

Runnymede Borough Council

Pay Policy Statement – 2019/20

1. Purpose

This Pay Policy statement is the annual statement for the financial year 2019/20 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.

The Council will need to respond during 2019 to the impact of several pieces of legislation which impact on the Council’s approach to pay. Firstly, the Council will need to publish on its external website Gender Pay Gap data in accordance with the Gender Pay Gap regulations. This will be the second year of reporting. Secondly the Council will need to incorporate in relevant employment policies, the requirements of the Enterprise Act and any subsequent related guidance in relation to caps on exit payments and other reforms to termination payments. This latter piece of legislation has been much delayed and was expected last year.

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 Director 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 Director of Planning and Environmental Services
Corporate Director of Housing and Community Development
Corporate Director of Commercial Services
Head of Strategy
Head of Human Resources
Project Manager

- 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 31st 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
Information Governance Officer
Data Protection Officer

Reporting to the Corporate Director of Resources

Head of Financial Services
Head of Customer Services, Revenues and Benefits

(The Head of IT role also reports directly to the Corporate Director of Resources for their work at Runnymede Borough Council. This post was shared with Spelthorne Borough Council and was seconded to Runnymede on a part-time basis. As the post-holder was not employed by Runnymede her remuneration is not covered in Runnymede's Pay Policy Statement. The future of this role will be covered in the proposed ICT re-structure due for consideration by committee soon)

Reporting to the Corporate Director of Housing and Community Development

Head of Housing
Head of Community Development
Head of Community Services

Business Development and Policy Officer

Reporting to the Corporate Director of Planning and Environmental Services

Principal Building Manager
Environmental Health and Licensing Manager
DSO Manager
Technical Administration Manager
Parking Manager
Principal Engineer
Local Plans Manager
Development Manager
Principal Building Control Surveyor
Business Liaison Officer

Reporting to the Corporate Director of Commercial Services

Assistant Head of Commercial Services

2.2. Pay

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

2.3. Lowest Paid Employees

Refers to those staff employed on the lowest grade on the Council's Pay Scales who are under 25. On 1st April, 2016, the National Living Wage was introduced for staff aged 25 and over. As a consequence of the introduction of the National Living Wage on 1st April, 2016, there was only one post paid below the National Living Wage who was an apprentice aged under 25 and paid the apprentice rate for his role.

The National Living Wage will increase from £7.83 per hour to £8.21 per hour from 1st April, 2019. This increase again means that the minimum salary on Grade 2 needs to increase from £15,106 to £15,839 for staff aged 25 or over. The impact of this increase will be to move 6 permanent and 7 casual employees to this new rate. This leaves only the Sports Turf apprentice on the apprentice rate on less (i.e. £ 7.48 per hour) which will vary according to age and the National Minimum wage.

2.4. 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.

3.0. 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 Directors/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's annual cost of living pay awards (effective from 1st July each year) are approved by Corporate Management Committee.

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

Grades are determined by taking into account of 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.) Employees progress through the salary grade by incremental progression until the maximum of the grade is reached. An increment can be 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.

Pay Policy is important in shaping the culture of the organisation. Runnymede Borough Council continues to be committed to shaping a fair, inclusive and forward-thinking environment for our staff. This will form part of our ongoing work to rationalise our pay structures. These will be reported to the relevant Committees and Working Groups at least quarterly.

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

Cost of Living 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 rate of inflation, 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 15.6%. 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 pension's policy was agreed by the Corporate Management Committee on 3rd April 2014 and applies to all staff including Chief Officers. New pension discretions are being considered by Corporate Management Committee in 2019 for implementation this year.

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 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. The top 3 roles listed form the Corporate Leadership team.

Post	Bottom of Salary range	Top of Salary range
Chief Executive	£111,515	£122,663
Corporate Directors/Heads	£71,061	£87,460
Head of Strategy	£63,306	£71,061
Head of HR	£49,884	£57,024
Democratic Services Manager	£43,014	£49,884
Electoral Services Manager	£43,014	£49,884
Legal Services Manager	£43,014	£49,884
Head of Customer Services, Revenues and Benefits (New post w.e.f 6.3.17)	£63,306	£78,060

Head of Financial Services	£63,306	£78,060
Corporate Director of Commercial Services(w.e.f .1.4.17 – 3 year contract until 31.3.2020)	£140,454(N.B. 21% of salary chargeable to RBCI)	N/A
Assistant Head of Commercial Services(w.e.f 1.4.17-3 year contract until 31.3.2020)	£126,929(N.B. 21% chargeable to RBCI)	N/A
Head of Housing	£63,306	£71,061
Head of Community Development	£63,306	£78,060
Head of Community Services	£63,306	£78,060
Business Development and Policy Officer	£49,884	£57,024
Principal Building Manager	£49,884	£57,024
Environmental Health and Licensing Manager	£57,024	£63,306
DSO Manager	£57,024	£63,306
Parking Manager	£31,848	£35,361
Principal Engineer	£43,014	£49,884
Local Plans Manager	£49,884	£57,024
Development Manager	£43,014	£57,024
Principal Building Control Surveyor	£43,014	£49,884
Business Liaison Officer	£28,700	£31,848
Technical Administration Manager(w.e.f. 6.3.17)	£31,848	£35,361

(as at 5.2.19)

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 Director/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 2018/19 for all staff was 2%. Any pay award for 2019/20 will be confirmed as part of the budget setting process and is effective from 1st 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 3rd 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 permanent 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.

However, in 2017 the Council approved the appointment of two posts on 3 year fixed term contracts to manage the Council's Property Investment Strategy – a Corporate Director of Commercial Services and an Assistant Head of Commercial Services who are also paid above £100k due to exceptional market factors. They have a key role in bringing in income from Property Investments designed to close the budgetary gap caused by the loss of revenue support grant funding to the authority. These fixed term roles became part of the Council's staffing establishment from 1st April, 2017 and are due to terminate on 31st March 2020.

5.0. The Remuneration of the Lowest paid employees

The lowest paid employees in the Council are on Grade 2 which is currently £15,106 – £15,961. Grade 1 ceased to exist as a consequence of the introduction of the National Living Wage. The increase in the National Living Wage from £7.83 per hour to £8.21 per hour w.e.f. 1st April, 2019 will increase the minimum of Grade 2 from £15,106 p.a. to £15,839 p.a. from 1st April, 2019.

6.0. The Relationship between the lowest and highest paid staff

The ratio between the lowest and the highest paid salary is 1:9.30.

7.0. 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 pay of the highest paid employee currently employed is 1:5.57. The ratio between the median earnings across the organisation and the pay of the highest paid employee is 1: 5.85.

8.0. 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.