



NOTTINGHAM CITY COUNCIL
APPOINTMENTS AND CONDITIONS OF SERVICE COMMITTEE

Date: Monday, 20 February 2017

Time: 2.00 pm

Place: LB 31 - Loxley House, Station Street, Nottingham, NG2 3NG

Councillors are requested to attend the above meeting to transact the following business

Corporate Director for Strategy and Resources

Governance Officer: Nancy Barnard, Governance Manager **Direct Dial:** 0115 8764312

- 1 APOLOGIES FOR ABSENCE**
- 2 DECLARATIONS OF INTEREST**
- 3 MINUTES** 3 - 4
To agree the minutes from the last meeting held 6 December 2016
- 4 PAY POLICY STATEMENT 2017/18** 5 - 96
Report of Director of HR and Transformation

IF YOU NEED ANY ADVICE ON DECLARING AN INTEREST IN ANY ITEM ON THE AGENDA, PLEASE CONTACT THE GOVERNANCE OFFICER SHOWN ABOVE, IF POSSIBLE BEFORE THE DAY OF THE MEETING

CITIZENS ATTENDING MEETINGS ARE ASKED TO ARRIVE AT LEAST 15 MINUTES BEFORE THE START OF THE MEETING TO BE ISSUED WITH VISITOR BADGES

CITIZENS ARE ADVISED THAT THIS MEETING MAY BE RECORDED BY MEMBERS OF THE PUBLIC. ANY RECORDING OR REPORTING ON THIS MEETING SHOULD TAKE PLACE IN ACCORDANCE WITH THE COUNCIL'S POLICY ON RECORDING AND REPORTING ON PUBLIC MEETINGS, WHICH IS AVAILABLE AT WWW.NOTTINGHAMCITY.GOV.UK. INDIVIDUALS INTENDING TO RECORD THE MEETING ARE ASKED TO NOTIFY THE GOVERNANCE OFFICER SHOWN ABOVE IN ADVANCE.

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NOTTINGHAM CITY COUNCIL

APPOINTMENTS AND CONDITIONS OF SERVICE COMMITTEE

MINUTES of the meeting held at LB 31 - Loxley House, Station Street, Nottingham, NG2 3NG on 6 December 2016 from 14.00 - 14.19

Membership

Present

Councillor Dave Liversidge (Chair)
Councillor Eunice Campbell
Councillor Graham Chapman
Councillor Alan Clark
Councillor Jon Collins
Councillor Nicola Heaton
Councillor Dave Trimble
Councillor Sam Webster

Absent

Councillor Toby Neal
Councillor Georgina Culley
Councillor Jane Urquhart

Colleagues, partners and others in attendance:

Nancy Barnard - Governance Manager
Bridget Donoghue - Head of HR
Richard Henderson - Interim Director of HR and Transformation
Emma Hodgett - Resourcing and Reward Manager
Della Sewell - Employee Relations Manager
Sheena Yadav-Staples - HR Consultant

25 APOLOGIES FOR ABSENCE

Councillor Georgina Culley – Unwell
Councillor Toby Neal – Personal Reasons

26 DECLARATIONS OF INTERESTS

None.

27 MINUTES

The public minutes of the meeting held on 4 October were confirmed and signed by the Chair.

28 EARLY RETIREMENT MONITORING REPORT 2015/16

Della Sewell, Employee Relations Manager introduced the report highlighting the following points:

- a) The number of early retirements attracting a pension in 2015/16 reduced from 182 during the previous year to 168. There was also a marginal decrease in early and ill health retirements.
- b) There was an increase in the number of redundancy with pension cases where individuals aged over 55 are made redundant and therefore their pension is automatically paid.

- c) There were 31 flexible retirement cases but none resulted in any pension strain as the Chief Executive is not likely to approve any pension strain cases.

RESOLVED to note the update report.

29 EXCLUSION OF THE PUBLIC

RESOLVED to exclude the public from the meeting during consideration of the remaining items in accordance with Section 100A (4) of the Local Government Act 1972 on the basis that, having regard to all the circumstances, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

30 EXEMPT MINUTES

The exempt minutes of the meeting held on 4 October 2016 were confirmed and signed by the Chair.

31 RECRUITMENT REVIEW

Richard Henderson, Interim Director of HR and Transformation and Emma Hodgett, Resourcing and Reward Manager presented the report to the Committee.

RESOLVED to approve the recommendations as set out in the exempt report.

APPOINTMENT AND CONDITIONS OF SERVICE COMMITTEE – 20 FEBRUARY 2017

Title of paper:	PAY POLICY STATEMENT 2017/18	
Director(s)/ Corporate Director(s):	Richard Henderson, Director of HR and Transformation	Wards affected: ALL
Report author(s) and contact details:	Sheena Yadav-Staples, HR Consultant sheena.yadav-staples@nottingham.gov.uk , 01158762951	
Other colleagues who have provided input:	Ian Curryer – Chief Executive Glen O’Connell – Corporate Director, Resilience Bridget Donoghue – Head of HR Della Sewell – Employee Relations Manager Sarah Wilson – Electoral Services Manager Jef Gould – HR Data Analyst Sue Risdall – Team Leader, Finance John Bernard-Carlin – Team Legal, Legal Emma Hodgett – Resourcing & Reward Manager Andy Cross – Pensions Consultant Sarah Wilson – Chief Elections Officer Jo Worster – Finance Team Leader	
Date of consultation with Portfolio Holder(s) (if relevant)	Councillor Heaton – 24 January 2017	
Relevant Council Plan Key Theme:		
Strategic Regeneration and Development		<input type="checkbox"/>
Schools		<input type="checkbox"/>
Planning and Housing		<input type="checkbox"/>
Community Services		<input type="checkbox"/>
Energy, Sustainability and Customer		<input type="checkbox"/>
Jobs, Growth and Transport		<input type="checkbox"/>
Adults, Health and Community Sector		<input type="checkbox"/>
Children, Early Intervention and Early Years		<input type="checkbox"/>
Leisure and Culture		<input type="checkbox"/>
Resources and Neighbourhood Regeneration		<input checked="" type="checkbox"/>
Summary of issues (including benefits to citizens/service users):		
<p>This report introduces the Council’s Pay Policy Statement for 2017/18 as required by the Localism Act. The Statement sets out information on pay and conditions for chief officers in comparison to the bulk of the workforce employed on ‘Local Government Scheme’ (LGS) terms and conditions.</p> <p>The report also includes the new Pay Policy, agreed with the trade unions.</p>		
Recommendation(s):		
1	To note the Council’s Pay Policy Statement for 2017/18 which is being presented to the Full Council meeting on 16 January 2017.	
2	To approve the new Pay Policy in principle contained in Appendix 12, subject to final Trade Union agreement.	

1 REASONS FOR RECOMMENDATIONS

- 1.1 The Pay Policy Statement is being presented to ACOS in order to demonstrate that decisions on pay and reward packages for chief executives and chief officers are made in an open and accountable way.
- 1.2 Councillors will be aware of the negotiations with the trade unions regarding changing pay, terms and conditions. These negotiations have resulted in a new pay model agreed in principle by the trade unions which introduces two pay levels per grade rather than the four or in some cases five which previously existed.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 The Localism Act requires local authorities to prepare and publish a pay policy statement.
- 2.2 The Act requires that the statement must be approved formally by the Council meeting itself (it cannot be delegated to a sub-committee); must be approved by the end of March each year and must be published on the Council's website.
- 2.3 In more detail, the matters that must be included in the statutory pay policy statement are as follows:
 - the Council's policy on the level and elements of remuneration for chief officers;
 - the Council's policy on the remuneration of its lowest-paid employees (together with its definition of "lowest-paid employees" and its reason for adopting that definition);
 - the Council's policy on the relationship between the remuneration of its chief officers and other officers;
 - the Council's policy on other specific aspects of chief officers' remuneration , such as remuneration on recruitment, increases and additions to remuneration, use of performance-related pay and bonuses, termination payments, and transparency.
- 2.4 The Act defines remuneration widely, to include not just pay but also charges, fees, allowances, benefits in kind, increases in enhancements of pension entitlements, and termination payments.
- 2.5 The data for this Pay Policy Statement is taken as at 30 September 2016 when the structure was as follows; the Council employs approximately 6887 people, of which 50¹ posts are chief officer posts as defined by the Local Government and Housing Act 1989 (and includes 1 Chief Executive, 4 Corporate Directors, 3 Strategic Directors, 14 Directors, 7 Heads of Service and 21 managers or specialists). This represents approximately 0.7% of the Council's overall non-schools' workforce.
- 2.6 In the structure used for this analysis there was a fractional decrease in chief officer posts this year to due to changes to the management structure over the last three years, which have introduced new posts of Strategic Director, reporting directly to the

¹ As at 30 September 2016

Head of Paid Service. This means that all of the direct report for these posts now fall under the definition of Deputy Chief Officer and are therefore countable for the purposes of this report. This is the reason for the relatively high number of manager or specialist posts as outlined in 2.5 above.

- 2.7 Sections 2,4 and 7 and Appendix 5 use retrospective pay information. The same reporting period has been used as last year.
- 2.8 The pay multiple of the average chief officer's pay (£86,567) to that of the non-chief officer average earner (£27,360) including guaranteed payments² is 1:3. The relationship between the Chief Executive's pay (£161,600) to that of the Council's non-chief officer average earner excluding allowances (£23,047) is a pay multiple of 1:7. The ratio between Chief Executive's pay and the Council's non-chief officer average earner has remained static for the last two years (as reported in the Pay Policy Statement for 2015/16 and 2016/17). The relationship between the average Chief Officer's pay and the average non-chief officer's pay has also remained static.
- 2.9 As at 30 September 2016, there were no chief officers in receipt of bonus payments, increments, performance related pay and other pay enhancements (overtime, weekend, evening, night working, etc). Between 1 April and 30 September 2016, one Chief Officer was in receipt of standby payments (£828.60) however, they are not on Senior Leadership Management Group (SLMG) terms and conditions. There was also a Chief Officer pay award of 1% from 1 April 2016 and, a further 1% is due to be applied as of 1 April 2017.
- 2.10 For the first time since 2008, there was also a Chief Executive pay award of 1% effective from 1 April 2016. A further 1% is due to be given on 1 April 2017.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

- 3.1 As the production of a pay policy statement is a requirement under the Localism Act, no other options were considered.

4 FINANCE COMMENTS (INCLUDING IMPLICATIONS AND VALUE FOR MONEY/VAT)

- 4.1 The average and median pay figures included in the report are based on data for 2016/17 up to 30 September 2016 increased to an annual figure.
- 4.2 The pay policy statement will assist Chief Officers in the discharging of their responsibilities relating to staffing numbers and payments to employees as set out in the Council's Financial Regulations and Corporate Financial Procedures.

² Includes basic FTE salary, pension – employer contribution on FTE basic pay, single status incentive payments, allowances and enhancements paid between 01/04/16-30/09/16

5 LEGAL AND PROCUREMENT COMMENTS (INCLUDING RISK MANAGEMENT ISSUES, AND LEGAL, CRIME AND DISORDER ACT AND PROCUREMENT IMPLICATIONS)

- 5.1 Under Section 38 of the Localism Act 2011, for each financial year, the Council is required to prepare a pay policy statement relating to the following:
- the remuneration of its chief officers,
 - the remuneration of its lowest-paid employees, and
 - the relationship between—
 - the remuneration of its chief officers, and
 - the remuneration of its employees who are not chief officers.
- 5.2 The statement must also state:
- the definition of “lowest-paid employees” adopted by the Council for the purposes of the statement, and
 - the authority's reasons for adopting that definition.
- 5.3 The statement must also include the Council's policies relating to—
- the level and elements of remuneration for each chief officer,
 - remuneration of chief officers on recruitment,
 - increases and additions to remuneration for each chief officer,
 - the use of performance-related pay for chief officers,
 - the use of bonuses for chief officers,
 - the approach to the payment of chief officers on their ceasing to hold office under or to be employed by the authority, and
 - the publication of and access to information relating to remuneration of chief officers.
- 5.4 A pay policy statement for a financial year may also set out the Council's policies for the financial year relating to the other terms and conditions applying to the Council's chief officers.
- 5.5 Under Section 39 of the Localism Act 2011, the pay policy statement must be approved by Full Council before it comes into effect. The statement must be approved by 31 March 2017 for the forthcoming financial year.

6 EQUALITY IMPACT ASSESSMENT

- 6.1 An EIA is not required as the report does not contain proposals or financial decisions.

7 LIST OF BACKGROUND PAPERS OTHER THAN PUBLISHED WORKS OR THOSE DISCLOSING CONFIDENTIAL OR EXEMPT INFORMATION

- 7.1 None

8 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

- 8.1 Communities and Local Government, Openness and accountability in local pay: Draft guidance under section 40 of the Localism Act.

- 8.2 Local Government Association and Association of Local Authority Chief Executives (ALACE), Localism Act: Pay Policy Statement Guidance for Local Authority Chief Executives.
- 8.3 Department for Communities and Local Government, 2013. Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011. Supplementary Guidance. London

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Nottingham City Council

Pay Policy Statement 2017-2018



Safer, cleaner, ambitious
Nottingham
A city we're all proud of



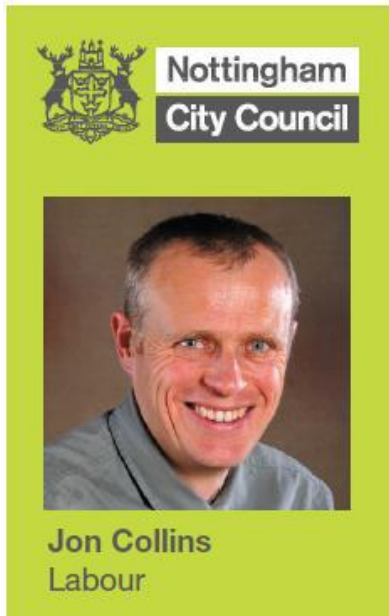
Nottingham
City Council

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Appendix 7	The Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (DCR) Policy
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Appendix 11	Nottingham City Council's Chief Officer Structure Chart – as at 1 November 2016
Appendix 12	New Pay Policy

Introduction from the Leader of Nottingham City Council, Jon Collins



Welcome to Nottingham Council's annual Pay Policy Statement. The statement sets out the Council's approach to setting pay and conditions for Chief Officers and those for the workforce.

This year's statement shows that we are continuing to ensure that our employees can expect a reasonable wage. I am proud that the Living Wage supplement continues to form part of all our lowest paid employees' salaries. The Council remains committed to pay a current minimum hourly rate of £7.85, moving to £8.25 from 1st April 2017, which is far higher than the Government's National Living Wage of £7.50 per hour (as at 1st April 2017).

This year (2017/18) will see a period of change within the Council, with the introduction of the new Nottingham Contract. The new Nottingham Contract will be implemented from 1st April 2017. This pay policy statement outlines the current position, which will be subject to change on implementation of the new contract.

We remain committed to providing quality services which offer value for money in a way that balances concern for our lower paid employees with job security and affordability. It is vital we continue to deliver high-quality essential services for Nottingham citizens in an increasingly challenging financial climate. Work continues to be under way to identify further ways to reduce costs whilst keeping citizens at the heart of everything we do.

A handwritten signature in black ink, appearing to read 'J. N. Collins', with a long horizontal stroke extending to the right.

Jon Collins
Leader of the Council

Introduction from Chief Executive, Ian Curryer



Welcome to Nottingham City Council's annual Pay Policy Statement.

This statement outlines the Council's approach to setting pay and conditions for colleagues including senior staff (chief officers). It sets out how we are spending public funding appropriately and demonstrates our commitment to openness and transparency about pay and allowances.

As our funding from Central Government continues to reduce, we have had to radically change the way we do business so that we can deliver our key priority of providing essential services for the people of Nottingham, including those who work, study, invest and visit here.

In November this year, we made some changes to our management structure in order to further support the Council in discharging its duties in the current financial climate and of the need to reduce costs at all levels of the organisation, including within the senior team. The new post of Corporate Director of Strategy and Resources combines the roles of Strategic Director of Strategy and Commissioning / Assistant Chief Executive with the Corporate Director of Development post.

The Government announced earlier this year that they intend to implement a cap (£95,000) on public sector exit payments. This cap may not just affect high earners, as in Local Government there will be a number of employees on average salaries who have sufficient length of service to mean that there could be considerable pension strain costs in the case of redundancy, for example. The Government have yet to publish any guidance to support the implementation of this cap; however the implications of this is being considered but have yet to be confirmed. The Government has also passed legislation to recover Chief Officer exit payments (where the individual earns over £80,000 per annum and obtains a permanent job or returns to the Council for a one off piece of work). We are awaiting an implementation date for this measure to take effect.

As a Council we remain committed to ensuring that the benefits of our pay policy are felt by colleagues who keep vital services running. This has included the continued payment of the Living Wage supplement (hourly rate of £7.85) to our lowest paid colleagues.

I am pleased to say that we have reached a positive agreement with the Trade Unions on the Council's new Pay Policy which will be implemented from the 1st April 2017. The new Nottingham Contract, as part of the new Pay Policy will also see a new Nottingham Pay Scale; and for the vast majority of employees on Grades A to C receive in excess of the Voluntary Living Wage (£8.25 per hour).

The move to the new pay model and ways of working will help to ensure that here in Nottingham we can protect vital services and as many jobs as possible, despite the enormity of the Government's cuts in our funding, and have an affordable and sustainable long term pay strategy that can attract, retain and motivate a diverse and talented workforce.

A handwritten signature in black ink, appearing to read 'Ian Curryer', written in a cursive style.

Ian Curryer
Chief Executive

1 BACKGROUND

- 1.1 Section 38 (1) of the Localism Act 2011 requires English and Welsh local authorities to produce a pay policy statement for each financial year (starting from 2012/13).
- 1.2 The pay statements must articulate the Council's own policies on a range of issues relating to the pay of its workforce, particularly its senior employees (or 'chief officers' as defined by the Local Government and Housing Act 1989) and its lowest paid employees.
- 1.3 The Act requires the policy to be considered by a meeting of Full Council and cannot be delegated to any sub-committee. All decisions on pay and reward made in 2017/18 must comply with the pay policy statement. The statement may be amended in year but must be agreed again by a meeting of Full Council.
- 1.4 This pay policy statement provides information on Nottingham City Council's pay and conditions for chief officers in comparison to the bulk of the workforce employed on 'Local Government Scheme' (LGS) terms and conditions. It also sets out the approach that will be taken during 2017/18. It should be noted that the Council has reached agreement with the Trade Unions to change its Pay Policy from 1st April 2017.
- 1.5 Sections 2, 4 and 7 and appendix 6 use retrospective pay information. The same reporting period has been used as last year.
- 1.6 The data is based on the Council structure when it consisted of six main departments up until 1 November 2016; Children and Adults, Development, Commercial & Operations, Strategy and Commissioning, Resilience and HR and Transformation; delivering specific functions for its citizens.
- 1.7 It should be noted that from the 1st November 2016, the Council made some changes to the Senior Management Structure. The new post of Corporate Director of Strategy and Resources combined the roles of Strategic Director of Strategy and Commissioning with the Corporate Director of Development post. Appendix 11 provides an updated structure chart of Chief Officers for information, but is not the subject of this report.

2 DEFINITIONS AND SCOPE

2.1 Definition of Chief Officer at Nottingham City Council

Appendix 1 provides a structure chart of all the Chief Officers as defined by the Local Government and Housing Act 1989 employed at the Council as at 30 September 2016.

An extract from the Local Government and Housing Act, outlining the definition of Chief Officers and Deputy Chief Officers, is included at Appendix 2.

2.2 'Lowest Paid' Employee

The bulk of the workforce is employed on Local Government Scheme (LGS) terms and conditions. The 'lowest paid employee' is defined as LGS employees employed on Greater London Provincial Council (GLPC) Grade A, spinal point 6, equating to £14,514 basic pay.

This is the lowest pay point and salary offered for a substantive post at the Council excluding apprentices and casual workers.

- 2.3 Since 1 April 2013, the Council has paid a Living Wage supplement to all employees, schools' employees and casual workers on Grade A.

The rate is currently £7.85 (£15,145) from 1 October 2015 and this continuous to be paid for this reporting period.

2.4 The pay policy statement has excluded:

- Apprentices;
- Colleagues on NHS terms and conditions;
- Colleagues on East Midlands Council's terms and conditions;
- Colleagues on protected terms and conditions under TUPE
- Colleagues on Teachers' terms and conditions
- Non chief officer Heads of Services and managers on Senior Leadership Management Group (SLMG) terms and conditions; and
- Colleagues on Soulbury and Hay terms and conditions;
- Colleagues on the House Agreement for the Theatre Royal and Royal Concert Hall (TRCH).

The reason for excluding these groups is because apprentices are not on permanent contracts, the majority of Heads of Services are not chief officers as defined by the Local Government and Housing Act, and there are a very small number of colleagues employed on the other types of terms and conditions.

Furthermore, the lowest paid employee for each of the excluded groups (except Apprentices) is paid higher than LGS employees

2.5 Schools' Employees

As specified in the Localism Act, the pay policy statement does not include information on, or apply to, chief officers and employees based in schools.

3 HOW PAY AND CONDITIONS ARE AGREED FOR CHIEF OFFICERS

3.1 Chief Officers' pay and conditions are ratified by the Council's remuneration committee; Appointment and Conditions of Service (ACOS). The responsibility for this function is set out in Appendix 3 which provides an extract from the Council's Constitution. In summary, the main responsibilities of ACOS relating to chief officers' pay and conditions are:

- To undertake the appointment process in respect of the Chief Executive, Deputy Chief Executive and Corporate Directors, making recommendations to Full Council;
- To determine the terms and conditions of City Council employees and procedures for disciplinary action and dismissal;
- To receive reports on action taken in respect of terms agreed for the Chief Executive, Deputy Chief Executive, Corporate Directors and the Senior Leadership Management Group (SLMG) leaving the employment of the Council where those terms included compensation;
- Determine redundancies, ill health retirements, flexible retirements and terminations of employment (including payments over £30,000 relating to efficiency) and any exercise of discretions to increase total LGPS pension and award additional LGPS pension for the Chief Executive, Deputy Chief Executive, Assistant Chief Executive, Corporate Directors, Strategic Directors and Directors;

- To approve any proposals for significant restructuring of the Council's management structure.
- To approve any proposals from the Chief Executive for changes to salary levels (including ranges of salaries) for Corporate Directors, the Deputy Chief Executive and Assistant Chief Executive.

3.2 The Committee is accountable to Council, has eleven members (politically balanced (one place is reserved for the relevant Portfolio Holder (or their substitute) in relation to matters in respect of the appointment process for the Chief Executive and Corporate Director and the dismissal process for the Chief Executive)). The Committee meets on a monthly basis.

3.3 Chief officers have no power to negotiate their own terms and conditions outside of the Council's policies and procedure either during recruitment, throughout employment, or upon termination of their contract. The degree of responsibility exercised by chief officers in return for their basic pay is restricted to established pay grades (Appendix 4) or with regards to other pay such as market supplement or acting up allowances in accordance with the provisions contained within the Council's pay policy (Appendix 5).

4 PAY, TERMS AND CONDITIONS AT NOTTINGHAM CITY COUNCIL

4.1 The majority of chief officers working at Nottingham City Council belong to a group referred to internally as the 'Senior Leadership Management Group (SLMG)'. Colleagues employed as Heads of Services and other senior managers are also part of SLMG and its associated terms and conditions; however the majority are not chief officers as defined by the Local Government and Housing Act.

4.2 Appendix 6 provides a comprehensive breakdown of all the terms and conditions offered to the Council's chief officers in comparison to LGS employees as at 30 September 2016, including pay range, allowances, fees and other benefits in kind. The table also provides information on which pay and condition is contractual.

4.3 The table highlights that many of the terms and conditions offered to LGS employees, such as overtime, travel expenses within County of Nottinghamshire, weekend/evening allowances etc are not available to the Council's chief officers. It should be noted that, whilst the Council has previously paid increments to employees on the lowest four grades in 2014/15 and 2015/16, during this reporting period it has not been paid to any colleagues.

4.4 The Chief Executive is paid on a spot salary of £161,600 as agreed by the Council's appointing committee (Appointment and Conditions of Service).

4.5 The total additional payments made to the Council's Chief Officers between 1 April 2016 and 30 September 2016 are listed in the table below:

Pay Element	Total for Chief Officers*
Total year to date additional payments (1 April 2016 to 30 September 2016) Additional payments include: Car mileage, allowances for additional responsibilities, general expenses (e.g. subsistence, parking etc), and travel expenses.	£39,190.54

* as defined by the Local Government and Housing Act 1989

This has increased from last year, when the total additional payments were £33,845. This increase is due to honoraria and market supplement payments.

5 ELECTION DUTY PAYMENTS

- 5.1 The Returning Officer's fee is a payment made to a nominated chief officer (at Nottingham City Council, this is the Chief Executive) for being in charge of the running of Local, Local Police & Crime Commissioner and Parliamentary elections in addition to National Referendum.
- 5.2 The National Referendum, Police & Crime Commissioner and Parliamentary elections are funded and paid for by central government and are therefore not related to Nottingham City Council's terms and conditions. The Council does not govern the fee payable to the Chief Executive for these elections and therefore the Chief Executive can retain any fee paid to them from these funds.
- 5.3 There was a Police & Crime Commissioner Election and a National Referendum during 2016-2017 so the Chief Executive has received an additional fee during this financial year, but as outlined in 5.2 this is an independent payment and is not paid or funded by the City Council and is not part of Nottingham City Council's terms and conditions.
- 5.4 The funding for any local election comes from local authority funds and follows the same principles as those for a central government funded election. The Chief Executive is not contractually entitled to a payment for local elections and therefore would not have received a payment for any local election if they had occurred during this financial year (i.e. by-elections).

6 MONITORING OFFICER'S FEE

- 6.1 The Monitoring Officer has the specific duty to ensure Nottingham City Council, its officers, and its elected Councillors maintain the highest standards in all they do. The Monitoring Officer's derives from Section 5 of the Local Government and Housing Act 1989, and includes the following:-
1. To report on matters they believe are, or are likely to be, illegal or amount to maladministration.
 2. Matters relating to the conduct of Councillors and officers.
 3. Responsibility for the operation of the Council's Constitution.
- 6.2 The Monitoring Officer has a duty to report to Full Council if they consider any proposal, decision, or omission made by the Council, or on behalf of the Council, is illegal or would be illegal. The duty is a personal duty, and the Monitoring Officer cannot delegate it to someone else unless they are ill or away, in which case a deputy Monitoring Officer can take over the role.
- 6.3 There is no longer an additional payment for the role of Monitoring Officer. When this statutory role was created it was agreed that remuneration would be based on an approximate 10% loading on salary of the employee holding the post, to be funded by the Council. Recently however, the Monitoring Officer role was been incorporated into the job description for the Corporate Director for Resilience, and therefore now forms part of the salary for that post. Upon the retirement of that post holder the statutory role will be re-allocated.

7 PAY RELATIONSHIPS

Without Allowances

- 7.1 The relationship between the Chief Executive's basic pay (£161,600) to that of the Council's non chief officer¹ average earner excluding allowances (£23,047.54) is a pay multiple of 1:7.
- 7.2 The pay multiple of the Chief Executive's basic pay (£161,600) to that of the Council's non chief officer median earner excluding allowances (£20,456) is 1:8.

With Guaranteed Payments²

- 7.3 The relationship between the average chief officer's pay including guaranteed payments (£86,567) and to that of the Council's non chief officer average earner including guaranteed payments (£27,360) is 1:3.
- 7.4 The relationship between the median pay of chief officers including guaranteed payments (£80,505) and to that of the Council's non chief officer median earner including guaranteed payments (£24,240) is 1:3.

8 THE COUNCIL'S STATEMENT ON PAY AND CONDITIONS FOR CHIEF OFFICERS FOR 2017/18

The section sets out the Council's approach to determining pay and conditions for chief officers for 2017/18.

(NB. Please refer to paragraph 2.7 of this document for the application of the statements below to Public Health employees under Statutory Transfer)

8.1 Remuneration of chief officers on recruitment

The basic all-inclusive pay for new chief officers will fall within the bandings for their job as set out in Appendix 4. New chief officers will normally start on the minimum pay point for their grading and will not be offered more than the maximum for their grade.

Full council will be provided with an opportunity to vote before any salary package over £100,000 is offered for new appointments.

8.2 The level and elements of remuneration for each chief officer

Any changes or amendments to SLMG pay grading will be subject to consultation with chief officers, their trade union representatives and formal ratification by ACOS. Any decision to pay market supplements or acting up allowances to chief officers will be subject to a business case put forward to the Director of HR and Transformation for approval in accordance with section 8 of the Council's Pay Policy.

8.3 Increases and additions to remuneration for each chief officer

¹ The definition of 'non chief officer' in section 7 includes colleagues on Greater London Provincial Council (GLPC), non-chief officers on Senior Leadership Management Group (SLMG) pay scales and Local Government Service (LGS) pay scales. It excludes the Chief Executive (CEX) and Corporate Directors' (CDIR). The ratio has been calculated using basic FTE pay, not actual pay.

² Includes basic FTE salary, pension – employer contribution on FTE basic pay, single status incentive payments, allowances and enhancements paid between 01/04/2016 to 30/09/2016.

There is currently no incremental progression through the pay band for chief officers. Annual pay awards are negotiated nationally with the trade unions. There was a pay award of 1% for chief officers and the Chief Executive from 1 April 2016, and there will be a further 1% pay award in 2017/18.

8.4 The use of performance related pay for chief officers

The Council does not offer performance related pay to chief officers due to budget constraints.

8.5 The use of bonuses for chief officers

The Council will not offer bonus payments to chief officers.

8.6 Earn Back Pay

The Council is not intending to introduce the policy of 'earn back pay' which requires chief officers to have an element of pay 'at risk' to be earned back each year through meeting pre-agreed objectives.

The Council is confident that it has robust performance management procedures in place through its Performance Appraisal Framework to deal with poor performance. The Council's Performance Appraisal system requires a number of mandatory competencies and objectives (team and individual) to be met which are reviewed throughout the year. In addition to this, Chief Officers are not excluded from the application of the Council's formal policies on Performance Management and Discipline, and will be managed under the appropriate procedures should there be sufficient underperformance or misconduct concerns, up to and including dismissal, should this be necessary.

8.7 The payment of chief officers on their ceasing to hold office under or to be employed by the Council

The Council's payment to chief officers leaving the Council under the following types of termination is set out below:

- Redundancy Dismissal – Contractual notice and redundancy pay as set out in the Council's Local Government (Early Termination of Employment) Regulations 2006 (DCR Policy). See Appendix 7 for policy details. Note that if the chief officer is aged 55 or over, under Pension regulations they automatically access their pension benefits without any reduction.
- Efficiency - Efficiency payment as set out in the Council's Local Government (Early Termination of Employment) Regulations 2006 (DCR Policy). See Appendix 7 for policy details.
- Retirement – Under Pension Regulations, chief officers may automatically access their pension benefits from age 65, when they leave employment. The Council does not operate a default retirement age whereby employees are dismissed at age 65.
- Early Retirement – Chief Officers can request access to their pension from age 55 with the Council's consent, and the Council may choose to waive the actuarial reduction.

Chief Officers may retire from age 55 without consent but will leave with a reduced pension.

- Flexible Retirement – Chief Officers may apply to access their pension from age 55 but remain working at the Council either under reduced pay or reduced hours. Any flexible requirement requests for chief officers would need to be approved by ACOS.
- The Council has the power to grant additional pension to chief officers at the discretion of ACOS supported by a business case. See Appendix 8 for policy details.

As noted in previous Pay Policy Statements, the Government had announced its intention to introduce a cap on Public Sector exit payments in order to restrict these to a maximum of £95,000. This was anticipated to be in place from 1 April 2016, however this has now been delayed and an implementation date is not currently known. This has the potential to reduce both redundancy dismissal and efficiency pension benefits where the Chief Officer is aged 55+ and may have some of their pension benefits reduced where the overall cost of termination exceeds £95,000 including pension strain costs.

8.8 Re-employment of former chief officers

Former chief officers will be permitted to apply for vacancies at the Council by following the normal competitive recruitment process.

Where former chief officers are applying for work under a contract for services with the Council (e.g. as a Consultant or casual worker), the Leader of the Council along with the Director of HR and Transformation will scrutinise and decide whether to approve such requests following a consideration of the skills required and an assessment of value for money.

As noted in previous Pay Policy Statements, the Government had announced its intention to introduce a legislative change under the Small Business, Enterprise & Employment Bill to recover exit payments made to Chief Officers if they leave the public sector and return to the public sector within 12 months of leaving. This was anticipated to be in place from 1 April 2016, however this has now been delayed and an implementation date is awaited.

8.9 The appointment of former chief officers in receipt of a pension (pension abatement)

The Council is not in a position to abate pension payments (the act of reducing or suspending pension payments) if a chief officer is re-engaged or re-employed. The Council's pension fund is administered by Nottinghamshire County Council who set the rules for employers to follow on abatement.

Therefore until the policy is amended by Nottinghamshire County Council, the City Council cannot enforce pension abatement for current or former employees.

8.10 Tax Avoidance

The Council takes its obligations for ensuring compliance with relevant taxation legislation very seriously and does not actively engage in or endorse any form of tax avoidance. Therefore, the Council has policies and procedures in place to ensure that the correct amount of taxes are accounted for and paid at the correct time.

All individuals employed or engaged by the Council are treated equally and the level of seniority does not allow for differential treatment in the engagement process, or in the method of remuneration.

The Council recognises that by paying employees through private companies it allows the individual to manage their own tax arrangements, and potentially reduce the amount of tax and national insurance they are obliged to pay, thus implicating the Council in tax avoidance schemes. Therefore, the Council does not and will not remunerate any employee at any level through a private company; all payments will be made through the Council payroll system and PAYE applied accordingly.

In addition the Council has processes and policies in place in order to check the employment status of individuals who are engaged by the Council, ensuring that it is the terms and conditions of the engagement which determine the employment status of the individual. This ensures that the Council is meeting its obligations in regard PAYE as established by HMRC and, thereby reducing the risk of potential tax avoidance. All deemed contracts of employments as per HMRC regulations will be remunerated through the payroll system and PAYE applied accordingly.

8.11 Shared Senior Management

Currently, the Council has no shared management arrangements with other organisations.

8.12 Pay and Conditions of Lowest Paid Employees

The pay and conditions of lowest paid employees are set out in the Council's Pay Policy (Appendix 5). In addition the Council pays, as a separate element, to all colleagues on Grade A and majority of Grade B (£14,514 - 14,975) a Living Wage supplement which increases their hourly rate to £7.85. This applies to all employees, schools employees and casual workers. In November 2015, the Living Wage Foundation announced a new Living Wage rate of £8.25. In addition to this, in the Summer Budget for 2015, the Government announced its intention to introduce a compulsory National Living Wage with effect from April 2016, at an initial hourly rate of £7.20, to increase to £9.00 per hour by 2020.

The Council has reached agreement with the Trade Unions to change its Pay Policy from 1st April 2017. The new Nottingham Pay Model will ensure that employees in Grades A – C receive a salary that is not only in excess of the Local Government Pay Spine but also significantly in excess of the Government National Living Wage (currently £7.20 per hour) and, reflects the Voluntary Living Wage (£8.25 per hour).

The new Pay Model will also see the introduction of two new pay levels in each grade that will be based on points on the LGP Spine. Colleagues will move to Level Two once they have successfully completed their probationary Level One. Colleagues at the bottom of their grade at the 1st April 2017 will receive a transition payment and move to Level Two from the 1st April 2018. A copy of the new Pay Policy can be found as Appendix 12.

Changes to allowances and enhancements as part of the new pay model will also see unsocial hours worked at evenings and weekends paid at plain time, overtime worked between 37 hours and 42 hours per week will be paid at plain time and any overtime in excess of 42 hours per week will be paid at time and a half.

8.13 Local Government National Pay Award

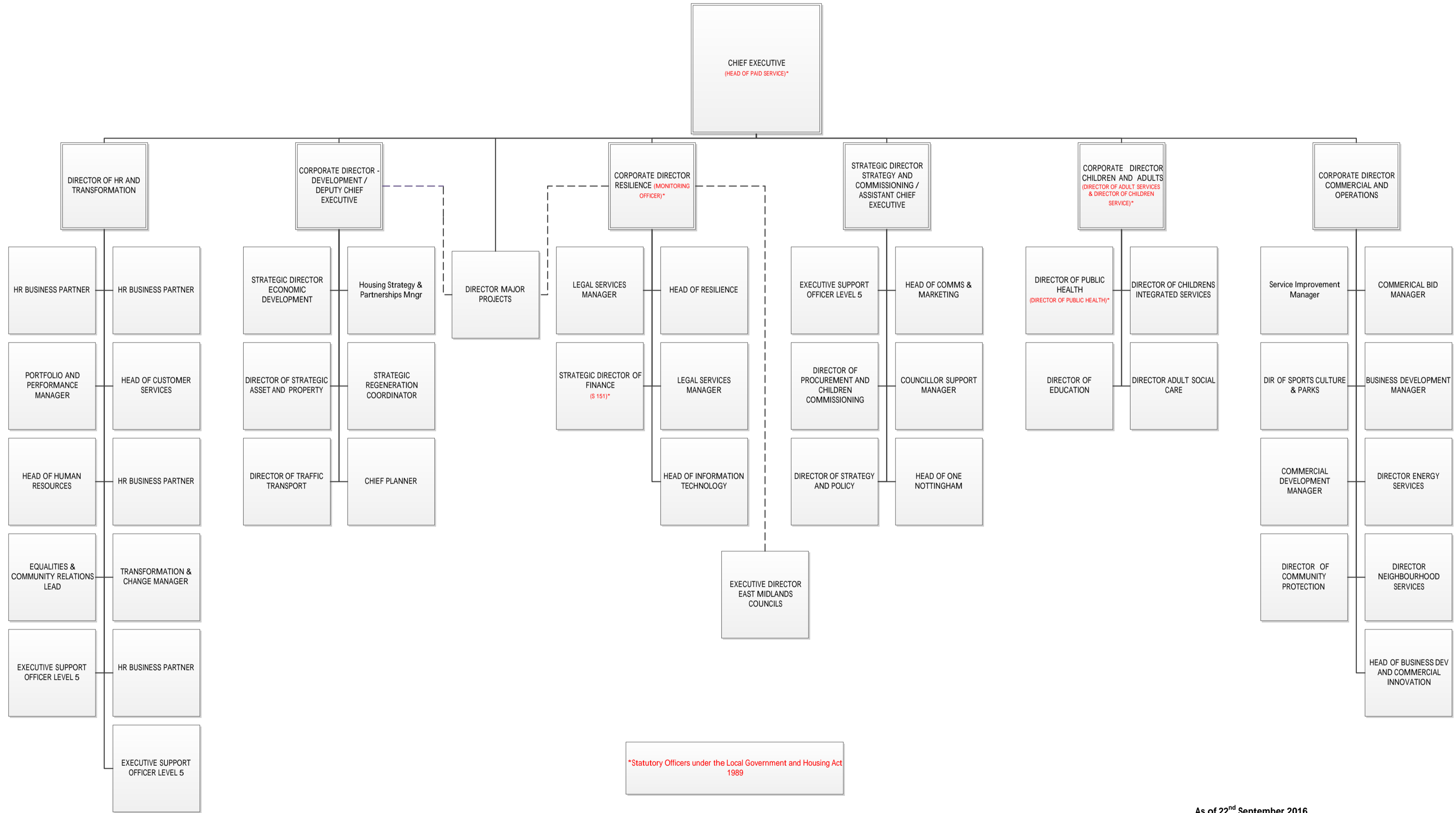
A National Pay award has been agreed which increases the value of the spinal column points from 1 April 2016. The majority of LGS employees received an increase of 1% and for those occupying spinal column points 6 to 17 instead receiving an increase of between 2.30% to 10.28%. A further pay award of 1% is due to be applied from 1 April 2017.

- 8.14 The revised pay scale, which includes the uplift to reflect the Voluntary Living Wage is attached at Appendix 12.

9 PUBLISHED DOCUMENTS AND PAPERS REFERRED TO IN THE PAY POLICY STATEMENT

- 9.1 Communities and Local Government, 2012. *Openness and accountability in local pay: Guidance under section 40 of the Localism Act*. London
- 9.2 Department for Communities and Local Government, 2013. *Openness and accountability in local pay: Guidance under section 40 of the Localism Act 2011. Supplementary Guidance*. London
- 9.3 Local Government Association and Association of Local Authority Chief Executives (ALACE), *Localism Act: Pay Policy Statement Guidance for Local Authority Chief Executives*

Council Structure as at September 2016



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Definitions of Chief Officers

Localism Act 2011

43 Interpretation

(2) In this Chapter “chief officer”, in relation to a relevant authority, means each of the following-

- (a) the head of its paid service designated under section 4(1) of the Local Government and Housing Act 1989;
- (b) its monitoring officer designated under section 5(1) of that Act;
- (c) a statutory chief officer mentioned in section 2(6) of that Act;
- (d) a non-statutory chief officer mentioned in section 2(7) of that Act;
- (e) a deputy chief officer mentioned in section 2(8) of that Act.

Local Government and Housing Act 1989 – Section 2

6) In this section “the statutory chief officers” means—

[(za) the director of children's services appointed under [section 18](#) of the Children Act 2004 and the director of adult social services appointed under section 6(A1) of the [Local Authority Social Services Act 1970](#) (in the case of a local authority in England);]

[(zb) the director of public health appointed under [section 73A\(1\)](#) of the National Health Service Act 2006;]

(a) the chief education officer . . . appointed under [[section 532](#) of the Education Act 1996] . . . [(in the case of a local authority in Wales)];

(b) *the chief officer of a fire brigade maintained under the [Fire Services Act 1947](#) and appointed under regulations made under section 18(1)(a) of that Act;*

(c) the director of social services [(in the case of a local authority in Wales)] or [chief social work officer] appointed under [section 6](#) of the Local Authority Social Services Act 1970 or [section 3](#) of the Social Work (Scotland) Act 1968; and

(d) the officer having responsibility, for the purposes of [section 151](#) of the Local Government Act 1972, [section 73](#) of the Local Government Act 1985, [section 112](#) of the Local Government Finance Act 1988[, [section 127\(2\)](#) of the Greater London Authority Act 1999] or section 6 below or for the purposes of [section 95](#) of the Local Government (Scotland) Act 1973, for the administration of the authority's financial affairs.

(7) In this section “non-statutory chief officer” means, subject to the following provisions of this section—

- (a) a person for whom the head of the authority's paid service is directly responsible;

(b) a person who, as respects all or most of the duties of his post, is required to report directly or is directly accountable to the head of the authority's paid service; and

(c) any person who, as respects all or most of the duties of his post, is required to report directly or is directly accountable to the local authority themselves or any committee or sub-committee of the authority.

(8) In this section "deputy chief officer" means, subject to the following provisions of this section, a person 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.

(9) 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 for the purposes of this Part.

Appointments and Conditions of Service Committee

(Extract from Nottingham City Council's Constitution Part 2: Responsibility for Functions and Terms of Reference)

- (a) to undertake the appointment process (long listing, short listing and formal interviews) (or to appoint a politically balanced panel to undertake long listing and short listing) in respect of the Chief Executive, Deputy Chief Executive and Corporate Directors, subject to having ascertained the views of the Executive Board in accordance with Standing Orders, to make recommendations to Council;
- (b) to approve the appointment of Chief Officers (as referred to in paragraph 1(a) of the Officer Employment Procedure Rules (Standing Orders on Employment Matters)
- (c) to determine the terms and conditions of City Council employees and procedures for disciplinary action and dismissal;
- (d) to designate Proper Officers;
- (e) to designate officers as Head of Paid Service, Section 151 Officer and as Monitoring Officer and to ensure the provision of sufficient staff and other resources;
- (f) to exercise any other personnel functions which cannot be the responsibility of the Executive;
- (g) to receive reports on action taken in respect of terms agreed for the Chief Executive, Deputy Chief Executive, Corporate Directors and the Senior Leadership Management Group (SLMG) leaving the employment of the Council where those terms included compensation;
- (h) to determine redundancies, ill health retirements, flexible retirements and terminations of employment by mutual agreement on grounds of business efficiency, under the 85 year rule, in the interests of the efficient exercise of the Council's functions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 ('the DCR') and any exercise of discretions to increase total LGPS pension and award additional LGPS pension for the Chief Executive, Deputy Chief Executive, Corporate Directors and Directors subject in the event of a proposed dismissal to relevant notification to the proper officer, and the Executive and relevant consultation with nominated elected members and relevant approval as specified in the Officer Employment Procedure Rules (Part 4);
- (i) to determine flexible retirements and terminations of employment by mutual agreement on the grounds of business efficiency, terminations of employment under the 85 year rule, in the interests of the efficient exercise of the Council's functions under the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 ('the DCR') and any exercise of discretions to increase total LGPS pension and award additional LGPS pension for any employee who is part of the Senior Leadership Management Group below the

level of Director. The Committee also determines terminations of employment by mutual agreement, and following consultation with the appropriate Portfolio Holder(s), on the grounds of business efficiency under the DCR for employees where any proposed compensation payment is in excess of £30,000;

- (j) to appoint an independent person to investigate matters of misconduct and capability involving the Head of Paid Service, Section 151 Officer and Monitoring Officer;
- (k) to approve any proposals for significant restructuring of the Council's management structure;
- (l) to approve any proposals from the Chief Executive for changes to salary levels (including ranges of salaries) for Corporate Directors and the Deputy Chief Executive.

NB - "Significant restructuring"

- (i) the transfer of a significant function between Council departments, or to an external body, or
- (ii) the addition or deletion of a Corporate Director or Director post to or from a department.

The Committee is accountable to Council, has 11 members (politically balanced (one place is reserved for the relevant Portfolio Holder (or their substitute) in relation to matters in respect of the appointment process for the Chief Executive and Corporate Director and the dismissal process for the Chief Executive).

Pay Scales - From 1 April 2016

A Living Wage Supplement will be applied to SCP 6-9 which increases the hourly rate to £7.85

Local Government Scheme				
Tier	Grade	Spinal Point	Salary (Apr 16)	Hourly Rate
6	GLPC-A	*06	£14,514	£7.52
		*07	£14,615	£7.58
	GLPC-B	*08	£14,771	£7.66
		*09	£14,975	£7.76
		10	£15,238	£7.90
	GLPC-C	11	£15,507	£8.04
		12	£15,823	£8.20
		13	£16,191	£8.39
		14	£16,481	£8.54
		15	£16,772	£8.69
		16	£17,169	£8.90
	GLPC-D	17	£17,547	£9.10
		18	£17,891	£9.27
		19	£18,560	£9.62
		20	£19,238	£9.97
		21	£19,939	£10.33
	GLPC-E	22	£20,456	£10.60
		23	£21,057	£10.91
		24	£21,745	£11.27
		25	£22,434	£11.63
26		£23,166	£12.01	
GLPC-F	27	£23,935	£12.41	
	28	£24,717	£12.81	
	29	£25,694	£13.32	
	30	£26,556	£13.76	
5	GLPC-G	31	£27,394	£14.20
		32	£28,203	£14.62
		33	£29,033	£15.05
		34	£29,854	£15.47
		35	£30,480	£15.80
	GLPC-H	36	£31,288	£16.22
		37	£32,164	£16.67
		38	£33,106	£17.16
		39	£34,196	£17.72
		40	£35,093	£18.19
GLPC-I	41	£36,019	£18.67	
	42	£36,937	£19.15	
	43	£37,858	£19.62	
	44	£38,789	£20.11	
	45	£39,660	£20.56	
4	GLPC-J	46	£40,619	£21.05
		47	£41,551	£21.54
		48	£42,474	£22.02
		49	£43,387	£22.49
		50	£44,313	£22.97
	GLPC-K	51	£45,242	£23.45
		52	£46,158	£23.92
		53	£47,090	£24.41
		54	£48,053	£24.91
		55	£49,017	£25.41

* Living Wage Supplement	£15,145	£7.85
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SLMG					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
3	SLMG6	£45,242	£49,017	23.45	25.41
	SLMG5	£49,450	£52,334	25.63	27.13
	SLMG4	£52,337	£59,014	27.13	30.59
	SLMG3	£59,018	£68,778	30.59	35.65
2	SLMG2	£68,781	£80,245	35.65	41.59
	SLMG1	£80,248	£91,705	41.59	47.53

Strategic Director					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
1	SDIR	£93,930	£107,060	48.69	55.49

Corporate Director					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
1	CDIR	£121,200	£146,100	62.82	75.73

Chief Executive					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
1	CX	£165,000	£185,000	85.76	96.15

Updated 13 June 2016

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PAY POLICY

Paragraphs (3) (6) and (9) of this Pay Policy are, where applicable, incorporated into individual employees' contracts of employment.

1. Scope of the Policy

This Policy applies to all employees whose terms and conditions are governed by the National Joint Council for Local Government Services (the 'Green Book') as supplemented and/or amended by the policies and provisions of the Council's People Management Handbook.

Paragraphs (2), (4.2), (5.2 – 5.3), (7 -11) of this Policy will also apply to employees covered by the following National Agreements:

- the Joint Negotiating Committee for Youth and Community Workers (JNC);
- the Soulbury Committee - Inspectors, Organisers and Advisory Officers of Local Education Authorities.

Paragraphs (2), (4.2), (5.2 – 5.3), (7 – 11) of this Policy will also apply to employees within the Strategic Leadership Management Group (SLMG).

Paragraphs (2), (4.2), (5.2 – 5.3), (7, 8, 10 and 11) of this Policy will also apply to employees covered by the following National Agreements:

- the National Agreement for Local Authority Craft and Associated Employees;
- the Theatrical Management Association / the Broadcasting Entertainment Cinematograph and Theatre Union (TMA/BECTU);

2. Principles

2.1 The purpose of this Policy is to ensure a fair, transparent and equitable pay system that is free from unlawful discrimination. All decisions made in respect of the Policy will be based on these principles.

2.2 The Policy will be applied in accordance with the roles and responsibilities of officers as set out in the Council's Constitution.

3. Pay System

3.1 The Council has adopted the Greater London Provincial Council (GLPC) system as its method to value all posts covered by the Green Book. The GLPC system measures all jobs on a systematic basis against a set number of factors. All relevant posts are evaluated under this system, and the job evaluation score then determines which pay grade and band a job is assigned to. The pay and grade structure is set out in the table below:

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Band	Grade	SCP Min	SCP Max
6	A	4	7
6	B	8	11
6	C	12	16
6	D	17	21
6	E	22	26
6	F	27	30
5	G	31	35
5	H	36	40
5	I	41	45
4	J	46	50
4	K	51	55

3.2 All grades A – K are assigned to one of three bands (4, 5 or 6). Bands 1, 2 and 3 are reserved for SLMG posts.

3.3 Each grade contains a range of spinal column points (scp) which defines the minimum and maximum pay range for each grade. The current values of each scp are available on the intranet and in Appendix 1 of the Pay Policy.

4. **Grading of posts**

4.1 All jobs are assigned to a grade following a job evaluation.

4.2 Where there is a business need to establish a new role or to fill a vacancy that has been empty for a significant period, the line manager will draft the job description, business case and the organisational chart in conjunction with the Job Evaluation Team who will advise whether there is an appropriate generic job description for the role available.

4.3 If a new evaluation is required then the job description will be sent to the Job Evaluation team for grading.

4.4 Where a regrade of an existing post is considered necessary, the revised job description, together with a summary of what changes have occurred to the job, should be sent to the Job Evaluation team.

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5. Appointments to new grade

- 5.1 Subject to paragraph 5.2, employees will normally start in a new grade on the minimum scp for the grade. No employee will be allowed to move above the maximum for their grade. New starters in grade who start between the 1st April and 30th September will receive an increment on 1 April the following year; new starters in grade between 1 October and 31 March will receive an increment after six months' employment in that grade. Thereafter, they will receive increments on 1 April each year until the maximum of the grade is reached.
- 5.2 In seeking to recruit from outside the organisation it is possible that there may be the need to offer more than the minimum of the grade. Where such pressures are acute, managers will have to make a judgement based on the relevant experience of the candidate, their potential value to the organisation against the impact on current staff, job description and the pay range for the role. Where a manager needs to offer more to attract the preferred candidate this will need to be detailed and approved in the business case. Factors such as the current salaries of other employees performing that role must also be detailed and considered as part of the business case. A record of all such decisions will be kept and discussed at Central Panel.
- 5.3 The Council will act in accordance with the Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations 2002. Managers should ensure there is no difference in treatment to permanent employees regarding pay.

6. Allowances

- 6.1 The following allowances (a – o) are the agreed adopted interpretation of those outlined in Part 3 paragraph 2 of the National Joint Council for Local Government Services, National Agreement on Pay and Conditions of Service (Green Book). These allowances apply to all employees covered by this part of the policy and cannot be varied on a local basis.

a) Overtime

- i Employees at or below scp 30 will receive the following enhancements for work undertaken beyond the normal working week:
- Monday – Saturday – Time and a half at basic rate
- Sunday and Bank Holidays – Double time at basic rate
- (Part-time employees must work 37 hours before they are entitled to overtime payments).
- ii In exceptional circumstances, there is discretion to pay overtime to employees above scp 30, but only where the overtime is planned. The rate to be paid for this overtime will be the normal hourly rate for the duties

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performed. Where managers are required to exercise this discretion the prior approval of the appropriate Head of Service and the HR Business Partner will be required in advance of the overtime being undertaken.

b) Saturday and Sunday Working

- i Employees above scp 11 but at or below scp 30 who are required to work on Saturday and/or Sunday as part of their normal working week are entitled to be paid at time and a half of basic pay for such hours worked.
- ii Employees at or below scp 11 who are required to work on Saturday and/or Sunday as part of their normal working week are entitled to the following enhancements:

Saturday – Time and a half at basic
Sunday – Double time at basic

c) Night working

- i Employees at or below scp 30 who work at night as part of their normal working week are entitled to receive an enhancement of time and one third for all hours worked between 11.00pm and 6.00am.

d) Public Holidays

- i Employees at or below scp 30 who are required to work on a public holiday as part of their normal working week shall, in addition to the normal pay for that day, be paid additional plain time rate for all hours worked within their normal working hours for that day. In addition, at a later date time off with pay shall be allowed as follows:

Time worked less than half the normal working hours on that day – half a day

Time worked more than half the normal working hours on that day – full day

- ii Overtime worked on a public holiday shall be paid at normal overtime rates.
- iii. For employees above scp 30, time off in lieu only will be applicable.

e) Sleep-in Duty

Employees who are required to sleep-in on the premises shall receive the nationally agreed rate set by the National Joint Council from time to time.

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This allowance covers the requirement to sleep-in and up to 30 minutes call out per night, after which the additional hours provisions will apply.

f) Shift working

No enhancement for shift working will be paid. Shifts that fall into unsocial hours (i.e. after 8.00pm and before 6.00am) or over a weekend will attract the appropriate enhancements as above for employees at or below scp 30.

g) Free and rest day working

Overtime rates will apply for employees at or below scp 30 who are required to work on a free or a rest day.

h) Evening working

Employees at or below scp 30 who are required to work after 8.00pm and before 11.00pm as part of their normal working week will be paid at basic rate plus five percent for all hours worked between those times.

i) Recall to work

- i Employees at or below scp 30 will receive a minimum of two hours pay at basic rate for the first call-out session. Any hours worked over the first two hours (including travel time) and subsequent call outs in the same session will receive the appropriate overtime.
- ii Employees above scp 30 will receive time off in lieu for the actual time spent at work in addition to travel time of up to 60 minutes accumulated and calculated to the nearest quarter of an hour.
- iii Where the time spent at work (i.e. any recorded working time) is in excess of the statutory unpaid rest periods set out in the Working Time Regulations 1998, compensatory unpaid time off will be provided.

j) Standby Duty

To return to work

- i The nationally agreed stand-by rate per session will be paid to employees who are on a standby-by duty rota to provide services out of hours. A session equates to any period of 24 hours or less. Employees on standby to return to work must:
 - be directly contactable;
 - remain fit and capable to return to work to undertake duties required;
 - be immediately available to return to work; and

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- be able to arrive at work within 45 minutes of being notified.

On call to provide telephone support

- ii The nationally agreed standby rate per session will be paid to employees on a standby duty rota to provide telephone support out of hours. A session equates to any period of 24 hours or less. Employees on call to provide telephone support must:
 - be directly contactable; and
 - remain fit and capable to undertake the duties required.
- iii The session payment covers the period on call and any calls amounting to less than one hour. Any calls in excess of one hour should be recorded as working time and claimed in accordance with normal additional hours or overtime payments as appropriate for employees at or below scp 30. Time off in lieu will be given for those above scp 30.
- iv Where the time spent at work (i.e. any recorded working time) is in excess of the statutory unpaid rest period entitlements defined in the Working Time Regulations 1998, compensatory unpaid time off will be provided.

k) Unavoidable split shift or split duty working

No enhancement for split shift or split duty working will be paid.

l) Irregular Hours working

No irregular hours payments will be paid.

m) Lettings

Payments will be made to those responsible for opening and closing school premises let out after normal hours in accordance with the arrangements set out in the East Midlands Provincial Council agreement.

n) Client Holidays

An allowance of £50 per day will be paid to employees accompanying clients on holiday.

o) Unpaid Lunchtimes/Provision of Meals

- i All lunchtimes will be unpaid unless a business case exists for employees to eat with clients sufficient to provide a Genuine Material Factor defence for the payment and such activities have received prior approval from the employee's manager.

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- ii Meals will not be provided to any member of staff unless a clear business case exists for the employee to eat a meal with the client sufficient to provide a Genuine Material Factor defence for the provision of the meal and such activities have received prior approval from the employee's manager.

- 6.2 In the event that more than one allowance could be applied, then it is only the highest allowance that applies.
- 6.3 Allowances for unsocial hours will not be payable for periods of sickness absence or for contractual annual holidays (over and above the statutory minimum under the Working Time Regulations) so as to avoid creating equal pay liabilities.
- 6.4 No other allowances will be paid to employees covered by the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service (Green book).

7. Allowances for temporary additional duties or responsibilities / acting up allowances

- 7.1 This section sets out the principles under which additional payments should be made to employees who temporarily undertake additional duties and responsibilities or act up in a higher graded post. The opportunity to act-up can provide employees with a valuable opportunity to develop skills and gain experience in preparation for possible future promotion. For this reason the process for acting up arrangements needs to be transparent, fair and in keeping with the Council's responsibilities for equality, and in line with the principles of People Plus. Employees are entitled to be fairly rewarded on the basis outlined below for being asked to undertake additional responsibilities which are above and beyond the scope of the grade of their post.
- 7.2 In many cases, the absence of a senior officer means that additional duties are shared by a number of employees. Payment of an allowance is only appropriate where additional responsibilities of a higher grade have been undertaken, not simply an increase in the volume of work. The process set out below must be followed.
- 7.3 Employees who undertake agreed additional duties and responsibilities for longer than one month will be entitled to a temporary allowance as follows:
- If undertaking 100% of a higher graded post then an allowance equivalent to the minimum point of the higher graded post.
 - If undertaking less than 100% of the responsibilities of the higher graded post then a job evaluation exercise will be required to determine whether the additional responsibilities justify a temporary allowance equivalent to a higher grade.

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- If the additional responsibilities of a higher graded post are shared between a number of employees then a job evaluation exercise for each affected employee will need to be undertaken by the Job Evaluation Team to determine whether the additional responsibilities justify a temporary allowance equivalent to a higher grade.

7.4 Acting up allowances are payable only where an employee takes on the full duties and responsibilities of a higher graded post for a continuous period of at least one month. This may occur as a result of:

- temporarily filling a post until a substantive appointment can be made;
- filling a key post while another employee is on maternity leave;
- filling a key post to cover long term sickness absence;
- filling posts due to other temporary extended leave arrangements e.g. secondments.

Authorisation and payment

7.5 Where a manager believes that payment of a temporary allowance for additional duties and responsibilities or an acting-up payment is appropriate, they should seek the authorisation of their Director and HR Business Partner to check that the conditions outlined above have been met. In addition, the manager must confirm this in writing with the employee and the employee must be asked to sign the letter to indicate their acceptance of the temporary change to their contract of employment. The letter should indicate an end date for the payment of the allowance if known, or the circumstances on which the allowance is likely to end, e.g. when a certain employee returns to work.

7.6 Subject to 7.7, payment will be based on the difference between the employee's substantive pay and the bottom point of the grade of the new duties being undertaken and, if less than 100%, the percentage time spent on these new duties. Where an employee is undertaking 100% of the duties of a higher graded post (i.e. acting up arrangements) payment should be based on the salary which would apply were the employee to be promoted to the higher level post, which would normally be the bottom point of the higher graded post.

7.7 Employees who are on protected salaries who undertake duties of a higher grade than their evaluated grade, but not higher than their protected salary are not entitled to receive any additional pay. They should still be encouraged to undertake the opportunity of acting up/additional duties and responsibilities as part of their development to assist them in improving their promotion prospects.

7.8 Temporary allowances should be implemented without unreasonable delay once the qualifying conditions are met, and will be backdated to the agreed start date of the additional duties and responsibilities/acting up arrangement. However, where possible the authorisation process should take place in advance of the arrangement commencing.

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- 7.9 Payments should be funded from cost centres' employee budgets and therefore managers are reminded to be aware of the financial implications of any decisions in relation to how they cover for employee absences. In particular they should consult HR and Finance before making any decisions

Timescales and ending the arrangement

- 7.10 Wherever possible, the likely duration of the additional duties and responsibilities / acting up arrangement should be indicated before it commences. If this is not possible, the arrangements should be regularly reviewed. It must be remembered that this is a temporary arrangement and should not normally be allowed to exceed 12 months.
- 7.11 Performance of the additional duties and responsibilities or in the acting up position should be regularly reviewed in conjunction with the employee who may need additional training and support, and in line with good management practice. If concerns regarding performance do arise then these should be discussed before the decision is taken to end the arrangement.
- 7.12 At least one week's notice of the end of the arrangement should be given and a further letter confirming the change of circumstance needs to be issued by the manager. In addition, the manager needs to confirm the end of the arrangement with the Employee Service Centre (ESC) to ensure that the temporary allowance for undertaking additional duties and responsibilities/acting up is ended. Settling back in to their original role can be difficult for an employee and managers need to be sensitive to potential problems in this respect. There is no automatic right to the substantive post for employees who have acted up. However, employees who have acted up in a post who are not subsequently appointed following competitive interviews must receive constructive feedback as to why they were not successful.

Subsequent promotion to the higher grade following acting-up arrangement

- 7.13 If an employee is subsequently promoted to the higher graded post they have been acting up into, periods of acting up will be taken into account when deciding the point on the salary scale on which they are appointed.

Covering the workload of the person acting up

- 7.14 Options for this include redistributing duties, appointing a temporary employee, looking for another employee to act up or second into their post. These options should be discussed with Human Resources before they are implemented.

8. Market Supplementation

- 8.1 This section derives from the need to consider market forces in relation to the pay and grading arrangements. Market supplementation is a means of making

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additional payments or providing enhanced benefits to employees without breaching equal pay legislation or deviating from the principles of job evaluation.

- 8.2 This policy explains the circumstances in which market payments or other recruitment and retention based benefits may be applied and the process for discharging them.

Compiling a case

- 8.3 Market supplementation will only be applied where there is strong evidence that pay for a specific role(s) is impacted by an inability to recruit or in some cases is a cause of high turnover.
- 8.4 Cases must be put forward to the Strategic Director of Organisational Transformation by the appropriate Director or Head of Service (2nd or 3rd tier) and must have been endorsed by their Corporate Director (or Chief Executive for Corporate Directors).
- 8.5 The case presented should address as a minimum the following criteria and should also present details of the level of payment and/or benefit proposed:
- a) Evidence of difficulty in recruiting, which may include:
- Number of times a post has been advertised unsuccessfully
 - Media used
 - Cost incurred
 - Number of responses
 - Summary of gap between the person specification requirements and the quality of applicants
 - A particular skills shortage in the Nottingham area for that type of job.
- b) Evidence for high turnover, which may include:
- Exit interviews indicating pay as a significant reason for leaving
 - Turnover as actual figures as a percentage in comparison with turnover rates with other comparable organisations.
 - Average length of service of leavers compared with average length of service for organisation.
 - Evidence of high internal staff turnover.
- 8.6 The manager will, in all cases, need to present evidence from current pay surveys to demonstrate that the level of pay for comparable posts in other locally comparable organisations is significantly higher than in Nottingham City Council. For example, the manager should be able to provide examples of comparable jobs with similar duties, competence requirements, management span, location in structure and budgetary responsibilities. It is not enough for the title alone to be compared. Comparisons must be based on the whole package (i.e. including

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leave entitlement, pension, bonus and other benefits) not just salary. Where exact comparisons are not possible, the case should state that data does not exist and provide the best data available as part of a robust business case. Geographical evidence on a comparable regional basis would normally only be appropriate to Band 4's and higher.

- 8.7 Evidence that other measures have been considered to support retention, for example, development opportunities will be useful and should be included to support the business case. Further advice on compiling a case is available from HR Business Partners.
- 8.8 Submitted cases must include details of the numbers of posts affected, the types and mix of supplementation proposed, the proposed level of supplementation, the methodology for discharging the supplementation, the basis for withdrawal and the total cost implication (to include equivalent cash value for non-pay benefits).
- 8.9 Submitted cases must state how it is proposed to fund the cost of supplementation. There is no central budget for market supplementation. Costs must be accommodated within existing departmental budgets.

Financial Considerations

- 8.10 The salary for the post, together with any market payments and/or benefits that are of a recurring nature, must not exceed 15% above grade maximum when equated to an annual sum in any one year. Examples of recurring market supplementation include regular payments added to substantive pay and increased annual leave. It will therefore be necessary to calculate the equivalent cash value for non-pay benefits to ensure that the 15% maximum is not exceeded.
- 8.11 Market supplementation that is of a 'one-off' nature such as 'Golden Hellos' must not exceed 15% above grade maximum when equated to an annual sum in any one year.
- 8.12 Managers should be aware that it is unlikely that market payments of a recurring nature that amount to a cash value in excess of £5000 pa will be approved.
- 8.13 Market supplements will be paid as a percentage amount on top of the appropriate scp. The percentage applies to the whole of the scp range for the post and the position of the employee within that should be in line with the normal rules for appointment i.e. normally to the minimum of the scp range. The percentage amount will be calculated as a premium and applied equally to all posts covered by the market supplement (subject to the requirements in para. 8.22) whichever scp within the pay grade individuals happen to be on at the time the market supplement is approved.

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- 8.14 Under no circumstances must spinal column points be used as a means of paying a market supplement.
- 8.15 Market supplement payments of a recurring nature will usually be paid in equal instalments in addition to basic pay. Arrangements for discharging other payments and/or benefits will be as incorporated and approved in the original case put forward by the Head of Service.
- 8.16 Pay awards will not apply to the market supplement. The value of market supplementation can only alter following review and approval. All market supplements must be reviewed on an annual basis to ensure that the Genuine Material Factor defence still exists for the payment.

Contractual considerations and review

- 8.17 Market supplements are non-contractual discretionary payments and are subject to review. Employees should be made aware of the fact that they have no contractual entitlement to the market supplement and that receipt of the market supplement in one year does not entitle them to receive a market supplement in a subsequent year.
- 8.18 The market supplement will be subject to a review between 12-24 months after commencing, alongside any new cases. This is to ensure that any changes that occur in the job market are reflected. The review may result in no change, an increase, decrease or cessation. The contractual position must make this clear and specify the review period. Due to the nature of one-off payments, such as 'Golden Hellos', review may not be appropriate unless they are linked to other requirements such as; remaining in post for a minimum length of time. Any such linked requirements should be stated clearly in the submitted case and in the contractual documentation.
- 8.19 The full case, together with up to date salary and any other change data, must be submitted for the review. It is the Head of Service's responsibility to re-submit the case – reminders will not be sent. The supplementation will cease automatically if the case is not re-submitted.

Withdrawing the market supplement

- 8.20 If following review it is decided that recurring market-based supplementation, including any pay and benefits should cease, this should be withdrawn on an immediate basis.

General

- 8.21 The appropriate trade unions should be consulted when agreeing and terminating a market supplement.

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- 8.22 Market supplementation will apply to all identical posts across the organisation, unless specific locations are identified in the case put forward. Supplementation will not just apply to vacant posts. However, the fact that a post has been awarded market supplementation will not be justification for related posts to receive additional pay. Individual cases for individual posts must be made.
- 8.23 When advertising a post that is in receipt of market supplementation, the advert must indicate the actual grade salary of the role plus the additional market supplementation element(s) on top of this. Advice should be sought from HR if any clarification is required.
- 8.24 Individual recipients of market supplementation may raise concerns over the process as described in this policy, using the grievance procedure.

Roles and responsibilities

- 8.25 Heads of Service and above (Bands 1, 2 and 3) are responsible for compiling and submitting cases, resubmitting them on an annual basis if required and consulting with the trade unions. In completing their cases the Head of Service can call on their HR Business Partners to provide advice and guidance.
- 8.26 The decision for considering and approving cases rests with the Strategic Director of Organisational Transformation and is final.
- 8.27 The ESC are responsible for implementation of the market supplement. Market supplementation requests should be submitted to the ESC together with a copy of the relevant business case, signed off by the Strategic Director of Organisational Transformation.

Monitoring and evaluation

- 8.28 Evaluation, decision making and monitoring will be the responsibility of the HR Function and will be shared at Central Panel.

9. Pay Protection

- 9.1 Employees who are redeployed into a lower graded post as a result of a formal restructuring or because they are at risk of redundancy may receive pay protection for a period of not more than one year (the 'protection period'). Pay protection will only apply where the employee is redeployed into a job not more than two grades below the employee's previous grade. (Where an employee is redeployed because they are unable to fulfil the duties of their existing job because they are disabled within the meaning of the Equality Act 2010 (and any reasonable adjustments have been considered), they will be treated no less favourably in terms of the pay protection than employees who are redeployed because they are at risk of redundancy.)

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- 9.2 Employees will be moved to the maximum point of their new grade and will receive the difference in salary between the two roles as a protected element in addition to their new basic salary. Employees will receive pay awards on their new basic salary but not on the protected element.
- 9.3 Pay protection will be calculated on contracted hours and will only be payable while the employee performs the post to which the pay protection element applies.
- 9.4 Where an employee's normal working hours are decreased during the protection period, the pay protection element will be pro rated accordingly.
- 9.5 In certain circumstances, where an employee temporarily reduces their hours the pay protection element will be temporarily reduced. If the employee increases their hours again within the pay protection period, the pay protection element will increase in line with the employee's increase in hours with the proviso that the employee's overall pay (inclusive of the pay protection element) will not increase to a level that is higher than the initial pay protected salary. Such cases may include situations where a woman returning from maternity leave wishes to return on reduced hours temporarily gradually increasing her hours over a defined period.
- 9.6 Subject to 9.5 and 9.10, where an employee's normal working hours are increased during the protection period the pay protection element will not change. However, where the increase in hours allows the employee to maintain their former basic salary, the pay protection element will cease.
- 9.7 Where an employee is promoted to a higher grade during the protection period the employee shall be placed on the SCP in the grade which is equal to the protected salary and pay protection will cease. (Where no such SCP exists, the employee shall be placed on the lowest SCP in the grade which has a salary greater than the protected salary. Where neither of these is possible, the employee shall be placed on the highest available SCP in the grade and any pay protection element remaining shall be paid for the remainder of the protection period.)
- 9.8 Pay protection will cease automatically when the protection period ends. If pay protection is continued beyond the protection period in error, the Council reserves the right to recover any overpayment made in accordance with Section 10 of this policy.
- 9.9 Where an employee undertakes additional duties and responsibilities over and above their new grade the pay protection element must be taken into account in accordance with paragraph 7.7 of this policy before any additional payment is considered.
- 9.10 Only an employee's basic salary will be protected. An employee's previous terms and conditions, including any contractual allowances and market

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supplementation payments, will not be protected. Similarly, an employee's previous hours will not be protected. Where an employee is redeployed into a lower-graded post which carries more hours, protection will not apply where the increase in hours enables the employee to maintain their former basic salary.

- 9.11 Pay protection will not apply where an employee is downgraded due to misconduct or capability.
- 9.12 Nothing in this Policy shall entitle an employee to receive any pay protection which amounts to a sum greater than their actual financial loss.

10. Overpayments

- 10.1 On occasion, overpayments of salary or expenses may occur as a result of administrative oversight, error or late notification of payroll changes. After an investigation of the facts, recovery of the overpayment will be the normal approach taken where an overpayment of salary or expenses is discovered.

Is the overpayment recoverable?

10.2 Under the Employment Rights Act 1996, an employer is entitled to deduct from an employee's wages (even without the consent of the employee) an overpayment of wages made to the employee as long as recovery is lawful under general legal principles. In order to decide whether recovery is lawful there needs to be an investigation of the cause and surrounding circumstances of the overpayment including the wording of any contractual documentation.

10.3 Overpayments are normally recoverable. There may be circumstances where the Council considers writing off an overpayment, but these will be rare and, as a minimum, the following would need to apply:

- The employer has led the employee to believe that he or she is entitled to treat the money as his/her own, **and**
- The employee has, in good faith, changed his or her position (i.e. spent the money believing it to be his or her own), **and**
- The overpayment was not caused primarily by the fault of the employee.

10.4 An example might be where an employee has queried their pay with the ESC and been assured that the calculation is correct and the money due to the employee. Another example where the employee may have acted in 'good faith' is where an overpayment is made consistently over a substantial period, and the amount overpaid each month is a relatively small amount and not reasonably identifiable to the employee as an overpayment.

Guidelines for recovery

10.5 Recovery of overpayments will be the normal approach in the majority of cases. There may be circumstances when partial repayment or writing off the

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overpayment is considered, for example, where the employee can demonstrate that they did not know, nor could reasonably have known, that an overpayment had occurred.

- 10.6 However an overpayment comes to light, the ESC must be notified in all instances. The ESC will write to the employee's manager with a written explanation of the overpayment which will detail, where relevant:
- How the overpayment occurred
 - Over what period overpayment occurred
 - The total amount overpaid
 - The net amount to be repaid once deductions for tax and NI are taken into account.

A letter, containing the same information, will be sent to the employee enclosing an Overpayment Recovery Option (ORO) Form.

- 10.7 The employee's manager, having sought advice from HR, should (where the need arises) meet with the employee to discuss the overpayment and how this is to be resolved. An employee may choose to be accompanied at this meeting by a trade union representative or a work colleague if they wish.
- 10.8 The method of recovery of the overpayment could be decided at this meeting having regard to the options which are:
- (a) A one-off payment for the full amount via salary deduction;
 - (b) A cheque payment for the full net value payable to Nottingham City Council; or,
 - (c) In regular instalments via salary deduction.

In discussing the options with the employee, managers should have regard to Financial Regulations which stipulate that the maximum recovery period for overpayments should not exceed 12 months unless the Chief Finance Officer has agreed an extended period in exceptional circumstances.

- 10.9 The employee should return the ORO Form to the ESC with their preferred recovery method. Although the employee's written consent to the recovery of the overpayment is not legally required, it is good practice to try and obtain written agreement for overpayments. Where the employee does not return their ORO Form or indicate their preferred recovery method within the timescales specified, recovery of the overpayment will proceed on a default basis. The default recovery method is option (c).
- 10.10 In implementing an overpayment recovery arrangement, Nottingham City Council will act reasonably and in all cases of recovery, the amount being repaid must not result in the employee's basic hourly rate falling below the national minimum wage.

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- 10.11 It is important that overpayments are handled fairly and consistently to avoid any hint of favouritism or unlawful discrimination. It is not acceptable to pursue overpayments for some employees but agree to 'write them off' for others. Managers should not allow employees to work additional hours and receive paid overtime as a way of 'paying off' the overpayment. If overtime is necessary and approved this is a separate matter and should not be used to offset the amount owed by the employee who has been overpaid.
- 10.12 If there are compelling reasons why the overpayment is not to be recovered the manager should discuss the reasons for non-recovery with the ESC and prepare a report outlining the rationale to be forwarded for consideration by the Chief Finance Officer. The ESC will need to be advised by the appropriate manager not to pursue the overpayment until the report has been considered and a decision communicated.

The process for school-employed staff

- 10.13 While it is expected that the principles of this guidance are followed for school-employed staff, the method of recovery may differ depending on the nature of the buy-back arrangements for HR/Payroll Services with the school in question.

Disputes

- 10.14 Where an employee disputes the overpayment or the proposed recovery arrangement, legal advice may be sought on the matter.

Overpayments where the employee is no longer employed or is on notice

- 10.15 Where an employee leaves the employment of the Council within the period of an overpayment recovery arrangement, where appropriate any outstanding balance will be deducted from their final pay. Where final pay is not enough to cover the amount of the overpayment, then the outstanding amount will be due to be repaid to the Council within one month after termination of employment.
- 10.16 Where an employee has been overpaid and has subsequently left the employment of the City Council, any outstanding balance will be dealt with as a sundry debt.

Confidentiality

- 10.17 The confidentiality of employees will be strictly preserved in any overpayment situation and the details of the overpayment and the recovery arrangement will be released on a strict need-to-know basis.

11. Responsibilities in applying the pay policy

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Directors

- 11.1 The day to day operational management of pay rests with Directors who are accountable for their budgets. It is therefore the Director's responsibility to ensure that all pay decisions are equitable, reasonable, and affordable, within the existing budget and within Nottingham City Council's pay policy.

Managers

- 11.2 Due to the risk that equal pay poses managers must apply the pay policy in all cases and must not make payments that do not accord with it. Any proposals to make payments outside of this policy must be agreed by the Strategic Director of Organisational Transformation and be signed off by CLT and Central Panel.

The Employee Service Centre

- 11.3 The ESC will not make payments that are not in accordance with this policy without the permission of the Director of HR.

Appendix 1 - Pay Scales

Pay Scales - From 1 April 2016

A Living Wage Supplement will be applied to SCP 6-9 which increases the hourly rate to £7.85

Local Government Scheme				
Tier	Grade	Spinal Point	Salary (Apr 16)	Hourly Rate
6	GLPC-A	*06	£14,514	£7.52
		*07	£14,615	£7.58
	GLPC-B	*08	£14,771	£7.66
		*09	£14,975	£7.76
		10	£15,238	£7.90
		11	£15,507	£8.04
	GLPC-C	12	£15,823	£8.20
		13	£16,191	£8.39
		14	£16,481	£8.54
		15	£16,772	£8.69
		16	£17,169	£8.90
		17	£17,547	£9.10
	GLPC-D	18	£17,891	£9.27
		19	£18,560	£9.62
		20	£19,238	£9.97
		21	£19,939	£10.33
	GLPC-E	22	£20,456	£10.60
		23	£21,057	£10.91
		24	£21,745	£11.27
		25	£22,434	£11.63
26		£23,166	£12.01	
GLPC-F	27	£23,935	£12.41	
	28	£24,717	£12.81	
	29	£25,694	£13.32	
	30	£26,556	£13.76	
5	GLPC-G	31	£27,394	£14.20
		32	£28,203	£14.62
		33	£29,033	£15.05
		34	£29,854	£15.47
		35	£30,480	£15.80
	GLPC-H	36	£31,288	£16.22
		37	£32,164	£16.67
38		£33,106	£17.16	
39		£34,196	£17.72	
GLPC-I	40	£35,093	£18.19	
	41	£36,019	£18.67	
	42	£36,937	£19.15	
	43	£37,858	£19.62	
	44	£38,789	£20.11	
	45	£39,660	£20.56	
4	GLPC-J	46	£40,619	£21.05
		47	£41,551	£21.54
		48	£42,474	£22.02
		49	£43,387	£22.49
		50	£44,313	£22.97
	GLPC-K	51	£45,242	£23.45
		52	£46,158	£23.92
		53	£47,090	£24.41
		54	£48,053	£24.91
		55	£49,017	£25.41

* Living Wage Supplement	£15,145	£7.85
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SLMG					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
3	SLMG6	£45,242	£49,017	23.45	25.41
	SLMG5	£49,450	£52,334	25.63	27.13
	SLMG4	£52,337	£59,014	27.13	30.59
	SLMG3	£59,018	£68,778	30.59	35.65
2	SLMG2	£68,781	£80,245	35.65	41.59
	SLMG1	£80,248	£91,705	41.59	47.53

Strategic Director					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
1	SDIR	£93,930	£107,060	48.69	55.49

Corporate Director					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
1	CDIR	£121,200	£146,100	62.82	75.73

Chief Executive					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
1	CX	£165,000	£185,000	85.76	96.15

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Appendix 2 – Variations to the Policy

In certain circumstances, the Council will agree a variation to the above policy for certain groups of staff. These variations will be agreed by Central Panel or such other body as agreed. They must comply with Equal Pay law and have no taint of discrimination for the basis of them or their application.

All requests for any variations to the policy must have a full business case provided and have been agreed with the relevant HRBP and the appropriate HR Corporate team.

The current agreed variations are:

Market Supplementation – Exemptions to Section 8 of the Pay Policy

Commercial & Operations

Aerobics Instructors

A market supplement will apply to pay an overall rate of £16.07 per hour inclusive of any enhancements for evening and weekend working. This supplement is subject to review in accordance with Section 8 of this policy.

(Review 25 November 2016).

Tree Officer/Tree Manager

To pay a market supplement of between £3,554 and £3,943 to the Officer post and between £4,646 and £5,000 to the Manager post, depending on which SCP the post holder is appointed to, in order to increase salary by 15% to bring it in line with the external market.

(Review 30 September 2017).

Plant Operations Engineer

To pay a market supplement of £2,481 per annum to increase salary in line with the external market and facilitate recruitment into this post.

(Review 01 January 2019).

District Heating Manager

To pay a market supplement of £6,570 pa for recruitment and retention purposes.

(Review 23 March 2017)

Children and Adults

Approved Mental Health Practitioners

A market supplement of £1750 per annum (pro rata for part time workers) will be paid to Approved Mental Health professionals whose duties include participation in an AMPH rota to undertake mental health assessments and, where necessary, admit clients to hospital for compulsory psychiatric assessment. This market supplement is subject to review in accordance with Section 8 of this policy.

(Review 23 January 2017).

Social Workers

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A market supplement will be applied to Level 2 and Level 3 Social Worker posts within Children's Services to increase them to levels that are more competitive with the wider market. The market supplement provides for a percentage increase, on a sliding scale that would bring the salary in line with market rates at a starting point of £29,558 at Level 2 and £33,857 at Level 3. This market supplement is subject to review after 18 months.

(Review 31 August 2016).

Independent Reviewing Officers (IROs)

A market supplement will be applied to the IRO post to increase the salary to £39,500. The amount of the market supplement will vary depending on the level of individual post holders' substantive salaries.

The Market Supplement has been agreed on the following basis:

- It is reviewed alongside the Social Worker market supplement listed above
- Any changes made to the pay policy would potentially over-ride the decision taken to pay a market supplement
- As part of the broader workforce review for Children's Services, consideration is given to create capacity through job redesign and focus to enable available resources to be sufficient to meet current and future demand.

(Review 31 August 2016).

Priority Families Co-ordinator

A market supplement of £5,000 per annum, payable quarterly on the basis of performance targets having been met.

Approval for future payments of this market supplement in quarterly instalments will be granted subject to the provision of further evidence that targets continue to be met at the end of each quarter.

(Review – end of each quarter)

Development & Growth

Portfolio & Investment Manager and Portfolio Development Manager

A market supplement has been agreed to pay holders of these posts £42,053 per annum in line with market rates. This amount will be subject to cost of living and pay award increases.

(Review 1 November 2016)

Strategic Regeneration Co-ordinator

A market supplement has been agreed to increase the salary for this post to the equivalent of SLMG1 in line with market rates.

(Review 12 November 2017)

Senior Estates Surveyor

A market supplement has been agreed to pay holders of these posts £34,746 per annum in line with market rates.

(Review 5 January 2017)

Organisational Transformation

Transformation and Change Manager

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A market supplement has been agreed to pay the post holder an additional £5,000 per annum in line with market rates.
(Review 31 March 2016)

Public Health

Governance Pharmacist

A market supplement has been agreed to pay the post holder an additional £7,360 per annum in line with market rates.
(Review 04 March 2017)

Night Working - Exemptions to Section 6 of the Pay Policy

Children and Adults

Emergency Duty Team

The discretion to pay enhanced rates for night time working will be applied to staff employed in the Emergency Duty Team in the form of a 20% plussage.
(Review 1 August 2016.)

Overtime - Exemptions to Section 6 of the Pay Policy

Children and Adults

Social Work Practice Educators

Social Workers engaged in Social Work Practice Educator and PQ Mentor/Assessor type work will receive a fixed rate lump sum payment based on completion of work. There will be four levels of payment, depending on the level of assessment undertaken. Payment will be made on completion of an assessment. Assessors are unlikely to undertake more than one or two assessments per year. This agreement is subject to review after 24 months.
(Review 7 October 2017).

Children's Residential Managers above scp 30

Those managers required to work overtime will receive overtime rates in line with the above policy at Section 6.1 (a)(ii) instead of time off in lieu (TOIL).
(Review 23 January 2017)

Emergency Duty Team

Employees below SLMG level and above scp 30 will be able to access overtime in accordance with Section 6.1 (a)(ii) of the Pay Policy for participating in the EDT On Call Rota where the additional hours cannot reasonably be contained within normal TOIL provisions.
(Review 1 August 2016)

Occupational Therapy

All Occupational Therapy Colleagues below SLMG level and above scp 30 to be able to receive overtime payments in accordance with Section 6.1(a)(ii) of the Pay Policy, for a fixed period in order to reduce citizen waiting lists for Occupational Therapy in line with the Adult Social Care Improvement Programme.
(Review 31 March 2016)

Issued November 2010; Revised October 2013, Revised November 2013, Revised January 2014, Revised August 2014, Revised Nov 2014, Revised Feb 2015, Revised Nov 2015, Revised April 2016

CAMHS Team Managers

To allow payment of overtime for Team Managers in CAMHS for a temporary period in order to cover for staff shortages.

(Review 30 April 2016)

Approved Mental Health Practitioners (AMHPs)

To allow overtime payments to be made to AMHPS as TOIL is unsustainable due to amounts accrued. This will be a temporary solution whilst a longer-term strategy is identified and put in place

(Review 31 March 2016)

Commercial & Operations

Enviro-Energy

To allow overtime payments to be made to a specific group of Enviro-Energy roles although they are graded above SCP 30. The applicable posts are:

- Lead Engineers
- Plant Operations Engineers
- Plant Operations Manager
- Network Manager
- Maintenance Manager

(Review 04 January 2017)

Tool Allowance

A tool allowance of £30.77 per month is payable to Engineers (Fitter/Technicians) who work in the Commercial Workshops. This will be based upon the following criteria:

1. Engineers must require tools to effect repairs on an everyday, regular basis.
2. Undertaking purely inspections e.g. for MOT purposes, is not sufficient business grounds.
3. Undertaking occasional repair work, when employed in the capacity of Workshop Supervisor, is not sufficient.
4. Apprentices are not required to supply their own tools during their training period and therefore are excluded for their first three years of their Apprenticeship. At the start of their fourth year, Apprentices will be expected to start to take on more inclusive role within workshops starting to work on their own, adding value and returning income back to Fleet Services. Therefore Fourth Year apprentices will qualify for the allowance (cost recovered by income).
5. Engineers who are rostered on call – for out of hours breakdowns and assistance to Internal and external customers will qualify (cost recovered by income).
6. Intermediate Fitter/Engineers/Mechanics (semi-skilled engineers), a new post created within Fleet Services in 2015 will qualify for the allowance.

The amount of the allowance will be increased in line with the national craft worker agreement.

Issued November 2010; Revised October 2013, Revised November 2013, Revised January 2014, Revised August 2014, Revised Nov 2014, Revised Feb 2015, Revised Nov 2015, Revised April 2016

(Review 25 November 2016)

Sports Coaches

(Exemption to Sections 6 and 8 of the Pay Policy)

A market supplement will apply to pay an uplift of 15% to the hourly rate for Sports Coaches, inclusive of any enhancements for evening and weekend working. This supplement is subject to review after 24 months.

(Review 30 September 2016)

Issued November 2010; Revised October 2013, Revised November 2013, Revised January 2014, Revised August 2014, Revised Nov 2014, Revised Feb 2015, Revised Nov 2015, Revised April 2016

Appendix 6: Matrix of Terms and Conditions

Terms and Conditions (as at 30 September 2016)	Chief Executive	Other Chief Officers	LGS Employee
Basic Pay ¹	✓ Contractual Current pay £161,600 Range £165,000 - £185,000	✓ Contractual Range £45,242-146,100	✓ Contractual Range £14,514-49,017
Performance Related Pay ²	X	X	X
Incremental progression (frozen since 2011/12; however was paid to colleagues on grades A-D in 2014/15 and 2015/16. This has since 01.04.16 been frozen for all colleagues)	X	X	✓
Annual cost of living increase (nationally negotiated – frozen for chief officers for 5 years prior to 2015. Pay award of 1% applied to LGS, Chief Officer and CEX from 1 April 2017. Those on SCP 6-17 received an increase of between 10.28-2.30%)	✓	✓	✓
Market Supplement Payment (Restricted - based on business case requiring evidence. Approval by Director of HR and Transformation. Reviewed every 12-24 months)	✓ but not in receipt of payment and historically never offered to the Chief Executive	✓ as at 30 Sept 2016 one Chief Officer was in receipt of payment totalling £4,774.98	✓
Overtime, evening, weekend, night working payments	X	X	✓ Contractual
Out of hours, recall to work, standby payments, critical incidents, sleep in duty, shift working, client holidays payments	X	X as at 30 Sept 2016, one Chief Officer was in receipt of standby payments totalling £528.60, however they are not on SLMG terms and conditions	✓ Contractual
Acting up allowances, honoraria and ex gratia payments	X	✓ As at 30 Sep 16, nine Chief Officers were in receipt of payments totalling £31,337.61 between them.	✓
Monitoring Officer Payment (statutory duty) ³	X	X payment no longer made as now incorporated into one Corporate Director role	X
Returning/Counting Officer Payment (to run elections) ⁴ or Election Duty Payments	✓ payment made for National Referendum and	✓ if acting as deputy, this payment is paid out of the	✓ if working on elections

¹ See Appendix 4 for pay bandings

² A competency based pay scheme was in operation for SLMG managers until 1 April 2011 where it was removed

³ This payment is being made to fulfil a statutory obligation and paid to one Chief Officer

Terms and Conditions (as at 30 September 2016)	Chief Executive	Other Chief Officers	LGS Employee
	Police & Crime Commissioner election – but not paid by NCC	Returning Officer's personal fee	
Bonus payments	X	X	X
Redundancy Payment (same multiplier criteria used for all groups)	✓	✓ As at 30 September 2016, one Chief Officer received a redundancy payment totalling £12,825	✓
Efficiency Payment (same criteria used for all groups) ⁵	✓	✓	✓
Relocation Payments	✓	✓ As at 30 Sept 2015, no relocation payments had been made to chief officers	✓
Essential Car User Allowance (restricted and dependant on role)	X	X	X
Company Car	X	X	X
Car Parking Allowances (restricted and dependant on role; the majority of employees pay for their own parking)	X	X as at 30 Sept 2016, five Chief Officers ⁶ were in receipt of payments totalling £115.	✓
Travel expenses within County of Nottinghamshire	X	X	✓
Travel expenses outside of County of Nottinghamshire (Must use standard rail fare. mileage capped at 40p per mile for 10,000 miles and 25p per mile thereafter) ⁷	✓	✓ As at 30 Sept 16, 22 Chief Officers were in receipt of payments totalling £1,477.03 between them	✓
Disturbance Allowance (paid up to one year for significant changes to work location)	X	X	✓
Payment for home telephone line for work purposes	X	X	✓ however only a small number of employees receive this payment
Reimbursement of reasonable expenditure (limits apply equally to all groups and receipts must be provided) ⁸	✓	✓ As at 30 Oct 16, eight Chief Officers was in receipt of payments totalling £772.32	✓
Sickness Pay entitlement linked to length of service – applied equally	✓ Contractual	✓ Contractual	✓ Contractual

⁴ This is a bulk payment made to a nominated chief officer to fulfil the duties of running National Referendum, Local, European or Parliamentary elections.

⁵ This is covered in the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (DCR) Policy. See Appendix 7

⁶ Those Chief Officers in receipt of this allowance are on LGS terms and conditions, not SLMG

⁷ See Appendix 9 for details of the Council's Business Travel Scheme

⁸ See Appendix 10 for details of the Council's policy on Reimbursement of Expenditure

Terms and Conditions (as at 30 September 2016)	Chief Executive	Other Chief Officers	LGS Employee
to all groups			
Notice Period	✓ Contractual 3 months	✓ Contractual 3 months	✓ Contractual 1-2 months
Payment of Membership Fees	X	X	X
Access to the Local Government Pension Scheme – employer and employee contribution (Employer rate contribution equal for all groups)	✓ Contractual Employee rate: 12.5%	✓ Contractual Employee rate: 8.5-11.4%	✓ Contractual Employee rate: 5.5-8.5%
Discretion to enhance pension entitlements ⁹	✓	✓	✓
Salary Sacrifice Benefits allowing NI and Tax relief (purchase of annual leave, bike, childcare, mobile phones etc)	✓	✓	✓
Other employee discounts through works perks (e.g. retail discounts etc) applies to all groups equally	✓	✓	✓

⁹ See Appendix 8 for the Council's policy on in relation to the exercise of discretions under the Local Government Pension Scheme

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THE LOCAL GOVERNMENT (EARLY TERMINATION OF EMPLOYMENT) (DISCRETIONARY COMPENSATION) (ENGLAND AND WALES) REGULATIONS 2006 - POLICY STATEMENT

In accordance with the requirements of Regulation 7(1) of the above Regulations, Nottingham City Council has agreed the following policy statement in respect of the discretions available under Regulations 5 and 6 of the same Regulations (the 'DCR' Regulations).

1. Regulation 5

- 1.1 For employees with two or more years' continuous service with the City Council (or with an organisation covered by the Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999) (the 'RPMO'), who are dismissed by reason of redundancy, compensation will be paid equivalent to the statutory redundancy payment to which they are entitled under the Employment Rights Act 1996 (ERA).
- 1.2 In calculating the amount of redundancy compensation to which an employee is entitled under this Regulation, the statutory limit¹ on a week's pay as imposed by section 227 of the ERA will apply.
- 1.3 Continuous service with an organisation covered by the provisions of the RPMO will count towards the redundancy compensation calculation under this Regulation.

2. Regulation 6

- 2.1 For employees who are entitled to a statutory redundancy payment under Regulation 5, no discretionary compensation element will be paid under Regulation 5.
- 2.2 For an employee who is dismissed in the interests of the efficient exercise of the Council's functions, the Council shall have discretion to make a payment to the employee up to a maximum of 52 weeks' pay in circumstances where there is a demonstrable business benefit to the Council arising from the payment. Discretionary compensation payments paid in the interests of the efficient exercise of the Council's functions will not normally exceed £30,000 unless prior approval is obtained from the Appointments and Conditions of Service Committee. It is expected that discretionary payments made in the interests of the efficient exercise of the Council's functions will only be considered in exceptional circumstances.
- 2.3 Discretions under this policy shall be applied in the following manner:
 - Payments to officers at the level of Head of Service and above² in the efficient exercise of the functions of the Council shall be made at the discretion of the

¹ With effect from 6 April 2015, the statutory limit of a week's pay is £479 per week.

Appointments and Conditions of Service Committee.

- Payments to officers below the level of Head of Service in the efficient exercise of the functions of the Council shall be made at the discretion of the Chief Executive.

3. **Additional Membership of the Local Government Pension Scheme**

3.1 Employees who are members of the Local Government Pension Scheme (LGPS) who receive a discretionary compensation payment under Regulation 6 of the DCR, will have the option to convert their discretionary compensation payment under Regulation 6 into additional membership of the LGPS up to a maximum of ten years.

3.2 The decision to convert any of the discretionary compensation element into pension must be taken before the employee leaves the employment of the Council.

4. **Changes to this policy**

4.1 In accordance with Regulations 7 (2) and (3), any changes to this policy and its application will not be made until one month after a statement setting out the intended changes has been published. The policy will be periodically reviewed to ensure its continued effectiveness.

² This includes Corporate Directors and officers within the Strategic Leadership Management Group (SLMG).

Version Control

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Status	Final
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Author	Della Sewell
Organisation	Nottingham City Council

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Revision date	Version number	Author of changes	Summary of changes

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POLICY DISCRETIONS FOR LOCAL GOVERNMENT PENSION SCHEME (LGPS)**1. Who this policy statement applies to**

- 1.1 The City Council has produced the following policy statement as required by the Local Government Pension Scheme (LGPS).
- 1.2 This policy applies to all employees of the City Council on permanent or temporary contracts who are members of the LGPS, apart from those employed within schools. This policy does not apply to casual workers, consultants, agency workers or any other workers who are not actual employees of the Council.

2. Early release of Pension Benefits**2.1 Pre-1 April 2014 (Ex-employees only)**

- 2.1.1 The LGPS provides for a normal retirement age of 65. Ex-employees who left the Council prior to 1 April 2014 and are members of the LGPS may retire at age 60 and over without permission. Retirements below age 60 require permission from the City Council.
- 2.1.2 An ex-employee who opts to retire at or after age 60 but before the normal retirement age of 65 will have their pension benefits reduced on an actuarial basis to take account of the fact that pensions will be drawn earlier and for longer. The City Council is unlikely to agree to ignore the actuarial reduction. (Note that there are protections available under the old '85 year rule' for employees who were members of the LGPS before 1 October 2006.)
- 2.1.3 Where permission to retire is required, the Chief Executive will consider requests for early retirement for employees below second tier level¹ once a business case has been made that shows what possible net savings would be made taking into account the potential costs on the pension fund, the needs of the service and whether there would be operational benefits to be made that would facilitate a re-organisation.

2.2 Post 1 April 2014 members voluntarily drawing pension benefits

- 2.2.1 Post 1 April 2014 LGPS members may retire at age 55 or over without permission.
- 2.2.2 Under the revised Pensions regulations, the employing authority has the power to "switch on" the 85 year rule for post 1 April members if there is a sufficient business reason.
- 2.2.3 Where a scheme member retires (leaves employment) and elects to draw their benefits at or after age 55 and before age 60 those benefits will be actuarially reduced unless the City Council agrees to meet the full or part cost of those reductions as a result of the member otherwise being protected under the 85 year rule as set out in previous regulations.
- 2.2.4 To avoid the member suffering the full reduction to their benefits the City Council can "switch on" the 85 year rule protections thereby allowing the member to receive fully

¹ Discretionary decisions in respect of first and second tier officers can only be taken by the Appointment and Conditions of Service Committee (ACOS).

or partially unreduced benefits but subject to the City Council paying the pensions strain (capital) cost to the Pensions Fund.

2.2.5 Decisions on whether to agree to this for employees below second tier would be delegated to the Chief Executive supported by a business case although it is unlikely that the City Council would ordinarily agree to “switch on” the rule of 85 in such instances.

2.2.6 Waiving of Actuarial reductions

The City Council is unlikely to ignore actuarial reductions. Decisions on whether to agree to waive the actuarial reduction would be delegated to the Chief Executive supported by a business case.

3. Power of employing Authority to award additional pension

3.1 Decisions on whether to award additional pension below second tier level will be delegated to the Chief Executive supported by a business case.

3.2 Decisions to award additional pension for first and second tier officer shall be made at the discretion of the Appointments and Conditions of Service committee supported by a business case.

3.3 Additional pension that is granted will be at whole cost to the employer.

4. Shared Cost Additional Pension Scheme (SCAPC)

4.1 From 1 April 2014, colleagues can voluntarily choose to make Additional Pension Contributions; there is the option for the employer to share this cost under the Shared Cost Additional Pensions Contributions (SCAPC) scheme.

4.2 The City Council will consider awarding additional pension by way of a business case to Appointments and Conditions of Service Committee.

5. Flexible Retirement

5.1 This discretion was first adopted under the 2008 Regulations and is subject to the relevant section contained within the City Council’s Retirement Policy, within the People Management Handbook.

6. Contributions

6.1 The City Council will decide what contribution rate a member is liable to pay:

- a) On first joining the scheme.
- b) On 1 April each year with a review on 1 October each year to ensure the band is as expected.
- c) Upon each subsequent contractual change in pay.
- d) Upon a change of hours either reducing or increasing.

7. Injury Allowances

7.1 Any discretionary payments made to colleagues and or ex colleagues where an industrial injury has occurred are dealt with through the Corporate Liability Insurance and group Personal Accident scheme in operation.

7.2 The City Council will not formally adopt a separate Injury Allowance Scheme.

8. Transfers in of Earlier Periods of Service - Late Applications

8.1 A request for a transfer of previous pension rights from another scheme or previous service within the LGPS or arrangement into the LGPS must be made within 12 months of joining/re-joining the scheme.

8.2 The City Council's policy is to accept transfers in applied for outside the period of 12 months, provided that, at the time the transfer is being considered, there is no cost to the Council.

Version Control

Current version no.	1 <i>(Note: previous versions exist prior to PMH revision in April 2015)</i>
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Approved by	ACOS
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Author	Gail Keen
Organisation	Nottingham City Council

Document history

Revision date	Version number	Author of changes	Summary of changes

BUSINESS TRAVEL SCHEME

1. Who this policy applies to

- 1.1 This policy applies to all employees of the City Council on permanent or temporary contracts, apart from those employed within schools. The general principles also apply to casual workers, consultants, agency workers or any other workers who are undertaking work on behalf of the Council.

2. Travel options

- 2.1 This scheme aims to encourage the most cost-effective solutions when travelling for work purposes whilst reducing the impact of Nottingham City Council business travel on the environment. The choices available are illustrated on the [Business Travel pages](#) on the Intranet.
- 2.2 Business travel is defined as any travel undertaken for work purposes, which excludes commuting.
- 2.3 If you travel for work purposes you should consider whether you need to travel compared with other more sustainable options, including telephone calls or video-conferencing SKYPE or face time, without conflicting with the delivery of Nottingham City Council's business aims. Further guidance can be found on the [Business Travel pages](#).
- 2.4 Rail, fleet cars or car share should be the preferred method for any long distance journeys within mainland UK and where Eurostar could be used for travel to mainland Europe. Flights can be booked if this is the most economic and efficient method of travel. Information on [fleet car hire](#) and on [flight, Eurostar, rail and hotel booking](#) can be found on the Business Travel pages.
- 2.5 For local trips, walking and cycling are encouraged. Using public transport i.e. bus or tram should be used instead of taxis in all but limited circumstances i.e. a small number of business-critical cases related to safety, time, cost or logistical implications, or the need to carry bulky or heavy loads (this does not include items such as briefcases etc. which can be easily carried on public transport). Taxis should be booked through the [Business Travel pages](#).
- 2.6 If you have a disability and you are unable to drive you may use approved taxis for journeys for business use.

3. Responsibilities

- 3.1 Managers are responsible for:
- Making decisions regarding business travel using the most sustainable option balanced with personal safety and time considerations;
 - Undertaking lone person risk assessments if necessary;
 - Authorising payments in a timely manner.
- 3.2 Colleagues are responsible for:
- Choosing the most sustainable travel option balancing personal safety and time

considerations;

- Ensuring all City Council documentation and equipment is protected and secure when using public transport;
- When driving on council business, reading, understanding and complying with the policies concerning driving, including the Driver's License Checking Procedure. These can be found in The Authorised Driver's Handbook (available from Fleet Management);
- Ensuring you have adequate insurance cover for business use;
- Submitting payments in a timely manner on Oracle (in the month after the travel).

4. Expenses

4.1 If you travel for work the following costs will be paid:

- Bus and tram by using the Robin Hood card
- In exceptional circumstances where the Robin Hood card cannot be used reimbursement of actual public transport fares through Oracle
- Standard rail fare through [Click travel](#);
- Mileage allowance payments (where an employee is authorised to use their own vehicle for work purposes);
- Cycle rate (when use own cycle or pool bike/citycard cycle)
- Taxi fares only where a suitable alternative (including public transport) is not available or where para 2.5 applies.

4.2 If you have purchased a Robin Hood Card, tram or train pass for home to work and other non-business travel purposes and this pass can also be used during working hours for business journeys you are encouraged to use this card or pass for business travel as no reimbursement of costs will be necessary. These can be purchased through salary sacrifice [here](#).

5. Authorised Business Travel

5.1 National Conditions of Service state that 'employees required to use their motor vehicles for the efficient performance of their duties will receive allowances for the use of their motor vehicles on business only after being so authorised by the local authority'

5.2 You may be authorised to use your own car for work purposes where it is required for the effective performance of your duties and where the use of public transport alternatives is not available or would add significantly to the cost of travel or travelling time.

6. Journeys to and from work

6.1 Expenses will only be paid for journeys that form part of an employee's employment duties (e.g. journeys between clients' premises or attendance at meetings). Journeys to and from an employee's normal place of work and their home are not covered. Where an employee travels to an alternative work base direct from or to home (e.g. to attend a meeting or meet with a client), only the travel that is in excess of what would



normally be incurred (i.e. between the employee's home and normal place of work) may be claimed.

6.2 The following exceptions will apply:

- An employee who is at home on standby to be recalled to work will be eligible to claim for their mileage if they are called out, e.g. an engineer called out at night to attend to a breakdown.
- Where an employee is required to attend to an emergency, an official meeting or other approved official business from home outside of their normal working hours, the maximum mileage that will be reimbursed will be 20 miles per return journey.

6.3 Where an employee's place of work changes the new place of work will be regarded as their normal place of work after four weeks have elapsed.

7. Mileage allowance payments

7.1 If you are authorised to use your own vehicle for work purposes, mileage allowance payments (MAPs) may be claimed in accordance with the rules and rates determined by the HMRC from time to time. Current rates are shown in the table below:

Tax – Rates per business mile		
Type of vehicle	First 10,000 miles	Above 10,000
Cars and vans	45p	25p
Motorcycles	24p	24p
Cycles	20p	20p

7.2 You should claim your mileage using iexpenses on Oracle and this will be approved by your manager. For tax and audit purposes original receipts are required for reimbursement of expenses. You will be informed of any additional documentation required from time to time.

7.3 You will need to submit a VAT receipt (or receipts) with your mileage claim. It does not matter if you purchased fuel for both private and business use; what does matter is that the total on the VAT receipt/s covers the cost of fuel used for the claim. A rough calculation would be to submit VAT receipt/s of at least £10 for every 100 miles of business travel claimed. Managers must only approve mileage claims where a valid VAT petrol receipt is submitted.

8. Car Parking Fees

8.1 If you have to pay to park on City Council business actual expenses will be reimbursed provided that they have been reasonably incurred. There is no reimbursement for parking in the City Council boundary as the [Workplace Parking Charging Policy](#) applies. You will need to provide a receipt to claim your car parking fees through Oracle. More information about the Workplace Parking Charge can be found [here](#).



9. Former essential car users

9.1 Those employees who were in receipt of the Essential User Car allowance on 31 August 2014 will be able to apply for a loan to purchase a car in accordance with NCC's Assisted Car Purchase Scheme. NCC's Insurance Section will be able to supply details of how the scheme operates.

10. No Claims Bonus Scheme

10.1 NCC operates a No Claims Bonus Scheme to provide a measure of compensation for loss of bonus or payment of excess or both if you use your vehicle for work. The scheme does not give cover for journeys to and from the work base. For information about the No Claims Bonus Scheme please refer to the 'Guide to Insurances' document, which can be found [here](#).

11. SLMG employees

11.1 Travel expenses will be paid in accordance with this scheme for authorised travel outside of the County boundary only.



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Organisation	Nottingham City Council

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Revision date	Version number	Author of changes	Summary of changes



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REIMBURSEMENT OF EXPENDITURE

1. Who this policy applies to

- 1.1 This policy applies to all employees of the City Council on permanent or temporary contracts, apart from those employed within schools. This policy does not apply to casual workers, consultants, agency workers or any other workers who are not actual employees of the Council.

2 Travel

- 2.1 If you travel because of work you will be reimbursed in accordance with the [Business Travel Scheme](#).

3. Meals

- 3.1 You are entitled to be reimbursed additional expenditure in the course of your work. Meals will be reimbursed as detailed in paragraph 3.4, subject to receipts being produced. (In exceptional circumstances small sums may be reimbursed without receipts provided there is other evidence of the expenditure and you can explain why it was not possible to obtain a receipt.)
- 3.2 If you fraudulently submit a claim for reimbursement of expenditure this will be treated as gross misconduct.
- 3.3 It is the settled policy of the Council that expenses payable to colleagues should not exceed those available to Councillors.
- 3.4 The allowances set out below are the maximum amount which can be claimed in respect of any expenditure. Amounts claimed within these limits will still have to be justified and approved as set out in section 3 below.

Breakfast (before 11am)	Maximum £5.00 Vat Included
Lunch (12noon - 2pm)	Maximum £5.00 Vat Included
Evening Meal (After 5pm)	Maximum £10.00 Vat Included

- 3.5 These amounts will be updated periodically in line with the provisions for Councillors.

4. Submitting a claim

- 4.1 If you have access to Oracle Self Service you will be required to claim online and this will be authorised online by your line manager. Colleagues without access to Oracle Self Service will be required to submit expenses using paper forms which must be completed and signed by the colleague and then approved by their manager. Claim forms are available from the Employee Service Centre (ESC).
- 4.2 In order for claims to be approved, you must provide a receipt and the expenditure must be necessary and additional to your ordinary expenditure on a meal or travel at the relevant time.
- 4.3 You should deduct £1.00 for breakfast and lunch and £2.00 for an evening meal from all claims in respect of a meal taken at that time in order to take account of ordinary expenditure. Colleagues and managers must ensure these deductions are made prior

to claiming online or on the paper form.

5. Overnight Accommodation

- 5.1 Overnight accommodation should be booked directly using [Click Travel Limited](#). Only where this has not been possible should a retrospective expenses claim be submitted.
- 5.2 Should a retrospective claim be necessary, the cost claimed for overnight accommodation should be contained within the following limits:

Outside Central London	£80 (including breakfast) Vat Inclusive
Central London	£140 (including breakfast) Vat Inclusive

- 5.3 If accommodation is not available within these limits then the actual cost will be met provided it is reasonable. Where attendance at a conference or similar event necessitates an overnight stay, accommodation at the conference hotel or a hotel of an equivalent standard will be arranged and paid for by the Council. For meals taken in connection with the event, the reasonable actual cost will be reimbursed, or paid in accordance with the subsistence rates set out above, subject to production of a receipt to your manager.

6. Expenses incurred whilst attending training

- 6.1 Guidance on the reimbursement of expenses linked to training (other than in respect of meals, travel and accommodation) is set out in the 'Colleague qualification and training support' document on the [Learning and Development pages](#) on the intranet.

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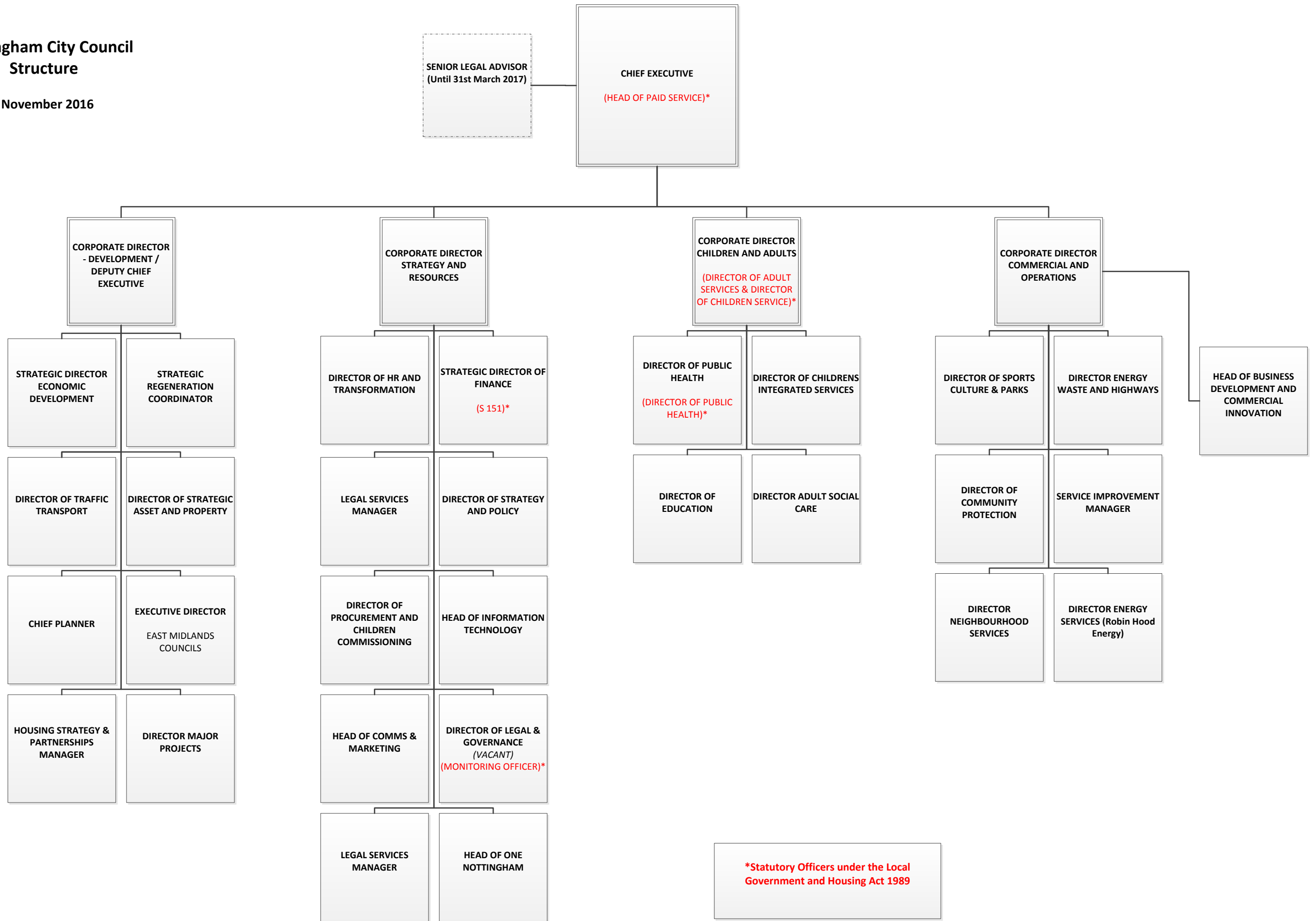
Revision date	Version number	Author of changes	Summary of changes

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**Nottingham City Council
Structure**

November 2016

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***Statutory Officers under the Local
Government and Housing Act 1989**

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PAY POLICY [DRAFT]

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PAY POLICY [DRAFT]

Paragraphs (3) (7) and (11) of this Pay Policy are, where applicable, incorporated into individual employees' contracts of employment.

1. Who this policy applies to

- 1.1 This Policy applies to all employees whose terms and conditions are governed by the National Joint Council for Local Government Services (the 'Green Book') as supplemented and/or amended by the policies and provisions of the Council's People Management Handbook. It does not apply to employees directly employed by schools.
- 1.2 Paragraphs (2), (6.2) and (10-13) of this Policy will also apply to employees covered by the Soulbury Committee – Inspectors, Organisers and Advisory Officers of Local Education Authorities.
- 1.3 Paragraphs (2), (6.2) and (10-13) of this Policy will also apply to employees within the Strategic Leadership Management Group (SLMG).

2. Principles

- 2.1 The purpose of this Policy is to ensure a fair, transparent and equitable pay system that is free from unlawful discrimination. All decisions made in respect of the Policy will be based on these principles.
- 2.2 The Policy will be applied in accordance with the roles and responsibilities of officers as set out in the Council's Constitution.
- 2.3 The Council will act in accordance with the Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations 2002. Managers should ensure fixed-term employees receive no difference in treatment to permanent employees regarding pay.

3. Pay System

- 3.1 The Council has adopted the Greater London Provincial Council (GLPC) system as its method to value all jobs covered by the Green Book. The GLPC system measures all jobs on a systematic basis against a set number of factors. All relevant jobs are evaluated under this system, and the job evaluation score then determines which pay grade and tier a job is assigned to.

3.2 The pay and grade structure is set out in the table below:

Tier	Grade	Entry Point	Progression Point
6	A	A1	A2
6	B	B1	B2
6	C	C1	C2
6	D	D1	D2
6	E	E1	E2
6	F	F1	F2
5	G	G1	G2
5	H	H1	H2
5	I	I1	I2
4	J	J1	J2
4	K	K1	K2

3.3 All grades A – K are assigned to one of three tiers: 4, 5 or 6. Tiers 1, 2 and 3 are reserved for SLMG jobs.

3.4 Each grade consists of levels 1 and 2, which define the minimum and maximum pay for each grade. The values of each level are available on the intranet and in Appendix 1 of this Pay Policy.

3.5 Level 1 is a probationary point and Level 2 is a non-probationary point. Progression to Level 2 will be on the employee’s first year anniversary in their job and will be subject to successful completion of a six-month probationary period.

3.6 There may be exceptions to 4.1 under certain circumstances, as outlined in the table at Appendix 2.

4. Pay Levels – terms of use

4.1 All jobs will be advertised on the salary for Level 1 only and starting salaries will not be open to negotiation. New starters to the Council must not be placed on Level 2 as a way of offering a higher rate of pay. Where a manager is not able to recruit and needs to offer a higher salary to attract external candidates this will need to be detailed and approved in a business case requesting a market supplement or material factor payment. A record of all such decisions will be kept and periodically presented at Central Panel. Please see [section 10](#) of this policy, and the associated [Special Payment Guidance document](#), which contains advice on how to request market supplements and material factor payments.

4.2 Existing employees will not be allowed to move above the maximum for their grade unless a business case is approved for a market supplement, material factor or

additional payment (see [Section 10](#)).

- 4.3 Where a job is regraded, the employee in the job may move to the same level of the new grade as the level they were in in the old grade; i.e. if they were on Level 1, they move to Level 1 of the new grade, and if they were on Level 2, they move to Level 2 for the new grade. If the employee is on Level 1 and therefore has not completed their first year in grade, their probation period will not restart but should continue until one year has elapsed from the date the employee started in the job.

5. **Living Wage and the Nottingham Living Wage Supplement**

- 5.1 The Government has set a National Living Wage, and it is unlawful for employers to pay less than this amount per hour to employees aged 25 and over.
- 5.2 The Living Wage Foundation is an independent collective which, in partnership with the Centre for Research in Social Policy at Loughborough University, calculates what a reasonable Living Wage should be every year, based on the estimated needs of average family 'types' in order to maintain a reasonable standard of living. This is normally a higher rate than the Living Wage set by the Government and is a voluntary rate of pay.
- 5.3 Nottingham City Council aspires to be a voluntary Living Wage Foundation employer and to pay the rates suggested by the Living Wage Foundation. As at 1st April 2017, the Council has introduced a supplement to the NJC pay scales which mirrors the Living Wage rate as at 31 October 2016, and ensures that grades A to C have a proportional difference between each grade and each corresponding level.
- 5.4 The Council will regularly review the minimum rate paid to its employees and the knock on effect to the levels of pay above, but this will have to be balanced against the Council's financial situation.

6. **Grading of jobs**

- 6.1 All jobs are assigned to a grade following a job evaluation.
- 6.2 Where there is a business need to create a new role or to fill a vacancy that has been empty for a significant period, the line manager will initially consult the Job Evaluation Analyst in the Business Operations Team, who will advise whether there is an appropriate generic job description for the role available. If not, the manager will draft a new job description, and submit it to for evaluation, together with other relevant documents, to job.evaluation@nottinghamcity.gov.uk. More details of the Job Evaluation process can be found on the [Job Evaluation pages](#) of the intranet.
- 6.3 Where a regrade of an existing job is considered necessary, the revised job description, together with a summary of what changes have occurred to the job, should be sent to the Job Evaluation team via the email address above.
- 6.4 It is the Council's intention to move to a job family system of job evaluation. Once this comes into force, this policy will be amended to reflect this.

7. Overtime and Allowances

7.1 Employees will receive plain time for all hours worked except in the circumstances outlined below.

7.2 Overtime

7.2.1 Where overtime is offered, compensation of either Time Off In Lieu (TOIL) or payment will be given in line with each service's normal practice. Employees above Grade F in particular should normally be compensated by TOIL and should only be paid for overtime where there is exceptional business need.

7.2.2 Where payment is to be made for overtime in place of TOIL, the following payments can be made:

For employees at grade F and below	<ul style="list-style-type: none"> • Plain time to be paid for all hours worked up to and including 42 hours per week (i.e. the first 5 hours of overtime above 37 hours are paid at plain time). • Any overtime hours worked beyond 42 hours per week to be paid at time and a half.
For employees above grade F	<ul style="list-style-type: none"> • Plain time rates for all additional hours worked.

7.2.3 Overtime worked on a public holiday will be paid at additional plain time for all hours worked.

7.3 Public Holidays

7.3.1 There are eight public holidays each year. More information about public holidays can be found in the [Public Holidays policy](#) within the People Management Handbook. All provisions below relate to public holidays that are worked as part of an employee's normal working week.

7.3.2 Employees who are required to work on a public holiday will be paid at additional plain time for all hours worked on that day.

7.3.3 Employees who are due to work on a public holiday but are absent on sick leave will only receive basic sick pay for that day.

7.3.4 Employees who are required to work on a public holiday will also receive paid time off in lieu (TOIL) as follows:

- Time worked less than half the normal working hours on that day – half a day
- Time worked more than half the normal working hours on that day – full day.

7.4 Night working

7.4.1 Employees who work at night as part of their normal working week will receive an enhancement of time and one third for all hours worked between 11.00pm and 6.00am.

7.5 Sleep-in Duty

7.5.1 Employees who are required to sleep-in on the premises shall receive the nationally agreed rate set by the National Joint Council from time to time. This

allowance covers the requirement to sleep-in and up to 30 minutes' call out per night, after which plain time will apply.

7.5.2 Currently, the Council pays a rate of £39.53 per sleep-in session, as this is a rate historically paid prior to becoming a Unitary Authority. An agreement has been made with our Trade Unions that this rate will continue until such time as the nationally-agreed amount overtakes it, after which the nationally-agreed rate will apply.

7.5.3 Where any working time undertaken whilst sleeping-in prevents the employee taking any of the rest periods outlined in 7.6.5 below, compensatory unpaid time off will be provided.

7.6 **Standby Duty**

7.6.1 **On call to go into work**

The nationally agreed stand-by rate per session will be paid to employees who are on a standby duty rota to provide services out of hours. A session equates to any period of 24 hours or less. Employees on standby to go into work must:

- be directly contactable;
- remain fit and capable to go into work to undertake duties required;
- be immediately available to go into work; and
- be able to arrive at work within 45 minutes of being notified.

7.6.2 The session payment covers the period of standby only. If an employee is called into work as a result of being on standby, they will be reimbursed for any time worked as per section 7.7 below. If called into work, the standby payment will still apply, regardless of the length of time the employee was actually on standby prior to being called into work.

7.6.3 **On call to provide telephone support**

The nationally agreed standby rate per session will be paid to employees on a standby duty rota to provide telephone support out of hours. A session equates to any period of 24 hours or less. Employees on call to provide telephone support must:

- be directly contactable; and
- remain fit and capable to undertake the duties required.

7.6.4 The session payment covers the period on call and any calls amounting to less than one hour. Any calls in excess of one hour should be recorded as working time and claimed in accordance with section 8.6 below. Should a call result in a requirement to go into work, the principles outlined in 7.7 below will also apply.

7.6.5 Under the Working Time Directive, employees are entitled to statutory unpaid rest periods of:

- eleven consecutive hours in any 24-hour period;
- a 20-minute rest break if the working day is longer than six hours;
- one day off each week.

7.6.6 Where any working time undertaken whilst on call prevents the employee taking

any of the rest periods outlined above, compensatory unpaid time off will be provided.

7.7 **Payment for work undertaken as a result of standby**

7.7.1 If an employee on standby is required to go into work, or undertakes telephone work in excess of one hour they will receive either time off in lieu (TOIL) or payment, as appropriate to business need, and in accordance with Section 7.2 above, for the actual time spent working. In cases where an employee is required to physically go into work, there will be additional payment for travel time of up to 60 minutes, accumulated and calculated to the nearest quarter of an hour.

7.7.2 Where any working time undertaken whilst on call prevents the employee taking any of the rest periods outlined in 7.6.5 above, compensatory unpaid time off will be provided.

7.8 **Client Holidays**

7.8.1 An allowance of £50 per day will be paid to employees accompanying clients on holiday. This payment will be made in replacement of all other allowances that might otherwise apply to the time worked during the client holiday.

7.9 **Lunchtimes/Provision of Meals**

7.9.1 All lunchtimes will be unpaid unless a business case exists for employees to eat with clients sufficient to provide a Genuine Material Factor defence for the payment and such activities have received prior approval from the employee's manager.

7.9.2 Meals will not be provided to any employee unless a clear business case exists for the employee to eat a meal with the client sufficient to provide a Genuine Material Factor defence for the provision of the meal and such activities have received prior approval from the employee's manager

8. **Governance of Allowances**

8.1 No other allowances apart from those listed above will be paid to employees covered by the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service (Green Book).

8.2 Allowances will not be payable for periods of sickness absence or for contractual annual holidays (over and above the statutory minimum under the Working Time Regulations) so as to avoid creating equal pay liabilities.

8.3 In the event that more than one allowance could be applied, then it is only the highest allowance that applies. This is with the exception of Standby and Recall to Work, which may both apply alongside each other.

9 **Holiday Pay and Allowances**

9.1 The Council pays a 'holiday pay supplement' of 8.3% for the following qualifying allowances and payments:

- Sleep in duty allowances
- Standby duty allowances
- Public Holiday Payments
- Non-guaranteed overtime payments

- Night working enhancements

10. Special Payments

10.1 The Council is a large organisation which contains a diverse range of services and jobs. As such, whilst ensuring equal pay principles are adhered to, it is also recognised that a single approach to pay may not always be suitable for the business needs of all services, particularly in areas where there are recruitment and retention issues (including national skills shortages), strong commercialisation priorities, or exceptional work conditions/demands.

10.2 Where there are specific business needs that our pay system does not accommodate, managers may consider Special Payments such as Market Supplements, Material Factor payments or Additional Payments in order to offer appropriate levels of remuneration to ensure their services can operate successfully.

10.3 Further details of what these payments are and the governance processes to be followed in order to put these types of payment in place are contained in a separate [Special Payment Guidance document](#).

10.4 A full list of all agreed Market Supplements and Material Factor payments can be found at [Appendix 3](#) of this policy. Appendix 3 will be updated periodically when payments are reviewed, added or removed.

11. Pay Protection

11.1 Employees who are redeployed into a lower graded job as a result of a formal restructuring or because they are at risk of redundancy may receive pay protection for a period of not more than one year (the 'protection period'). Pay protection will only apply where the employee is redeployed into a job not more than two grades below the employee's previous grade.

11.2 Employees will be moved to the maximum level of their new grade and will receive the difference in salary between the two jobs as a protected element in addition to their new basic salary. Employees will receive pay awards on their new basic salary but not on the protected element, and any increase to basic salary will be offset against the protected element in order to maintain the protected level of pay.

11.3 Pay protection will be calculated on contracted hours. Where an employee's normal working hours are decreased during the protection period, the pay protection element will be pro-rated accordingly.

11.4 If an employee reduces their hours during the pay protection period, the pay protection will reduce in line with the reduction in hours (e.g. if hours are halved, the pay protection amount will also be halved).

11.5 If, after reducing their hours as above, the employee increases them back again during the pay protection period, the pay protection will increase in line with the increase to hours, but will not exceed the original protected salary. Such cases may include situations where a woman returning from maternity leave wishes to return on reduced hours temporarily and gradually increase her hours over a

defined period.

- 11.6 If an employee increases their hours during the protection period without having previously reduced them, there will be no increase to the pay protection. The pay protection amount will be reduced to offset the increase in hours and maintain the protected salary.
- 11.7 If the increase in hours restores the employee's basic salary to the protected salary or above, the pay protection will cease.
- 11.8 Where an employee is promoted to a higher grade during the protection period the employee shall be placed on Level 1 of the new grade, and pay protection will cease if the new salary is equal to or higher than the protected salary. If Level 1 of the new grade is lower than the protected salary the pay protection element will be amended to accommodate the difference between the new Level 1 salary and the protected salary for the remainder of the protection period.
- 11.9 Pay protection will cease automatically when the protection period ends. If pay protection is continued beyond the protection period in error, the Council reserves the right to recover any overpayment made in accordance with Section 12 of this policy.
- 11.10 Where an employee on pay protection undertakes additional duties and responsibilities over and above their new grade, but not higher than their protected salary, they will not be entitled to receive an Additional Payment. If undertaking duties at a higher salary than their protected salary, any additional payment must be offset against the pay protection.
- 11.11 Only an employee's basic salary will be protected. An employee's previous terms and conditions including any contractual allowances, additional payments, material factor payments and market supplementation payments, will not be protected. Similarly, an employee's previous hours will not be protected. Where an employee is redeployed into a lower-graded job which carries more hours, protection will not apply where the increase in hours enables the employee to maintain their former basic salary.
- 11.12 Where an employee is redeployed because they are unable to fulfil the duties of their existing job because they are disabled within the meaning of the Equality Act 2010 (and any reasonable adjustments have been considered), they will be treated no less favourably in terms of the pay protection than employees who are redeployed because they are at risk of redundancy.
- 11.13 Pay protection will not apply where an employee is downgraded due to misconduct or capability.
- 11.14 Nothing in this Policy shall entitle an employee to receive any pay protection which amounts to a sum greater than their actual financial loss.

12. Overpayments

- 12.1 On occasion, overpayments of salary or expenses may occur as a result of administrative oversight, error or late notification of payroll changes. After an

investigation of the facts, recovery of the overpayment will be the normal approach taken where an overpayment of salary or expenses is discovered.

12.2 **Is the overpayment recoverable?**

Under the Employment Rights Act 1996, an employer is entitled to deduct from an employee's wages (even without the consent of the employee) an overpayment of wages made to the employee as long as recovery is lawful under general legal principles. In order to decide whether recovery is lawful there needs to be an investigation of the cause and surrounding circumstances of the overpayment including the wording of any contractual documentation.

12.3 **Guidelines for recovery**

12.3.1 Recovery of overpayments will be the normal approach in the majority of cases. There may be circumstances when partial repayment or writing off the overpayment is considered. In such cases, the process outlined at 12.4 should be followed.

12.3.2 However an overpayment comes to light, the payroll provider (East Midlands Shared Service or EMSS) must be notified as a matter of priority. EMSS will write to the employee, copying in their manager, with an explanation of the overpayment which will detail:

- how the overpayment occurred
- the net amount to be repaid once deductions for tax and NI are taken into account.

An Overpayment Recovery Option (ORO) Form will also be enclosed with the letter. If the employee is a leaver, an invoice will be sent under separate cover.

12.3.3 The employee's manager should meet with the employee to discuss the overpayment and how this is to be resolved. An employee may choose to be accompanied at this meeting by a trade union representative or a work colleague if they wish. If necessary, the manager may seek advice from the HR Casework team prior to the discussion taking place.

12.3.4 The method of recovery of the overpayment could be decided at this meeting having regard to the options which are:

- (a) a one-off payment for the full amount via salary deduction; or
- (b) in regular installments via salary deduction.

12.3.5 In discussing the options with the employee, managers should have regard to good financial practices. The maximum recovery period for overpayments should not exceed 12 months unless the Chief Finance Officer has agreed an extended period in exceptional circumstances.

12.3.6 The employee should return the ORO Form to the Employee Service Centre (ESC) with their preferred recovery method. Although the employee's written consent to the recovery of the overpayment is not legally required, it is good practice to try and obtain written agreement for overpayments. Where the employee does not return their ORO Form or indicate their preferred recovery method within the

timescales specified, recovery of the overpayment will proceed on a default basis. The default recovery method is option (b). The ESC will in all events write to the employee to confirm the method of recovery that will be taken.

12.3.7 In implementing an overpayment recovery arrangement, Nottingham City Council will act reasonably and in all cases of recovery, the amount being repaid must not result in the employee's basic hourly rate falling below the national minimum wage.

12.3.8 It is important that overpayments are handled fairly and consistently to avoid any hint of inequality or unlawful discrimination. Managers should not allow employees to work additional hours and receive paid overtime as a way of 'paying off' the overpayment. If overtime is necessary and approved this is a separate matter and should not be used to offset the amount owed by the employee who has been overpaid.

12.4 **Guidelines for requesting that an overpayment be written off**

12.4.1 Overpayments are normally recoverable. There may be circumstances where the Council considers writing off an overpayment, but these will be rare and, as a minimum, the following would need to apply:

- The employer has led the employee to believe that he or she is entitled to treat the money as his/her own, **and**
- The employee has, in good faith, changed his or her position (e.g. spent the money believing it to be his or her own), **and**
- The overpayment was not caused primarily by the fault of the employee, and the employee can demonstrate that they could not know, nor could reasonably have known, that an overpayment had occurred.

12.4.2 An example might be where an employee has queried their pay with EMSS and been assured that the calculation is correct and the money is due to the employee. Another example where the employee may have acted 'in good faith' is where an overpayment is made consistently over a substantial period, and the amount overpaid each month is a relatively small amount and not reasonably identifiable to the employee as an overpayment.

12.4.3 If the manager wishes to consider writing off the overpayment, s/he should discuss the reasons for non-recovery with the HR Casework advisor dealing with the case and prepare a business case outlining the rationale for the write-off, using the appropriate template which can be found on the **Pay pages** of the People Management Handbook. The manager should return the completed business case to their HR advisor, who will forward the business case through the appropriate channels for consideration by the Chief Finance Officer.

12.4.4 If there is a request for a write-off, the manager must ensure EMSS are advised that this is in progress and instructed not to pursue the overpayment until the business case has been considered and a decision made.

12.5 **Overpayment Disputes**

12.5.1 Where an employee disputes the overpayment or the proposed recovery

arrangement, legal advice may be sought on the matter.

12.6 **Overpayments where the employee is no longer employed or is on notice**

12.6.1 If an employee leaves the employment of the Council within the period of an overpayment recovery arrangement, any outstanding balance will be deducted from their final pay. Where final pay is not enough to cover the amount of the overpayment, then the outstanding amount will be due to be repaid to the Council within one month after termination of employment and, if not repaid, will be dealt with as a sundry debt.

12.6.2 Where an employee has been overpaid and has subsequently left the employment of the City Council, any outstanding balance will be dealt with as a sundry debt.

12.7 **Confidentiality**

12.7.1 The confidentiality of employees will be strictly preserved in any overpayment situation and the details of the overpayment and the recovery arrangement will be released on a strict need-to-know basis.

13. **Responsibilities in applying the pay policy**

13.1 **Directors and Heads of Service**

The day to day operational management of pay rests with Directors and or Heads of Service who are accountable for their budgets. It is therefore their responsibility to ensure that all pay decisions are equitable, reasonable, and affordable, within the existing budget and within Nottingham City Council's pay policy.

13.2 **Managers**

Managers must apply the pay policy in all cases and must not make payments that do not accord with the policy or with Equal Pay legislation. Managers are expected to be accountable and take full responsibility for any decisions they make regarding pay, and to ensure these go through the proper approval channels. Any manager wishing to make payments outside of this policy must seek advice from the Employee Relations Team in HR.

13.3 **HR and Transformation**

The HR and Transformation service will support and advise managers in application of this policy. The Employee Relations team and Job Evaluation function will undertake monitoring activities and ensure that appropriate records are kept, as appropriate and as highlighted in this policy. The Employee Relations team will ensure this policy is updated when necessary, in consultation with the relevant Trade Unions.

13.4 **The Employee Service Centre**

The ESC will not make payments that are not in accordance with this policy without first referring the situation to an appropriate HR and Transformation colleague for advice.

Appendix 1 - Pay Scales

Grade	Level	Hourly rate	Salary 17/18
A	A1	£8.25	£15,917
	A2	£8.30	£16,013
B	B1	£8.45	£16,302
	B2	£8.50	£16,399
C	C1	£8.65	£16,688
	C2	£9.03	£17,419
D	D1	£9.21	£17,772
	D2	£9.72	£18,746
E	E1	£10.71	£20,661
	E2	£11.38	£21,962
F	F1	£12.53	£24,174
	F2	£13.45	£25,951
G	G1	£14.34	£27,668
	G2	£15.20	£29,323
H	H1	£16.38	£31,601
	H2	£17.33	£33,437
I	I1	£18.86	£36,379
	I2	£19.82	£38,237
J	J1	£21.27	£41,025
	J2	£22.24	£42,899
K	K1	£23.69	£45,694
	K2	£24.65	£47,561

Moving to the Progression Point – Scenarios

Appendix 2

	Reason for commencing in grade	Starting point	Timescale for and condition of progression to Level 2
A	External appointment	Level 1	Successful completion of six month probationary period; progress on first year anniversary.
B	Internal appointment to higher grade	Level 1	Successful completion of six month probationary period; progress on first year anniversary.
C	Internal appointment to same grade and type of role (e.g. Project Officer to Project Officer), when already at Level 1	Level 1	Successful completion of six month probationary period*; progress on first year anniversary. <i>*The existing probationary period may be continued into the new job, but timelines could be extended if there are some new elements to acclimatise to.</i>
D	Internal appointment to same grade but completely different role (e.g. Project Officer to Finance Officer) and already at Level 1	Level 1	Successful completion of six month probationary period; progress on first year anniversary.
E	Internal appointment to same grade and type of role (e.g. Project Officer to Project Officer), when already at Level 2	Level 2	Not applicable as already at Level 2.
F	Internal appointment to same grade but completely different role (e.g. Project Officer to Finance Officer) when already at Level 2.	Level 1	Successful completion of six month probationary period*; progress on first year anniversary. <i>*If felt necessary, exceptions may be made on a case by case basis with joint assessment by the manager and HR.</i>
G	Move to same grade via internal processes (e.g. restructure, redeployment)	Grade level as already attained.	N/A if already on Level 2. If on Level 1; as per C above*. <i>*Note: The manager, with HR advice, will decide whether extension of the probation period is necessary, based on how similar the new role is to the old one.</i>
H	Move to lower grade via internal processes (e.g. restructure, redeployment)	Level 2 (pay protection if applicable).	N/A
I	Move to higher grade via internal processes (e.g. restructure, redeployment)	Level 1	Successful completion of six month probationary period; progress on first year anniversary.
J	Job regraded	Grade level as already attained.	If Level 1, as per B above. (see section 6.3)

Appendix 3 – Approved Market Supplements and Material Factor Payments

In certain circumstances, the Council will agree a variation to the above policy for certain groups of employees (see Special payments guidance document). These variations will be shared with Central Panel or such other body as agreed. They must comply with Equal Pay law and have no taint of discrimination for the basis of them or their application.

All requests for any variations to the policy must have a full business case provided and have been agreed by the Director of HR and Organisational Transformation.

The current agreed variations are:

ALL CURRENT AGREEMENTS TO BE REVIEWED AND REFRESHED FOR NEW POLICY.

Version Control

Current version no.	<i>[delete if appropriate] (Note: previous versions exist prior to PMH revision in April 2015)</i>
Status	Draft / Final – <i>select one</i>
Panel/Committee	ACOS / Central Panel (<i>select/add other as appropriate</i>)
Panel/Committee date	
Agreed?	
Effective date	<i>(i.e. date policy became 'live')</i>
Review date	
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Organisation	Nottingham City Council

Document history

Revision date	Version number	Author of changes	Summary of changes