

Agenda Item No.8 (e)

Derbyshire County Council

Council

7 February 2018

Report of the Strategic Director Commissioning, Communities and Policy

Pay Policy Statement 2018

1 Purpose of the Report

To formally approve the attached Pay Policy Statement at Appendix 1 for publication on the Council's website on 1 April 2018.

2 Information and Analysis

From 2012 the Council has published an annual Pay Policy Statement in accordance with Section 38 of the Localism Act 2011 reflecting the senior organisation structure and pay at 1 April each year. The Statement also complies with the Code of Recommended Practice for Local Authorities on Data Transparency 2011 which requires the publication of certain pay data and defines senior employees' pay as those who have an annual salary of £58,200 full time equivalent (fte) and above.

The Act does not apply to teachers and staff employed in local authority schools.

The majority of senior posts in the Statement are covered by the Derbyshire Package terms and conditions of service, the Derbyshire Pay and Grading Structure and have been evaluated using the Hay Job Evaluation Scheme.

Chief Officers, Soulbury and Local Government Services employees have different national negotiating bodies which determine other conditions of employment, such as disciplinary procedures and pay arrangements.

In accordance with Will Hutton's 2011 Review of Fair Pay in the Public Sector and the requirements of the Local Government Transparency Code 2014, the Statement sets out the ratio between

the highest paid post and the median average, which should provide a pay multiple of no more than 20:1. The Council's pay multiple is 8.1:1.

3 Considerations

In preparing this report the relevance of the following factors have been considered: HR, legal, finance, prevention of crime and disorder, equality and diversity, environmental, health, property, social value and transport.

4 Background Papers

Background papers are held by the Strategic Director Commissioning, Communities and Policy.

5 Officers' Recommendation

That Council approves the attached Pay Policy Statement for publication on the website.

Emma Alexander
Strategic Director Commissioning, Communities and Policy

Derbyshire County Council

Pay Policy Statement

1. Introduction

The Council is committed to fairness and transparency of pay in employment.

This Pay Policy Statement sets out Derbyshire County Council's policy on pay for senior managers and employees for 2018-19 and is in accordance with the requirements of Section 38 of the Localism Act 2011 and Supplementary Guidance 2013.

The Statement was approved by Full Council on 7 February 2018 and is effective from 1 April 2018.

Any appointments or severance payments above £100k will require the approval of Full Council. This figure may be affected by the Public Sector Exit Pay Regulations, currently deferred for further public consultation. Any amendments to the Statement will require the approval of Full Council.

2. Scope

The Statement applies to all Council employees excluding teachers and staff of local authority schools.

3. About the Council

For 2018-19 the Council has a net budget requirement of £503m and will use these funds to provide approximately 785,765 residents with essential local services. By 31 March 2022 the Council needs to save £53m due to reductions in Government grants, inflation and greater demands on areas of the budget for Adult Social Care, vulnerable children and waste disposal.

As £12m cuts are planned in 2018-19 it is important that services provide excellent value for money and make the best use of our resources.

The Council has 13,406 appointments across four departments. The Strategic Directors together with the Director of Finance & ICT, Director of Public Health, Director of Legal Services and Director of Organisation Development & Policy form the Council's Corporate Management Team leading the work that provides services across Derbyshire. Appendix 1 details the senior management structure across the Council.

4. Pay Structure

The Council's pay structure for all employees, including senior employees (with the exception of Soulbury and centrally employed Headteacher posts), was determined using the principles of the Hay job evaluation scheme with pay ranges for each grade in the structure. As pay negotiations are ongoing for 2018/19, the Derbyshire Pay and Grading Structure for 2017/18 is attached at Appendix 2. Rates will be updated once the 2018/19 pay agreement is finalised.

The Council has agreed to apply market rates to specific posts to address recruitment and retention difficulties subject to strict criteria and Cabinet approval.

Median gross pay is £17,080 which represents an 8.1:1 ratio to that of the Head of Paid Service.

5. Senior Employee Pay

The pay structure for senior employees follows the Hay job evaluation methodology. The pay details of senior employees above the senior officer threshold of £58,200 per annum are set out in Appendix 3.

Performance related pay and bonuses, including lease cars, are not part of senior employees' pay within the Council.

There are 16 employees on Soulbury grades who fall within the scope of the pay policy and 4 employees on Headteacher grades.

6. Lowest Paid Employee

Pay point 3 on the Derbyshire Pay and Grading Structure in Grade 1/2 (2017/18), £15,146 (£7.85/hr), is the salary that is defined as the lowest within the Council. However, until the 2018/19 pay agreement has been finalised the Council will continue to pay the Living Wage allowance to all appointments earning below £8.45/hr which is equivalent to £16,302 per annum.

7. Starting Pay

All employees, including senior employees, will normally be appointed to the minimum point of the pay grade for the job.

In certain cases it may be appropriate to appoint to a higher point in the pay grade. This may arise when, for example, the preferred candidate for the job is or has been, in receipt of a salary at a higher level than the grade minimum or has undertaken an extended period of acting duties within the job.

8. Pay Progression

All employees, including senior employees, receive annual increments until the top of their salary grade has been reached. The first increment is paid when the employee has been in post for 12 months.

9. National Pay Agreement

The Derbyshire Pay and Grading Structure is adjusted by any 'cost of living' increase agreed nationally by the relevant National Joint Committee. If the national agreement is not a flat rate increase, application is agreed locally. The Statement will be updated once relevant pay agreements are finalised.

10. Terms and Conditions

The majority of senior posts shown in the Statement are covered by the Derbyshire Package terms and conditions of service. Chief Officers, Soulbury and local government service employees have different national negotiating bodies that determine other conditions such as disciplinary procedures and pay awards.

11. Protection of Earnings Policy

The Council's policy on Protection of Earnings applies to all employees of the Council and provides protection for an employee's basic pay where it is reduced as a result of:

- organisational restructuring
- redeployment into a suitable alternative vacancy where the individual is at risk of or under notice of redundancy
- redeployment into a suitable alternative vacancy on health grounds
- the introduction of a revised pay and grading system

The period of pay protection is for a maximum of two years from the date of the change of basic pay.

12. Termination and Re-employment

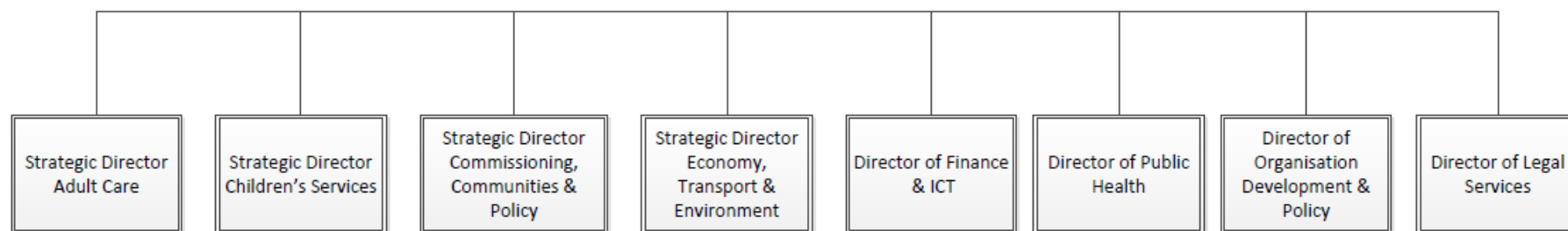
No additional payments are made to any employee of the Council, including senior employees, at their point of leaving the employment of the Council, except in circumstances of redundancy and that is in accordance with the Council's published Policy Statements.

How the Council exercises the various discretions provided by the Local Government Pension Scheme can be accessed by the following link.

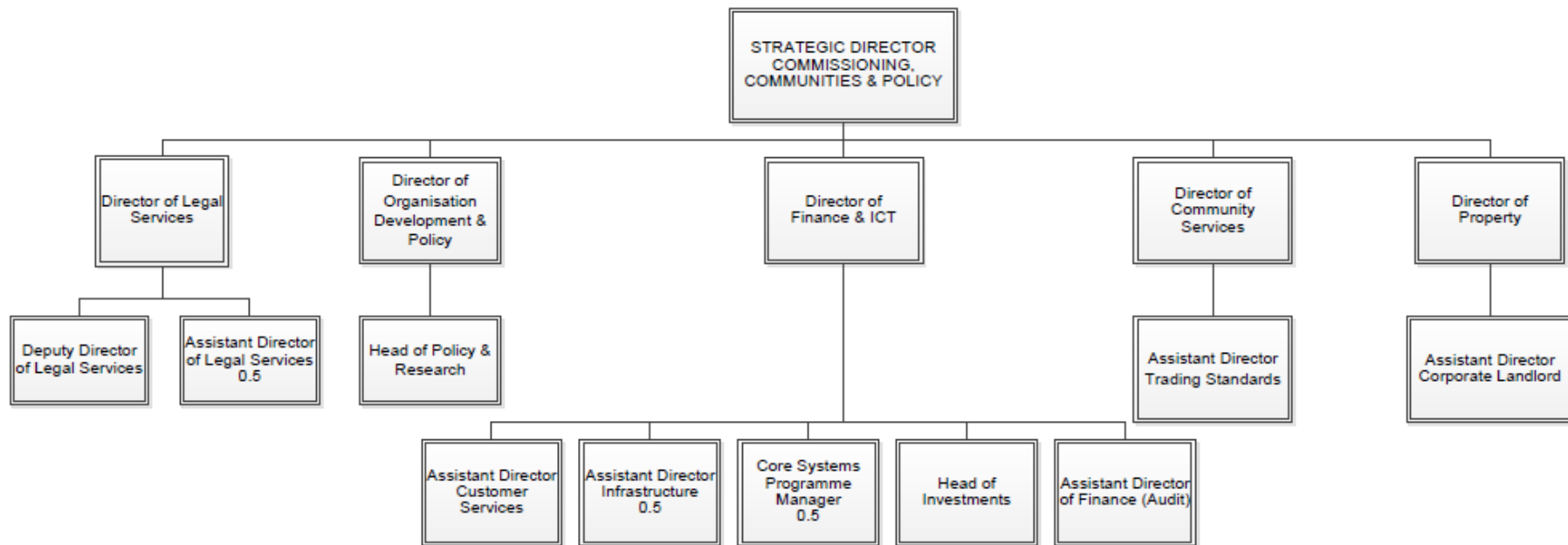
www.derbyshire.gov.uk/working_for_us/pensions/governance/policy_statements

Appendix 1 – Senior Management Structure

Corporate Management Team

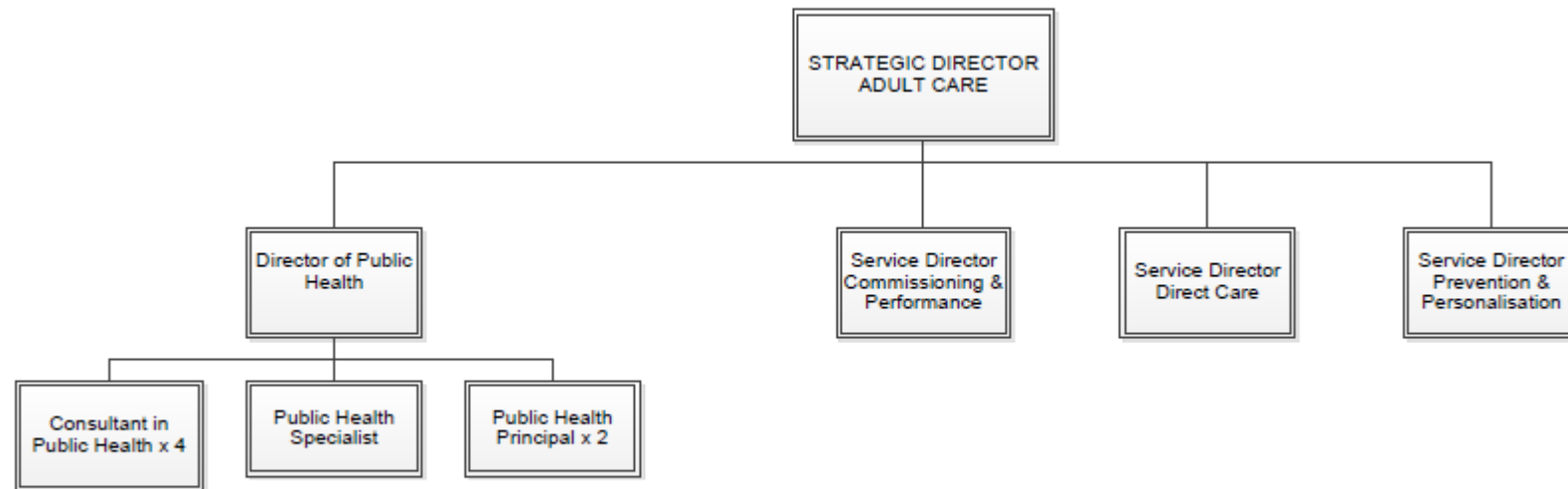


Commissioning, Communities & Policy

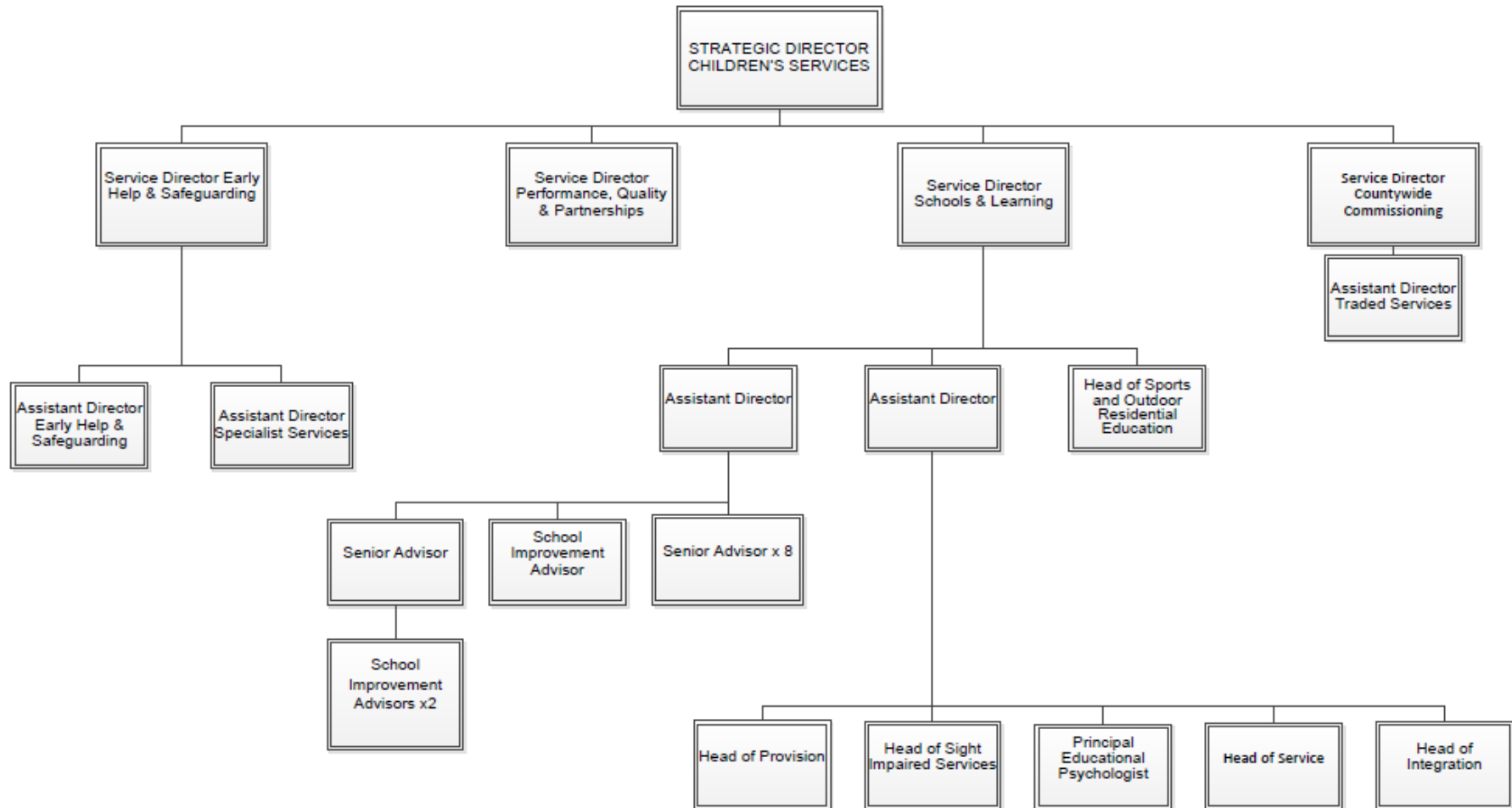


Adult Care

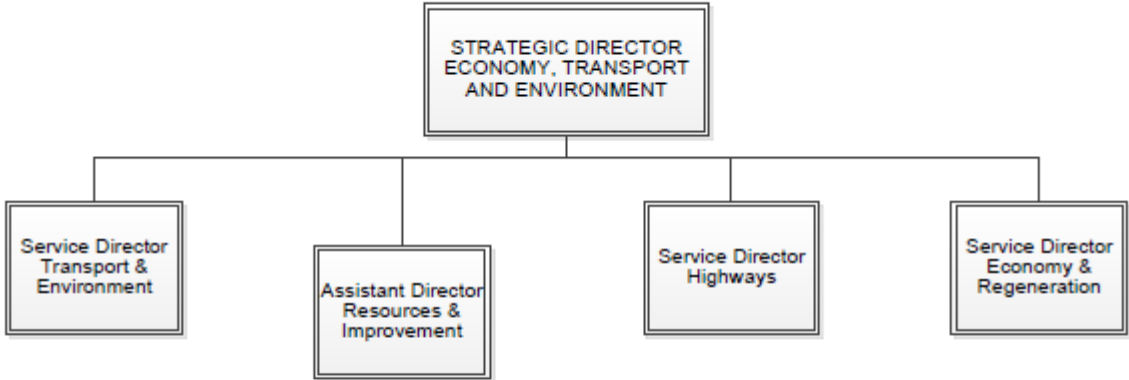
New Public Health structure proposed from 01/04/2018
2 x Assistant Director Public Health G16 plus market supplement



Children's Services



Economy, Transport and Environment



Appendix 2 – Derbyshire Pay & Grading Structure

Grade	Pay Point	2017-18
1/2	3	£15,146
	4	£15,336
3	5	£15,424
	6	£15,504
	7	£15,632
4	8	£15,707
	9	£15,823
	10	£15,986
	11	£16,145
5	12	£16,264
	13	£16,502
	14	£16,816
	15	£17,080
6	16	£17,523
	17	£17,918
	18	£18,370
	19	£18,822
7	20	£19,407
	21	£19,993
	22	£20,578
	23	£21,164
8	24	£21,749
	25	£22,334
	26	£22,921
	27	£23,505
9	28	£24,091
	29	£24,676
	30	£25,262
	31	£25,846
10	32	£26,830
	33	£27,812
	34	£28,794
	35	£29,777
11	36	£30,788
	37	£31,799
	38	£32,810
	39	£33,821
12	40	£34,858
	41	£35,894
	42	£36,932
	43	£37,969

Grade	Pay Point	2017-18
13	44	£39,085
	45	£40,201
	46	£41,317
	47	£42,433
14	48	£44,135
	49	£45,836
	50	£47,538
	51	£49,241
15	52	£50,941
	53	£52,643
	54	£54,345
	55	£56,046
16	56	£57,802
	57	£59,558
	58	£61,312
	59	£63,067
17	60	£75,439
	61	£77,325
	62	£79,212
	63	£81,098
18	64	£82,984
	65	£86,437
	66	£88,599
	67	£90,761
19	68	£92,921
	69	£95,082
	70	£91,255
	71	£93,536
20	72	£95,818
	73	£98,100
	74	£100,381
	75	£110,260
	76	£113,016
	77	£115,772
	78	£118,529
	79	£121,285

Appendix 3 - Senior Employee Pay

Commissioning, Communities & Policy	Salary	FTE	Grade
Strategic Director Commissioning, Communities & Policy <i>Responsible for corporate support services, Legal & Democratic Services, Human Resources, Property, Finance and ICT, Policy, Research & Performance, Communications, Community Safety, Trading Standards, Libraries & Heritage and Member Services.</i> <i>Net budget ca £56m</i>	£121,285	1.0	20
Director of Organisation Development & Policy <i>Responsible for the strategic lead for Human Resources, the management of the Policy and Performance function, Communications and Call Derbyshire contact centre.</i>	£86,437	1.0	18
Head of Policy & Research	£63,067	1.0	16
Director of Community Services <i>Responsible for the management of the effective operation of the public libraries, trading standards, community safety, arts, archives and museum services for Derbyshire, via effective partnerships with public, private and community sector organisations across the sector.</i>	£82,984	1.0	17
Assistant Director Trading Standards	£63,067	1.0	16
Director of Finance & ICT <i>Responsible for the management of the financial affairs of the Council, directly managing a number of key financial services including, pensions, audit, corporate accountancy, investments, insurance, payments, income. Responsible for the setting and delivery of the Council's ICT. As the S151 Officer for the Council, the Director of Finance & ICT has a responsibility to manage all of the Councils affairs including the Net Revenue Budget Requirement of £503m, Capital Programme of £71m and Pension Fund of £4.5bn</i>	£95,082	1.0	18
Assistant Director of Finance (Audit)	£63,067	1.0	16
Assistant Director Customer Services	£63,067	1.0	16
Assistant Director Infrastructure	£31,534	0.5	16
Core Systems Programme Manager	£31,534	0.5	16
Head of Investments	£56,046	1.0	15 + £10,700 market supplement
Director of Property <i>Responsible for property management including Valuation, Structural, Mechanical and Electrical Engineering, Energy Management and Design</i>	£86,437	1.0	18

<i>Services, Construction, Maintenance and Facilities Management.</i>			
Assistant Director of Property – Corporate Landlord	£63,067	1.0	16
Director of Legal Services <i>Responsible for the provision of legal advice on all aspects of the Council's functions and acts as the Monitoring Officer to ensure compliance with legal requirements. Also responsible for Member Services.</i>	£95,082	1.0	18
Deputy Director of Legal Services	£81,098	1.0	17
Assistant Director of Legal Services	£31,533	0.5	16

Adult Care	Salary	FTE	Grade
Strategic Director Adult Care <i>Responsible for ensuring high quality, responsive adult care services, promoting wellbeing and ensuring better integration of adult social services with a range of partner agencies in the local community. Net budget responsibility ca £236m.</i>	£121,285	1.0	20 + £10,000 temporary Head of Paid Service allowance
Service Director – Prevention & Personalisation	£82,984	1.0	17
Service Director – Commissioning & Performance	£81,098	1.0	17
Service Director – Direct Care	£81,098	1.0	17
Director of Public Health <i>Responsible for the delivery of health improvement, health protection and health services</i>	£88,599	1.0	18
Assistant Director Public Health	£63,067	1.0	16 + £10,000 market supplement
Assistant Director Public Health	£63,067	1.0	16 + £10,000 market supplement
Consultant in Public Health	£88,096	1.0	YC72
Consultant in Public Health	£84,924	1.0	8D
Consultant in Public Health	£73,492	1.0	8D
Consultant in Public Health	£67,939	0.8	8D
Public Health Specialist	£70,552	1.0	8C
Public Health Principal	£58,907	1.0	8B
Public Health Principal	£50,949	0.87	8B

Children's Services	Salary	FTE	Grade
Strategic Director Children's Services <i>Responsible for the delivery and promotion of services to children and families; for adult education and transition services for disabled persons aged 11-25 years. Net budget responsibility ca £99m.</i>	£115,772	1.0	20
Service Director – Early Help and Safeguarding	£88,599	1.0	18
Service Director – Schools & Learning	£92,921	1.0	18
Service Director – Performance, Quality and	£79,212	1.0	17

Partnerships			
Service Director - County-wide Commissioning	£79,212	1.0	17
Assistant Director Traded Services	£63,067	1.0	16
Assistant Director Early Help & Safeguarding	£63,067	1.0	16
Assistant Director Specialist Services	£59,558	1.0	16
Assistant Director	£68,402	1.0	S+3 2531
Assistant Director	£68,402	1.0	S+3 2531
Head of Sports and Outdoor Residential Education	£58,607	1.0	S+3 1622
Senior Advisor	£64,001	1.0	S+3 2127
Senior Advisor	£64,001	1.0	S+3 2127
Senior Advisor	£62,914	1.0	S+3 2127
Senior Advisor	£62,914	1.0	S+2 2126
Senior Advisor	£61,851	1.0	S+3 2127
Senior Advisor	£61,851	1.0	S+3 2127
Senior Advisor	£60,762	1.0	S+3 2127
Senior Advisor	£48,610	0.8	S+3 2127
Senior Advisor	£38,401	0.6	S+2 2530
School Improvement Advisor	£35,164	0.6	S+3 1622
School Improvement Advisor	£29,304	0.5	S+3 1622
Head of Sight Impaired Services	£64,417	1.0	Head P21
School Improvement Advisor	£58,607	1.0	S+3 1622
Head of Provision	£58,389	1.0	Head P17
Principal Educational Psychologist	£61,543	1.0	KB3
Head of Service	£61,341	1.0	Head P19
Head of Integration	£59,857	1.0	DH 1721

Economy Transport & Environment	Salary	FTE	Grade
Strategic Director Economy Transport & Environment <i>Responsible for leading and managing the development and implementation of strategic policies and plans to ensure the provision of the Council's Economy, Transport & Environment Department, covering Highways, Transport and Environment, Economy and Regeneration, and Emergency Planning. Responsible for a net budget of circa £79m.</i>	£121,285	1.0	20
Service Director Transport & Environment	£82,984	1.0	17
Service Director Economy & Regeneration	£81,098	1.0	17
Service Director Highways	£81,098	1.0	17
Assistant Director Resources & Improvement	£63,067	1.0	16