

Pay Policy Statement for Chief Officers - Statement for Financial Year 2015 – 2016

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1. Purpose of the Report

- 1.1 Section 38(1) of the Localism Act 2011 requires English local authorities to produce an annual statutory pay policy statement.
- 1.2 The pay policy statement must be formally approved at a Full Council meeting by the end of March each year, though it can be amended in-year with Full Council approval.
- 1.3 The pay policy statement must be published on the authority's website.
- 1.4 In the context of managing scarce public resources, remuneration at all levels within the Council needs to be adequate to secure and retain high- quality employees dedicated to the service of the public, but at the same time needs to avoid being unnecessarily generous or otherwise excessive.

2. Recommendation

- 2.1 That Council approve the proposed Statutory Pay Policy Statement for the year 2015/16 for publication.

3. Scope

- 3.1 The definitions of chief officer and deputy chief officer to be covered by the pay policy statement are defined by the legislation.
- 3.2 The Pay Policy Statement for South Somerset District Council (SSDC) will apply to the following posts which collectively will be referred to as 'chief officers' for the purpose of this statement:
 - Chief Executive Officer
 - Strategic Director posts
 - Head of Paid Service
 - Monitoring Officer
 - Section 151 (Finance) Officer
 - A person for whom the head of the authority's paid service is directly responsible.
 - A person who, as respects all or most of their post, is required to report directly or is directly accountable to the local authority themselves or any committee or sub-committee of the authority
 - A deputy chief officer who, as respects all or most of the duties of his post, is required to report directly or is directly accountable to one or more of the statutory or non-statutory chief officers.

Note: A person whose duties are solely secretarial or clerical or are otherwise in the nature of support services shall not be regarded as a non-statutory chief officer or a deputy chief officer.

3 a) The levels and elements of remuneration for chief and senior officers (at year end 31st March 2015)

Below are listed the salaries of Chief Officers in posts where the FTE remuneration is above the £58,200 threshold level.

Post	Statutory Role	Salary (per annum)	Bonus or Performance related pay	Other Benefits	Pension Enhancement in Year
Chief Executive The Chief Executive post is a shared post with East Devon District Council (EDDC). The current Chief Executive is an employee of EDDC. SSDC only contributes 50% of the stated salary and benefits.	Head of Paid Service	£122,210 (Shared cost post – £61,105 paid by SSDC to East Devon District Council)	No	£5,774 Lease Car £3,000 Travel Allowance (Shared cost post – 50% of above cost paid by SSDC to East Devon District Council)	No
Strategic Director (Place and Performance)		£98,953	No	Essential Car User Allowance £1,239	No
Strategic Director (Operations and Customer Focus)		£94,398* (Contractual salary £98,953)	No	Essential Car User Allowance £1,239	No
Assistant Director – Legal & Corporate Services	Monitoring Officer	£72,705* (Contractual salary £76,213)	No		No
Assistant Director – Finance & Corporate Services	Section 151 Finance Officer	£72,705* (Contractual salary £76,213)	No	Essential Car User Allowance £1,239	No
Assistant Director - Economy		£63,007	No	Essential Car User** Allowance £1,239	No
Assistant Director – Health and Well-being		£63,007	No	Essential Car User Allowance £1,239	No
Assistant Director – Environment		£63,007	No		No
Assistant Director – Communities (Joint Post)		£61,167* (Combined salary)	No	Essential Car User** Allowance £1,239	No

*Reduced salary through participation in Additional Annual Leave Scheme

**Transfer from lease car scheme during 2013/14

3b) The full time remuneration of the lowest paid employee

Definition	Salary (per annum)	Bonuses or Performance related pay	Other Benefits	Pension Enhancement in Year
Employee on lowest pay spine point (scp 10)	£14,338	No	No	No

- 3.3 The lowest paid employee is defined as an employee on the lowest spine point of Pay Grade 1 (scale point 10) – the lowest grade for posts within the authorities pay scheme. Excluded for this purpose are any appointments under the Work Placement Schemes and Internships Policy, apprenticeships and casual employees.
- 3.4 Under the Single Status Scheme approved by Full Council this is the minimum starting salary for any employee covered by the scheme. Nationally the lowest pay point is National Pay Scale 5 (£13 500).
- 3.5 Through this policy the pay multiple of the Chief Executive will be monitored annually. Should the multiplier between the annual salary paid to a full time employee on the lowest spine point and the annual remuneration paid to the Chief Executive be greater than 10 then this will be reported by the Leader of the Council to Full Council for consideration

3c) The multiplier of remuneration of highest paid employee to other officers

	Total remuneration per annum (including lease car value and travel allowance)
FTE median pay for all employees	£23,698
Pay multiple of Chief Executive to median average FTE salary	5.52
Pay multiple of Chief Executive to lowest paid FTE	9.14

4a) Remuneration of Chief Officers on Appointment (directly employed posts)

a) Chief Executive and Strategic Directors Posts

The Leader of the Council will, after taking independent pay advice from South West Councils or similar, recommend the remuneration package on appointment to the above posts to Full Council prior to advertisement of the vacancy. The remuneration package will then be subject to the approval of Full Council.

b) All other chief officer posts

The remuneration on appointment for all other posts covered by this Pay Policy Statement for Chief Officers will be set within the Single Status Scheme approved by Full Council.

4b) Increases and additions to remuneration for each Chief Officer (directly employed posts)

a) Chief Executive and Strategic Director Posts

The Leader of the Council shall recommend to Full Council within the remuneration package prior to appointment how salary progression and any

annual pay reviews will be administered or calculated. Any other subsequent changes to the remuneration package will be subject to further Full Council approval.

b) All other Chief Officer posts

The salary progression for all other posts covered by this Pay Policy statement will be set within the Single Status Scheme approved by Full Council. Salary increases in relation to the cost of living will be made in line with National Joint Council recommendations

5) Use of Performance Related Pay for Chief Officers

Any performance related pay schemes for chief officers will be subject to approval by Full Council prior to implementation. No performance related pay scheme is currently operated or exists for chief officers.

6) Use of Bonuses or Honoraria for Chief Officers

Bonus or honoraria payments to chief officers will only be paid if approved in advance by Full Council. None are currently paid and none have been approved by Full Council.

7) Use of Market Supplements

Market supplements may be applied to posts in certain circumstances as outlined in the Market Supplement Policy. When a decision is made to use market supplements for any chief officer post this will be reported to Full Council. No market supplements are currently attached to chief officer posts.

8) Payment of chief officers on their ceasing to hold office under or be employed by the authority

Any termination payments to chief officers on ceasing office will comply with the current Redundancy and Severance Pay Policy, which was approved by Full Council in December 2010. This policy applies equally to all employees of the Council. No additional termination payments will be made without the approval of Full Council.

9) Remuneration of chief officers who return to Local Authority employment

Where the chief officer:

a. was a previously employed chief officer who left with a severance payment and applies to comeback as a chief officer.

District Executive approval would be required to authorise re-employment within the authority of a previously employed chief officer who had left with a severance payment and is seeking re-employment within the severance payment payback period.

b. was previously employed by the same authority and have comeback as a chief officer under a contract for services.

District Executive will be required to approve any award of a 'contract for services' to a chief officer who has previously been employed by the authority.

c. are in receipt of a Local Government Pension Scheme Pension

If an employee receiving a pension from the Local Government Pension scheme becomes re-employed then their pension could be affected. If their pension plus the earnings from their new job is higher than the final pay their pension was calculated on, then their pension will be affected. For every pound that their earnings plus pension exceed previous pay, then their pension will reduce by a pound. This abatement will last for as long as the person exceeds their limit (so either when the new job ends or they reduce their hours so their earnings drop down below the acceptable level).

However, an abatement is not applied where the member's pension is less than £3,000 per annum.

10) Publication of and access to information relating to remuneration of chief officers

The remuneration of chief officers earning over a salary of £58,200 per annum will be published on the South Somerset District Council website.

11) Payments for Duties at Elections

Additional payments are set and provided for by Central Government to officers carrying out additional duties at elections. These payments directed by Central Government will only be received when elections are take place and although fixed, do vary according to the type of election for which the payment is made. These payments are not within the scope of this policy as South Somerset District Council is not the designated employer in these circumstances.