



**Melton
Borough
Council**

**Pay Policy Statement
April 2023 – March 2024**

1.0 Introduction

- 1.1 As a responsible employer Melton Borough Council is committed to delivering a fair, equitable and transparent policy covering pay and other benefits. It aims to attract, motivate and maintain people who will work in line with the core values and behaviours to deliver the Corporate Priorities through an appropriate pay and benefit package.
- 1.2 The Localism Act 2011 requires the Council to prepare a pay policy statement each year. The purpose of this statement is to provide transparency with regard to the Council's approach to setting the pay of its employees by identifying:
 - the methods by which salaries of all employees are determined
 - the detail and level of remuneration of the Council's most senior employees
 - the remuneration of the Council's lowest-paid employees, and
 - the relationship between the remuneration of Chief Officers and other employees.
- 1.3 Under section 112 of the Local Government Act 1972, the Council has the "power to appoint officers on such reasonable terms and conditions as the authority think fit." This Pay Policy Statement sets out the Council's approach to pay policy in accordance with the requirements of section 38 of the Localism Act 2011.

2.0 Legislation relevant to pay and remuneration

- 2.1 In determining the pay and remuneration of its employees the Council will comply with all relevant employment legislation. The Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of job evaluation mechanisms, which directly establish the relative levels of posts in grades according to the requirements, demands and responsibilities of the role. The Council uses the National Joint Council (NJC) Job Evaluation Scheme for posts covered by the NJC terms and conditions.

3.0 NJC Pay Structure

- 3.1 The Council uses the NJC negotiated pay spine as the basis for its local pay structure, which determines the salaries of the large majority of its workforce.
- 3.2 The national pay spine ends at spinal column point (SCP) 43 but the Council has locally extended this to SCP 54. This pay spine is divided into 15 pay bands, which contain between two and five incremental points. Band 2 is the lowest and Band 16 is the highest of these pay grades.
- 3.3 The Council presently adopts the national pay bargaining arrangements in respect of the establishment and revision of the national pay spine.

- 3.4 All other pay related enhancements and payable allowances/expenses are the subject of either nationally or locally negotiated and/or determined rates.
- 3.5 New appointments will normally be made at the minimum of the relevant pay scale for the grade, although this can be varied where necessary to secure the best candidate. Where the appointment salary is above the minimum point of the pay scale and is not affected by other council policies, for example promotion, redeployment or flexible retirement, this is approved in accordance with delegated powers.
- 3.6 Progression within each Band will normally be by annual increment at 1 April each year subject to;
- satisfactory performance
 - the top of the band not being exceeded
 - six months service in role

Directors have discretion to advance an individual employee's incremental progression within the band on the grounds of special merit.

4.0 Chief Officer Pay Structure

- 4.1 The Council adopts the JNC for Chief Officers pay, terms and conditions. This determines any annual pay increases for Chief Officers. The Council also adopts the JNC for Chief Executives pay, terms and conditions which determines any annual pay increases accordingly.
- 4.2 The salary paid to the Chief Executive and Chief Officers is determined by Cabinet and approved by Council. It takes into consideration guidance from the JNC National Framework and market forces through a benchmarking exercise.

5.0 Remuneration of Senior Officers

- 5.1 For the purpose of this statement Senior Officers are defined as the Chief Executive, Deputy Chief Executive, Directors and Statutory Officers.
- 5.2 The Chief Executive is the Council's Head of Paid Service. As at 1 January 2023 the annual full time equivalent (FTE) range for the grade of this post is £105,004 – £115,855. There are six incremental points in the grade and progression through the grade is by annual increment which normally happens on 1st April each year.
- 5.3 There are three Directors who report directly to the Chief Executive. One Director is appointed to deputise for the Chief Executive and designated Deputy Chief Executive. As at 1 January 2023 the annual FTE range for the grade of this post is £77,528 - £88,378. There are six incremental points in the grade and progression through the grade is by annual increment which normally happens on 1st April each year.

- 5.4 As at 1 January 2023 the annual FTE range for the Directors is £72,453 - £83,303. There are six incremental points in the grade and progression through the grade is by annual increment which normally happens on 1 April each year.
- 5.5 The Chief Executive also acts as Returning Officer for all Council elections for which an additional allowance is payable in relation to the overall supervision and ultimate responsibility for the conduct of Council elections. The fee payable is calculated jointly with Leicestershire Electoral Administrators Group, currently based on a set amount for the number of electors for each ward, £57.76 per 500 local government electors or part thereof in a contested election. Elections take place on a 4 year cycle although by-elections may take place at other times.
- 5.6 The role of "Section 151" Officer is currently being undertaken by Director for Corporate Services. There are no additional payments made for this role.
- 5.7 The Statutory Officer role of Monitoring Officer is currently being undertaken by the Assistant Director for Governance and Democracy on NJC pay terms and conditions. The Assistant Directors role has been job evaluated at Band 16 of the pay spine (£59,001 - £61,158) and the Monitoring Officer responsibilities attract an additional payment of £7k pa
- 5.8 The role of Deputy Monitoring Officer is undertaken by the Democratic Services Manager which attracts an additional four increments on top of existing salary. The Role of Deputy Section 151 Officer is undertaken by the Assistant Director for Resources which attracts an additional payment of £4k pa.
- 5.9 The Council's policy and procedures for the appointment of chief and statutory officers is set out within the Constitution of the council.

6.0 Lowest paid employees

- 6.1 The NJC Pay Spine details the Councils lowest grade at Band 2, national pay point 1. As at 1 January 2023 the annual salary range for this band was £20,258 - £20,441. There are 2 incremental points in this grade. The hourly rate of pay is equivalent to £10.50 per hour; the current National Living Wage is £9.50 per hour. There are currently seven people who are paid at Band 2 at the Council.
- 6.2 Level one and two apprentices are not included on the NJC pay spine and are paid at the relevant rate determined by the National Minimum Wage (NMW). As at 1 January 2023 there were no apprentices paid at the NMW

7.0 Performance related pay

- 7.1 Progression through the incremental pay grade is subject to satisfactory performance however the level of remuneration is not variable dependent upon the achievement of set targets. As such the Council does not operate performance related pay or any other additional bonus schemes.

8.0 Other terms and conditions on pay

- 8.1 Any temporary supplement to the salary scale, for example an honorarium or acting up payment for taking on additional duties or responsibilities will be justified and approved by a director in consultation with HR.
- 8.2 From time to time it may be necessary to take account of the external pay levels in the labour market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified in line with the Market Supplement Policy.
- 8.3 Essential and casual car user allowances are paid in appropriate circumstances. These allowances are in accordance with NJC "Green Book" rates. Subsistence is paid at the rate agreed locally.
- 8.4 Employees who are required to work overtime are entitled to rates outlined in the Overtime Policy. This does not apply to employees paid at band 13 or above or Chief Officers.
- 8.5 Enhancements of night work and bank holidays are paid in accordance with NJC "Green Book" rates.
- 8.6 The Council will reimburse professional fees where it is an essential requirement of the job to be a member of a professional body.
- 8.7 The Council acknowledges that pay is not the only means of rewarding employees for their work and will look to provide other non-financial incentives to support recruitment and retention of high quality people. This includes good working conditions, flexible/hybrid working, well being initiatives, generous annual leave and development opportunities.

9.0 Pension

- 9.1 The Council contributes to the Local Government Pension Scheme (LGPS) for its employees who are members of the Scheme. This rate of contribution is set by actuaries advising the Leicestershire Pension Fund.
- 9.2 Individuals aged 55 years or over who reduce their hours or band (or both) may apply to receive all or part of their LGPS in line with the Flexible Retirement Policy.

10.0 Termination payments

- 10.1 On ceasing to be employed by the council, individuals will only receive compensation:
 - In circumstances that are relevant ie redundancy
 - In accordance with our policy on employer discretions provided by the Local Government Pension Scheme (PGPS)

- That complies with the specific term(s) of a settlement agreement.
- 10.2 The Council's Redundancy and Redeployment Policy applies equally to all employees regardless of their grade. A redundancy payment will be paid to an employee when their post is made redundant and there are no suitable redeployment opportunities.
- 10.3 The Restriction of Public Sector Exit Payments Regulations 2020 which introduced a cap on the total value of exit payments in the public sector of £95,000 were revoked in February 2021. However, HM Treasury have indicated that they will bring forward further reform in due course. Council policies and procedures will be updated accordingly once any further regulations are introduced.

11.0 Financial Data

- 11.1 The ratio between the between the highest paid officer (Chief Executive - £115,855) and the median earnings of the whole of the Council's workforce (£26,845) is 1:4.32
- 11.2 The ratio between the between the highest paid officer (Chief Executive - £115,855) and the lowest paid worker (£20,258) is 1:5.72
- 11.3 Officers earning in excess of £50,000 are published as part of the Council's access to public information on the website

Salary information is correct as at 1 January 2023.