

PAY POLICY STATEMENT AND CHIEF OFFICER EMPLOYMENT PROCEDURE RULES

PAY POLICY STATEMENT [April 2017-March 2018]

1. Introduction

- 1.1. This document sets out Devon County Council's pay policy statement which will be reviewed annually.
- 1.2. The statement sets out the Council's policies relating to the remuneration of chief officers/heads of service, senior officers and officers and the relationship between the remuneration of the highest and lowest paid. Remuneration for the purpose of this statement includes basic salary, any other allowances and any payments made upon the cessation of employment.
- 1.3. The key principles underpinning this pay policy statement are:
 - 1.3.1. **Affordability** – ensuring remuneration policies represent value-for-money for the taxpayer
 - 1.3.2. **Fairness** – ensuring remuneration policies are fair to all employees, ranging from the most senior post to the most junior post
 - 1.3.3. **Meeting legislative requirements** – ensuring remuneration policies comply with all legal obligations, such as the Equal Pay Act
 - 1.3.4. **Market Awareness** – ensuring due regard is taken of the market, both nationally and locally in the South West, and that this policy is in line with councils of a similar size and/or in a similar labour market.

2. Officers (including Lowest Paid Employees)

- 2.1. Officers are defined as those on grades A-T.
- 2.2. Lowest Paid Employees at the County Council are defined as employees paid on Spinal Column Point 6 of the National Joint Council for Local Government Services (NJC) Pay Scale. This definition has been adopted as it is the lowest level of remuneration attached to a post in the Council.
- 2.3. Officers are employed under NJC terms and conditions.
- 2.4. The adoption of the NJC Pay Scale was jointly agreed by the County Council and NJC recognised Trade Unions as part of Single Status implementation.
- 2.5. The County Council uses the Greater London Provincial Council (GLPC) job evaluation scheme to determine an employee's position on the NJC pay scale (and therefore their pay level).
- 2.6. Officers are eligible for annual incremental increases up the NJC pay scale until they reach the top of their grade.
- 2.7. Any annual pay awards are determined by national NJC agreement.
- 2.8. Officer appointment, remuneration and terms in the event of the cessation of employment are in line with paragraph 4 of the Chief Officer Employment Procedure Rules, Council employment policy and statutory regulations and guidance, set out below.
- 2.9. Certain staff groups, defined as 'officers' within this Pay Policy Statement, are employed on separate terms and conditions which reflect relevant national agreements. These include teachers ~~youth workers~~ and some staff employed within social care or Public Health who are on NHS/health terms and conditions.

3. Senior Officers

- 3.1. Senior Officers are defined as those on grades L9-L5 for non Head of Service posts.
- 3.2. Senior officers are employed under Joint Negotiating Committee for Chief Officer (JNC) terms and conditions.
- 3.3. Senior Officers are remunerated on a local pay scale.

- 3.4. The Hay job evaluation scheme is used to determine an employee's position on the local pay scale (and therefore their pay level).
- 3.5. The County Council operates a tiered pay scale for Senior Officers. Each tier will have a spot salary and there will be no incremental progression or salary increase, other than any annual pay awards which are determined by national JNC agreement.

4. Chief Officers and Heads of Service

- 4.1. Chief Officers and Heads of Service are defined as follows:
 - 4.1.1. **Chief Officers** - Chief Executive, the Chief Officers for Children's Services, for Adult Care & Health, for Communities, Public Health, Environment & Prosperity (Director of Public Health, see paragraph 7). and for Highways, Infrastructure Development & Waste, County Treasurer (Chief Finance Officer) and County Solicitor (Monitoring Officer) on Devon County Council Grades L0-L3 and the Director of Public Health (see paragraph 7).
 - 4.1.2. **Heads of Service** – either holders of posts defined locally who comprise the Council's Leadership Team appointed by the Appointments and Remuneration Committee and the Local Government & Housing Act 1989 or who fall within the category of non-statutory officer in s2(7) of the aforementioned Act, on Devon County Council Grades L2-L4.
- 4.2. All Chief Officers and Heads of Service are employed under Joint Negotiating Committee for Chief Executive or Chief Officer (JNC) terms and conditions (except for the Chief Officer for Communities, Public Health, Environment & Prosperity (Director of Public Health – see paragraph 7)).
- 4.3. The County Council operates a tiered pay scale for Chief Officer and Heads of Service posts (the Chief Officer for Communities, Public Health, Environment & Prosperity (Director of Public Health – see paragraph 7)). Each tier has a fixed, spot salary and there is no incremental progression. The Hay job evaluation scheme is used to determine an employee's position on the scale (and therefore their pay level).
- 4.4. The Appointments and Remuneration Committee will consider and recommend the appointment, remuneration and terms in the event of the cessation of employment of any substantive post of Chief Officer and Head of Service, in line with its Terms of Reference, the Pay Policy Statement, the Chief Officer Employment Procedure Rules, the Council's employment policy and statutory regulations and guidance, set out below.
- 4.5. The Appointments and Remuneration Committee would not normally recommend the re-employment of individuals to Chief Officer positions who have recently left the Council (for any reason) in any capacity (either as an employee, consultant or contractor). If this does occur, it will be subject to the provisions of the Modifications Order.
- 4.6. Salaries are fixed for the duration of this policy and reviewed annually by the Appointments and Remuneration Committee. Any variation from the fixed salary during the period of this policy (either for an existing Chief Officer/Head of Service or for the appointment of a new Chief Officer/Head of Service) requires approval from the County Council, except in the case of any annual pay awards which are determined by national JNC agreement
- 4.7. The County Solicitor is the County Returning Officer and Returning Officer fees paid are in line with the guidance stipulated from the Ministry of Justice for the relevant elections.
- 4.8. The County Council has adopted the Code of Recommended Practice for Local Authorities on Data Transparency, in respect of its approach to publication of

and access to information relating to the remuneration of Chief Officers/Heads of Service. Pay levels for all Chief Officers/Heads of Service posts are published on the County Council's website and/or in the Annual Statement of Accounts.

5. Terms and Conditions for all employees

- 5.1. The County Council does not operate a performance-related pay scheme for any employee.
- 5.2. The County Council does not pay bonuses to any employee.
- 5.3. Travel and subsistence expenses incurred on County Council business are reimbursed to employees. Reimbursement of expenses is governed by the principle that employees should not be financially advantaged or disadvantaged in carrying out their duties and all employees are subject to the same policy. Expenses and any benefits-in-kind for the highest paid employees will be published in the Annual Statement of Accounts.
- 5.4. The County Council does not pay fees on behalf of any employees, though this is subject to change in exceptional circumstances where there is an appropriate business case. Any fees paid to the highest paid employees will be published in the Annual Statement of Accounts.
- 5.5. Allowances are paid in line with NJC terms and conditions (for Officers) or JNC terms and conditions (for Senior Officers and Chief Officers/Heads of Service), or by local agreement where appropriate. Any allowances paid to the highest paid employees will be published in the Annual Statement of Accounts.
- 5.6. All employees are subject to the same terms and conditions in respect of termination of employment. The only exception to this is Chief Officers who are subject to a modified disciplinary procedure which is outlined in paragraph 9 of the Chief Officer Employment Procedure Rules, set out below.
- 5.7. All non-teaching employees are eligible to join the Local Government Pension Scheme (LGPS). The County Council does not augment pensionable service. The Council's employer severance and pension discretions, allowed under the LGPS regulations, apply to all employees.
- 5.8. The Council will apply the Government's ~~various legislative proposals related to public sector exit payments Cap Regulations and Exit Payment Recovery Regulations where applicable~~, when those new Regulations take effect.
- 5.9. During the year the Council will continue to explore and consult upon, with the aim of agreeing, changes to employee terms and conditions, ~~including current policy on discretionary redundancy compensation arrangements~~, to ensure that they are fit for purpose for a changing council.

6. Relationship between Chief Officers and employees who are not Chief Officers

- 6.1. Senior Officers and Chief Officers/Heads of Service receive no special enhancements to benefits or terms and conditions.
- 6.2. The Hutton Review recommends a maximum ratio of the highest remunerated post compared with the lowest remunerated post of 20:1. The County Council has adopted this recommendation. It is the Council's policy that this ratio will not exceed 20:1 and it will be reviewed annually by the Appointments and Remuneration Committee.
- 6.3. The current ratio of the highest paid post to the lowest paid post at the County Council is 10:1, based on the lowest paid post being at spinal column point 6. ~~Implementation of the 2016 National Living Wage rate will reduce the ratio to 11:1. If the national pay award is agreed the ratio will reduce to 10:1.~~

- 6.4. The ratio of the median average pay level to the highest paid post at the County Council is 9.1. ~~and will not change as a result of the National Living Wage or future pay award.~~
- 6.5 The ratio of mean average pay for Chief Officers/Heads of Service to non Chief Officers/Heads of Service is 5:1. ~~and will not change as a result of the National Living Wage or future pay award.~~

7. Director of Public Health

- 7.1. Devon County Council assumed public health responsibilities (in line with the Health and Social Care Act 2012) from April 2013 and employs a Director of Public Health, who is defined as a Chief Officer, as described at paragraph 4.1.
- 7.2. The Director of Public Health and a number of other Devon Public Health employees transferred from the NHS to Devon County Council in accordance with the principles of the Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) with effect from 1st April 2013. In practice this means that the existing terms and conditions of employment of transferring employees are protected at the point of transfer and they currently continue to be paid on NHS pay rates and not NJC or JNC terms.

Appointments and Remuneration Committee Terms of Reference

To make recommendations, as appropriate, to the Council on the discharge of its duties in relation to:

- a) the appointment, remuneration and conditions of service of the substantive Chief Officer posts of Head of Paid Service, the Chief Officers for Children's Services, for Adult Care & Health, for Communities, Public Health, Environment & Prosperity and for Highways, Infrastructure Development & Waste, County Treasurer (Chief Finance Officer), County Solicitor (Monitoring Officer) and Heads of Service in line with the Council's Pay Policy Statement;
- b) any reports from the Chief Executive in relation to a change in the manner in which the discharge of the Council's functions is co-ordinated and the number and grades of officers;
- c) ~~disciplinary action against or~~ the dismissal of Officers in line with the Council's Chief Officer Employment Procedure Rules;
- d) the terms in the event of the cessation of employment of Officers at (a) above;

~~To discharge the duties of the Council and determine, as appropriate, any disciplinary matters short of dismissal in relation to those Senior Officers at (a) above governed by and in accordance with the Council's Chief Officer Employment Procedure Rules.~~

To review annually (or as otherwise determined) and recommend to the County Council the adoption of the Pay Policy Statement and Chief Officer Employment Procedure Rules set out at Part 6 of this Constitution.