

PAY POLICY

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

1. Scope of the Policy

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

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

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

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

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

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

2. Principles

- 2.1 The purpose of this Policy is to ensure a fair, transparent and equitable pay system that is free from unlawful discrimination. All decisions made in respect of the Policy will be based on these principles.
- 2.2 The Policy will be applied in accordance with the roles and responsibilities of officers as set out in the Council's Constitution.

3. Pay System

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

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

- 3.2 All grades A – K are assigned to one of three bands (4, 5 or 6). Bands 1, 2 and 3 are reserved for SLMG posts.
- 3.3 Each grade contains a range of spinal column points (scp) which defines the minimum and maximum pay range for each grade. The current values of each scp are available on the intranet and in Appendix 1 of the Pay Policy.

4. Grading of posts

- 4.1 All jobs are assigned to a grade following a job evaluation.
- 4.2 Where there is a business need to establish a new role or to fill a vacancy that has been empty for a significant period, the line manager will draft the job description, business case and the organisational chart in conjunction with the Job Evaluation Team who will advise whether there is an appropriate generic job description for the role available.
- 4.3 If a new evaluation is required then the job description will be sent to the Job Evaluation team for grading.
- 4.4 Where a regrade of an existing post is considered necessary, the revised job description, together with a summary of what changes have occurred to the job, should be sent to the Job Evaluation team.

5. Appointments to new grade

- 5.1 Subject to paragraph 5.2, employees will normally start in a new grade on the minimum scp for the grade. No employee will be allowed to move above the maximum for their grade. New starters in grade who start between the 1st April and 30th September will receive an increment on 1 April the following year; new starters in grade between 1 October and 31 March will receive an increment after

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six months' employment in that grade. Thereafter, they will receive increments on 1 April each year until the maximum of the grade is reached.

- 5.2 In seeking to recruit from outside the organisation it is possible that there may be the need to offer more than the minimum of the grade. Where such pressures are acute, managers will have to make a judgement based on the relevant experience of the candidate, their potential value to the organisation against the impact on current staff, job description and the pay range for the role. Where a manager needs to offer more to attract the preferred candidate this will need to be detailed and approved in the business case. Factors such as the current salaries of other employees performing that role must also be detailed and considered as part of the business case. A record of all such decisions will be kept and discussed at Central Panel.
- 5.3 The Council will act in accordance with the Fixed-Term Employees (Prevention of Less Favourable Treatment) Regulations 2002. Managers should ensure there is no difference in treatment to permanent employees regarding pay.

6. Allowances

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

a) Overtime

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

b) Saturday and Sunday Working

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

Saturday – Time and a half at basic

Sunday – Double time at basic

c) Night working

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

d) Public Holidays

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

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

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

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

e) Sleep-in Duty

Employees who are required to sleep-in on the premises shall receive the nationally agreed rate set by the National Joint Council from time to time. This allowance covers the requirement to sleep-in and up to 30 minutes call out per night, after which the additional hours provisions will apply.

f) Shift working

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

g) Free and rest day working

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

h) Evening working

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

i) Recall to work

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

j) Standby Duty

To return to work

- i The nationally agreed stand-by rate per session will be paid to employees who are on a standby-by duty rota to provide services out of hours. A session equates to any period of 24 hours or less. Employees on standby to return to work must:
 - be directly contactable;
 - remain fit and capable to return to work to undertake duties required;
 - be immediately available to return to work; and
 - be able to arrive at work within 45 minutes of being notified.

On call to provide telephone support

- ii The nationally agreed standby rate per session will be paid to employees on a standby duty rota to provide telephone support out of hours. A session equates to any period of 24 hours or less. Employees on call to provide telephone support must:
 - be directly contactable; and
 - remain fit and capable to undertake the duties required.
- iii The session payment covers the period on call and any calls amounting to less than one hour. Any calls in excess of one hour should be recorded as working time and claimed in accordance with normal additional hours or

overtime payments as appropriate for employees at or below scp 30. Time off in lieu will be given for those above scp 30.

- iv Where the time spent at work (i.e. any recorded working time) is in excess of the statutory unpaid rest period entitlements defined in the Working Time Regulations 1998, compensatory unpaid time off will be provided.

k) Unavoidable split shift or split duty working

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

l) Irregular Hours working

No irregular hours payments will be paid.

m) Lettings

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

n) Client Holidays

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

o) Unpaid Lunchtimes/Provision of Meals

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

6.2 In the event that more than one allowance could be applied, then it is only the highest allowance that applies.

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

6.4 No other allowances will be paid to employees covered by the National Joint Council for Local Government Services National Agreement on Pay and Conditions of Service (Green book).

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

- 7.1 This section sets out the principles under which additional payments should be made to employees who temporarily undertake additional duties and responsibilities or act up in a higher graded post. The opportunity to act-up can provide employees with a valuable opportunity to develop skills and gain experience in preparation for possible future promotion. For this reason the process for acting up arrangements needs to be transparent, fair and in keeping with the Council's responsibilities for equality, and in line with the principles of People Plus. Employees are entitled to be fairly rewarded on the basis outlined below for being asked to undertake additional responsibilities which are above and beyond the scope of the grade of their post.
- 7.2 In many cases, the absence of a senior officer means that additional duties are shared by a number of employees. Payment of an allowance is only appropriate where additional responsibilities of a higher grade have been undertaken, not simply an increase in the volume of work. The process set out below must be followed.
- 7.3 Employees who undertake agreed additional duties and responsibilities for longer than one month will be entitled to a temporary allowance as follows:
- If undertaking 100% of a higher graded post then an allowance equivalent to the minimum point of the higher graded post.
 - If undertaking less than 100% of the responsibilities of the higher graded post then a job evaluation exercise will be required to determine whether the additional responsibilities justify a temporary allowance equivalent to a higher grade.
 - If the additional responsibilities of a higher graded post are shared between a number of employees then a job evaluation exercise for each affected employee will need to be undertaken by the Job Evaluation Team to determine whether the additional responsibilities justify a temporary allowance equivalent to a higher grade.
- 7.4 Acting up allowances are payable only where an employee takes on the full duties and responsibilities of a higher graded post for a continuous period of at least one month. This may occur as a result of:
- temporarily filling a post until a substantive appointment can be made;
 - filling a key post while another employee is on maternity leave;
 - filling a key post to cover long term sickness absence;
 - filling posts due to other temporary extended leave arrangements e.g. secondments.

Authorisation and payment

- 7.5 Where a manager believes that payment of a temporary allowance for additional duties and responsibilities or an acting-up payment is appropriate, they should seek the authorisation of their Director and HR Business Partner to check that the conditions outlined above have been met. In addition, the manager must

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confirm this in writing with the employee and the employee must be asked to sign the letter to indicate their acceptance of the temporary change to their contract of employment. The letter should indicate an end date for the payment of the allowance if known, or the circumstances on which the allowance is likely to end, e.g. when a certain employee returns to work.

- 7.6 Subject to 7.7, payment will be based on the difference between the employee's substantive pay and the bottom point of the grade of the new duties being undertaken and, if less than 100%, the percentage time spent on these new duties. Where an employee is undertaking 100% of the duties of a higher graded post (i.e. acting up arrangements) payment should be based on the salary which would apply were the employee to be promoted to the higher level post, which would normally be the bottom point of the higher graded post.
- 7.7 Employees who are on protected salaries who undertake duties of a higher grade than their evaluated grade, but not higher than their protected salary are not entitled to receive any additional pay. They should still be encouraged to undertake the opportunity of acting up/additional duties and responsibilities as part of their development to assist them in improving their promotion prospects.
- 7.8 Temporary allowances should be implemented without unreasonable delay once the qualifying conditions are met, and will be backdated to the agreed start date of the additional duties and responsibilities/acting up arrangement. However, where possible the authorisation process should take place in advance of the arrangement commencing.
- 7.9 Payments should be funded from cost centres' employee budgets and therefore managers are reminded to be aware of the financial implications of any decisions in relation to how they cover for employee absences. In particular they should consult HR and Finance before making any decisions

Timescales and ending the arrangement

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

who have acted up in a post who are not subsequently appointed following competitive interviews must receive constructive feedback as to why they were not successful.

Subsequent promotion to the higher grade following acting-up arrangement

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

Covering the workload of the person acting up

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

8. Market Supplementation

- 8.1 This section derives from the need to consider market forces in relation to the pay and grading arrangements. Market supplementation is a means of making additional payments or providing enhanced benefits to employees without breaching equal pay legislation or deviating from the principles of job evaluation.
- 8.2 This policy explains the circumstances in which market payments or other recruitment and retention based benefits may be applied and the process for discharging them.

Compiling a case

- 8.3 Market supplementation will only be applied where there is strong evidence that pay for a specific role(s) is impacted by an inability to recruit or in some cases is a cause of high turnover.
- 8.4 Cases must be put forward to the Strategic Director of Organisational Transformation by the appropriate Director or Head of Service (2nd or 3rd tier) and must have been endorsed by their Corporate Director (or Chief Executive for Corporate Directors).
- 8.5 The case presented should address as a minimum the following criteria and should also present details of the level of payment and/or benefit proposed:
- a) Evidence of difficulty in recruiting, which may include:
 - Number of times a post has been advertised unsuccessfully
 - Media used
 - Cost incurred
 - Number of responses
 - Summary of gap between the person specification requirements and the quality of applicants
 - A particular skills shortage in the Nottingham area for that type of job.
 - b) Evidence for high turnover, which may include:

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- Exit interviews indicating pay as a significant reason for leaving
- Turnover as actual figures as a percentage in comparison with turnover rates with other comparable organisations.
- Average length of service of leavers compared with average length of service for organisation.
- Evidence of high internal staff turnover.

- 8.6 The manager will, in all cases, need to present evidence from current pay surveys to demonstrate that the level of pay for comparable posts in other locally comparable organisations is significantly higher than in Nottingham City Council. For example, the manager should be able to provide examples of comparable jobs with similar duties, competence requirements, management span, location in structure and budgetary responsibilities. It is not enough for the title alone to be compared. Comparisons must be based on the whole package (i.e. including leave entitlement, pension, bonus and other benefits) not just salary. Where exact comparisons are not possible, the case should state that data does not exist and provide the best data available as part of a robust business case. Geographical evidence on a comparable regional basis would normally only be appropriate to Band 4's and higher.
- 8.7 Evidence that other measures have been considered to support retention, for example, development opportunities will be useful and should be included to support the business case. Further advice on compiling a case is available from HR Business Partners.
- 8.8 Submitted cases must include details of the numbers of posts affected, the types and mix of supplementation proposed, the proposed level of supplementation, the methodology for discharging the supplementation, the basis for withdrawal and the total cost implication (to include equivalent cash value for non-pay benefits).
- 8.9 Submitted cases must state how it is proposed to fund the cost of supplementation. There is no central budget for market supplementation. Costs must be accommodated within existing departmental budgets.

Financial Considerations

- 8.10 The salary for the post, together with any market payments and/or benefits that are of a recurring nature, must not exceed 15% above grade maximum when equated to an annual sum in any one year. Examples of recurring market supplementation include regular payments added to substantive pay and increased annual leave. It will therefore be necessary to calculate the equivalent cash value for non-pay benefits to ensure that the 15% maximum is not exceeded.
- 8.11 Market supplementation that is of a 'one-off' nature such as 'Golden Hellos' must not exceed 15% above grade maximum when equated to an annual sum in any one year.
- 8.12 Managers should be aware that it is unlikely that market payments of a recurring nature that amount to a cash value in excess of £5000 pa will be approved.

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- 8.13 Market supplements will be paid as a percentage amount on top of the appropriate scp. The percentage applies to the whole of the scp range for the post and the position of the employee within that should be in line with the normal rules for appointment i.e. normally to the minimum of the scp range. The percentage amount will be calculated as a premium and applied equally to all posts covered by the market supplement (subject to the requirements in para. 8.22) whichever scp within the pay grade individuals happen to be on at the time the market supplement is approved.
- 8.14 Under no circumstances must spinal column points be used as a means of paying a market supplement.
- 8.15 Market supplement payments of a recurring nature will usually be paid in equal instalments in addition to basic pay. Arrangements for discharging other payments and/or benefits will be as incorporated and approved in the original case put forward by the Head of Service.
- 8.16 Pay awards will not apply to the market supplement. The value of market supplementation can only alter following review and approval. All market supplements must be reviewed on an annual basis to ensure that the Genuine Material Factor defence still exists for the payment.

Contractual considerations and review

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

Withdrawing the market supplement

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

General

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

Roles and responsibilities

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

Monitoring and evaluation

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

9. Pay Protection

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

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

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

10. Overpayments

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

Is the overpayment recoverable?

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

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

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

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

Guidelines for recovery

- 10.5 Recovery of overpayments will be the normal approach in the majority of cases. There may be circumstances when partial repayment or writing off the overpayment is considered, for example, where the employee can demonstrate that they did not know, nor could reasonably have known, that an overpayment had occurred.
- 10.6 However an overpayment comes to light, the ESC must be notified in all instances. The ESC will write to the employee's manager with a written explanation of the overpayment which will detail, where relevant:
- How the overpayment occurred
 - Over what period overpayment occurred

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- The total amount overpaid
- The net amount to be repaid once deductions for tax and NI are taken into account.

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

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

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

- 10.9 The employee should return the ORO Form to the ESC with their preferred recovery method. Although the employee's written consent to the recovery of the overpayment is not legally required, it is good practice to try and obtain written agreement for overpayments. Where the employee does not return their ORO Form or indicate their preferred recovery method within the timescales specified, recovery of the overpayment will proceed on a default basis. The default recovery method is option (c).
- 10.10 In implementing an overpayment recovery arrangement, Nottingham City Council will act reasonably and in all cases of recovery, the amount being repaid must not result in the employee's basic hourly rate falling below the national minimum wage.
- 10.11 It is important that overpayments are handled fairly and consistently to avoid any hint of favouritism or unlawful discrimination. It is not acceptable to pursue overpayments for some employees but agree to 'write them off' for others. Managers should not allow employees to work additional hours and receive paid overtime as a way of 'paying off' the overpayment. If overtime is necessary and approved this is a separate matter and should not be used to offset the amount owed by the employee who has been overpaid.
- 10.12 If there are compelling reasons why the overpayment is not to be recovered the manager should discuss the reasons for non-recovery with the ESC and prepare a report outlining the rationale to be forwarded for consideration by the Chief Finance Officer. The ESC will need to be advised by the appropriate manager not to pursue the overpayment until the report has been considered and a decision communicated.

The process for school-employed staff

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

Disputes

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

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

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

Confidentiality

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

11. Responsibilities in applying the pay policy

Directors

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

Managers

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

The Employee Service Centre

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

Appendix 1 - Pay Scales

Pay Scales - From 1 April 2016

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

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

| | | |
|--------------------------|---------|-------|
| * Living Wage Supplement | £15,145 | £7.85 |
|--------------------------|---------|-------|

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

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

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

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

Updated 13 June 2016

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

Appendix 2 – Variations to the Policy

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

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

The current agreed variations are:

Market Supplementation – Exemptions to Section 8 of the Pay Policy

Commercial & Operations

Aerobics Instructors

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

(Review 25 November 2016).

Tree Officer/Tree Manager

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

(Review 30 September 2017).

Plant Operations Engineer

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

(Review 01 January 2019).

District Heating Manager

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

(Review 23 March 2017)

Children and Adults

Approved Mental Health Practitioners

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

(Review 23 January 2017).

Social Workers

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

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

(Review 31 August 2016).

Independent Reviewing Officers (IROs)

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

The Market Supplement has been agreed on the following basis:

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

(Review 31 August 2016).

Priority Families Co-ordinator

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

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

(Review – end of each quarter)

Development & Growth

Portfolio & Investment Manager and Portfolio Development Manager

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

(Review 1 November 2016)

Strategic Regeneration Co-ordinator

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

(Review 12 November 2017)

Senior Estates Surveyor

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

(Review 5 January 2017)

Organisational Transformation

Transformation and Change Manager

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

(Review 31 March 2016)

Public Health

Governance Pharmacist

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

(Review 04 March 2017)

Night Working - Exemptions to Section 6 of the Pay Policy

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

Children and Adults**Emergency Duty Team**

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

Overtime - Exemptions to Section 6 of the Pay Policy**Children and Adults****Social Work Practice Educators**

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

Children's Residential Managers above scp 30

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

Emergency Duty Team

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

Occupational Therapy

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

CAMHS Team Managers

To allow payment of overtime for Team Managers in CAMHS for a temporary period in order to cover for staff shortages.
(Review 30 April 2016)

Approved Mental Health Practitioners (AMHPs)

To allow overtime payments to be made to AMHPS as TOIL is unsustainable due to amounts accrued. This will be a temporary solution whilst a longer-term strategy is identified and put in place
(Review 31 March 2016)

Commercial & Operations

Enviro-Energy

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

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

(Review 04 January 2017)

Tool Allowance

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

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

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

(Review 25 November 2016)

Sports Coaches

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

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

(Review 30 September 2016)