

Pay Policy Statement 2024-25

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Pay Policy Statement 2024-25

1. Purpose

- 1.1 The Localism Act 2011 requires each council to produce and publish annually a pay policy statement. The statement which relates to the forthcoming financial year, must be approved by 31 March each year, by a meeting of the Full Council, and must then be published on the council's website. The pay policy statement may be amended during the year by further resolution of the council.
- 1.2 The pay policy statement must as a minimum include details of the council's policy on:
 - the remuneration of its chief officers
 - the remuneration of its lowest-paid employees
 - the relationship between the remuneration of its chief officers and other officers
- 1.3 For the purposes of the Localism Act 2011 and this statement, the term "Chief Officers" is defined by Section 2 of the Local Government and Housing Act 1989. For Havant Borough Council, the term "chief officers" refers to all roles within the Executive Leadership Team (ELT), which comprises a mixture of Statutory and Non-Statutory Chief Officer posts. Up-to-date details of the ELT membership can be found on the Council's website: <https://www.havant.gov.uk/our-organisation/management-structure>
- 1.4 "Lowest paid employees" refers to those staff employed within grade A of the council's pay framework. The above definition for the "lowest paid employees" has been adopted because grade A is the lowest grade on the council's pay framework, which aligns with the pay scales negotiated by the National Joint Council for local government services.

2. Scope

- 2.1 This statement applies to all employees of the council employed under the conditions of service of the following bodies:
 - National Joint Council for Local Government Services
 - Joint Negotiating Committee for Chief Officers of Local Authorities
 - Joint Negotiating Committee for Local Authority Chief Executives



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3. Remuneration of Chief Officers

- 3.1 At minimum three-year intervals, the Council creates a pay scale for the Chief Executive, Chief Officers (Executive Heads of Service and statutory officers) and Senior Technical Officers (as approved by the Executive Leadership Team) using external market benchmarking data. This is then reviewed and approved by the HR Committee and published through the Senior Pay Policy.
- 3.2 The annual pay award for the Chief Executive is agreed and communicated to the Council by the Joint Negotiating Committee for Chief Executives of Local Authorities.
- 3.3 The annual pay award for Chief Officers and Senior Technical Officers is agreed and communicated to the Council by the Joint Negotiating Committee for Chief Officers of Local Authorities.
- 3.4 Any pay award proposed is effective from April of the relevant year and formally approved by the HR Committee.
- 3.5 The Chief Executive has been designated as the Council's Head of Paid Service. No additional remuneration is payable for that designation.
- 3.6 The Chief Finance Officer has been designated as the Council's Section 151 Officer. No additional remuneration is payable for that designation.
- 3.7 The Chief Legal Officer has been designated as the Council's Monitoring Officer. No additional remuneration is payable for that designation.
- 3.8 Chief Officers do not receive overtime, on-call or stand-by payments and do not receive additional payment for attendance at evening meetings. The Chief Executive, at their discretion as Head of Paid Service, may award payments (e.g. an honorarium) for additional responsibilities or acting-up, as required.
- 3.9 Chief Officers do not receive any performance-related pay or bonuses.



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4. Chief Officers - Pension & Severance

- 4.1 All employees as a result of their employment are eligible to join the Local Government Pension Scheme. There are no increases or enhancement to pension entitlements for Chief Officers.
- 4.2 In the event of a Chief Officer's post becoming redundant, any severance payment will be made on the same basis as to any other employee.
- 4.3 On ceasing to be employed by the Council, individuals of any grade will only receive compensation where legally obliged (i.e. redundancy) or, where required, in compliance with the terms of a settlement agreement.
- 4.4 The council will not re-employ a Chief Officer who has left their employment and is now drawing a local government pension, unless in exceptional circumstances. However, the Council may re-employ Chief Officers who have previously left the organisation, including those who received severance pay, where circumstances require and the reasons for the original severance have changed or ceased to exist (i.e. historic redundancy, but role now required again).

5. Remuneration of Officers

- 5.1 Havant Borough Council's pay framework was implemented in April 2007 in line with national guidance, with the grade for each role being determined by a consistent job evaluation process. This followed a national requirement for all Local Authorities, and a number of other public sector employers, to review their pay and grading frameworks to ensure fair and consistent practice for different groups of workers with the same employer. As part of this Havant Borough Council determined a local pay framework reducing the overall number of grades to 11.
- 5.2 The annual pay award is determined through the National Joint Council for Local Government Services pay negotiations. Any award proposed is effective from April of the relevant year and formally approved by the HR Committee.
- 5.3 This framework encompasses the lowest pay band (Grade A) and this lowest scale point currently exceeds the National Living Wage. This is reviewed whenever the National Minimum Wage and National Living Wage increase in value.



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6. Other Remuneration

- 6.1 **Market Rate Supplements:** Some jobs may attract a market rate supplement based on external pay and benchmark comparison data. A market rate supplement is only applied in exceptional circumstances, must be reviewed annually and is not deemed to be part of base pay.
- 6.2 **Acting-Up Pay:** 'Acting up' is where an individual agrees to cover some or all of the duties of a more senior post on an agreed temporary basis. When an employee agrees to act up in a higher position, they are entitled to receive additional salary.
- 6.3 **Honorarium Payment:** An honorarium payment is a token payment to recognise an employee's goodwill in undertaking duties beyond the scope of their normal job remit.
- 6.4 **Overtime:** The councils do not pay overtime as standard. Additional hours worked over and above the contractual hours are usually compensated through flexitime. Where there is the likelihood of overtime for particular jobs or it occurs through exceptional circumstance (i.e. an emergency), it may only be paid through agreement from a Chief Officer.
- 6.5 **First-Aiders:** An additional payment will be paid to all employees who are qualified and approved First-Aiders. This payment is in recognition of the qualification and is paid regardless of grade and hours worked.

7. Remuneration for Election Duties

- 7.1 No remuneration or payment for election duties are included in the salaries of Chief Officers or Officers. Any additional fees payable for such responsibilities are calculated in accordance with the statutory rules and recommendations of the Hampshire and Isle of Wight Election Fees Working Party for all local government elections and by central government for Parliamentary elections.
- 7.2 The Chief Executive has been appointed as the council's Returning Officer. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from their duties as an employee of the Council. As Returning Officer, they are paid a separate allowance for each election for which they are responsible in accordance with accepted national and regional scales and criteria which is approved annually by the Home Office and Electoral Claims Unit.



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8. Relationship between Remuneration of Chief Officers and Other Officers

- 8.1 The lowest-paid employees (including apprentices) are employed on full-time equivalent (FTE) salaries in accordance with the minimum spinal column point currently in use within the council's grading structure, which is Grade A, spinal column point 3. As of 1 April 2024, this is £22,737 per annum. This means the Chief Executive's salary is 5.7 times the salary of the lowest scale point (FTE).
- 8.2 However, there are currently no staff on this spinal column point as all on Grade A have received at least one increment since joining the Council. Therefore, as of 1 April 2024, the actual lowest paid employees are on spinal column 4, which means a salary of £23,114. The Chief Executive's salary is, therefore, 5.6 times the salary of the lowest-paid members of staff (FTE).
- 8.3 Full-time equivalent at the Council is 37 hours per week.
- 8.4 The Ministry of Housing, Communities and Local Government (MHCLG) published in February 2015 a code of recommended practice for local authorities on data transparency. This code of practice recommends publishing the "pay multiple", the ratio between the highest paid salary and the median average salary of the whole of the authority's workforce. For Havant, the median salary, calculated on 31 December 2023, is £35,745. The pay multiple between the median and Chief Executive salaries is 1:3.7.
- 8.5 However, as detailed above, the Chief Executive salary and Officer pay scales are subject to national negotiation. The pay awards for 2024/25 have not yet been agreed, so this paper will be resubmitted with amended figures in paragraph 8 for noting at Full Council when both of these amounts have been confirmed.

