



NOTTINGHAM CITY COUNCIL

APPOINTMENTS AND CONDITIONS OF SERVICE COMMITTEE

Date: Tuesday, 5 February 2019

Time: 2.00 pm

Place: Ground Floor Committee Room - 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: Phil Wye **Direct Dial:** 0115 8764637

1 APOLOGIES FOR ABSENCE

2 DECLARATIONS OF INTERESTS

3 MINUTES

3 - 4

To confirm the minutes of the meeting held on 4 December 2018

4 EARLY RETIREMENT MONITORING REPORT 2017/18

5 - 10

Report of the Director of HR and Customer

5 PAY POLICY STATEMENT 2019/20

11 - 78

Report of the Director of HR and Customer

6 EXCLUSION OF THE PUBLIC

To consider excluding 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.

7 ALIGNMENT OF NOTTINGHAM CITY COUNCIL PAY STRUCTURE WITH REVISED NATIONAL PAY SPINE

79 - 98

Report of the Director of HR and Customer

**8 ALIGNMENT OF SCHOOLS' NON-TEACHING PAY STRUCTURE
WITH REVISED NATIONAL PAY SPINE**

99 - 118

Report of Director of HR and Customer

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.

NOTTINGHAM CITY COUNCIL

APPOINTMENTS AND CONDITIONS OF SERVICE COMMITTEE

MINUTES of the meeting held at Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG on 4 December 2018 from 2.00 pm - 2.09 pm

Membership

Present

Councillor Dave Liversidge (Chair)
Councillor Eunice Campbell-Clark
Councillor Andrew Rule

Absent

Councillor Toby Neal
Councillor Graham Chapman
Councillor Jon Collins
Councillor Ginny Klein
Councillor Sam Webster

Colleagues, partners and others in attendance:

Jason Gooding - Head of Parking Fleet & Transport
Nigel Hallam - Parking and Work Place Levy Service Manager
Kate Morris - Governance Officer

19 APOLOGIES FOR ABSENCE

Councillor Graham Chapman - Other Council Business
Councillor Jon Collins – Other Council Business
Councillor Toby Neal – Personal
Councillor Sam Webster – Other Council Business

20 DECLARATIONS OF INTERESTS

None.

21 MINUTES

The minutes of the meeting held on 27 July 2018 were confirmed as a true record and signed by the Chair.

22 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 as defined in paragraph 3 of part 1, Schedule 12A of the Act.

23 WORKPLACE PARKING CHARGE - NEIGHBOURHOOD SCHEME PRICE INCREASE AND AMENDMENTS TO TIME EXEMPTION CRITERIA

RESOLVED to note the content of the exempt report on Workplace Parking Charges – Neighbourhood Scheme price increase and amendments to exemption criteria and to approve the recommendations it sets out.

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APPOINTMENTS AND CONDITIONS OF SERVICE COMMITTEE – 5 FEBRUARY 2019

Title of paper:	EARLY RETIREMENT MONITORING REPORT 2017/18	
Director(s)/ Corporate Director(s):	Richard Henderson Director of HR and Customer	Wards affected: ALL
Report author(s) and contact details:	Hing Cao, Organisational HR Telephone Number: 0115 8763194 Email: employee.relations@nottinghamcity.gov.uk	
Other colleagues who have provided input:	Andy Cross – Pensions Consultant Joanne Worster – Finance Team Leader Jon Ludford-Thomas – Senior Solicitor, Legal Services Daljit Singh Nijran – Organisational HR Manager	
Date of consultation with Portfolio Holder(s) (if relevant)	10 th January 2019	
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): This report, which is for annual reporting purposes, is for noting. It details the number, type and pension strain cost of early retirements for the period 1 April 2017 to 31 March 2018.		
Recommendation(s):		
1	It is recommended that the committee notes the monitoring information contained within the report and the appendices.	

1 REASONS FOR RECOMMENDATIONS

- 1.1 The report is brought to this Committee for noting purposes.

2 BACKGROUND (INCLUDING OUTCOMES OF CONSULTATION)

- 2.1 A breakdown of all retirements for 2017/18 is provided in Appendix 1 including comparator information with previous years. The total number of retirement cases with a pension, reduced to 142 cases in 2017/18 from 170 in 2016/17. There has been a decrease in the number of colleagues taking early retirement (to 45 cases in 2017/18 from 74 in 2016/17) and a slight decrease in the number of ill health retirements (11 cases in 2017/18 from 14 in 2016/17). The number of normal retirements decreased to 23 cases in 2017/18 from 28 cases in 2016/17. There was a decrease in redundancy with pension (52 cases in 2016/17 to 25 in 2017/18).

- 2.2 Since 1 April 2014, the Local Government Pension Scheme (LGPS) has allowed for current or former employees aged 55-60 to access their pension benefits early without requiring the Council's consent. However, the decision to take this route into early retirement does mean that the benefits the employee receives on retirement are reduced on an actuarial basis to take into account the fact that their benefits are being drawn earlier and for longer.
- 2.3 In order for benefits to remain unreduced, the actuarial reduction may be waived at the Council's discretion (normally exercised by the Chief Executive); therefore in such cases consent must still be sought. There were no early retirements requiring employer consent in this reporting period.
- 2.4 The number of colleagues choosing to retire between the ages of 55 and 64 (one of the categories of early retirement) decreased in this reporting period. In 2017/18 45 colleagues took early retirement compared to 74 in 2016/17.
- 2.5 Flexible retirement enables an employee who has reached the age of 55 to draw their pension benefits whilst remaining in employment on reduced hours or pay. Although there is no pension strain cost associated with flexible retirement for colleagues aged 60 or over, employer consent is required in all instances subject to a business case. Out of the 27 flexible retirements approved in this reporting period, there were no cases where pension strain costs were incurred.
- 2.6 Ill-health retirements accounted for 7.7% (11 cases out of 142) of all retirements, which is a slight decrease on the previous year when they accounted for 8.2% (14 cases out of 170). There are no direct pension strain costs for ill-health retirement, however, costs are taken into account when the 3 yearly actuarial valuation calculations for employer contributions is made.
- 2.7 In this reporting period, there have been no retirements under the category of efficiency.
- 2.8 100% (25 out of 25 cases) of all retirements classed as redundancy had a pension strain cost applied due to the age of the employee when they retired. In these circumstances, the pension strain is paid by the employer. The numbers in this category decreased this year to 25 cases from 52 in 2016/17.
- 2.9 There have been no deaths in service in this reporting period where a pension entitlement arose.
- 2.10 Appendix 2 shows the pension strain cost to the pension fund, broken down by department, for 2017/18 including comparator information with previous years. All pension strain costs in this reporting period were due to colleagues exiting the Council under redundancy.
- 2.11 The Council has no control over the associated pension strain costs of redundancy as the pension scheme rules mean that an employee who is aged 55 or over automatically accesses their pension if they are dismissed by reason of redundancy.
- 2.12 All retirement figures exclude those employees based in non-maintained schools and Academies, Nottingham Revenues and Benefits and Nottingham City Homes.

3 OTHER OPTIONS CONSIDERED IN MAKING RECOMMENDATIONS

3.1 None. The report is for noting only.

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

4.1 Options to pay pension strain costs to the pension fund are as follows:

1. As a lump sum or
2. Equally over a three year period.

4.2 The lump sum option does not incur any interest and is the preferred option however; this is reviewed on an individual business case basis; the business case will include pension strain costs and supports the decision to make an early retirement.

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

5.1 Legal Implications

5.1.1 The Background section of this report reflects the legal framework of the Local Government Pension Scheme ("LGPS") as amended in recent years and demonstrates how the authority has applied this framework via its policies on retirement. Any future changes to the LGPS and/or age discrimination legislation could have an impact on the authority's policies and future early retirements.

6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISION RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE) (AREA COMMITTEE REPORTS ONLY)

6.1 N/A

7 EQUALITY IMPACT ASSESSMENT

7.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required because:

The report does not contain proposals or financial decisions.

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

8.1 None.

9 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

9.1 None.

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Retirement cases by type 2017-2018

	Retirement type	2015/16	%	2016/17	%	2017/18	%
Normal Retirement	Age 65 or 65+	39	23.2	28	16.5	23 (plus 1 redundancy)	16.1
		Flexible (4)		Flexible (8)		Flexible (4)	
Early Retirement	Age 55-64	90 (plus 24 redundancies)	67.9	74 (plus 44 redundancies)	43.5	45 (plus 24 redundancies)	31.6
		Flexible (27)		Flexible (30)		Flexible (23)	
	Efficiency	0	0	0	0	0	0
	Redundancy	24	14.3	52	30.6	25	17.6
	Ill-Health	13	7.7	14	8.2	11	7.7
	Death	2	1.2	2	1.2	0	0
	Employer Consent	0	0	0	0	0	0
Total Number of Flexible Retirements		(31)		(38)		(27)	
Total Number of Full Retirements		168		170		142	

Pension Strain Costs 2017-2018

Departments	2015/16 No of Retirements	2015/16 Average Cost £	2016/17 No of Retirements	2016/17 Average Cost £	2017/18 No of Retirements	2017/18 Average Cost £
Strategy & Resources	12	£33,672.79	22	£33,012.19	3	£17,600.17
Development & Growth	0	-	1	£10,358.41	0	£0.00
Chief Executive's Group	0	-	N/A	N/A	N/A	N/A
Commercial & Operations	8	£16,194.88	10	£13,407.39	13	£15,829.17
Children & Adults	2	£4,166.70	8	£16,668.76	9	£12,890.34
Total Average Costs	N/A	£24,634.81	N/A	£24,489.04	N/A	£14,983.71
Total Median Costs	N/A	£17,336.51	N/A	£10,358.41	N/A	£9,364.07

APPOINTMENT AND CONDITIONS OF SERVICE COMMITTEE – 5 FEBRUARY 2019

Title of paper:	PAY POLICY STATEMENT 2019/20	
Director(s)/ Corporate Director(s):	Richard Henderson, Director of HR and Customer	Wards affected: ALL
Report author(s) and contact details:	Elaine Harrison, HR Consultant elaine.harrison@nottinghamcity.gov.uk, 01158762766	
Other colleagues who have provided input:	Ian Curryer – Chief Executive Daemian Greaves – HR Data Analyst Jo Worster – Team Leader, Strategic Finance Andy Cross – Pensions Consultant Sarah Wilson – Electoral Services Manager Gary Robbins – Senior Accountant – Tax Jon Ludford-Thomas – Senior Solicitor	
Date of consultation with Portfolio Holder(s) (if relevant)	10 January 2018	
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):		
This report introduces the Council's Pay Policy Statement for 2019/20 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 Services' (LGS) terms and conditions.		
Recommendation(s):		
1	To note the Council's Pay Policy Statement for 2019/20, which is being presented to the Full Council meeting on 5 March 2019.	

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 the Chief Executive and Chief Officers are made in an open and accountable way.
- 1.2 Councillors will be aware that the Council now has a new Senior Officer pay model and terms and conditions with effect from 1 October 2018, which are now referred to within the Pay Policy Statement.

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 31 October 2018 when the structure was as follows; the Council employed approximately 6633 people, of which 45 posts fall within the Chief Officer post definition outlined in the Local Government and Housing Act 1989 (and includes 1 Chief Executive, 4 Corporate Directors, 5 Strategic Directors, 1 Executive Director, 15 Directors, 10 Heads of Service and 9 managers or specialists). This represents approximately 0.7% of the Council's overall non-schools' workforce. This year's figures include officers reporting into the Section 151 Monitoring Officer role which has now been designated as a Strategic Director as well as officers reporting to the Director of Public Health and the Midlands Engine Programme Director.
- 2.6 In the structure used for this analysis, there was an increase in Chief Officer Posts this year due to changes to the management structure and reporting lines, as outlined above, which has extended the number of senior roles falling into the definition of Chief Officer; i.e. reporting directly to the Head of Paid Service. This means that there are also more direct reports for these posts which now fall under the definition of Deputy Chief Officer and are therefore countable for the purposes of this report.
- 2.7 Sections 2, 4 and 7 and Appendix 6 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 (£83,670) to that of the non-Chief Officer average earner including guaranteed payments¹ (£26,552) is 1:3. The

¹ Includes basic FTE salary, pension – employer contribution on FTE basic pay, salary protection, market supplements, allowances and enhancements paid between 01/04/2018 to 31/10/2018

relationship between the Chief Executive's pay (£166,480) to that of the Council's non-Chief Officer average earner excluding allowances (£24,627) is a pay multiple of 1:7. The ratio between the Chief Executive's pay and the Council's non-Chief Officer average has remained static for the last three reporting cycles. The relationship between the average Chief Officer's pay and the average non-Chief Officer's pay has narrowed from 1:4 to 1:3.

- 2.9 As at 31 October 2018, there were no Chief Officers in receipt of bonus payments, increments, performance related pay and other pay enhancements (overtime, weekend, evening, night working, etc).
- 2.10 There has been a national agreement to a two-year Chief Officer Pay increase of 2% for both April 2018 and April 2019.

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 have been considered.

4 FINANCE COLLEAGUE 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 2018/19 up to October 2018 adjusted to an annual figure.*

Joanne Worster
Finance Team Leader Strategic
Finance
7 January 2018.

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

5.1 Legal Implications

- 5.1.1 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.
- 5.1.2 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.
- 5.1.3 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.

5.1.4 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.

5.1.5 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 2019 for the forthcoming financial year.

Jon Ludford-Thomas
Senior Solicitor
Legal Services
2 January 2019

5.1.6 There are no procurement considerations associated with this report.

Rosalie Parkin,
Category Manager
Procurement
31 December 2018

6 STRATEGIC ASSETS & PROPERTY COLLEAGUE COMMENTS (FOR DECISION RELATING TO ALL PROPERTY ASSETS AND ASSOCIATED INFRASTRUCTURE) (AREA COMMITTEE REPORTS ONLY)

6.1 N/A

7 EQUALITY IMPACT ASSESSMENT

7.1 Has the equality impact of the proposals in this report been assessed?

No



An EIA is not required because:

(Please explain why an EIA is not necessary)

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

8.1 None

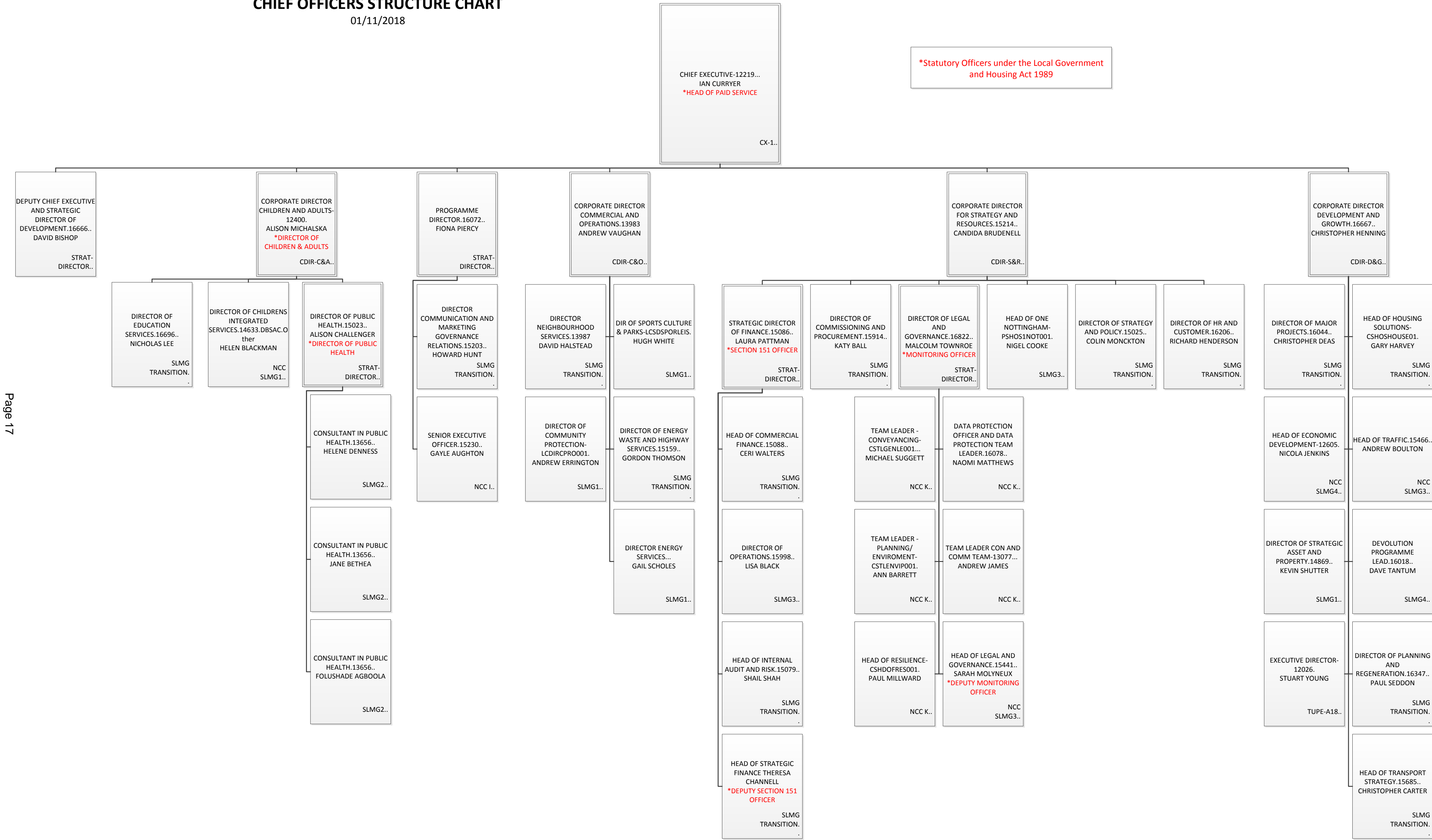
9 PUBLISHED DOCUMENTS REFERRED TO IN COMPILING THIS REPORT

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

- 9.2 Local Government Association and Association of Local Authority Chief Executives (ALACE), Localism Act: Pay Policy Statement Guidance for Local Authority Chief Executives.
- 9.3 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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CHIEF OFFICERS STRUCTURE CHART
01/11/2018



*Statutory Officers under the Local Government
and Housing Act 1989

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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.

Appendix 3

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 Officers (as referred to in paragraph 1(a) of the Officer Employment Procedure Rules (Standing Orders on Employment Matters), subject to having ascertained the views of the Executive Board in accordance with Standing Orders;
- 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) 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) 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 approve any proposals for significant restructuring of the Council's management structure;
- k) 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;
- l) to consider any grievances relating to or raised by the Chief Executive. Members involved in considering these will not be able to participate in any further consideration of the matter at other committees.

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 8 members and is politically balanced. One place is reserved for the relevant Portfolio Holder with a remit covering Resources (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.

Where practical, members of this committee should not also be members of Audit Committee, Investigating and Disciplinary Committee, or Appeals Committee.

Appendix 4 – Pay Scales

Pay Scales

Local Government Scheme				
Tier	Grade	Level	Salary (Apr 18)	Hourly Rate
6	A	1	£16,394	£8.50
		2	£16,495	£8.55
	B	1	£16,626	£8.62
		2	£16,863	£8.74
	C	1	£17,173	£8.90
		2	£17,681	£9.16
	D	1	£18,672	£9.68
		2	£19,446	£10.08
	E	1	£21,074	£10.92
		2	£22,401	£11.61
	F	1	£24,657	£12.78
		2	£26,470	£13.72
5	G	1	£28,221	£14.63
		2	£29,909	£15.50
	H	1	£32,233	£16.71
		2	£34,106	£17.68
	I	1	£37,107	£19.23
		2	£39,002	£20.22
4	J	1	£41,846	£21.69
		2	£43,757	£22.68
	K	1	£46,608	£24.16
		2	£48,512	£25.15

SLMG					
Tier	Grade	Salary		Hourly Rate	
		Level 1	Level 2	Level 1	Level 2
3	SLMG5	£50,944	£52,429	26.41	27.18
	SLMG4	£53,917	£57,357	27.95	29.73
	SLMG3	£60,800	£65,828	31.51	34.12
2	SLMG2	£70,858	£76,763	36.73	39.79
	SLMG1	£82,671	£88,573	42.85	45.91

Strategic Director					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
1	SDIR	£98,702	£109,201	51.16	56.60

Corporate Director					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
1	CDIR	£124,860	£150,512	64.72	78.01

Chief Executive					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
1	CX	£165,000	£185,000	85.52	95.89

Updated: 1 October 2018

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PAY POLICY

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PAY POLICY

Paragraphs (3) (7) (8) and (10) 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 (9-12) 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 (2-4), (6) and (9-12) 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 uses the Greater London Provincial Council (GLPC) system as its method to value all jobs covered by the [Green Book, and a bespoke system to evaluate SLMG jobs below the level of Strategic Director](#). Both systems measure all jobs on a systematic basis against a set number of factors. All relevant jobs are evaluated under these systems, 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	SLMG5	Level 1	Level 2
3	SLMG4	Level 1	Level 2
3	SLMG3	Level 1	Level 2
2	SLMG2	Level 1	Level 2
2	SLMG1	Level 1	Level 2

- 3.3 All grades A – K are assigned to one of three tiers: 4, 5 or 6. SLMG grades are assigned to Tiers 2 and 3, and Tier 1 is reserved for Strategic Directors, Corporate Directors and the Chief Executive.
- 3.4 Each grade (A – SLMG1) 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 subject to successful completion of a six-month probationary period for new starters or six month pay review period for existing employees. GLPC colleagues will progress on their one-year anniversary in their job and SLMG colleagues will progress on their two-year anniversary.
- 3.6 The table below outlines the circumstances in which employees could move to a new grade, including where there may be exceptions to 3.5 above, to allow commencement at Level 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 (voluntary) appointment to higher grade	Level 1	Successful completion of six month pay review period; progress on first year anniversary.
C	Internal (voluntary) appointment to same grade (probation not completed)	Level 1	The remainder of the probationary period will be continued into the new job. Progress on first year anniversary subject to successful completion of probationary period.
D	Internal (voluntary) appointment to same grade (probation completed but less than a year in grade)	Level 1	Automatic progression to Level 2 in the new job a year after the start of the original probationary period.
E	Internal (voluntary) appointment to same grade	Level 2	Remain on Level 2
F	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 - E above, as appropriate.
G	Move to lower grade via internal processes (e.g. restructure, redeployment)	Level 2 (pay protection if applicable).	N/A
H	Move to higher grade via internal processes (e.g. restructure, redeployment)	Level 1	Automatic progression to Level 2 on first year anniversary (no probation or pay review required).
I	Job re-graded and back-dated by less than 12 months.	Level 1	Pay progression period to start from back-dated start date.
J	Job re-graded and back-dated by 12 months or more.	Level 2	N/A

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

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payment. A record of all such decisions will be kept and periodically presented at Central Panel. Please see [section 9](#) 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 No employee will be allowed to receive more than the Level 2 payment for their grade unless approval is obtained for a Market Supplement, Material Factor or Additional Payment (see [Section 9](#)).
- 4.3 Where a job is re-graded, the employee will be placed on Level 1 if the effective date of the re-grade is back-dated by less than twelve months. The elapsed period since the effective start date of the re-grade will be considered to count towards the period for progression to Level 2. The employee will move to Level 2 twelve months from the effective date of the re-grade, even if this is back-dated.

If the re-grade is back-dated by more than twelve months, the employee will be placed on Level 2.

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 paycales to pay 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 re-grade 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 double 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 double 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 [7.7](#) 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.

7.7.2 For employees receiving payment, a minimum of two hours' payment at plain time will be made for any period they are required to go into work.

7.7.3 For employees who are required to physically go into work, TOIL or payment will include travel time.

7.7.4 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 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 Material Factor Defence for the provision of the meal and such activities have received prior approval from the employee's manager

7.10. **Governance of Allowances**

7.10.1 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](#)).

7.10.2 Allowances will not be payable for periods of sickness absence. However, allowances will be taken into account when calculating holiday pay. See [Section 8](#) for more details.

- 7.10.3 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.

8. Holiday Pay and Allowances

- 8.1 The Council makes payment for the first twenty days of annual leave, by taking into account the following qualifying allowances and payments:

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

9. Special Payments

- 9.1 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.

- 9.2 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.

- 9.3 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.

- 9.4 A full list of all agreed Market Supplements and Material Factor payments can be found at [Appendix 2](#) of this policy. Appendix 2 will be updated periodically when payments are reviewed, added or removed.

10. Pay Protection

- 10.1 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.

- 10.2 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.

- 10.3 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.

- 10.4 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).
- 10.5 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.
- 10.6 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.
- 10.7 If the increase in hours restores the employee's basic salary to the protected salary or above, the pay protection will cease.
- 10.8 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.
- 10.9 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 11](#) of this policy.
- 10.10 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.
- 10.11 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.
- 10.12 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.

10.13 Pay protection will not apply where an employee is downgraded due to misconduct or capability.

10.14 Nothing in this Policy shall entitle an employee to receive any pay protection which amounts to a sum greater than their actual financial loss.

11. Overpayments

11.1 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.

11.2 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.

11.3 Guidelines for recovery

11.3.1 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 [11.4](#) should be followed.

11.3.2 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.

11.3.3 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.

11.3.4 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.

11.3.5 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.

- 11.3.6 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.
- 11.3.7 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.
- 11.3.8 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.
- 11.4 **Guidelines for requesting that an overpayment be written off**
- 11.4.1 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.
- 11.4.2 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.
- 11.4.3 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.
- 11.4.4 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.

11.5 **Overpayment Disputes**

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

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

11.6.1 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.

11.6.2 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.

11.7 **Confidentiality**

11.7.1 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.

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

12.1 **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](#).

12.2 **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.

12.3 **HR and Customer**

The HR and Customer 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.

12.4 **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

Pay Scales

Local Government Scheme				
Tier	Grade	Level	Salary (Apr 18)	Hourly Rate
6	A	1	£16,394	£8.50
		2	£16,495	£8.55
	B	1	£16,626	£8.62
		2	£16,863	£8.74
	C	1	£17,173	£8.90
		2	£17,681	£9.16
	D	1	£18,672	£9.68
		2	£19,446	£10.08
	E	1	£21,074	£10.92
		2	£22,401	£11.61
5	F	1	£24,657	£12.78
		2	£26,470	£13.72
	G	1	£28,221	£14.63
		2	£29,909	£15.50
	H	1	£32,233	£16.71
		2	£34,106	£17.68
4	I	1	£37,107	£19.23
		2	£39,002	£20.22
	J	1	£41,846	£21.69
		2	£43,757	£22.68
3	K	1	£46,608	£24.16
		2	£48,512	£25.15

SLMG					
Tier	Grade	Salary		Hourly Rate	
		Level 1	Level 2	Level 1	Level 2
3	SLMG5	£50,944	£52,429	26.41	27.18
	SLMG4	£53,917	£57,357	27.95	29.73
	SLMG3	£60,800	£65,828	31.51	34.12
2	SLMG2	£70,858	£76,763	36.73	39.79
	SLMG1	£82,671	£88,573	42.85	45.91

Strategic Director					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
1	SDIR	£98,702	£109,201	51.16	56.60

Corporate Director					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
1	CDIR	£124,860	£150,512	64.72	78.01

Chief Executive					
Tier	Grade	Salary		Hourly Rate	
		Min	Max	Min	Max
1	CX	£165,000	£185,000	85.52	95.89

Updated: 1 October 2018

Appendix 2 – 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:

Department	Title	Details	Review date
Commercial & Operations	Project Director, Nottingham Castle	To pay a market supplement of £7,850 per annum to increase salary to £60,184.	31/03/2019
	Product Development & Sales Manager	New Proposal following the new terms and conditions. In place from 1st April 2017 and a further salary increase in May 2018. It is proposed that a market supplement will continue however will be reduced to £730 to enable maintenance of overall total salary at £49,242.	31/07/2019
	Plant Operations Engineer	To pay £2,866 per annum (pro rata for part time colleagues)	31/08/2019
	Lead Engineer (Electrical), Enviro Energy	To pay £4,000 per annum (pro rata for part time colleagues)	31/08/2019
	Aerobics Instructors	To pay an uplift of 69%, equating to a rate of £16.36 per hour at Level 1 and £17.04 per hour at Level 2. Supplement only to be paid for hours spent delivering classes.	30/04/2019
	Activity Leaders (Sports Coaches)	To pay an uplift of 27%, equating to a rate of £12.29 per hour at Level 1 and £12.80 per hour at Level 2. Supplement only to be paid for hours spent delivering classes.	18/05/2019
	Head of Facilities Management	Retention payment to match external market at a ceiling rate of £70,500.	30/11/2019
	Tool Allowance	To pay £31.37 per month to vehicle fitters where tools are not provided by the Council.	30/06/2019
Children & Adults	Social Workers	To pay a market supplement to Level 2 and Level 3 Social Worker posts within Children's'	31/01/2019

		Services to increase salaries to £29,854 for Level 2 SWs and £34,196 for Level 3 SWs (pro rata for part time colleagues).	
	Emergency Duty Team	To apply a 20% plussage on all hours in compensation of all unsocial shift patterns worked.	30/09/2019
	YOT Case Manager/Court Officer	To pay an annual supplement of £1804.68 (pro rata for part time colleagues).	31/10/2019
	JAC Instructors	To pay an additional £6.39 per hour (to bring hourly pay up to £18.92 per hour) for casual JAC Instructor work.	31/10/2019
	Social Work Practice Assessors	To pay a fixed rate amount for completion of assignments: PE Stage 1: £750 for intermediate student, £850 final year.	30/09/2019
	Approved Mental Health Practitioners	To pay £1750 per annum (pro rata for part time colleagues) for participation in the AMPH rota.	31/01/2019
	Residential Staff in Children's Homes	To pay a 10% uplift on pay.	31/03/2019
Strategy & Resources	Network Services Manager	Due to Retention purposes to implement an annual market supplement for the value of £4500	30/09/2019
	Occupational Health Advisor	For retention purposes, to pay an increase in a range between £3,000 & £5,000 for the post holder depending on recruitment	31/03/2019
	Server Infrastructure Analyst	To implement an annual market supplement for the value of £4500	31/05/2019
	Database Support Manager	Due to difficulty recruiting and private sector comparisons, a monthly supplement was agreed which would annually total £18,621.	30/09/2019
Development & Growth	Principal Surveyor	To pay Tier 1 + £1,621 = 38,728 and Tier 2 + £878 = £39,880 to address retention and recruitment issues	31/03/2019
	Senior Estates Surveyor	To pay a ceiling amount of £36,632 at Level 1 and £37,784 at Level 2.	30/09/2019
	Director of Major Projects	To pay £4,500 for 12 months for retention	30/11/2019
	Midlands Engine	To pay a total salary of	31/01/2019

	Programme Director	£110,000 per annum (pro rata for part time colleagues)	
	Head of Portfolio Investment and Development	To pay £5,000 per annum in addition to basic salary (pro rata for part time colleagues)	31/03/2019
	Project Manager, Major Projects	To pay a 15% increase on basic salary.	31/03/2019
	Head of Traffic	To pay a 5% increase on basic salary to aid recruitment.	31/05/2019
	Building Control Officer	To pay £2,000 pa for recruitment and retention	31/05/2019

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Panel/Committee date	7 March 2017 30 March 2017
Agreed?	Yes
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Author	Gail Keen/Della Sewell
Organisation	Nottingham City Council

Document history

Revision date	Version number	Author of changes	Summary of changes
15/02/18	2	Gail Keen	Update of Appendix 2 (Central Panel 15/2/18)
19/07/18	3	Gail Keen	Update of Appendix 2 (Central Panel 19/7/18)
01/10/18	4	Gail Keen	Amendment to incorporate changes to SLMG pay, terms and conditions (Collective Agreement)

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Appendix 6: Matrix of Terms and Conditions

Terms and Conditions (as at 31 October 2018)	Chief Executive	Other Chief Officers	LGS Employee
Basic Pay ¹	✓ Contractual Current pay £166,480 Range £165,000 - £185,000	✓ Contractual Range £50,944-£150,512	✓ Contractual Range £16,394-£48,512
Performance Related Pay	X	X	X
Incremental progression (one pay increase available after one year in grade, conditional on successful completion of six month review period)	X	✓	✓
Annual cost of living increase (nationally negotiated. Pay award of 2% applied to LGS, Chief Officer and CEX from 1 April 2018 award of 2%. Those on SCP 6-17 received an increase of between 9.19 – 3.73%)	✓	✓	✓
Market Supplement Payment (Restricted - based on business case requiring evidence. Approval by Pay Governance Board. Reviewed every 12-24 months)	✓ but not in receipt of payment and historically never offered to the Chief Executive	✓ as at 31 Oct 2018 two Chief Officers were in receipt of payment	✓ paid only to certain roles on approval of a business case.
Overtime and night working payments	X	X	✓ Contractual
Evening and weekend payments	X	X	X
Out of hours, recall to work, standby payments, critical incidents, sleep in duty, shift working, client holidays payments	X	X	✓ Contractual
Acting up allowances, honoraria and ex gratia payments	X	✓ As at 31 Oct 18, two Chief Officers were in receipt of payments totalling £8,483.	✓
Monitoring Officer Payment (statutory duty)	X	X incorporated into one Corporate Director role	X

¹ See Appendix 4 for pay bandings

Returning/Counting Officer Payment (to run elections) ² or Election Duty Payments	✓ payment made for a Parliamentary election – but not paid by NCC	✓ if acting as deputy, this payment is paid out of the Returning Officer's personal fee	✓ if working on elections
Bonus payments	X	X	X
Redundancy Payment (same multiplier criteria used for all groups)	✓	✓	✓
Efficiency Payment (same criteria used for all groups) ³	✓	✓	✓
Relocation Payments	✓	✓ As at 31 Oct 2017, no relocation payments had been made to chief officers	✓
Essential Car User Allowance (The Council removed ECU in September 2014 so this is no longer available to any colleagues)	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 31 Oct 2017, four Chief Officers were in receipt of payments totalling £68.	✓
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) ⁴	✓	✓ As at 31 Oct 2017, 2 Chief Officers were in receipt of payments totalling £35.33 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	✓
Reimbursement of reasonable expenditure (limits apply equally to all groups and receipts must be provided) ⁵	✓	✓ As at 31 Oct 17, one Chief Officer was in receipt of payments totalling £126	✓
Sickness Pay entitlement linked to length of service – applied equally to all groups	✓ Contractual	✓ Contractual	✓ Contractual
Notice Period	✓ Contractual 3 months	✓ Contractual 3 months	✓ Contractual 1-2 months
Payment of Membership Fees	X	X	X

² This is a bulk payment made to a nominated chief officer to fulfil the duties of running National Referendum, Local, European or Parliamentary elections.

³ This is covered in the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (DCR) Policy. See Appendix 7

⁴ See Appendix 9 for details of the Council's Business Travel Scheme

⁵ See Appendix 10 for details of the Council's policy on Reimbursement of Expenditure

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: 5.8-8.5%
Discretion to enhance pension entitlements ⁶	✓	✓	✓
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	✓	✓	✓

⁶ 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

1. Preamble

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).

2. Regulation 5

- 2.1 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).
- 2.2 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.
- 2.3 Continuous service with an organisation covered by the provisions of the RPMO will count towards the redundancy compensation calculation under this Regulation.

3. Regulation 6

- 3.1 For employees who are entitled to a statutory redundancy payment under Regulation 5, no discretionary compensation element will be paid under Regulation 5.
- 3.2 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.
- 3.3 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 Appointments and Conditions of Service Committee.

¹ With effect from 6 April 2017, the statutory limit of a week's pay is £489 per week.

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

- 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.

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Author	Sheena Yadav-Staples
Organisation	Nottingham City Council

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04.04.16	1	Della Sewell	Statutory change
06.06.17	2	Sheena Yadav-Staples	Statutory change to limit to a week's pay.

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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.

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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.

7.4 Colleagues who have acquired a car through the City Council's 'carplus' scheme and use this car for business travel purposes, will be entitled to claim for mileage in line with HMRC rates. However, as this vehicle has been acquired through a salary sacrifice scheme it has attracted a tax benefit (Benefit in Kind as defined by HMRC) and therefore, for the purposes of business mileage claims, is viewed as a company car (as it is a lease agreement entered into by the employer). This means that any claims are at a lower rate than those above, as it also does not provide for wear and



tear (as the colleague will be driving a brand new car with all motoring costs included in the monthly salary sacrifice deduction.)

- 7.5 Colleagues claiming mileage as part of Business Travel will be eligible to claim the lowest HMRC rate, irrespective of engine size of fuel type. Advisory Fuel Rates can be found on the [HMRC](https://www.gov.uk/government/publications/advisory-fuel-rates/advisory-fuel-rates-from-1-march-2016) website or by clicking on this link- <https://www.gov.uk/government/publications/advisory-fuel-rates/advisory-fuel-rates-from-1-march-2016> . It should be noted that they vary from time to time.
- 7.6 Colleagues must ensure that their claims are recorded correctly by submitting the information through the iexpenses process. When colleagues provide additional information on each of the listed mileage claims, they should select the “Details” button next to each of their mileage claim entries first. They should then ensure that they select the “Lease” option in the “Type of User” field as selecting any other option will result in an incorrect mileage rate being applied.
- 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 obtained from Insurance & Risk.
- 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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Author	Della Sewell
Organisation	Nottingham City Council

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June 2018	4	E Harrison	Updated links

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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 [Development and Change pages](#) on the intranet.

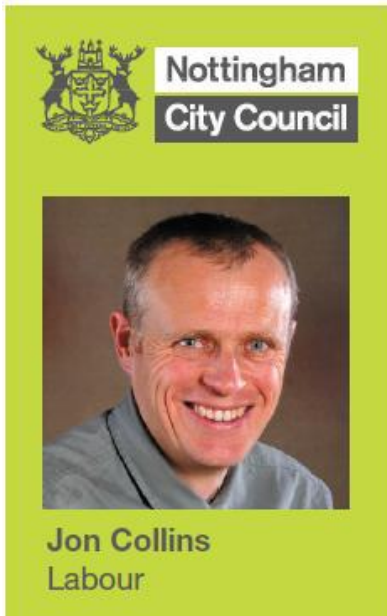
Pay Policy Statement 2019-2020

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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 is the first to reflect the Council's new SLMG pay structure, which was implemented as part of the new Nottingham Contract from 1st October 2018.

The Council remains committed to paying a reasonable wage to our lowest paid employees and work is currently underway to ensure our pay structure is in line with the NJC new pay spine which will be introduced in April 2019, taking the lowest hourly rate to £9.00, which is equal to the current Voluntary Living Wage.

The Council strives to maintain a fair pay ratio between its highest and lowest paid employees. A two year pay award of 2% in both 2018 and 2019 has been applied to Chief Executive's pay, but Nottingham still has one of the lowest Chief Executive pay in comparison with other Core Cities Councils, and one of the lowest ratio of highest to lowest earners, at 7:1.

The Council will regularly review the minimum rate paid to its employees against the rate recommended by the Living Wage Foundation and try to maintain a fair day's pay for a fair day's work. However, we continue to face extensive budgetary pressures, and these decisions will become more challenging in times to come as we try to maintain service provision and continue to keep citizens at the heart against a background of continuing government cuts.

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.

I wrote in last year's Pay Policy Statement about the Government's intention to implement a cap on public sector exit payments and a process of recovery of Chief Officer Exit payments where certain conditions apply. These proposals have yet to become law, so we continue to await their implementation.

The Council continues to work hard to preserve jobs and frontline services and provide fair pay to our colleagues despite the ongoing budget cuts, successfully implementing new pay structures and terms and conditions for LGS and SLMG. The new pay structures have been designed to better fit our future challenges whilst still enabling us to attract, retain and motivate our colleagues.

The new pay structure has, following several years of increment freezes, reintroduced an element of pay progression for Council colleagues, and has embedded very successfully following its implementation on 1 April 2017.

Unfortunately, Government cuts to Council funding continues to impact on Nottingham City Council which has meant that some difficult decisions have had to be made, and in the coming financial year we will see further significant changes to our structure and ways of working as we try to make the best use of the money we have.

A handwritten signature in black ink, appearing to read 'Ian Curryer'. The signature is fluid and cursive, with a long horizontal stroke at the end.

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 2019/20 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, terms 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 2019/20. It should be noted that the Council changed its terms and conditions, including its pay structure and Pay Policy for Chief Officers and Senior Leadership grades, by collective agreement effective from 1st October 2018.
- 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, which consists of four main departments; Children & Adults, Development & Growth, Commercial & Operations and Strategy & Resources. Each department delivers distinct and specific functions for Nottingham's citizens. These departments have been in place since 1st November 2016, following changes to the Council's Senior Management Structure. These changes have resulted in a more streamlined Chief Officer structure within the Council for this reporting period.

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 31 October 2018.

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 Service (LGS) terms and conditions. The 'lowest paid employee' is defined as LGS employees employed on Nottingham City Council (NCC) Grade A, Level 1, equating to £16,394 basic pay.

This is the lowest pay point and salary offered for a substantive post at the Council excluding Level 2 apprentices.

2.3 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.

2.4 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, subject to having ascertained the views of the Executive Board;
- to approve the appointment of Chief Officers;
- 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 meets on a monthly basis. The Committee is accountable to Council, has eleven members and is politically balanced. One place is reserved for the relevant Portfolio Holder with a remit covering Resources (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.
- 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 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 31 October 2018, 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 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, automatic increments have been removed from the new pay structure which came in from 1 April 2017. In addition, certain allowances are no longer payable, e.g. evening allowances.
- 4.4 The Chief Executive is paid on a spot salary of £166,480 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 2018 and 31 October 2018 are listed in the table below:

Pay Element	Total for Chief Officers*
Total year to date additional payments (1 April 2018 to 30 September 2018) Additional payments include: Car mileage, allowances for additional responsibilities, general expenses (e.g. subsistence, parking etc), and travel expenses.	£12,980

* as defined by the Local Government and Housing Act 1989

This has decreased from last year, when the total additional payments were £22,100; this is due an overall fall in payments, as shown in Appendix 1, and changes to reporting lines. The table below outlines the types of payments made:

Payment Element	Amount
Additional Responsibility	£8,484
Market Supplement	£2,877
Occasional Miles	£68
Parking	£32
Pay Protection PTC	£1,484
Travel	£35
Total	£12,980

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 any National Referenda.
- 5.2 The Police & Crime Commissioner and Parliamentary elections as well as any national referenda 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 no Parliamentary election during 2018-2019 so the Chief Executive has not received an additional fee during this financial year, but as outlined in para 5.2, had there been one this would have been an independent payment and 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 the bi-election which occurred during this financial year.

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 fee 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 Councilors' 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 The Monitoring Officer responsibility falls within the remit of the Director of Legal and Governance and is paid accordingly at SDIR salary banding (November 2018).

7 PAY RELATIONSHIPS

Without Allowances

- 7.1 The relationship between the Chief Executive's basic pay (£166,480) to that of the Council's non chief officer¹ average earner excluding allowances (£24,327) is a pay multiple of 1:7.
- 7.2 The pay multiple of the Chief Executive's basic pay (£166,480) to that of the Council's non chief officer median earner excluding allowances (£21,074) is 1:8.

With Guaranteed Payments²

- 7.3 The relationship between the average chief officer's pay including guaranteed payments (£83,670) and to that of the Council's non chief officer average earner including guaranteed payments (£26,552) is 1:3.
- 7.4 The relationship between the median pay of chief officers including guaranteed payments (£86,247) and to that of the Council's non chief officer median earner including guaranteed payments (£19,949) is 1:4.
- 7.5 The relationship between the average Chief Officer's pay excluding guaranteed payments (£76,343) and that of the Council's (non-Chief Officer) average earner excluding guaranteed payments (£24,627) is 1.3.
- 7.6 The relationship between the median Chief Officer's pay excluding guaranteed payments (£73,918) and that of the Council's (non-Chief Officer) median earner excluding guaranteed payments (£21,074) is 1.4.

8 THE COUNCIL'S STATEMENT ON PAY AND CONDITIONS FOR CHIEF OFFICERS FOR 2018/19

The section sets out the Council's approach to determining pay and conditions for chief officers for 2018/19.

(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.

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, salary protection, market supplements, allowances and enhancements paid between 01/04/2018 to 31/10/2018.

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 Customer for approval in accordance with section 8 of the Council's Pay Policy.

8.3 Increases and additions to remuneration for each chief officer

A two point progression was implemented as part the SLMG pay review implemented on the 1st October 2018. Annual pay awards are negotiated nationally with the trade unions. There was a two year pay award of 2% per year for chief officers and the Chief Executive from 1 April 2018.

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

At time of writing, 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'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 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) (Discretionary Compensation) (England and Wales) 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) (Discretionary Compensation) (England and Wales) 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 may retire from age 55 without consent but will leave with a reduced pension. 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.
- 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, at time of writing this has 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 Customer 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, at time of writing an implementation date is still 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 all such engagements, whether direct or through an intermediary are compliant with the off payroll rules (also known as IR35) for the public sector introduced in April 2017. This ensures that the Council is meeting its obligations in regard to Employment Tax 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 the required deductions for Income Tax and National Insurance made and paid over to HMRC.

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). The Government's compulsory National Living Wage (as introduced in April 2016) is currently an hourly rate of £7.50, set to increase to £9.00 per hour by 2020.

Changes to the Council's pay structure in April 2017 ensures that employees in Grades A – C receive a salary that is in excess of the Government National Living Wage (currently £7.50 per hour). As part of the changes to the pay structure, the top two spinal column points (SCP) of the former pay structure were removed and colleagues on those SCP are receiving pay protection. The changes to the pay structure and terms and conditions are reflected in the Council's Pay Policy at Appendix 5.

The new NJC pay model removes unsocial hour's payments for evening working, pays plain time for work undertaken on weekends and any overtime worked between 37 hours and 42 hours per week. Overtime in excess of 42 hours per week is paid at time and a half.

8.13 Local Government National Pay Award

At the time of writing this report, a National Pay award offer for LGS employees is in place for the period April 2018 – 31 March 2020. In year one LGS employees below SCP 20 (NCC Grade D and below) received an increase of between 3.734% and 9.191% creating a new bottom SCP of £8.50 per hour. LGS employees on or above SCP 20 (NCC Grade E and above), received a 2.0% pay increase.

- 8.14 In year two, the pay award proposal will increase the bottom SCP to £9.00 per hour and make revisions to the existing pay spine to rationalise the consequent compacting of differentials. The NJC pay spine revision will remove some spinal column points (SCP) at the bottom and insert some new SCP in the middle of the National Spine. All SCP will be re-numbered, and the National Spine will shrink from 49 SCP to 43.

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*

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