**ANNEX 1** 

# **Remuneration Policy**

### Employing the best people







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## **Remuneration Policy**

#### 1 Introduction

- 1.1 The Council aims to be a great place to work and a high performing Council and to reward employees in an equitable way in line with the Council's People Strategy, Corporate Plan and Financial Strategy. It aims to have an approach to pay and reward which enables employees to feel valued and to be motivated to deliver excellent services, whilst balancing prudence with its use of public funds.
- 1.2 This Policy is in addition to the <u>Council's Pay Policy</u>. It sets out remuneration details of payments and deductions.

#### 2 Salary

2.1 You will be paid a monthly salary based on the grade for your role. The Council's pay framework is based on the Hay Job Evaluation Scheme where the grade for each role is determined by a job evaluation process. Remuneration levels for each grade are approved by the General Purposes Committee. The salaries quoted in the Council's pay spine are based on full time working hours of 37 per week. Where you work part-time your salary will be calculated pro rata.

#### 3 Payment of salary

- 3.1 Payment will be made direct to your bank account via BACS transfer on the 18th of each month using the bank details provided by you. There is an obligation on you as an employee to keep your details up to date or notify HR of any changes in a timely manner.
- 3.2 Where the 18th of the month falls on a weekend or bank holiday the payment will be made the Friday before. All expenses and changes must be received by HR or authorised in the payroll system in line with the payroll deadline schedule (found on TroutFace) which is usually around the 5th of each month.
- 3.3 The payment received on the 18th of the month covers the entire month in which it is paid. For example, a payment made on 18th March will be for the period 1st March to 31st March inclusive. Therefore, part of your monthly salary is paid in advance. If you leave the Council's employment part way through a month, where you have already been paid for that whole month, the Council will seek to recover any overpaid amount.



#### 4 Salary on appointment

- 4.1 New employees may be appointed on any point on the salary scale. For the majority of new starters they will be appointed on point 1 of the grade. A manager may appoint to point 3 (top of grade) based on the applicant's skills and experience with Head of Service approval in consultation with HR for consistency.
- 4.2 Internal promotions will normally be to point 1 of the grade, except where there is a justifiable reason to appoint to point 2. This maybe where there is no, or very minimal increase between the person's previous pay point. Head of Service approval in consultation with HR, for consistency, is required to appoint above point 1 of the grade. If an employee has just received an increment prior to the promotion, this will be taken into account when deciding what point of the grade to appoint to.
- 4.3 Apprentices will be appointed on the apprentice grade for Year 1 and then Year 2 will either be the Year 2 hourly rate or National Minimum Wage, whichever is higher.

#### 5 Increments

- 5.1 Increments are awarded annually on 1<sup>st</sup> April, subject to a minimum of 6 months' service and satisfactory performance in the role. Employees who move post will only receive an increment where they have been in the new post for at least 6 months by 1<sup>st</sup> April.
- 5.2 A Head of Service, in consultation with HR, for consistency, may agree to award a merit increment where a new or promoted employee who does not have 6 months service in their post, and therefore not awarded an increment on the 1<sup>st</sup> April, may agree to award a merit increment once they have completed 6 months in the post. Merit increments are not payable at other times.
- 5.3 It is normal for an employee to spent at least 6 months on each pay point.
- 5.4 Where increments are withheld because someone is working through a formal improving performance process, they are entitled to appeal the decision to the Head of Service. An increment may later be awarded if the performance improves to a satisfactory level.

#### 6 Pay award

- 6.1 The annual (cost of living) pay award is considered for all employees in conjunction with the recognised trade unions, UNISON, UNITE and GMB. Any cost of living award is approved by the General Purposes Committee.
- 6.2 In reaching an agreement on the annual pay award the Council will look to achieve a fair award as part of having an equitable and competitive pay and reward strategy. In doing this it will take into consideration and balance all relevant matters including but not limited to:



- current budget pressures and the financial situation of the Council;
- maintaining competitiveness with other local authorities by having consideration to the national pay negotiations and any NJC award for Green Book employees;
- the relationship between Council pay levels and the wider employment market including the impact of earnings growth and salaries in comparable markets.
- 6.3 Any increase agreed is applied to salaries with effect from 1<sup>st</sup> April, being backdated where it is paid in any month after April payroll.
- 6.4 Where an employee was in post on 1<sup>st</sup> April but has left the employment of the Council before the pay award is agreed, back payment of the amount due will be paid to those employees.

#### 7 Market supplements and other introductory or retention payments

- 7.1 It is not normal practice for the Council to use market supplements or other golden hello or retention payments. These will only be considered in circumstances where we have exhausted all normal recruitment and attraction avenues and there is a known shortage of skilled applicants in the market. These need approval of the Chief Executive.
- 7.2 Market supplement and other introductory or retention payment values will be agreed with the relevant Head of Service in consultation with HR in line with benchmarking information, surveys and knowledge of the industry.
- 7.3 Market supplements and other retention payments will be reviewed regularly (as appropriate, at a minimum of annually) to ensure there remains a valid market reason. Any one off introductory or retention payments will be subject to pay back if the person leaves within 2 years of such a payment 100% within the first year and 50% in the second year.

#### 8 Career Grade

8.1 Career grades enable you to develop and grow professionally within a role. Some services have career paths with career grades enabling employees to develop skills and experience at different levels. Where an individual does not meet the minimum levels of experience and/or knowledge required for a role, however it is felt with time and support they have the potential to grow into the role over a reasonable time period, they may be appointed on a career grade. Career grades enable a person to develop the necessary skills and experience and progress through the grades when they can demonstrate they have met key competencies and skills or have achieved required qualifications.



- 8.2 There must be a clear career grade path which sets out the competencies and any qualifications or experience which must be met in order for the employee to progress from one grade to another. It is helpful if a manager agrees with the person how this will be measured so there is a clear understanding of the levels required to move through the career grade.
- 8.3 HR must be consulted at the points where the employee has reached the next incremental step to ensure consistency and minimum standards for the grade are met, and so that the change can be processed through payroll. It is normal for an employee to spent at least 6 months on each pay point developing skills and competencies at that level and for assessment against career grade competencies to be done in conjunction with annual incremental progression.

#### 9 Training Grade

- 9.1 This is a broad grade designed to allow for apprentices and trainees to progress through the grade while they complete qualifications and gain experience.
- 9.2 Increments may, with Head of Service approval, be awarded based on achievement of qualifications and demonstration of key competencies as set out in a competency framework. It is normal for an employee to spent at least 6 months on each pay point, developing the skills and competencies at that level and for assessment against career grade competencies to be done in conjunction with annual incremental progression.

#### 10 Overtime / Additional hours

- 10.1 Agreed overtime is payable to Officers on HG8 and below. Planned overtime, agreed in advance, is payable to Officers on HG9 to HG11. Officers on HGSM1 and above are not entitled to claim overtime, except in very exceptional circumstances.
- 10.2 Overtime should only be claimed where there is a requirement to work overtime and the manager has agreed to this before it is worked. Where overtime is worked employees may opt to either take the extra time as flexi, if this can be accommodated by the service, or receive payment for the time worked as detailed below.
- 10.3 Payment for overtime, beyond the normal, full-time working week, will be made on the following basis:
  - Monday to Saturday time and a half
  - Sunday, public/bank holiday double time
- 10.4 Part time employees will be paid additional hours at flat rate until they have worked 37 hours per week before receiving the rates set out above at 10.3. The exception to this is where they are required to work on a public/bank holiday.



- 10.5 There may be occasions where an employee is required or volunteers to work on a public/bank holiday. For all full and part time employees they may claim double time for working on a public/bank holiday. Where the bank holiday falls on a day they would normally work, they may request to be reimbursed at plain time and have the same amount of time as paid time off at a later date.
- 10.6 In some limited circumstances, overtime may include travelling time that will not be worked. For example, where an employee has a second journey to work, from home, to attend a committee meeting or where someone is called out while on standby.
- 10.7 For those who commenced employment prior to 1 June 2012 and are required to work on Saturday and/or Sunday as part of their normal working week, they will be entitled to the rates stated above regardless of the hours worked in the week.

#### 11 Holiday pay on overtime

11.1 Further to your normal remuneration when you are on paid annual leave, where you are entitled to additional payments in relation to overtime or standby worked this will be paid as an additional payment. This extra payment is calculated and paid in the month that the overtime or standby is paid.

#### 12 Honorariums payments

- 12.1 An honorarium will be paid where it is agreed an employee will act up and they undertake the full range or part of the duties of a higher graded post for a continuous period of 4 weeks or more.
- 12.2 The honorarium paid will be the difference of the current post and the higher graded post but will not exceed any salary the employee would receive if they were to be promoted to the higher graded post. Where the employee is covering part of the post, this will be pro rata. The point within the higher grade to be used to calculate the honorarium will be agreed with the Head of Service in consultation with HR.
- 12.3 Where the role they are acting up to is more than one grade higher than the person's substantive post, the acting up arrangements may be set up on a career grade basis, with a competency framework put in place to support the person to gain the skills and experience of the higher level role. The honorarium will be calculated as per the career grade and will increase as the person meets the career grade competencies to advance to the next grade. It is normal for an employee to spent at least 6 months on each pay point developing skills and competencies at that level and for assessment against career grade competencies to be done in conjunction with annual incremental progression.

#### **13 Recognition payments**

13.1 The Council believes in recognising and rewarding exceptional performance. Managers are able to recommend employees for a recognition payment, up to the maximum value of £1000. A recognition payment will be awarded where:



- a) An employee has demonstrated outstanding performance in undertaking duties and responsibilities which clearly fall outside the scope of their post
- b) An employee has demonstrated outstanding performance in undertaking a project(s) or task(s) which is considered by the manager to be in excess of what can be reasonably expected from the employee.
- 13.2 Payments can be recommended by managers at an appropriate time (usually within two months of the event) to the Head of Service supported by a full justification for payment, along with a proposal for the amount payable.
- 13.3 Recognition payments will be authorised by the Deputy Chief Executive in conjunction with the HR Manager (or persons authorised by them in their absence).
- 13.4 All payments are subject to the usual deductions of tax and national insurance contributions.

#### 14 Charitable donations

14.1 The Council offers a salary sacrifice scheme in which you are able to make charitable donations through your salary to a charity of your choice, if you so wish. This will be deducted and paid to the charity on your behalf by an agency, Charities Aid Foundation. You will need to set up an account before deductions can be made through your salary. (Further guidance is available on TroutFace)

#### 15 Simply Health

15.1 The Council offers the opportunity for you to purchase private healthcare through Simply Health. If you choose to sign up to this, the monthly payments for this service can be taken from your salary and paid on your behalf to Simply Health.

#### **16 Union deductions**

16.1 If you are a member of a recognised trade union, the Council is able to deduct the monthly fee for this from your salary and pay it over to the union on your behalf.

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