

NORFOLK COUNTY COUNCIL
Pay Policy Statement 2019-2020
Approved by County Council on 19 April 2019

1. Introduction and Scope

- 1.1. Norfolk County Council is committed to accountability, transparency, equity and fairness in pay, reward and remuneration. This Pay Policy Statement outlines the Council's pay and reward policies for 2019-2020. These ensure that pay and rewards policies are appropriate for the Council's aims, are competitive and affordable, and are consistently and equitably applied.
- 1.2. The policies referred to in this Statement are relevant to Council employees generally. However the scope of this Statement does not include all pay policies relating to certain categories of employees, including:
- a) Fire-fighters (covered by the National Conditions for Local Authorities' Fire Brigades)
 - b) Teachers (covered by statutory School Teachers' Pay and Conditions)
 - c) Employees in schools
 - d) Employees paid on national pay rates determined by the Soulbury Committee covering Education Improvement Professionals and Educational Psychologists
 - e) Employees in Public Health on NHS conditions of employment.
- 1.3. The Pay Policy Statement fulfils the Council's statutory requirements under Chapter 8 of the Localism Act 2011.

2. Definitions

- 2.1. The Council defines the total employment package as consisting of both tangible and intangible elements. The pay policy statement focuses on the tangible pay and reward elements, including salary, allowances, benefits in kind, pension enhancement and payments relating to the ceasing of employment.
- 2.2. The Council defines "lowest paid employees" as staff paid on the first spinal column point of the County Council's pay grades for National Joint Council (NJC) for Local Government Services staff, as this is the lowest pay rate generally applied to NCC roles.
- 2.3. The Council employs some apprentices under the national Apprenticeship framework, who are paid at less than the Council's minimum salary point, in line with the National Minimum Wage for apprentices set by the Department for Business, Innovation and Skills. The rates from April 2019 are from £3.90 to £8.21 per hour depending on age (equivalent to £7,524 to 15,839 per annum for a 37 hour week).

3. The Council's Pay and Rewards Strategy

- 3.1. The Council's overall approach to pay and reward is set out in its [Pay and Rewards Strategy](#). The objectives set out in that document are to:
- Attract and retain people with the skills and talent the County Council needs to deliver excellent services in Norfolk.
 - Encourage and reward high levels of contribution, new ways of working, and relevant skills acquisition through experience and development, by employees at all levels.
 - Provide a fair system of reward for employees.
- 3.2. The Council's pay policies are designed to achieve those objectives within the Principles and Core Standards set out in the strategy. Pay policies, and strategy, are kept under review and updated from time to time as necessary.

4. Governance Arrangements

- 4.1. In future, the Pay Policy will be approved by council and the Officer Employment Procedure Rules will provide the delivery mechanism.
- 4.2. The Officer Employment Procedure Rules of the [Council's Constitution](#) provide for designated Senior Officers to take certain delegated decisions in relation to employment matters, within the policy framework approved by Council.

5. Publication of and access to information relating to pay

- 5.1. The Council publishes information about pay in accordance with statutory requirements, and the guidance of the Information Commissioner's Office and the Department of Communities and Local Government. Information is published on the [Council's website](#) and in the [Council's Statement of Accounts](#).

6. Basic Pay Determination

Pay levels for all employees are determined by the following:

- 6.1. The Council uses the Hay Job Evaluation Scheme to establish the relative "sizes" of jobs within the organisation. An evaluation results in an overall job evaluation score, which is used to rank jobs within the organisation. The overall job evaluation score for a job is used to allocate that job to the appropriate pay grade of the Council's [grade structure](#). For senior officers as defined in Part 6.4 of the [Council's Constitution](#) external evaluation specialists will be commissioned to independently review and validate the job evaluation rationale, and the outcome is subject to approval by Council.
- 6.2. Appointment - The incremental point an individual will be appointed to within the grade will normally be the minimum of the scale. However appointment may be at a higher point within the scale where necessary to appoint the best candidate. In the case of the senior officers, views of Members of the Appointments Panel will inform the decision.

- 6.3. As the arrangements for determining senior officer salaries are robust and transparent, the County Council has decided that a vote on individual salary packages prior to appointment would not add to democratic accountability, would cause delay in recruitment, and would not be an efficient process.
- 6.4. Progression – all employees are eligible to receive annual incremental increases within the grade structure until they reach the top increment of the grade. There is no further base pay progression once the employee reaches the maximum spinal column point, or maximum of the grade range, for the role. Incremental progression may be withheld from an individual who has an action plan under the Council's policy for Dealing with unsatisfactory performance. New starters must complete a 6-month period before becoming eligible for incremental increases.
- 6.5. The Council's pay scale values are subject to annual review. For Norfolk grades from Scale A to Scale O, the Council applies the annual pay award agreed by the National Joint Council for local government services. For grades Scale P and above, (deemed Senior Officers) the County Council locally reviews pay levels annually having regard to national settlements covering local government and local affordability.
- 6.6. General Review - Pay levels are set with reference to a number of internal and external factors and market forces. Where a need is identified to review the levels of basic pay at all or some pay grades (for example in the light of sustained recruitment and retention difficulties), the Council will commission research into market levels. Any decision on changes as a result of this research would be considered by the Head of Paid Service, taking account of affordability. Any resulting changes would be reported to Cabinet.

7. Additional Pay Determination

- 7.1. In addition to basic pay the Council's reward package may include additional pay elements.
- 7.2. The Council will consider the payment of salary supplements in the event of external market pressures for recruitment and retention. Payments must be based on genuine objective grounds and driven by business requirements and not individual circumstances. Payments must be applied consistently based on sound, recognised and robust pay data in accordance with Equal Pay legislation and the [Equalities in Employment Policy](#). Market supplements are applied, reviewed and withdrawn in accordance with the Council's [Market Supplements policy and procedure \(recruitment and retention\)](#).
- 7.3. There will be occasions where, due to the service needs, employees will temporarily be required to undertake work or perform beyond the normal remit of their substantive role (for example working to a higher level role or undertaking additional responsibilities). Payment for these extra duties will be made in accordance with the [Recognition Payments Policy and Procedure](#). All payments are regularly monitored and reviewed as outlined in the policy.
- 7.4. The County Council's recognition payment scheme, which allows a flat rate payment of up to £1000 in recognition of a particular "one-off" contribution or a

substantially increased workload, applies to all staff, including Senior Officers. The decision to award a recognition payment to a Senior Officer would be taken by the Head of Paid Service in consultation with the Head of HR.

- 7.5. The County Council does not operate a performance pay scheme outside the incremental grading structure that determines basic pay and therefore there are no performance payments paid to employees of the Council.
- 7.6. Employees that are redeployed, due to redundancy or disability, to a post at a lower grade may be eligible for a redeployment compensation payment. This will be paid in accordance with the [Redeployment Policy and Procedure](#).
- 7.7. The Council employs the use of a number of additional allowances and enhancements to reflect and recompense for additional responsibilities, duties and working patterns. The eligibility to these enhancements varies depending upon the nature of the allowance or enhancement. The applicable principles, scope, eligibility, process and rates are detailed in the respective policy documents. These are kept under review and changes or additional policies would be approved by the Head of Paid Service.
- 7.8. The Council operates a Car Provision Scheme, which provides lease cars to employees on a contributory basis. This is restricted to employees that have to travel on a regular basis to fulfil the duties of their role.

8. Termination of Employment

- 8.1. The Council's policy on redundancy is contained within the [Staffing Adjustment Policy](#), which details the conditions under which redundancy payments can be made. Where an employee is made redundant, severance benefits will be based on the number of weeks in the statutory Redundancy Pay Table based on actual weekly earnings. Where full time weekly earnings are less than the statutory cap, employees will receive a rate equivalent to the statutory cap per week, pro rata for part time staff.
- 8.2. Membership of a pension scheme is determined by the relevant conditions of service and is subject to the rules of the specific scheme. The Council operates the Local Government Pension Scheme (LGPS) for most employees within the scope of this statement. Some employees may be members of the Teachers' Pension Scheme (TPS), the Fire Fighters Pension Scheme (now closed to new entrants) (FPS) and the New Fire Fighters Pension Scheme (NFPS).
- 8.3. The Council's practice for early termination of employment arrangements (for reasons other than redundancy) are detailed in the [Retirement policy and procedure](#); and any additional discretions under the pensions regulations for the LGPS are detailed in [Employer's Statement of Exercise of Discretionary Powers](#).
- 8.4. Only in very exceptional circumstances and where the business case supports it might the Council agree to any arrangements in relation to termination of employment outside those referred to above, to avoid or settle a legal claim.
- 8.5. The Council's policy on the employment of people retired on redundancy grounds from Norfolk County Council, or on ill-health or efficiency grounds from

any local authority employment, is that any such case must show clear organisational and financial benefits to the Authority. Each case must be considered by the Head of HR. The remuneration on employment would be determined in the same way as for any other appointment.

- 8.6. Where severance payments over £100,000 are due, these will be approved by the, Head of Paid Service in consultation with the Leader and the Cabinet will be advised.

9. Remuneration of staff on a Contract for Services

- 9.1. In common with any large organisation in the public or private sector, from time to time and on a temporary basis the Council needs to use interim staff who are not directly employed. In such cases the Council would not incur the costs of pension contributions, annual leave or sick pay.
- 9.2. This happens where we have a short term need for particular skills or where we are experiencing recruitment and retention difficulties. When we use interim staff they are usually sourced through specialist agencies.
- 9.3. In line with the Agency Workers Directive, the Council will aim to pay staff on a Contract for Services at a rate consistent with the pay and reward of the Council's directly employed staff performing a role of comparable responsibility. However, as with the employed workforce the Council retains the discretion to take into account market factors in determining the appropriate pay level, whilst demonstrating value for money for the remuneration offered.
- 9.4. The Council's guide to [Types of Temporary Resources](#) outlines the actions required when there is a requirement for interims or consultants. This confirms the financial threshold at which a business case will need to be submitted for Chief Officer approval and Member endorsement, prior to any contractual commitment.
- 9.5. Workers employed directly by the Council will be assessed to establish whether they fall within scope of the IR35 legislation using the HMRC employment status tool. Workers that fall within scope will have Income Tax and National Insurance contributions deducted and paid over to HMRC.

10. Fairness in pay

- 10.1. As already stated, the Council recognises the importance of fairness in pay and utilises the following approaches to maintain this:
 - a) the Council's pay and reward policies are applied equally to all employees, except where there are good reasons reflecting genuine factors which apply only to certain employee categories;
 - b) the Council's Personnel Committee is responsible for setting the pay and conditions policies of all employees within the scope of this statement;
 - c) the Council involves the workforce and trades unions in any proposals to change pay and rewards policies and practices. Regular consultation

and negotiation take place on all employment matters, including pay and reward;

- d) all categories of employees are covered by recognised trades unions;
- e) the Council's approach to publishing information on pay is set out in paragraph 5.1 to ensure that pay policies are open to scrutiny.

10.2. The current ratio of the highest paid Officer's pay to the median pay in the organisation is published as set out in paragraph 5.1.

11. Review

The pay policy statement this year is reviewed by the Personnel Committee and is recommended to Full Council for approval. The statement for 2019-20 was submitted to Full Council for approval in April 2019.

For queries contact hrstrategy@norfolk.gov.uk