



## **Nottingham City Council** **Appointments and Conditions of Service Committee**

**Date:** Tuesday, 8 February 2022

**Time:** 2.00 pm

**Place:** Ground Floor Committee Room - Loxley House, Station Street, Nottingham, NG2 3NG

Please see information at the bottom of this agenda front sheet about arrangements for ensuring Covid-safety.

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

**Director for Legal and Governance**

**Governance Officer:** Kate Morris, 0115 8764353

**Direct Dial:**

- 1 Apologies for Absence**
- 2 Declarations of Interests**
- 3 Minutes** 3 - 4  
To confirm the minutes of the meeting held on 7 December 2021
- 4 Pay Policy Statement 2022-23** 5 - 56  
Report of the Director of HR and Equality, Diversity and Inclusion
- 5 Early Retirement Monitoring Report 2020/21** 57 - 62  
Report of the Director for HR and Equality, Diversity & Inclusion
- 6 Exclusion of the Public**  
To consider excluding the public from the meeting during consideration of the remaining item(s) 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 Exempt Minutes** 63 - 64  
To confirm the exempt minutes of the meeting held on 7 December 2021

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](http://www.nottinghamcity.gov.uk). Individuals intending to record the meeting are asked to notify the Governance Officer shown above in advance.

In order to hold this meeting in as Covid-safe way as possible, all attendees are:

- asked to maintain a sensible level of social distancing from others as far as practically possible when moving around the building and when entering and leaving the meeting room. As far as possible, please remain seated and maintain distancing between seats throughout the meeting.
- strongly encouraged to wear a face covering when entering and leaving the meeting room and throughout the meeting, unless you need to remove it while speaking to enable others to hear you. This does not apply to anyone exempt from wearing a face covering.
- make use of the hand sanitiser available and, when moving about the building follow signs about traffic flows, lift capacities etc

## 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 7 December 2021 from 2.14 pm - 2.55 pm

#### Membership

##### Present

Councillor Dave Liversidge (Chair)  
Councillor Eunice Campbell-Clark  
Councillor Kevin Clarke  
Councillor Sally Longford  
Councillor David Mellen  
Councillor Sam Webster

##### Absent

Councillor Hassan Ahmed  
Councillor Rebecca Langton

#### Colleagues, partners and others in attendance:

Mel Barrett - Chief Executive  
Clive Heaphy - Interim Corporate Director for Finance and Resources  
Marie Read - HR Consultant  
Kate Morris - Governance Officer

#### 54 Apologies for Absence

Councillor Hasan Ahmed (Vice Chair) - On Leave  
Councillor Rebecca Langton -Unwell

#### 55 Declarations of Interests

None.

#### 56 Minutes

The minutes of the meeting held on 2 December 2021 were confirmed as a true record and were signed by the Chair.

#### 57 Exclusion of the Public

**The Committee decided to exclude the public from the meeting during consideration of the remaining agenda 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 outweighed the public interest in disclosing the information, as defined in Paragraph(s) 1, 2, 3, 4, 5 of Part 1 of Schedule 12A to the Act.**

The meeting was adjourned at 14:16 to allow attendance of further members and reconvened at 14:29

**58 Service Redesign: Strategic Finance Division**

The Committee considered the report on Service Redesign: Strategic Finance presented by Clive Heaphy, Interim Corporate Director for Finance and Resources.

**Resolved to defer the item until the January 2022 meeting to allow for amendments as detailed in the exempt minutes.**

**APPOINTMENT AND CONDITIONS OF SERVICE COMMITTEE - 8 FEBRUARY 2022**

<b>Title of paper:</b>	<b>Pay Policy Statement 2022/23</b>	
<b>Director(s)/ Corporate Director(s):</b>	Richard Henderson, Director of HR and EDI	<b>Wards affected:</b> ALL
<b>Report author(s) and contact details:</b>	Elaine Harrison, HR Consultant elaine.harrison@nottinghamcity.gov.uk, 0115 87 62766	
<b>Other colleagues who have provided input:</b>	Mel Barratt – Chief Executive Deepa Venkatesan – HR Advisor Management Information Jo Worster – Team Leader, Strategic Finance Andy Cross – Pensions Consultant Sarah Wilson – Electoral Services Manager Gary Robbins – Senior Accountant – Tax Beth Brown – Head of Legal and Governance Daljit Singh Nijran – Organisational HR Manager	
<b>Date of consultation with Portfolio Holder(s) (if relevant)</b>	24 January 2022	
<b>Does this report contain any information that is exempt from publication?</b> No		
<b>Relevant Council Plan Key Outcome:</b>		
Clean and Connected Communities	<input type="checkbox"/>	
Keeping Nottingham Working	<input type="checkbox"/>	
Carbon Neutral by 2028	<input type="checkbox"/>	
Safer Nottingham	<input type="checkbox"/>	
Child-Friendly Nottingham	<input type="checkbox"/>	
Healthy and Inclusive	<input type="checkbox"/>	
Keeping Nottingham Moving	<input type="checkbox"/>	
Improve the City Centre	<input type="checkbox"/>	
Better Housing	<input type="checkbox"/>	
Financial Stability	<input type="checkbox"/>	
Serving People Well	<input checked="" type="checkbox"/>	
<b>Summary of issues (including benefits to citizens/service users):</b>		
This report introduces the Council’s Pay Policy Statement for 2022/23 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.		
<b>Recommendation(s):</b>		
<b>1</b>	To note the Council’s Pay Policy Statement for 2022/23, which is being presented to Full Council on 7 March 2022.	

**1. Reasons for recommendations**

- 1.1 The council is required to approve a pay policy statement each year and this report provides a draft pay policy statement to ACOS for consideration and endorsement prior to putting the matter before Full Council.

**2. Other options considered in making recommendations**

No other options have been considered in the writing of this report, as the production of a Pay Policy statement is a statutory requirement under the Localism Act.

### 3. **Consideration of Risk**

3.1 None

### 4. **Background (including outcomes of consultation)**

4.1 The Localism Act requires local authorities to prepare and publish a pay policy statement.

4.2 The Act requires that the statement must be approved formally by Full Council itself (it cannot be delegated to a sub-committee). The statement must be approved by the end of March each year and must be approved and published by 31 March each year.

4.3 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.

4.4 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.

4.5 The data for this Pay Policy Statement is taken as at 31 October 2021.

4.6 Sections 2, 4 and 7 and Appendix 6 are based on retrospective pay information. The same reporting period has been used as last year.

4.7 The relationship between the Chief Executive's pay (£179,813) to that of the Council's non-Chief Officer average earner, excluding allowances (£26,797), is a pay multiple of 6.71:1 which is a slight narrowing of the gap from last year (6.78:1).

4.8 The pay multiple of the average Chief Officer's pay (£90,431) to that of the non-Chief Officer average earner (£27,262), including guaranteed payments, has increased this year to at 3.32:1 (previously 3.16:1).

4.9 The ratio between the average Chief Officer's pay and the average non-Chief Officer (including guaranteed payments), is ratio of 3.32:1 which is slight increase in the gap on the previous reporting period (3.31).

4.10 A comparison of the City Council's median pay multiple (7.64:1), slightly up from last year (7.63:1), with those published by the Core Cities in their 2021/22 statements, shows that figures ranged from the widest gap at 8.04:1 and narrowest gap at 5.73:1. Nottingham City Council ranks third widest behind Liverpool and Manchester. (Liverpool – 8.04:1, Manchester – 7.7:1, Nottingham 7.64:1, Leeds – 7.59:1, Birmingham – 7.59:1, Sheffield – 7.44:1, Bristol – 5.73:1 and Newcastle – figure not published).

4.11 It is not currently Council policy to pay bonus payments, increments, performance related pay and other pay enhancements for overtime, weekend, evening, night working, etc to Chief Officers.

4.12 The National Pay negotiations for 2021/22, that cover local government staff, are still ongoing and not yet concluded. Therefore, this pay statement is based on pre-pay award salaries.

## **5. Finance colleague comments (including implications and value for money)**

5.1 The average and median pay figures included in the report are based on data for 2021/22 up to October 2021 adjusted to an annual figure.

Jo Worster, Team Leader - Strategic Finance, 13 January 2022

## **6. Legal colleague comments**

6.1 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;
- the relationship between:
  - the remuneration of its chief officers, and
  - the remuneration of its employees who are not chief officers.

6.2 The statement must also set out:

- the definition of “lowest-paid employees” adopted by the Council for the purposes of the statement;
- the authority’s reasons for adopting that definition.

6.3 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;

6.4 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.

6.5 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 2022 for the forthcoming financial year.

Beth Brown, Head of Legal and Governance, 20 January 2022

## **7. Other relevant comments**

7.1 **Procurement**  
Not applicable

7.2 **Strategic Assets and Property**  
Not applicable

7.3 **IT**  
Not applicable

8. **Crime and Disorder Implications (If Applicable)**

8.1 Not applicable

9. **Social value considerations (If Applicable)**

9.1 Not applicable

10. **Regard to the NHS Constitution (If Applicable)**

10.1 Not applicable

11. **Equality Impact Assessment (EIA)**

11.1 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.

12. **Data Protection Impact Assessment (DPIA)**

12.1 Has the data protection impact of the proposals in this report been assessed?

No



A DPIA is not required because:

The report is produced in accordance with the Localism Act 2011.

13. **Carbon Impact Assessment (CIA)**

13.1 Has the carbon impact of the proposals in this report been assessed?

No



A CIA is not required because:

The report does not contain proposals or financial decisions

14. **List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)**

14.1 None

15. **Published documents referred to in this report**

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

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# Nottingham City Council

## Pay Policy Statement 2022-2023



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



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## **Foreword**

Welcome to Nottingham City Council's annual Pay Policy Statement. The statement sets out the Council's approach to setting pay and conditions for its employees, including Chief Officers, and demonstrates our commitment to openness and transparency about pay and allowances..

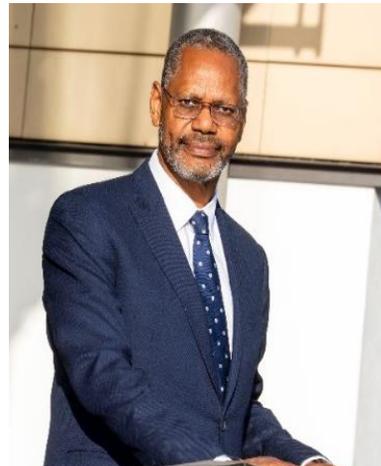
Last year's Pay Policy Statement noted the Government's intention to implement a cap on public sector exit payments. These reforms duly became law on 4 November 2021, however, they were subsequently repealed by Government. Further proposals may be brought forward in 2022.

Despite a difficult financial environment, the Council is committed to providing fair pay to all our employees. During 2021 the Council published pay gap reports in relation to gender, race and disability, on the basis that pay gap data is an important indicator to facilitate the council's commitment to be an employer that promotes equalities, diversity and inclusion within the workplace.

**Cllr David Mellen**  
**Leader of the Council**



**Mel Barrett**  
**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 (since 2012/13).
- 1.2 Pay Policy 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 Statement 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 2022/23 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 2022/23.
- 1.5 Sections 2, 4 and 7 and Appendix 4 use retrospective pay information. The same reporting period has been used as last year.
- 1.6 The data presented in this statement is based on the Council structure in October 2021 which consisted of four main departments; People, Growth & City Development, Resident Services and Finance & Resources. Each department delivers distinct and specific functions for Nottingham's citizens. These departments have been in place since 1<sup>st</sup> November 2020, following changes to the Council's Senior Management Structure which resulted in a more streamlined Chief Officer structure within the Council.

## 2 DEFINITIONS AND SCOPE

### 2.1 Definition of Statutory Chief Officer

The Localism Act 2011 Section 43 (2)(a) defines 'Chief Officers' as follows:

- (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'.*

The designation of Chief Officers and Deputy Chief Officers, are established in accordance with the Local Government and Housing Act 1989 as follows;

Section 2 (6) defines the following posts as Statutory Chief Officers:

- '(a) Head of Paid Service*
- (b) Chief Finance Officer.*
- (c) Director of Children's Services (appointed under section 18 of Children's Act 2004)*
- (d) Director of Adult Social Services (appointed under section 6 of Local Authority Social Services Act 1970)*
- (e) the director of public health appointed under section 73A(1) of the National Health Service Act 2006'*

Section 2 (7) defines the following posts as Chief Officers (non-Statutory):

- '(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'.*

Section 2 (8) defines a Deputy Chief Officer as being:

*'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'.*

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 2021.

## 2.2 'Lowest Paid' Employee

The majority of the workforce is employed on Local Government Service (LGS) terms and conditions. The 'lowest paid employee is on Nottingham City Council (NCC) Grade A, Level 1, equating to a basic salary of £17,842.

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

## 2.3 In accordance with the Localism Act 2011, the Pay Policy Statement excludes:

- 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.

#### 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 Part 2 of the Council's Constitution.

### **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 The Matrix of Terms & Conditions (Appendix 4) provides a comprehensive breakdown of all the terms and conditions offered to the Council's various groups of Chief Officers in comparison to LGS employees as at 31 October 2021, including pay range, allowances, fees and other benefits in kind. The table also outlines contractual and non-contractual pay and conditions for the different groups. The table highlights that many of the terms and conditions offered to LGS employees, such as overtime, travel expenses within the County of Nottinghamshire, weekend allowances etc. are not available to the Council's Chief Officers

- 4.3 The Chief Executive is paid on an all-inclusive fixed spot salary of £179,813. Corporate Directors and Strategic Directors are also paid on all-inclusive fixed spot salaries drawn from the respective salary ranges.
- 4.4 Continuing the single status journey for the council, looking ahead, a review will be undertaken during 2022/23 to ensure that the grading structure for Chief Executive, Corporate Director and Strategic Director roles remain fit for purpose.
- 4.5 The total additional payments made to the Council’s Chief Officers between 1 April 2021 and 31 October 2021 are listed in the table below:

<b>Payment Element</b>	<b>Amount</b>
Additional Responsibility	£10,298
Protected Pay NC	£5,490
Market Supplement	£15,463
Mileage Net	£13
Standby Payment	£89
Standby Sessions NR	£1,580
<b>Total for Chief Officers*</b>	<b>£32,933</b>

\* as defined by the Local Government and Housing Act 1989

## **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 responsible for the proper conduct and administration of relevant elections in accordance with all statutory and other requirements. the running of Local, Local Police & Crime Commissioner and Parliamentary elections in addition to any National Referenda.
- 5.2 The Parliamentary elections and elections for the Police & Crime Commissioner and 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 set the fee payable to the Chief Executive for these elections and the Chief Executive retains any fee paid to them for these duties.
- 5.3 The Police & Crime Commissioner election took place during the 2021-22 reporting period. This was rescheduled from 2020 due to the Covid-19 pandemic. The Chief Executive received an additional fee as local returning officer, but as outlined in para 5.2, this will have been a separate payment, not funded by the City Council and as such does not form part of Nottingham City Council’s terms and conditions.

5.4 The funding for local elections comes from local authority funds. The Chief Executive is responsible for the proper conduct and administration of local elections in accordance with all statutory and other requirements. The Chief Executive is not contractually entitled to a payment for local elections. A single by-election took place during the reporting period for which the Chief Executive did not receive a Returning Officer fee.

## **6 MONITORING OFFICER**

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 role is derived from Section 5 of the Local Government and Housing Act 1989, and includes the following: -

- To report on matters they believe are, or are likely to be, illegal or amount to maladministration or breach of statutory code under Sections 5 and 5A of the Local Government and Housing Act 1989.
- Investigating any matter where there is reason to believe it may constitute, or where they have received an allegation that a matter may constitute, a reportable incident under Sections 5 and 5A of the Local Government and Housing Act 1989.
- Maintaining the Council's Constitution.
- Maintaining the Constitution
- Ensuring Lawfulness and Fairness of Decision Making
- Supporting the Standards Committee
- Conducting Investigations in relation to the Councillors' Code of Conduct
- Proper Officer for Access to Information
- Advising Whether Cabinet Decisions are within the Budget and Policy Framework
- Providing Advice
- Maintaining and updating the register of Councillors' interests

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 who is paid an all-inclusive fixed spot salary drawn from the SDIR salary range.

## 7 PAY RELATIONSHIPS

### Without Allowances

- 7.1 The relationship between the Chief Executive's basic pay (£179,813) to that of the Council's non Chief Officer<sup>1</sup> average earner, excluding allowances (£26,797) is a pay multiple of 6.71:1.
- 7.2 The pay multiple of the Chief Executive's basic pay (£179,813) to that of the Council's non Chief Officer median earner excluding allowances (£23,541) is 7.64:1. In the 2020/21 reporting cycle, the pay multiple for the Chief Executive basic pay ratio to that of the median earner was 7.64:1. This compared well with figures reported by the Core Cities where pay multiples ranged between 5.73:1 to 8.04:1.

### With Guaranteed Payments<sup>2</sup>

- 7.3 The relationship between the average Chief Officer's pay including guaranteed payments (£90,431) and to that of the Council's non Chief Officer average earner including guaranteed payments (£27,262) is 3.32:1.
- 7.4 The relationship between the median pay of Chief Officers including guaranteed payments (£92,828) and to that of the Council's non Chief Officer median earner including guaranteed payments (£23,554) is 3.94:1.
- 7.5 The relationship between the average Chief Officer's pay excluding guaranteed payments (£89,284) and that of the Council's (non-Chief Officer) average earner excluding guaranteed payments (£26,797) is 3.31:1.
- 7.6 The relationship between the median Chief Officer's pay excluding guaranteed payments (£89,369) and that of the Council's (non-Chief Officer) median earner excluding guaranteed payments (£26,797) is 3.33:1.
- 7.7 The Council's 2020 Gender Pay Gap report showed an average pay gap of 2.9% (and 32.7% for the gender bonus gap). This means that on average women earned just over 97 pence for every pound earned by men.

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<sup>1</sup> 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.

<sup>2</sup> Includes basic FTE salary, pension – employer contribution on FTE basic pay, salary protection, market supplements, allowances and enhancements paid between 01/04/2021 to 31/10/2021.

## **8 THE COUNCIL'S STATEMENT ON PAY AND CONDITIONS FOR CHIEF OFFICERS FOR 2022/23**

This section sets out the Council's approach to determining pay and conditions for Chief Officers for 2022/23.

### **8.1 Remuneration of Chief Officers on recruitment**

The basic all-inclusive pay for Chief Officers (Corporate Directors and Strategic Directors) fall within the bandings for their job as set out below (salaries are as applicable at 31 October 2021). The Chief Executive and Chief Officers roles are paid on a fixed spot salary drawn from the respective salary range (Refer to Appendix 4 - Matrix of Terms and Conditions).

As outlined in 4.4, a review will be undertaken during 2022/23 to ensure that the grading structure for Chief Executive, Corporate Director and Strategic Director, roles remain fit for purpose.

Posts falling within the statutory definition for Chief Officers of the Local Government and Housing Act 1989, which covers the Statutory Officers and those others that report to the Chief Executive, are set out in section 2.1 above.

The Appointment and Conditions of Service Committee (ACOS) is responsible for carrying out the recruitment and appointment of the Head of Paid Service and a number of Chief Officer roles as set out in the Constitution.

### **8.2 The level and elements of remuneration for each Chief Officer**

All changes or amendments to SLMG pay grading are 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 are subject to a business case being put forward to the Director of HR and EDI for approval in accordance with section 9 of the Council's Pay Policy.

### **8.3 Increases and additions to remuneration for each Chief Officer**

The Council's 'chief officer' cohort comprises of three staff categories - Corporate Directors, Strategic Directors and SLMG. Differences in Pay, Terms and Conditions for these three categories are contained in Appendix 4. Prior to October 2018, all three categories were paid on all-inclusive fixed spot salary points; following a review and effective from 1<sup>st</sup> October 2018, a two-point progression grading structure was introduced for the SLMG category only. Corporate Directors and Strategic Directors have remained on all-inclusive fixed spot salaries.

Annual pay awards are negotiated nationally with the trade unions. Pay negotiations for 2021/22 are still ongoing and trade unions are currently balloting members for industrial action. This pay statement therefore is based on pre-pay award salaries.

#### 8.4 The use of performance related pay for Chief Officers

The Council does not offer performance related pay to Chief Officers.

#### 8.5 The use of bonuses for Chief Officers

The Council does not offer bonus payments to Chief Officers.

#### 8.6 Earn-Back Pay

At the 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).
  - **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).

In accordance with the Local Government Pension Scheme regulations, employees aged 55 or over who are members of the local government pension scheme with at least two years qualifying membership in the pension scheme or transferred pension rights from another scheme, are also entitled to receive and must take immediate payment of an unreduced pension if they are

dismissed by reason of redundancy or business efficiency, or if their employment is terminated by mutual consent on grounds of business efficiency.

- **Retirement** – Under pension regulations, anyone can access their pension benefits from age 55 when they leave employment. The early payment of pension will be actuarially reduced if taken before normal pension age.
- **Early Retirement** – Under pension regulations anyone can access their pension benefits from age 55 when they leave employment. Under the council's Pension Discretions Statement of Policy, the council will not exercise the discretion to waive actuarial reductions or to “switch on” the 85-year rule.
- **Flexible Retirement** – Officers of the Council 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 Officers in the councils Tier 1 and Tier 2 workforce (Chief Executive, Corporate Director, Strategic Director, SLMG1 and SLMG2) would need to be approved by ACOS.

All flexible retirement requests are subject to the consent of the City Council and there is a requirement to produce a business case before any request can be approved.

- The Council will not award additional pension to Officers in the SLMG pay profile who are dismissed by reason of redundancy or efficiency.

The Government cap on Public Sector exit payments came into force on 4 November 2020 and was formally revoked on 19 March 2021 via The Restriction of Public Sector Exit Payments (Revocation) Regulations 2021. The pay cap, when in place, reduced both redundancy dismissal and efficiency pension benefits where the Officer was aged 55 and over, where the overall cost of termination exceeded £95,000 including pension strain costs. Following revocation, employers have been encouraged to pay the additional sums that would have paid to ex-employees who exited organisations between 4 November and 11 February 2021 whilst the cap was in place. Employers were also advised to review other termination payments that may have been restricted due to the exit cap in line with their internal policies, for example, discretionary compensation pay. It should be noted that the Council did not make any such payments and, therefore, did not have to reimburse additional sums.

The government has indicated that it intends to bring back future legislation at some point, and these requirements will be incorporated into this statement at the appropriate time.

## 8.8 Re-employment of former Chief Officers

Former Chief Officers are permitted to apply for vacancies at the Council via 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 EDI will scrutinise and decide whether to approve such requests following a consideration of the skills required and an assessment of value for money.

#### 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 is 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 3). The Council's lowest rate of hourly pay exceeds the National Minimum and Living wage rate.

#### 8.13 Local Government National Pay Award

The National Pay negotiations for 2021/22 that cover local government staff is still ongoing and not concluded. This pay statement is, therefore, based on pre-pay award salaries.

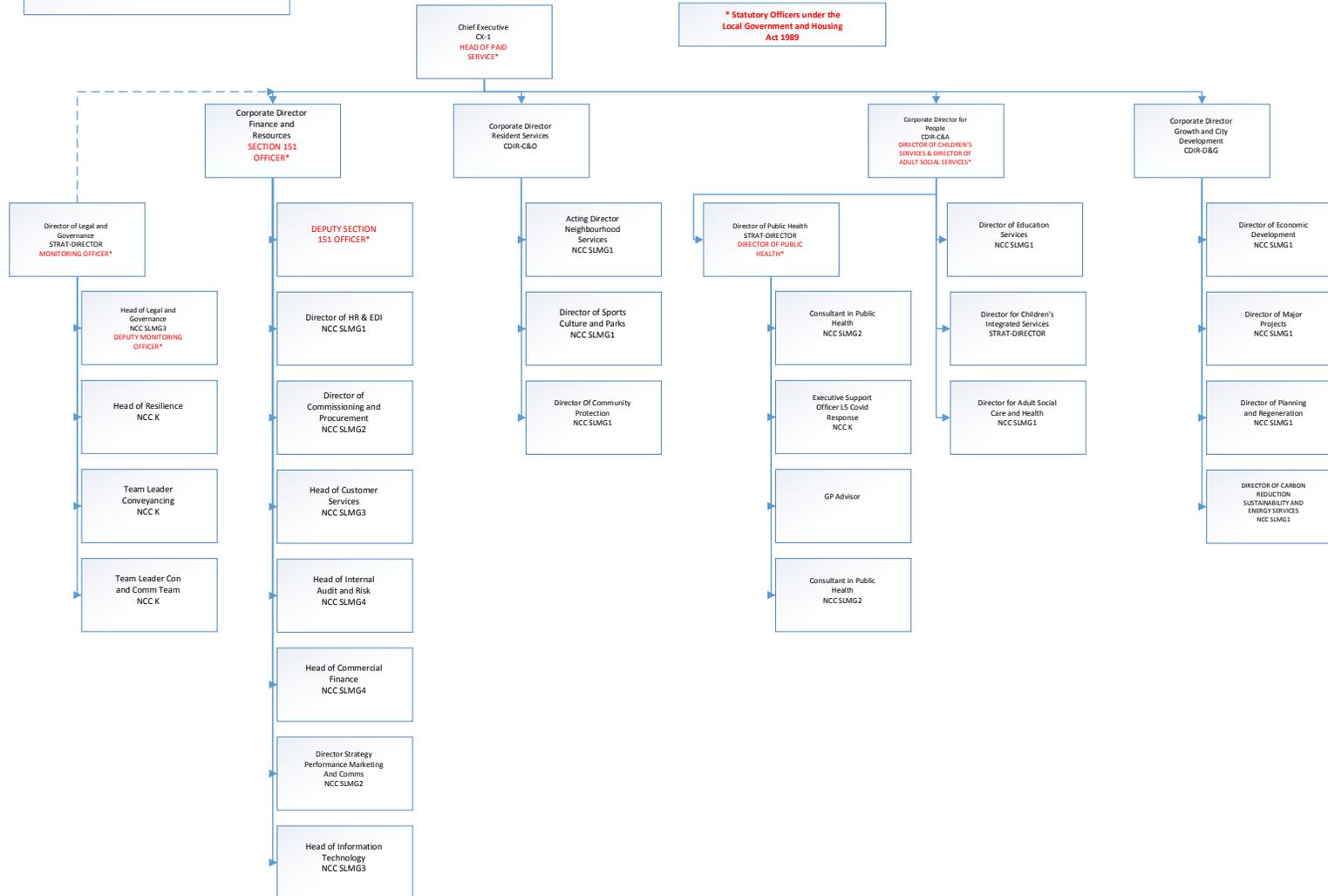
### **9 PUBLISHED DOCUMENTS AND PAPERS REFERRED TO IN THE PAY POLICY STATEMENT**

- 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*

# APPENDICES

## Appendix 1 – Structure chart

**CHIEF OFFICERS STRUCTURE CHART**  
OCTOBER 2021



## Appendix 2 – Pay Scales

### Pay Scales 2020

Pay Scales 2020						
			Apr-19		Apr-20	
Tier	Grade	Level	Salary	Hourly Rate	Salary	Hourly Rate
6	A	1	£17,364	£9.00	£17,842	£9.25
		2	£17,460	£9.05	£17,940	£9.30
	B	1	£17,711	£9.18	£18,198	£9.43
		2	£18,065	£9.36	£18,562	£9.62
	C	1	£18,426	£9.55	£18,933	£9.81
		2	£18,795	£9.74	£19,312	£10.01
	D	1	£19,171	£9.94	£19,698	£10.21
		2	£19,945	£10.34	£20,493	£10.62
	E	1	£21,589	£11.19	£22,183	£11.50
		2	£22,911	£11.88	£23,541	£12.20
	F	1	£25,295	£13.11	£25,991	£13.47
		2	£26,999	£13.99	£27,741	£14.38
5	G	1	£28,785	£14.92	£29,577	£15.33
		2	£30,507	£15.81	£31,346	£16.25
	H	1	£32,878	£17.04	£33,782	£17.51
		2	£34,788	£18.03	£35,745	£18.53
	I	1	£37,849	£19.62	£38,890	£20.16
		2	£39,782	£20.62	£40,876	£21.19
4	J	1	£42,683	£22.12	£43,857	£22.73
		2	£44,632	£23.13	£45,859	£23.77
	K	1	£47,540	£24.63	£48,847	£25.32
		2	£49,482	£25.65	£50,843	£26.35
3	SLMG5	1	£51,963	£26.93	£53,392	£27.67
		2	£53,478	£27.72	£54,949	£28.48
	SLMG4	1	£54,996	£28.51	£56,508	£29.29
		2	£58,504	£30.32	£60,113	£31.16
	SLMG3	1	£62,016	£32.14	£63,721	£33.03
		2	£67,144	£34.80	£68,990	£35.76
2	SLMG2	1	£72,276	£37.46	£74,264	£38.49
		2	£78,298	£40.58	£80,451	£41.70
	SLMG1	1	£84,324	£43.71	£86,643	£44.91
		2	£90,344	£46.83	£92,828	£48.12
1*	SDIR	Min	£100,676	£52.18	£103,445	£53.62
		Max	£111,385	£57.73	£114,448	£59.32
	CDIR	Min	£127,357	£66.01	£130,860	£67.83
		Max	£148,583	£77.01	£153,669	£79.65
	CX	Min	£165,000	£85.52	£169,537	£87.88
		Max	£185,000	£95.89	£190,087	£98.53

\*Paid as all-inclusive spot salaries drawn from the respective salary ranges

Updated 26 August 2020

**PAY POLICY**

**Appendix 3**

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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:

<b>Tier</b>	<b>Grade</b>	<b>Entry Point</b>	<b>Progression Point</b>
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.

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 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.

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

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 in the People Management Handbook under Pay and Benefits. The list of Market Supplements 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 instalments 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 OD**

The HR and OD 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 OD colleague for advice.

Appendix 4: Matrix of Terms and Conditions

Terms and Conditions (as at 31 October 2021)	Chief Executive	Chief Officers			LGS Employee
		Corporate Director	Strategic Director	SLMG	
Basic Pay <sup>3</sup>	✓ Contractual Fixed Spot salary point £179,813 Range £169,537 - £190,087	✓ Contractual Fixed Spot Salary point Range £130,860 - £153,669	✓ Contractual Fixed Spot Salary point Range £103,445 - £114,448	✓ Contractual Two point grades £53,392 - £92,828	✓ Contractual Two point grades Range £17,842 - £50,843
Performance Related Pay	X	X	X	X	X
Incremental progression (one pay increase available after one year in grade, conditional on successful completion of six month review period, or after two years in grade for SLMG (excludes Corporate Director and Strategic Director roles))	X	X	X	✓	✓
Annual cost of living increase (nationally negotiated). Pay award for 2021-22 still in negotiation at time of writing.	✓	✓	✓	✓	✓
Market Supplement Payment (Restricted - based on business case requiring evidence).	✓ Nil in operation	✓ Nil in operation	✓ Nil in operation	✓ As at 31 Oct 2021 Paid only to certain roles on approval of a business case - four Chief Officer roles have attracted a payment	✓ Paid only to certain roles on approval of a business case. Full list available at appendix 7.
Overtime and night working payments	X	X	X	X	✓ Contractual
Evening and weekend payments	X	X	X	X	X
Out of hours, recall to work, standby payments, critical incidents, sleep in duty, shift working, client holidays payments	X	X	X	X	✓ Contractual

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<sup>3</sup> See Appendix 2 for pay bandings

Terms and Conditions (as at 31 October 2021)	Chief Executive	Chief Officers			LGS Employee
		Corporate Director	Strategic Director	SLMG	
Acting up allowances, honoraria and ex gratia payments	x	x	x	✓ Nil in operation	✓
Monitoring Officer Payment (statutory duty)	x	x	No additional payment. Is part of the all-inclusive fixed salary of the Director of Legal and Governance.	x	x
Returning/Counting Officer Payment (to run elections) <sup>4</sup> or Election Duty Payments	✓ Payment made for a Police & Crime Commissioner election – but not paid by NCC	x	x	✓ 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	x	x
Redundancy Payment (same multiplier criteria used for all groups)	✓	✓	✓	✓	✓
Efficiency Payment (same criteria used for all groups) <sup>5</sup>	✓	✓	✓	✓	✓
Relocation Payments	x	x	x	x	x
Essential Car User Allowance (The Council removed ECU in September 2014 so this is no longer available to any colleagues)	x	x	x	x	x
Company Car	x	x	x	x	x
Car Parking Allowances (restricted and dependant on role; the majority of employees pay for their own parking)	x	x	x	x Other than Authorised Business Users. Nil allowances paid as at 31 Oct 2021.	✓ Authorised Business Users Only <sup>6</sup>
Travel expenses within County of Nottinghamshire	x	x	x	x	✓

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

<sup>5</sup> This is covered in the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006 (DCR) Policy.

<sup>6</sup> Authorised Business Users are job roles for whom it is essential to have a car to discharge their role.

Terms and Conditions (as at 31 October 2021)	Chief Executive	Chief Officers			LGS Employee
		Corporate Director	Strategic Director	SLMG	
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) <sup>7</sup>	✓	✓	✓	✓ As at 31 Oct 2021, 1 Chief Officer received a payment of £13.50	✓
Disturbance Allowance (paid up to one year for significant changes to work location)	x	x	x	x	✓
Payment for home telephone line for work purposes	x	x	x	x	✓ Only for posts where a clear business case has been identified
Reimbursement of reasonable expenditure (limits apply equally to all groups and receipts must be provided) <sup>8</sup>	✓ Nil expenses claimed as at 31 Oct 21	✓ Nil expenses claimed as at 31 Oct 21	✓ Nil expenses claimed as at 31 Oct 21	✓ Nil expenses claimed as at 31 Oct 21	✓
Sickness Pay entitlement linked to length of service – applied equally to all groups	✓ Contractual	✓ Contractual	✓ Contractual	✓ Contractual	✓ Contractual
Notice Period	✓ Contractual 3 months	✓ Contractual 3 months	✓ Contractual 3 months	✓ Contractual 3 months	✓ Contractual 1-2 months
Payment of Membership Fees	x	x	x	x Paid only to certain roles on application	x Paid only to certain roles on application
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: 12.5%	✓ Contractual Employee rate: 12.5%	✓ Contractual Employee rate: 8.5-11.4%	✓ Contractual Employee rate: 5.8-8.5%
Discretion to enhance pension entitlements	x	x	x	x	x

<sup>7</sup> See Appendix 5 for details of the Council's Business Travel Scheme

<sup>8</sup> See appendix 6 for details of the Reimbursement of Expenditure Policy

Terms and Conditions (as at 31 October 2021)	Chief Executive	Chief Officers			LGS Employee
		Corporate Director	Strategic Director	SLMG	
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	✓	✓	✓	✓	✓

## **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:

<b>Tax – Rates per business mile</b>		
<b>Type of vehicle</b>	<b>First 10,000 miles</b>	<b>Above 10,000</b>
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 or 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.

## 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.

## 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 EDI.

The current agreed variations are:

Directorate	Title	Review date
Resident Services	Public Realm Operatives Level 3 – Driver Labourer	24/11/2021
	HGV Mechanic	30/04/2022
	Light Vehicle Mechanic	30/04/2022
	Workshop Controller	30/04/2022
	Vehicle Services Supervisor	30/04/2022
	Aerobics Instructor	31/03/2022
	Head Activity Leader & School Swimming Instructor	31/03/2022
	Project Director Nottingham Castle	31/03/2022
Peoples	Advanced Practitioner - EDT	30/11/2021
	SW Team Manager - EDT	30/11/2021
	Head of Children in Care	31/05/2022
	Court Officer - Youth Justice Service Case Manager	31/03/2022
	Service Manager - Mental Health Support Teams	31/01/2022
	Principal Social Worker	01/11/2021
	Supervising Social Worker, SW Level 3, Fostering Teams	30/11/2021
	Consultant in Public Health	31/03/2022
Finance & Resources	Director for Adult Social Care & Health	31/03/2022
	Occupational Health Advisor	31/03/2022
	Development & Change Consultant	31/09/2022
Growth & City Development	Director of Strategy Performance Marketing & Communications	31/03/2022
	Programme Manager - Specialist and Programme Manager	01/03/2022
	Director of Major Projects	01/03/2022

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**Appointments and Conditions of Service Committee  
8 February 2022**

<b>Title of paper:</b>	Early Retirement Monitoring Report 2020/21	
<b>Director(s)/ Corporate Director(s):</b>	Richard Henderson Director for HR and Equality, Diversity & Inclusion	<b>Wards affected:</b> All
<b>Report author(s) and contact details:</b>	Hing Cao, Organisational HR Telephone Number: 0115 8763194 Email: employeerelations@nottinghamcity.gov.uk	
<b>Other colleagues who have provided input:</b>	Andy Cross – Pensions Consultant Joanne Worster – Finance Team Leader, Strategic Finance Majid Iqbal – Team Leader, Litigation and Dispute Resolution Jo Hill – Employee Relations Specialist	
<b>Date of consultation with Portfolio Holder(s) (if relevant)</b>	24 January 2022	
<b>Does this report contain any information that is exempt from publication?</b> No		
<b>Relevant Council Plan Key Outcome:</b>		
Clean and Connected Communities	<input type="checkbox"/>	
Keeping Nottingham Working	<input type="checkbox"/>	
Carbon Neutral by 2028	<input type="checkbox"/>	
Safer Nottingham	<input type="checkbox"/>	
Child-Friendly Nottingham	<input type="checkbox"/>	
Healthy and Inclusive	<input type="checkbox"/>	
Keeping Nottingham Moving	<input type="checkbox"/>	
Improve the City Centre	<input type="checkbox"/>	
Better Housing	<input type="checkbox"/>	
Financial Stability	<input type="checkbox"/>	
Serving People Well	<input checked="" type="checkbox"/>	
<b>Summary of issues (including benefits to citizens/service users):</b> This report, which is for annual reporting purposes, is for noting. It details the number, type and average pension strain cost of early retirements for the period 1 April 2020 to 31 March 2021.		
<b>Recommendation(s):</b>		
<b>1</b>	To note the monitoring information contained within the report and the appendices.	

**1. Reasons for recommendations**

The report is brought to this Committee for noting purposes.

**2. Other options considered in making recommendations**

2.1 None. The report is for noting only.

### 3. **Consideration of Risk**

3.1 None.

### 4. **Background (including outcomes of consultation)**

- 4.1 A breakdown of all retirements for 2020/21 is provided in Appendix 1 including comparator information with previous years. The total number of retirement cases with a pension, increased to 290 cases in 2020/21 from 125 in 2019/20. Early retirements cases accounted for 211 (73%) of retirement cases.
- 4.2 Since 1 April 2014, the Local Government Pension Scheme (LGPS) has allowed for current or former employees 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.
- 4.3 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.
- 4.4 The number of colleagues voluntarily choosing to retire early decreased slightly in this reporting period. In 2020/21, 47 colleagues took early retirement compared to 50 in 2019/20.
- 4.5 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 grade. As there can be pension strain costs up to normal retirement age, employer consent is required in all instances subject to a business case. Of the 8 flexible retirements approved in this reporting period, there were no cases where pension strain costs were incurred.
- 4.6 Ill-health retirements accounted for 2.0% (6 cases out of 290) of all retirements, which is a decrease on the previous year when they accounted for 6.4% (8 cases out of 125). 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.
- 4.7 In this reporting period, there have been no retirements under the category of efficiency.
- 4.8 There was 1 death in service in this reporting period where a pension entitlement arose.
- 4.9 76% (149 cases) of early 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 increased this year from 11 in 2019/20.
- 4.10 Appendix 2 shows the average pension strain cost to the pension fund, broken down by department, for 2020/21 including comparator information with previous years. All pension strain costs in this reporting period were due to colleagues exiting the Council under redundancy.

4.11 All retirement figures exclude those employees based in non-maintained schools and Academies, Nottingham Revenues and Benefits and Nottingham City Homes.

**5. Finance colleague comments (including implications and value for money)**

Total exit costs including pension strain are taken into account as part of the decision making process on early retirement. All pension strain costs are paid as a lump sum.

Jo Worster, Finance Team Leader, 14 January 2022

**6. Legal colleague comments**

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.

Majid Iqbal, Solicitor and Team Leader, 12 January 2022

**7. Other relevant comments**

7.1 Not applicable.

**8. Equality Impact Assessment (EIA)**

8.1 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.

**9. Data Protection Impact Assessment (DPIA)**

9.1 Has the data protection impact of the proposals in this report been assessed?

No

A DPIA is not required because:

The report does not contain proposals or financial decisions.

**10. Carbon Impact Assessment (CIA)**

10.1 Has the carbon impact of the proposals in this report been assessed?

No

A CIA is not required because:

The report does not contain proposals.

**11. List of background papers relied upon in writing this report (not including published documents or confidential or exempt information)**

11.1 None.

**12. Published documents referred to in this report**

12.1 None.

Retirement cases by type 2020-2021

	Retirement type	2018/19	%	2019/20	%	2020/21	%
<b>Normal Retirement (State Pension Age)</b>	<b>Voluntary</b>	49	24.5	32	25.6	32	11.0
	<b>Redundancy</b>	6	3.0	1	0.8	47	16.3
	<b>Flexible</b>	7	3.5	4	3.2	0	0
<b>Early Retirement</b>	<b>Voluntary</b>	53	26.5	50	40.0	47	16.3
	<b>Redundancy</b>	46	23	11	8.8	149	51.4
	<b>Flexible</b>	23	11.5	19	15.2	8	2.7
	<b>Efficiency</b>	0	0	0	0	0	0
	<b>Ill-Health</b>	15	7.5	8	6.4	6	2.0
	<b>Death</b>	1	0.5	0	0	1	0.3
	<b>Employer Consent</b>	0	0	0	0	0	0
<b>Total Number of Flexible Retirements</b>		(30)		(23)		(8)	
<b>Total Number of Retirements</b>		<b>200</b>		<b>125</b>		<b>290</b>	

## Pension Strain Costs 2020-2021

<u>Department</u>	2018/19 No of Retirements	2018/19 Average Cost	2019/20 No of Retirements	2019/20 Average Cost	2020/21 No of Retirements	2020/21 Average Cost
Finance & Resources	18	£30,137	1	£22,900	30	£1,039,225
Growth & City Development	0	£0.00	1	£29,014	21	£747,848
Residents	25	£16,191	2	£14,793	105	£2,959,584
People	3	£30,668	5	£17,070	12	£313,152
<b>Council Average Costs</b>	N/A	£22,592	N/A	£18,539	N/A	£30,117
<b>Council Median Costs</b>	N/A	£16,725	N/A	£10,813	N/A	£22,631

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