic pay of Heads of Service and is being embedded into the basic pay of Deputy Chief Executives.

4. Pay Policies Relating to All Employees

Car User Allowance:

Employees who are required to use their private motor car in the course of their official duties on an occasional basis, will be paid the appropriate rate for mileage incurred in accordance with national terms and conditions and their contracts of employment.

Pay Upon Recruitment:

At the time of their recruitment, employees will be paid within the grade for the role. The decision will be taken in line with the Council's Constitution.

Payments on Ceasing to be Employed:

Payments made to employees upon termination of their employment will be in line with contractual agreements. The Council has agreed policies which set out how it determines such payments. These policies apply to all employees.

5. Pay Policy for Non Chief Officers

Employees below the level of Chief Officer within the Council have their grade determined by a job evaluation process which is implemented jointly with trade union representatives. Where the grade consists of a band of points, progression within the pay band takes place each year on an incremental basis until the maximum point is reached, subject to satisfactory performance. Where performance is less than satisfactory, the annual increment will be withheld.

The salary levels that relate to the points may be increased as an outcome of national agreements reached by the relevant Joint Negotiating Committee.

Where a post is difficult to recruit to, the Council has a process in place to consider applying market supplements to pay or to offer recruitment incentives. Market supplements are kept under review and may be withdrawn (or supplemented) if market conditions change.

Remuneration of Lowest Paid

For the purposes of this statement, the Council has defined its lowest paid as those employees who are paid at the bottom spinal column point (SCP6) of the national pay spine. The rationale for this definition is that these employees have a lower maximum pay potential, based on basic pay, than other employees.

The pay level for this point is subject to agreement by the Joint National Committee for Local Government Employees. From 1st April 2016, the Council will adjust pay for spinal column points 6 to 8 to ensure compliance with the National Living Wage, pending the outcome of national pay negotiations.

Pay Multiples

Publishing the ratio of the pay of an organisation's highest earner to that of its average earner has been recommended to support the principles of fair pay and transparency.

The current ratio in this respect is 6.6:1 based on the average (median) pay of the workforce compared to the highest pay level (calculated from payroll information for October 2015).

The Council has no policy about the maximum or minimum levels of such ratio statistics.

Publication of and access to information relating to remuneration of chief officers.

The Council publishes salaries of Chief Officers as required by legislation within its accounts. These are accessible on the Council's website and are published and agreed through the appropriate Member body of the Council.