



PAY POLICY STATEMENT 2022-23

FULL COUNCIL 23 FEBRUARY 2022

Pay Policy

1. St Albans City & District Council recognises the importance of having a clear written policy statement on pay in order to ensure that employees are fairly rewarded and there is proper public accountability.
2. The Council has a Facilities Agreement with its recognised Trade Union, UNISON. This allows official Trade Union representatives to have limited periods of time off with pay to undertake specified trade union duties. A copy of the Trade Union Facilities data may be found under Pay Policy at:
<https://www.stalbans.gov.uk/performance-vision-policies-strategies-and-plans>
3. This Policy Statement applies to all Council employees, but not to other workers such as casuals, agency temps, etc. The provisions of this Policy Statement regarding transparency also apply to any Senior Managers who are not employees, but who provide their services under a 'contract for services'.
4. This Council does not use Zero Hours contracts for any of its employees.
5. This Pay Policy Statement will be reviewed each year and will be approved by the Full Council by 31 March of that year. If any changes to this Pay Policy Statement are required, they need to be approved by Full Council.

Principles

6. The Council currently pays the Living Wage Foundation national rate (or more) to all its directly employed staff, other than some apprentices. The Living Wage Foundation rate is voluntary and is currently higher than the statutory Living Wage rate set by the Government.
7. The Council uses and maintains effective job evaluation systems and procedures to provide equity and consistency in pay, whilst in general adhering to the basic principles of the national Local Government Single Status pay agreement.
8. All the Council's pay and reward procedures will be developed in accordance with the relevant legislation and any accompanying codes of practice.
9. The Council acknowledges that pay is not the only means of rewarding employees for their work and will look to provide other non-financial incentives to support the recruitment and retention of high-quality people. This would include, but is not exclusive to, such matters as offering agile and flexible working, good working conditions and other benefits such as pension scheme, discounted train travel, cycle to work scheme and parking provision.
10. The Council ensures fair and reasonable access to appropriate learning and development opportunities to help our employees perform well in their jobs. E-learning is used to meet statutory and mandatory training and further learning opportunities are offered to help the Council meet its corporate priorities.
11. The Council offers Occupational Health services to support healthy work practices and facilitate employees with health issues that affect their work. This complements the Council's Attendance Management Policy which aims to manage any absences in a fair way and ensure a quick return to work where possible.

12. Job applications from all applicants, including former employees who may have received a severance or redundancy payment, will be considered on the basis of the evidence presented. A full and robust selection process would be followed in all cases. Former employees may also provide their services as casual workers on an 'as and when' basis to help during peak times such as elections.

National Negotiating Process

13. The Council is part of a national negotiating process and applies many of the terms and conditions, which have been agreed nationally.
14. There are three separately negotiated national agreements, which apply to the Council, covering
 - Chief Executives – the JNC Local Authority Terms
 - Strategic Directors – the JNC Chief Officer Terms
 - all other employees - NJC Green Book Terms

General Pay Policies

The following pay policies are part of national agreements unless stated otherwise and have general application to all employees.

Starting Salaries

15. Appointees will normally be paid in accordance with the minimum spinal column point for the grade relating to their job. However, Managers have discretion, in consultation with Human Resources, to commence employees on a higher spinal column point. Such decisions need to be recorded along with the reasons why the Council's standard practice was not applied.

Progression

16. Employees normally progress through their grade on the basis of annual increments until they reach the highest spinal column point, provided that their performance meets expectations. Annual increments may be paid from 1 April each year until the maximum spinal column point for the grade has been reached. However, this payment is subject to the individual demonstrating that they have met their performance targets and the work has been carried out in accordance with the Council's values and behaviours. Payment is not applied until confirmation has been provided by the line manager following the relevant evidence-based performance conversation.
17. Where performance is excellent, as an exception, Managers have the discretion to move an employee to a higher spinal column point within their grade. However, there is no discretion to extend progression beyond the relevant grade for the job.
18. The first increment may be paid six months after appointment, provided performance is satisfactory and the starting date falls between April and September inclusive, otherwise the increment would be implemented on the 1 April. Where an employee starts work in the period October to March their first increment may not be paid earlier than six months after their appointment in line with successful completion of the probationary period.

Exit Pay

19. Entitlement to redundancy pay is fully set out in the Council's Employment Stability Policy. Any redundancy pay is calculated on the basis of an individual's age and

length of service (up to a maximum of 20 years' service). The compensation and statutory redundancy payment are based on the employee's a week's pay and the Council currently applies a multiplier of 2.2 to any statutory payment.

Overtime Additional Hours

20. Employees who are required to work longer than 37 hours in any week are entitled to receive the following enhancements, if they are on spinal column point 23 and below:

Monday to Saturday - time and a half

Sundays and Public and Extra Statutory holidays – double time (min 2hrs)

21. Part-time employees on spinal column point 23 and below will only be paid overtime when they have worked more than 37 hours. Work relating to fewer than 37 hours will be paid at plain time rates, unless they are undertaken at unsocial hours, when they would attract an overtime rate of time and a half.
22. Employees on spinal column point 24 and above who are required to work longer than 37 hours in any week are entitled to payment at their normal hourly rate or time off in lieu for exactly the amount of hours worked, i.e. there are no enhanced payments for managerial grades, unless the work has to be undertaken during unsocial hours (Between midnight and 6.00 am).
23. The Chief Executive and Strategic Directors are not allowed to claim overtime.
24. All overtime/additional hours must be agreed in advance by an appropriate manager and in accordance with Council policy.

Night Work Enhancement

25. Employees at spinal column point 23 and below, who always work at night, are entitled to receive an enhancement of time and a third for hours worked between 8.00 pm and 6.00 am.

Weekend Enhancement

26. Under the NJC Green Book, part 3 terms, employees on spinal column point 23 and below who are required to work on a weekend as part of their normal working week are entitled to be paid an enhanced rate of time and a half on Saturdays and double time on Sundays. This arrangement may be varied through local agreement. The Council has varied this arrangement for employees who regularly work weekends as part of their normal working week, whereby they will not receive an enhanced rate of pay for working on a weekend where this is part of their normal rota, in other words they are paid their usual rate of pay.
27. Employees who do not usually work on Saturdays and are on spinal column point 23 or below, when asked to work on this day, would receive the nationally agreed pay terms of time and a half.
28. Employees who do not usually work on Sundays and are on spinal column point 23 or below, when asked to work on that day would receive the nationally agreed pay terms of double their usual rate of pay.

Bank Holiday Enhancement

29. Under the NJC Green Book terms, employees (except those covered by paragraph 30) required to work on a bank holiday, public holiday or statutory holiday are

entitled to a double time enhancement for the hours worked on that day. In addition, at a later date, time off with pay shall be allowed on the following basis:

- Half day's leave would be given for any hours amounting to less than half a day
 - Full day's leave for any hours exceeding half a normal working day.
30. For those who do not usually work on a bank holiday, public holiday or statutory holiday and are asked to work, the nationally agreed pay terms mean the employee would receive double pay and time off for the hours worked.
31. Employees who regularly work bank holidays, public holidays and statutory holidays do not receive an enhanced rate for working such days as part of their normal rota. In other words, they are paid their usual rate of pay.

Standby

32. Under a local agreement, an employee who is contractually required or volunteers to be available on a standby basis will be recompensed in accordance with the corporate rate.
33. The Standby payment compensates individuals for the inconvenience of being at the Council's disposal outside of normal working hours and for the limitations that this imposes upon them. When on Standby all employees are required to be fit for work and either at home or close to the District's boundaries.
34. The Standby rate is the same for all jobs as all employees' personal time is viewed to be of equal value. However, if an employee is required to leave their home, or spend more than 15 minutes in any night dealing with phone calls, the relevant overtime/additional hours rate for the job would apply.

Professional Fees

35. This Council reimburses professional fees where it is an essential requirement of the job to be a member of a professional body.

Car Allowances

37. Car allowances are payable when an employee is required to use their car for business use. To be an essential car user, an employee must meet at least two of the following criteria:
- Daily travel on behalf of the Council (not mileage related)
 - Weekly requirement to carry large, heavy or bulky items for the Council
 - Monthly occurrence of security or health and safety risk i.e. late-night meetings or vulnerable when visiting particular locations across the district etc.
38. An updated list of Essential Car User posts is attached at Appendix D and this is reviewed annually.
39. Essential Car User allowances are paid in accordance with nationally agreed rates.
40. Car mileage is paid at HMRC rates.

Acting up – Undertaking the work of a higher graded post

41. An employee, who is required to undertake the duties and responsibilities of a higher graded post, may be paid in accordance with the grade of the duties and

responsibilities temporarily undertaken. The amount paid will normally be the minimum of the higher graded post.

42. Acting Up payments for any partial undertaking of more highly graded duties and responsibilities will be calculated on a pro rata basis.
43. Any Acting Up payment ceases as soon as an employee resumes their normal duties.

One-Off Payments (Honoraria)

44. In exceptional circumstances, if an individual is asked to take on board additional and especially onerous duties, consideration can be given to offering a one-off payment. The individual's line manager prepares a rationale justifying the payment which then needs the approval of senior management.

Market Supplements

45. Under a local agreement, market supplements are only paid in exceptional circumstances where several attempts have been made to recruit and have not resulted in an appointment.
46. All market supplements are based on relevant market pay data and all payments are reviewed on an annual basis and are amended or ceased if market conditions change.

Performance Related Pay

47. The Council uses performance related pay on top of basic pay for a few specific posts. The Council will use performance related pay where a need for this is identified by the relevant senior manager in consultation with Councillors, as required by the Council's scheme of delegation. This will be used to assist with the retention and recruitment to posts delivering key projects where there is a commercial imperative and/or where not to do so could affect delivery of time critical priority projects.

Annual Leave

48. Annual leave entitlement is related to both an individual employee's salary level and length of continuous service. The following table sets out basic leave entitlement which includes the two extra NJC statutory days, one and a half discretionary closure days which are now consolidated but does not include bank and public holidays.

| Entitlement is based upon employee's current spinal column points | 0 – 5 years service | Between 5- and 10 years continuous service | Over 10 years continuous service |
|---|---------------------|--|----------------------------------|
| Up to scp 11 | 25.5 | 28.5 | 28.5 |
| Scp 12 – 22 | 25.5 | 28.5 | 28.5 |
| Scp 23 –34 | 27.5 | 28.5 | 30.5 |
| Scp 35 to 61 | 29.5 | 29.5 | 32.5 |
| Strategic Directors and Chief Executive | 31.5 | 31.5 | 34.5 |

Pension

49. Eligible employees may join the Local Government Pension Scheme (LGPS) in accordance with the statutory regulations of the Scheme.
50. The Council will automatically enrol employees into the LGPS pension if they have a contract of three months or more.
51. For temporary and casual workers, the Council will automatically enrol them into the LGPS if the following criteria is met:
 - not currently an active member of a qualifying workplace pension; and
 - aged 22 or over; and
 - under state retirement age; and
 - earn more than £10,000 a year
52. The Council, as the employer contributes 30.0% per employee to the Hertfordshire Local Government Pension Fund. This is made up of 11.5% relating to pensioners and current employees past service (£1.54m in total), and up to 18.5% contribution for all current employees.
53. Members of the Scheme must contribute a percentage of their salary which increases for higher pay grades. The employee contributes between 5.5% and 12.5% from their pensionable pay.
54. Since 1 April 2014 LGPS pensions are based upon a career average basis rather than final salary, an accrual rate of 1/49 and a retirement age the same as the state pension scheme. Existing scheme members retain some reserved rights under the current scheme.
55. The LGPS regulations provide for the exercise of discretions that permit retirement benefits to be enhanced and every local authority is required to have a policy on how it exercises such discretions. This Council has an Early Retirement Policy to fulfil this requirement. Each case is considered on its own particular merits, but the Council will only exercise discretion in exceptional circumstances and as permitted by Regulations.
56. Under flexible retirement arrangements, Members of the Scheme can be paid in relation to reduced hours or grade and continue to pay into the LGPS, thereby building up further pension benefits. The Council will consider each flexible retirement request on its merits and operational requirements but is not required to consent.

Occupational Sick Pay

57. Entitlement to sick pay is related to continuous service, measured in complete months or years at the start of the period of absence. Any previous absences in the 12 months before the start of any absence are deducted from the entitlement, which is in accordance with the National Agreement on Pay and Conditions of Service.

Family and Carers' Pay

58. The Council always complies with its legal responsibilities to provide statutory Maternity Leave and Pay to qualifying employees; there are similar statutory obligations regarding those wanting to take Shared Parental Leave and adoptive parents. It will also pay eligible employees and workers statutory Parental Bereavement Pay as appropriate.

59. The Council also obeys the law relating to Paternity Leave, Parental Leave Parental Bereavement Leave and Time Off for Dependents.
60. These legal obligations are shown in detail on websites such as www.acas.org.uk. In addition to meeting these statutory obligations the Council pays an additional 12 weeks' half-pay to new mothers and adoptive parents under the nationally negotiated terms and conditions for local government.
61. The Council has summarised its support arrangements for carers in a Guide for Carers and this mirrors statutory arrangements.

Life Assurance

62. Under a local agreement, the Council provides free group life assurance for all permanent employees aged between 18 and 65, which currently provides a benefit on death in service of one year's salary.

Non-Contractual Benefits

63. The Council also provides various non contractual benefits which include agile and flexible working opportunities, childcare vouchers for existing recipients (this government scheme is now closed to new entrants), free access to an Employee Assistance Programme and nurse advice as part of the GoodShape attendance management support service.

Senior Pay

Pay Policy relating to Senior Officers

64. For the purposes of this Pay Policy Statement, the term Senior Officer covers the Chief Executive and Strategic Directors. On occasion there is a need to differentiate between the Chief Executive and Strategic Directors as different terms apply.

Salary Levels

65. The Council uses a job evaluation scheme to determine the pay relativities for its Senior Officers. The pay relativities for all other Officers are set by the Council's Job Family Framework, which is underpinned by the Local Government NJC Job Evaluation Scheme, in line with all other Council employees.
66. The Senior Management reporting structure is set out at [Appendix B](#) and is correct as at 31 March 2022.
67. All remuneration packages exceeding £100,000 must be reported to Full Council prior to any recruitment. This includes salary, any allowances and benefits in kind, but excludes pension.

Chief Executive

68. When setting the remuneration for the Chief Executive, the Council will compare the salary of the vacant post with comparable salaries for Chief Executives at Councils of a similar size, type and location. Specialist reward advice will also be sought as to what would be an appropriate starting salary.
69. The Chief Executive is employed on a spot rate and this salary is increased in line with any nationally agreed pay awards provided performance is satisfactory. A further reward element of 1% over the national pay award may be given to recognise experience gained in the job and exceptional performance, but any salary growth would be capped at £125,000. Otherwise, the terms and conditions of the National

Joint Committee for Chief Executives of Local Authorities are as set out in the National Agreement on Pay and Conditions of Service.

70. The Chief Executive is appraised annually by the Leader of the Council in consultation with Group Leaders.

Chief Officers and Senior Officers

71. The Salaries for the Strategic Directors are set out in [Appendix A](#)
72. Starting salaries would be on the same basis as all other employees. Increments are only applied if the individual demonstrates that they have met their performance targets and the work has been carried out in accordance with the Council's values and behaviours, in line with all other employees. However, unlike other employees any national pay award can be withheld following an annual performance review by the Chief Executive if performance is not satisfactory.

Elements of Senior Officer Remuneration

72. Senior Officer basic remuneration packages comprise the following elements:
- a) Basic salary
 - b) Pension
 - c) Essential car user allowance, if this is a requirement of role
 - d) Professional fees, if this is an essential requirement of the job
 - e) Annual leave entitlement
 - f) Life Assurance
 - g) Occupational sick pay

Senior Officers' Salaries - Notes

73. The Chief Executive and Strategic Directors do not receive any allowances but may receive payments to compensate for costs incurred arising from their work, such as claiming for business related mileage.
74. The Council continues to pay a separate fee for Elections work to senior officers to compensate for the additional duties required to manage national and local elections and referendums. The Returning Officer is designated as the Chief Executive in the Council's Constitution.
75. The Council does not operate a general performance related pay scheme or bonuses for its Senior Officers. Incremental progression for the Strategic Directors is subject to satisfactory performance in the same way as all other employees.

Redundancy Payments

76. Senior Officers receive the same treatment as all other employees on resignation or termination, subject to statutory provisions and the separate National Agreements.
77. The Council has a single redundancy scheme which applies to all employees.

Publication and access to information on Senior Pay

78. This pay policy statement will be produced annually and will be reported to Full Council before the end of each Municipal Year (31 March). It may be amended at any time, but any changes would need to be approved by Full Council.
79. This document may be found here

<https://www.stalbans.gov.uk/performance-vision-policies-strategies-and-plans>

82. A structure chart setting out the key responsibilities for Senior Officers and their reporting lines is set out at [Appendix B](#)
83. Financial data on Senior Officers' pay may also be found on the Council's website:
<https://www.stalbans.gov.uk/performance-vision-policies-strategies-and-plans>
84. Financial data on what has actually been paid to Senior Officers can be found in the Council's published Statement of Accounts:
<https://www.stalbans.gov.uk/accounts-budgeting-and-spending>

Pay and Grading Structure

Pay below Senior Management

85. For employees below Senior Management, the Council operates a pay and grading structure. This structure has 11 grades and ranges between spinal column point 5 and spinal column point 61. The grading structure for all employees PO6 and below is set out at [Appendix C](#)
86. Many Council jobs are paid against these grades with only a few employees having local pay conditions. These exceptions usually relate to externally funded posts.
87. The entry level salary will exclude individuals who are on government approved apprentice schemes and people on work experience who may be on less than spinal column point 5.

Lowest paid employees

88. The definition of the Council's lowest paid employees has been based on the lowest spinal column point on the Council's grade structure plus the Outer London Fringe (OLF).
89. As at 31 March 2022, the Council's lowest paid employees (excluding apprentices) are on spinal column point 5. This amounts to an annual salary of £19,650 plus £637 Outer London Fringe making a total of £20,287.

Relationship between Highest Paid and Pay Multiples

90. This Council does not have any specific pay targets based upon pay multiples. However, we would not expect the remuneration of the Chief Executive to exceed or equate to the ratio the Hutton review outlined for Chief Executives i.e. that the pay of a Chief Executive does not exceed 20 times that of the lowest paid employees.
91. In the case of the Chief Executive at St Albans City & District Council the ratio does not exceed six times that of the Council's lowest paid employees.

Relationship between the Highest Paid and Median Pay - Pay Multiple

92. The ratio between the highest paid employee and the median pay figure for the whole of the authority's workforce is 4:1. (This excludes pension payments.)

Appendices

- A Pay Grade Structure for Senior Officers
- B Structure chart with key responsibilities for Senior Officers
- C Pay Grade Structure up to and including PO6
- D List of Essential Car User Posts