

**Runnymede Borough Council**

**Pay Policy Statement – 2016/17**

**1. Purpose**

This Pay Policy statement is the annual statement for the financial year 2016/17 as required by the Localism Act (2011). The purpose of this statement is to provide transparency about how Runnymede Borough Council uses public funds to pay staff.

This statement sets out the remuneration of Chief Officers, the remuneration for the lowest paid employees, and the relationship between the remuneration of Runnymede's Chief Officers and other employees. The information includes headings which have been prescribed by the Localism Act and related guidance.

**2. Definitions**

For the purposes of this Pay Policy Statement, the following definitions will apply:-

**2.1. Posts included as Chief Officers**

The following Posts are included within the definition of Chief Officers:-

- a) The Head of the Paid Service designated under Section 4(1) of the Local Government and Housing Act (1989)

This is the Chief Executive

- b) The Monitoring Officer designated under Section 5(1) of that Act.

This the Corporate Head of Law and Governance

- c) A statutory Chief Officer mentioned in Section 2(6) of that Act

This is the Corporate Head of Resources

- d) Non-statutory Chief Officers mentioned in Section 2(7) of that Act. Non-statutory Chief Officers are those people for whom the Head of Paid Service is directly responsible (excluding those whose duties are secretarial, clerical or otherwise in the nature of support services).

Relevant posts reporting directly to the Chief Executive:

Corporate Head of Planning and Environmental Services  
Corporate Head of Housing and Community Development  
Head of Strategy  
Head of Human Resources

- e) Deputy Chief Officers mentioned in Section 2 (8) of that Act. These are posts reporting directly to any of the statutory or non-statutory Chief Officers listed above (excluding those whose duties are secretarial, clerical or otherwise in the nature of support services).

The definition of Chief Officers and Deputy Chief Officers for the purposes of the Pay Policy Statement is much wider than the definition normally used at

Runnymede. The Chief Executive and Corporate Head posts are generally referred to as 'chief officers' at Runnymede and make up Runnymede's Corporate Leadership Team. The usual definition of Deputy Chief Officers at Runnymede is those posts required to deputise for the Leadership team posts in their absence which are Business Centre Manager posts. The retirement of the Assistant Chief Executive and the deletion of his post on 31<sup>st</sup> March, 2016 has the effect of including more posts in the definition of Chief Officers and Deputy Chief Officers in terms of the definitions within the Localism Act because of the fact that they report to the Chief Executive or Chief Officers when in fact most are Business Managers.

- f) Based on the definition within the Localism Act these posts are listed below:-

Reporting to the Corporate Head of Law and Governance

Democratic Services Manager  
Electoral Services Manager  
Legal Section Manager  
Assistant Valuer

Reporting to the Corporate Head of Resources

Head of Revenues  
Head of Financial Services  
Customer Services Manager

(The Head of IT also reports directly to the Corporate Head of Resources for her work at Runnymede Borough Council. This post is shared with Spelthorne Borough Council. The post-holder is employed by Spelthorne and is seconded to Runnymede on a part-time basis. As the post-holder is not employed by Runnymede her remuneration is not covered in Runnymede's Pay Policy Statement. )

Reporting to the Corporate Head of Housing and Community Development

Head of Housing  
Head of Community Development  
Business Development and Policy Officer

Reporting to the Corporate Head of Planning and Environmental Services

Principal Building Manager  
Environmental Health and Licensing Manager  
DSO Manager  
Parking Manager  
Principal Engineer  
Policy and Strategy Manager  
Development Manager  
Principal Building Control Surveyor  
Business Liaison Officer

## 2.2 Pay

In addition to salary, remuneration includes fees, allowances, benefits in kind and termination payments.

## **2.2. Lowest Paid Employees**

Refers to those staff employed on the lowest grade on the Council's Pay Scales who are under 25. From 1<sup>st</sup> April, 2016, the introduction of the National Living Wage for staff aged 25 and over means that these staff are entitled to the National Living Wage of £7.20 per hour. Prior to the introduction of the National Living Wage there were 9 posts at this level. As a consequence of the introduction of the National Living Wage on 1<sup>st</sup> April, 2016, there will be only one post paid below the National Living Wage who is an apprentice who is under 25 and is paid the apprentice rate for his role (i.e. £5.31 per hour).

## **2.3. Employees who are not a Chief Officer**

Refers to all staff who are not covered under the 'Chief Officer' group above including the lowest paid employees.

## **3. Pay Framework**

### **3.1. General Approach**

Remuneration at all levels needs to be adequate to recruit, retain and develop a skilled and flexible workforce to deliver services to the community and fulfil the Council's business objectives. Remuneration must be fair and reasonable in the circumstances and not excessive. Each Council has responsibility for balancing these factors in the light of the unique challenges locally and retaining flexibility to deal with circumstances that might apply. Pay arrangements must comply with UK legislation. Salary payments for individual post-holders are pro-rated where they are employed for less than full time hours. Salary payments are pensionable payments except where specified in the pension regulations.

### **3.2. Responsibilities for decisions on remuneration**

Decisions on pay are made in accordance with Runnymede's Scheme of Delegation and in accordance with employment policies, procedures and arrangements in place and staff terms and conditions of employment.

The Chief Executive and Corporate Heads can approve changes to grading and establishment within the overall salary budget for their area. Where proposals for changes cannot be contained within budget, Committee approval is required. The Chief Executive's approval is required before recruitment to any post. Approval for any change to salary range for Corporate Leadership team posts must be approved by Corporate Management Committee. Runnymede pay awards are approved by Corporate Management Committee.

### **3.3. Salary Grades, grading framework and progression through the grades**

Grades are determined by taking into account the full scope of the job including the complexity of the work, range of responsibilities and the skills and experience required to undertake them, having regard to the need for equal pay for work of equal value. Each grade consists of a pay range within the Runnymede salary scale, except where a single point salary is appropriate (e.g. where the post is for a temporary period.) Incremental progression applies, and is withheld if the post holder is under formal disciplinary or capability proceedings. Accelerated progression within the grade can be agreed in exceptional circumstances. The top of the salary range is

considered to be the rate of pay for a fully experienced, qualified and competent post-holder.

#### **3.4. New Starters joining the Council**

The Council's normal policy is to appoint at the bottom of the salary scale, or at an appropriate point, taking into account relevant skills and experience. Staff will normally then progress through the scales to the maximum of the grade over a number of years as experience is gained. New staff may be eligible to claim relocation expenses if they meet the criteria set.

#### **3.5. Allowances and Additional Payments**

Additional payments may be approved in the case of a member of staff undertaking additional duties outside the normal responsibilities of their post. Examples of situations where additional payments may be made include covering for the duties of a vacant post at a higher grade; undertaking additional work in relation to a time-limited project; where staff are required to undertake emergency standby duties, or in other circumstances where there are additional duties, responsibilities, complexity or working hours and it is not appropriate to otherwise change the grade of the post.

Car allowances may be payable where staff are required to provide or use their own vehicle for council business.

#### **3.6. Pay Awards**

Pay awards are considered annually for staff and, where agreed, apply to all staff including Chief Officers. Runnymede pay awards are agreed by the Corporate Management Committee taking account of affordability and local factors, including local recruitment market movement. Any pay award is agreed as part of the budget setting process. There is no link to national pay awards.

#### **3.7. Pension Scheme**

All Runnymede staff including Chief Officers are eligible to join the Local Government Pension Scheme with employee contributions tiered according to salary band, ranging from 5.5% for the lowest paid staff to 12.5% for pensionable pay above £150k. Runnymede does not have any posts at this top rate.

The Council's pension contribution rate as an employer is 16.3 %. Employer contribution rates are reviewed every 3 years following a revaluation of the pension fund and pension liabilities in relation to current and past members.

#### **3.8. Policy on employing someone who has taken redundancy from another authority**

An individual who has been made redundant from another Council may apply to work at Runnymede and would be considered against the criteria for the post. Runnymede complies with the provisions of the Redundancy Payments (Continuity of Employment in Local Government etc. (Modifications) Orders in this matter. If an individual accepts an offer of employment with Runnymede before the end of their employment with another Council to take effect within 4 weeks of leaving then they will not be due a redundancy payment from the previous employer and will retain continuity of service. If the gap is longer than 4 weeks their continuous service is

broken, which means that they would have no eligibility for redundancy payments until they have 2 years' further service.

### **3.9. Policy on employing someone who is also drawing a pension**

In line with the Local Government Pensions Scheme regulations, Runnymede has a flexible retirement policy and will consider requests from staff who wish to draw their pension and continue working in a reduced capacity. Requests will only be agreed where it is in the Council's interests to do so.

An individual who is drawing a pension in relation to a previous employment may apply to work for Runnymede but would be considered against the criteria for the post. If they are appointed, the salary will be in accordance with the grade for the job, with abatement of their pension subject to the rules of the appropriate pension scheme.

### **3.10. Policy on increase in or enhancement to pension entitlements**

Runnymede's current pensions policy was agreed by the Corporate Management Committee on 3<sup>rd</sup> April 2014 and applies to all staff including Chief Officers.

### **3.11. Election Fees**

These are paid separately for additional duties and responsibilities. All expenditure properly incurred by a Returning Officer in relation to the holding of elections is to be paid by the Council in accordance with the Surrey Fees and Charges Order agreed annually. Any expenses paid must not exceed this scale. Elections payments for local elections are solely the responsibility of the Returning Officer and not the Council. The role of the Returning Officer is separate from his/her duties as a local government officer and he is directly accountable to the courts as an independent statutory office holder. Fees properly incurred are reimbursed at national elections from central government. The Chief Executive currently acts as Returning Officer for parliamentary elections for the Runnymede and Weybridge constituency and Returning Officer for local elections.

### **3.12. Payment Arrangements**

Employees, including Chief Officers, are paid through Payroll and are subject to appropriate income tax and national insurance deductions.

### **4.0. Level and Elements of Remuneration for Chief Officers**

Runnymede policy is to pay Chief Officers according to the Runnymede salary grade appropriate for the duties and responsibilities of the job, or a single point salary if appropriate, (e.g. for a temporary appointment). Each grade consists of a salary range, except where the appointment is for a temporary period where a single salary point may be used.

The current full-time salary ranges for Chief Officer and Deputy Chief Officer posts (as defined under the Localism Act) are set out in the table below. Where posts are filled on a part-time basis the post-holders are paid pro-rata to their contractual hours. Please note that, with the exception of the top 3 roles listed which (together with the Head of Strategy role), form the Corporate Leadership team, the remaining roles are classed as Business Centre managers.

Post	Bottom of Salary range	Top of Salary range
Chief Executive	£106,122	£116,733
Corporate Heads	£67,626	£83,232
Head of Strategy	£47,472	£54,267
Head of HR	£47,472	£54,267
Democratic Services Manager	£40,935	£47,472
Electoral Services Manager	£33,651	£40,935
Legal Services Manager	£40,935	£47,472
Assistant Valuer	£33,651	£40,935
Head of Revenues	£60,246	£74,286
Head of Financial Services	£60,246	£67,626
Customer Services Manager	£40,935	£47,472
Head of Housing	£60,246	£67,626
Head of Community Development	£60,246	£74,286
Business Development and Policy Officer	£47,472	£54,267
Principal Building Manager	£47,472	£54,267
Environmental Health and Licensing Manager	£47,472	£54,267
DSO Manager	£54,267	£60,246
Parking Manager	£30,309	£33,651
Principal Engineer	£40,935	£47,472
Policy and Strategy Manager	£40,935	£54,267
Development Manager	£40,935	£54,267
Principal Building Control Surveyor	£40,935	£47,472
Business Liaison Officer	£27,312	£30,309

(as at 2.2.16)

#### 4.1. **Other Pay Elements**

In addition, Runnymede Chief Officers can claim for attendance at Council or other meetings outside of normal working hours and for business mileage.

A car provision allowance is paid as part of the total remuneration package for the Chief Executive and Corporate Heads posts. The car provision amount is £450 for the Chief Executive and £380 per month for Corporate Heads. Car provision allowances are taxable but not pensionable. The HRMC company car mileage rate applies. Professional fees required to perform the duties of the post are paid.

Election fees are paid separately for additional duties and responsibilities performed by Chief Officers at election times. The Chief Executive acts as Returning Officer for the Runnymede and Weybridge constituency and for local elections. Other Chief Officers may receive payments for any additional work during a national or local election as deputy returning officers, presiding officers or poll clerks at polling stations or for working at the election counts.

#### 4.2. **Remuneration of Chief Officers on recruitment**

Starting salaries are normally at the bottom of the salary scale or at an appropriate point taking into account relevant skills and experience.

New appointments may be eligible for removal expenses and/or payments under the mortgage/rent equalisation policy.

**4.3. Increases and additions to remuneration for each Chief Officer**

The pay award for 2015/16 for all staff was 2%. Any pay award for 2016/17 will be confirmed as part of the budget setting process and is effective from 1<sup>st</sup> July.

**4.4. Performance Related pay for Chief Officers**

There is no performance related pay scheme for Runnymede Chief Officers or any other staff. Incremental progression to the top of the salary scale is subject to satisfactory performance.

In exceptional circumstances only, additional payments may be agreed for additional duties or responsibilities undertaken or for acting up.

**4.5. Bonuses for Chief Officers**

There are no bonuses available for Chief Officers.

**4.6. The approach to the payment of Chief Officers on ceasing to be employed by the authority.**

Runnymede's discretionary compensation policy was agreed by the Corporate Management Committee on 3<sup>rd</sup> March 2011 and sets out the approach for payments in the event of termination on the grounds of redundancy and efficiency of the service. There is a consistent method of calculating redundancy pay which is applied to all redundant employees, including chief officers, with the level of redundancy pay calculated using the statutory matrix with a multiplier of 1.5 and actual weekly earnings. The payment is intended to recompense employees for the loss of their livelihood and provide financial support whilst they seek alternative employment elsewhere and applies when a post has been deleted.

In the case of termination on efficiency grounds, payments would depend on the circumstances of the case up to the statutory maximum of 104 weeks. Any proposed terms of compensation with a net cost to the Authority will be determined by the Corporate Management Committee taking into account the relevant circumstances of the case. Any severance payment over £100k will be considered by the full Council.

**4.7. Appointments at the most senior level**

Runnymede has one post with a salary package over £100k per annum – the Chief Executive.

In line with the Council's Standing Orders, appointments at Chief Executive level are made by an Appointments Committee of Council Members appointed by the Corporate Management Committee. The Appointments Committee consider and agree the terms and conditions of the post, including the salary level, prior to advertising the position.

The Full Council must approve the appointment of an Officer designated as the Head of Paid Service (currently the Chief Executive) prior to an appointment being made.

**5. The remuneration of the lowest paid employees**

The lowest paid employees are those in posts graded at Scale1 which will rise to a minimum salary point of £13,890 for those 25 years and over with effect from 1<sup>st</sup> April, 2016 (i.e. the National Living Wage). All those on grade 1 are over 25 years except for an apprentice who is paid an apprentice rate.

**6. The relationship between the lowest and highest paid staff**

The ratio between the lowest and the highest paid salary is less than 1:9 and has reduced from last year. Prior to the introduction of the National Living Wage on 1<sup>st</sup> April 2016, the ratio was 1:8.54(compared to 1:8.72 last year). Following the introduction of the National Living Wage on 1<sup>st</sup> April, 2016, the ratio alters to 1:8.40.

**7. The relationship between the highest paid employee and employees who are not chief officers**

The ratio between the mean average earnings across the organisation and the taxable pay of the highest paid employee (the Chief Executive) is 1:5.10. The ratio between the median earning across the organisation and the taxable pay of the highest paid employee (the Chief Executive) is 1:5.51.

**8. The publication and access to information relating to remuneration of Chief Officers**

The Annual Pay Policy Statement will be published on the Runnymede Borough Council website where it can be easily accessed by tax payers and external organisations.