



Pay Policy Statement 2019/20

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| Comprehensive Impact Assessment Record | | | | | |
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| Date | Type of assessment conducted | Stage/level completed (where applicable) | Summary of actions taken decisions made | Completed by | Impact Assessment review date |
| Various | Initial/Full | Complete | CIAs undertaken previously on individual policies | Various | Various |

| Document retention | |
|----------------------------------|---|
| Document retention period | E.g. 5 years in hard and electronic copies. |

1. Background – Localism Act 2011 – openness and accountability in local pay

- 1.1 Section 38(1) of the Localism Act requires local authorities to produce an annual pay policy statement.
- 1.2 The provisions in the Act do not seek to change the right of each local authority to have autonomy on pay decisions, however it emphasises the need to deliver value for money for local taxpayers.
- 1.3 This statement has been approved by Full Council on 26 February 2019 and any changes during the year will be brought back to Full Council for adoption at the earliest opportunity.
- 1.4 This statement describes the pay arrangements that apply to the Council’s senior managers and Local Government Services employees including its lowest paid employees. The statement does not apply to Council employees in schools or other employment groups, in particular firefighters, teachers, Soulbury or youth-workers.

Related Remuneration and Transparency Context

- 1.5 The Council follows the transparency requirements on remuneration as set out in the Local Government Transparency Code 2015 (‘the Code’), published by the Department for Communities and Local Government in February 2015, and the Local Transparency Guidance issued on 30 November 2015 by the Local Government Association.
- 1.6 Part of the Code includes publishing information relating to senior salaries within a local authority. A full list of all senior employee posts that fall within the scope of the Accounts and Audit Regulations 2015 which are paid £50,000 or more per year is published on the Council’s website. [See here](#)

2 Governance arrangements for pay and conditions of service within Cornwall Council

- 2.1 The Chief Officers Employment Committee has responsibility for the remuneration of the Chief Executive and Chief Officers (Strategic Directors and the Chief Operating Officer) with the exception of any pay outcomes arising from the implementation of the Council’s Contribution Related Pay scheme.

2.2 The Chief Executive is responsible for the remuneration of other Council employees in accordance with the Council's corresponding policies and procedures.

3 Pay Strategy

3.1 From 1 April 2015 the Council adopted the Living Wage Foundation Living Wage and it has an open ended commitment to implement this pay rate going forward as the minimum pay rate for its employees.

3.2 In its 2014 Collective Agreement with its recognised trade unions, the Council committed to implement the outcome of national pay bargaining and to preserve nationally determined terms and conditions until 30 September 2017. The Council is currently undertaking a Review of Pay, Terms and Conditions. In the meantime it continues to implement the outcome of national pay bargaining for employees within the scope of this statement as a means of maintaining pay ranges and the pay rates for individual employees.

3.3 The Council has moved away from time served salary progression and in agreement with its recognised trade unions has implemented a system of 'contribution related pay'. Contribution related pay is based on a formal assessment of what employees achieve and how they work to determine whether they are eligible for salary progression within the salary range for their role.

3.4 Periodically the Council undertakes local pay reviews to ensure its grading and pay structure is positioned appropriately in the labour market and to ensure the Council's pay arrangements help the Council achieve its business plan. Such reviews can reset the number of grades, pay structure and the pay of individual employees.

4 Remuneration arrangements for the Council's senior managers

4.1 The Council's senior managers comprises tiers 1, 2 and 3. Tier 1 is the Chief Executive. Tier 2 comprises the four Strategic Directors and the Chief Operating Officer (these roles comprise statutory and non-statutory chief officers). Tier 3 roles are called Service Directors and comprise the Monitoring Officer and other roles that report directly to a statutory or non-statutory chief officer. Remuneration levels for senior managers start at £76,958 per annum. Senior managers are not eligible for overtime, additional hours or standby payments.

- 4.2 The pay and terms and conditions of senior managers are periodically reviewed. For tiers 1 and 2, any decisions about changes to remuneration are taken by a committee of the Council called the Chief Officers Employment Committee. The Chief Executive is responsible for remuneration for tier 3. In between periodic pay reviews, pay ranges and individual salaries for tiers 1, 2 and 3 are maintained in accordance with the outcome of national pay bargaining for the Chief Executive, Chief Officers and Local Government Services employees respectively. The pay ranges for senior managers are in Appendix A.
- 4.3 The Chief Officers Employment Committee is responsible for setting the salary levels for the Chief Executive, Strategic Directors and Chief Operating Officer. The current senior manager structure is published on the Councils website ([see here](#)):
- Under the Senior Employee Information 2017-18 ([see here](#)), details published include:
 - Names and job titles (names may only be published on the ‘Senior Employee Information’ if individual salaries are £150,000 or more)
 - Name of directorate and service
 - Salary, fees, allowances
 - Bonuses
 - Expense allowances
 - Compensation for loss of office (severance payments)
 - Pension contributions
 - Services and functions responsibilities
 - Budget held and numbers of staff
 - Under the Organisation Chart December 2018 ([see here](#)) details published include:
 - Names and job titles
 - Name of directorate and service
 - Grade, salary maximum and actual salary within a £5K range
 - Contract type - whether permanent or temporary
 - Contact details
- 4.4 Progression through salary bands for Strategic Directors and Service Directors is based on a formal assessment of the individual’s contribution (what they have achieved and their competency). The Leader is responsible for assessing the Chief Executive’s contribution, reporting to the Chief Officers Employment Committee and considering any comments from the Committee. The Chief Executive is responsible for determining the assessments of contribution for

employees at tiers 2 and approving the assessments of contribution for employees at tier 3.

- 4.5 The Council may, in exceptional circumstances, engage Senior Managers under contracts of services. The Council publishes in accordance with the Code, details of all payments made under contracts for services in excess of £500 on the Council website. [See here.](#)

5 Remuneration of employees who are not Senior Managers

- 5.1 Local Government Services (LGS) employees make up the majority of Council employees including the Council's lowest paid employees paid on the Living Wage Foundation Living Wage. The pay ranges for Local Government Service employees are provided in Appendix A.

- 5.2 The pay and terms and conditions of LGS employees are periodically reviewed by the Council. Such a review is currently being undertaken. In between periodic pay reviews, pay ranges and individual salaries for Local Government Services employees are increased in line with the outcome of national negotiations for LGS employees.

- 5.3 Progression through salary bands is based on a formal assessment of an individual's contribution (based on what they have achieved and their competency). This assessment is made by the employee's manager and approved by the manager's manager.

- 5.4 LGS employees have access to other payments for arrangements outside of normal office hours and terms and conditions (please see Appendix B).

6 Job Evaluation

- 6.1 The Council's grading and pay structure creates the foundation for the relationship between the pay of all the roles within the scope of the pay policy statement (both senior managers and other employees) and is attached in Appendix A. It comprises 20 grades with spot salaries or salary ranges. Grades are allocated to roles through a process of job evaluation which establishes the relative value of different roles.

- 6.2 The Council operates two evaluation schemes for roles within the scope of this pay policy statement. For senior managers it uses the Hay job evaluation scheme. For other roles the main job evaluation scheme is the Greater London

Provincial Council Job Evaluation scheme although the Hay scheme is used for roles above grade N.

7 Pay Multiple

- 7.1 The 'pay multiple' is the ratio between the highest paid taxable earnings and the median earnings figure of the whole of the Council's workforce. The Council's highest paid employee is the Chief Executive and the current pay multiple is shown in the table below.
- 7.2 Earnings for the purposes of calculating the 'pay multiple' are defined covering all elements of remuneration that can be valued (e.g. taxable earnings for 2017/2018 including base salary, variable pay, bonuses, allowances and the cash value of any benefits in kind). The calculation of earnings excludes the cash value of pension provision.
- 7.3 The Council's lowest paid employees are on the minimum of grade B. This corresponds with the Living Wage Foundation Living wage which the Council has committed to on an open-ended basis. This excludes trainees, apprentices and interims.

| Description | 2017/18 |
|-------------------------|----------------|
| Highest paid | 171,700 |
| Median | 23,962 |
| Lowest | 15,916 |
| Highest to median ratio | 7.2:1 |
| Highest to lowest ratio | 10.8:1 |

8 Pay on Appointment

- 8.1 Where salary ranges apply, employees including senior managers are appointed to the minimum of the salary range for the job unless there is a substantial reason for doing otherwise.
- 8.2 Recruiting managers have delegated authority as appropriate and necessary to appoint staff above the minimum, for example to secure the appointment of a candidate of the right calibre if they are already in employment and paid above the minimum of the Council's salary range for the role.
- 8.3 The salary of the Chief Executive and of any other Chief Officer (Strategic Director or Chief Operating Officer) will be determined by the Chief Officers Employment Committee.

9 Recruitment and retention payments (market supplements)

- 9.1 In exceptional circumstances, the Council may pay a market supplement in addition to the salary for a role where, in the absence of such a payment, it would not be possible to recruit and retain suitable employees. The value of the market supplement takes into account the labour market pay information for similar jobs.
- 9.2 Market supplements are linked to the post, not the person. They cannot be paid to someone because of their level of skill or experience.

10 Fees for Election Duties

- 10.1 Council staff may be engaged on electoral duties of varying types. The fees paid to Council employees for undertaking these electoral duties vary according to the type of duties they undertake.
- 10.2 Fees paid to the Returning Officer and to the Deputy Returning Officers are paid to them in accordance with the relevant scales of fees and, for national elections and referendums, are met by the body responsible for funding the poll.

11 Pension

- 11.1 All employees in the scope of this pay policy statement (whether senior managers or other employees) are entitled to join the Local Government Pension Scheme and receive benefits in accordance with the provisions of that Scheme as applied by the Council. Details of the Council's policy and decisions in respect of discretionary elements of the Scheme are published on the Council's website, [see here](#).

12 Other Terms and Conditions and employment policies

- 12.1 Many terms and conditions reflect local agreements between the Council and trade unions. The Council has determined some policies following consultation with the trade unions. Those terms and conditions or policies including payment arrangements for working outside of normal office hours are identified in Appendix B to this statement. The appendix identifies whether the provision applies to all employees within the scope of this statement or only employees who are not senior managers.

13 Payments on Termination of Employment

- 13.1 In the event that the Council terminates the employment of an employee (including Senior Managers) on the grounds of redundancy they will receive compensation and benefits in accordance with the Council's severance policy, which is published on the Council's website, [see here](#). Exceptions to this are employees who have TUPE transferred into the Council with different severance schemes and where the severance schemes have been incorporated into their contract.
- 13.2 Details of severance payments paid to senior management are published on the Council's website under the 'Senior Employee Information 2017-18', heading 'Compensation for loss of office' ([see here](#)).

14 Re-employment of Employees

- 14.1 Section 7 of the Local Government and Housing Act 1989 requires that every appointment to paid office or employment in a local authority shall be made on merit.
- 14.2 Should a successful candidate be in receipt of a redundancy payment, the Council will apply the provisions of the Redundancy Payments (Continuity of Employment in Local Government etc.) (Modification) Order 1999 (as amended) regarding the recovery of redundancy payments. The rules of the Local Government Pension Scheme also have provisions to reduce pension payments in certain circumstances to those who return to work within local government service.

15 Further Information

- 15.1 For further information on the Council's Pay Policy please contact the Council's Employment, Reward and Diversity Manager on 01872 323188.

Appendix A

Senior Manager Pay Ranges

| Grade | Scheme | Points | Min | Max |
|---|--------|----------------|---------|----------|
| CE (Chief Executive) | Hay | 1,056 | 176,885 | 176,885 |
| CD (Strategic Directors and Chief Operating Officer) | Hay | 700-800 | 114,455 | 145,670 |
| S (Service Directors level 2) | Hay | 528-608 | £86,642 | £106,998 |
| R (Service Directors level 1) | Hay | 460 | £76,958 | £94,062 |

Pay ranges for other employees within the scope of this statement

| Grade | Scheme | Points | Min | Max |
|----------|--------|----------------|---------|---------|
| Q | Hay | 400 | £67,185 | £82,111 |
| P | Hay | 350 | £57,895 | £70,758 |
| O | Hay | 304 | £50,202 | £60,379 |
| N | GLPC | 700+ | £45,999 | £55,254 |
| M | GLPC | 649-699 | £41,786 | £50,128 |
| L | GLPC | 601-648 | £37,191 | £44,697 |
| K | GLPC | 553-600 | £32,641 | £39,961 |
| J | GLPC | 509-552 | £28,047 | £35,229 |
| I | GLPC | 465-508 | £23,703 | £30,756 |
| H | GLPC | 431-464 | £21,141 | £25,463 |
| G | GLPC | 391-430 | £18,755 | £23,111 |
| F | GLPC | 351-390 | £16,880 | £20,541 |
| E | GLPC | 323-350 | £16,880 | £17,974 |
| D | GLPC | 287-322 | £16,880 | £17,280 |
| C | GLPC | 249-286 | £16,880 | £17,280 |
| B | GLPC | 182-248 | £16,880 | £17,280 |

Other terms and conditions

Only for employees within the scope of the Pay Policy Statement who are not senior managers

Premium payments

The standard working week for employees within the scope of this policy statement is 37 hours, worked from Monday to Friday. For some employees who are required to work outside the normal working week, a premium payment may be due. The premium payments which may be payable are set out below.

Overtime

Overtime is time worked beyond the standard working week (37 hours) which attracts payment.

Overtime is only paid in circumstances where it is not practicable to grant compensatory time-off in lieu. All paid overtime is subject to authorisation in advance by the relevant manager. Overtime is paid at plain time with the exception of emergency recall to work after midnight which attracts a 50% plusage.

Only employees in receipt of a salary on or below the maximum of grade N (or its financial equivalent in higher grades) are eligible for payment for work beyond 37 hours per week.

Sunday working as part of the normal working week

Sunday working as part of the normal working week attracts a 25% premium. Only employees paid up to and including grade H or equivalent are eligible for this premium. Employees contracted to work only at weekends are paid plain time.

Night work

Night work on Monday to Friday as part of the normal working week attracts a 25% premium. Night work at weekends attracts a 50% premium. Only employees paid up to and including grade H or equivalent are eligible for this premium.

Work on public holidays

Work on public holidays attracts 'double time'. Only employees paid up to and including the maximum of grade H or its financial equivalent are eligible for this premium.

Standby duty

Employees who undertake standby duty are required to be available to receive and deal with work related issues for a pre-determined period outside normal working hours.

Employees who are on standby duty and are paid on or below the maximum of grade N are eligible for standby payments.

Standby payments will be calculated in relation to the midpoint of the salary range for the relevant “standby role” and according to the rates set out in the table below.

| Period on standby (outside of normal working hours) | Payment rate for each hour on standby |
|--|--|
| Monday to Friday | 14% of standby role hourly rate |
| Weekends | 17% of standby role hourly rate |
| Bank holidays | 20% of standby role hourly rate |

Call out

“Call out” is the requirement for an employee who is on standby to carry out duties relevant to the standby role during a period of standby duty. It may require the employee to attend their place of work or another location and may include work undertaken from their home.

If an employee is “called out” for less than 15 minutes they will not be paid for call out. However, if an employee is called out on separate occasions within the same shift these can be aggregated to trigger a call out payment, for example if an employee is called out for 10 minutes then returns to standby and is called out for a further 10 minutes they will be entitled to a call out payment in accordance with the following provision.

Call out of between 15 and 30 minutes attracts a payment of half an hour. Call out of between 31 minutes and 60 minutes attracts a payment of one hour. Where the duration of call out is more than 1 hour, payment is rounded up to the nearest half hour.

Payments for call out will be based on the midpoint of the salary range for the relevant standby role and attract any relevant premium in accordance with the 2011 Local Collective Agreement.

Any payments for call out are made in addition to payments for standby.

In exceptional circumstances, subject to consultation with the trade unions, the Council may increase standby payments for particular roles if it would otherwise experience problems operating a critical out of hours’ standby rota. Any such arrangements are the subject of an annual review in accordance with the principles of the Council’s market supplement policy.

In accordance with the Working Time Regulations, managers will adjust normal working arrangements to ensure required rest time is provided as necessary for employees who have been called out.

For all employees within the scope of the Pay Policy Statement

Allowances

Acting up allowances and additional duties payments

Employees who act up fully in the absence of more senior employees for a continuous period of at least four weeks are entitled to be paid the salary of the higher graded role. Once the qualifying period of four weeks has been satisfied, the higher salary is paid with effect from the first day on which the employee took on the duties and responsibilities of the higher graded post.

Where the preceding circumstances do not apply, an additional duties payment may be granted (of an amount dependant on the circumstances) at the Council's discretion, to an employee who performs duties outside the scope of his or her post over an extended period, or where the additional duties and responsibilities are exceptionally onerous.

Pay protection

The Council has a pay protection policy where employment on less favourable terms is offered to an employee as an alternative to redundancy.

An employee's basic pay is protected for up to two years if the reduction in their basic pay does not exceed 17.5%.

If, by accepting alternative employment, the reduction in an employee's basic pay exceeds 17.5%, pay protection is subject to the authorised manager being satisfied that there is some tangible benefit to be gained by the Council, for example in circumstances where pay protection would be less costly than an employee's redundancy.

During the pay protection period, an employee's basic pay is protected on a "mark time" basis. "Mark time" means that during the period of protection, an employee's basic pay is frozen and that they are not eligible for salary progress or pay awards.

First Aid and Fire Warden allowances

Employees designated by the Council as recognised first aiders / Fire Wardens are entitled to a payment. A payment of £232.00 per annum is made to full-time employees designated as recognised first aiders / Fire Wardens provided that they maintain a current First Aid Certificate / keep up to date with their Fire Warden training. In the case of part-time employees, a pro rata payment is made.

Professional fees

The Council pays the professional fees of employees where an authorised manager determines that membership of a professional body is essential for the continuous professional development of an employee.

Removal and separation allowances

In exceptional circumstances, for hard to fill posts, the Council may offer removal and separation allowances to new employees taking up employment with the Council. The scheme provides that the Council will contribute to the cost of removal of furniture, the cost of legal and estate agents fees and to the payment of a separation / two homes allowance within thresholds set by the HMRC.

Work-base relocation

All employees are required to work at or from any of the Council's premises in Cornwall. However, from time to time, because of organisational requirements, employees may have their contracted work-base changed which results in them incurring additional expenditure.

Where an employee's contracted work-base is changed by organisational circumstances beyond their control, they are eligible to receive an allowance equal to the difference between the costs of travelling from their home to their new work-base and from their home to their old work-base.

Authorised excess travel costs are reimbursed from the date of the work base move for up to 24 months and may include travel by private vehicle or public transport in accordance with the business travel and expenses policy set out below.

Business travel and expenses

Where employees are required to travel in the course of their duties they are expected to determine the most appropriate form of transport taking into account the total cost, travel time and carbon emissions. The cheapest form of transport will normally be chosen unless the travel time is unreasonable. If there are two forms of transport with comparable costs, the transport with the lowest carbon emissions must be selected unless the travel time is unreasonable. If public transport is used, the cheapest travelling fare should be chosen, for example a monthly or annual season ticket. It is the Council's policy not to pay for first class travel.

Mileage allowances

Where, in accordance with the Council's travel policy, employees use their own vehicles for business purposes, the following allowances will apply:

In each tax year 40p per mile for the first 3000 miles, 20p per mile for each mile thereafter

In accordance with the Council's travel policy, and to satisfy critical operational needs, the following allowances will apply to roles / positions* designated by the Council:

In each tax year: 40p per mile up to 3000 miles; 40p per mile for business travel and 20p per mile for relocation travel from 3001 to 10,000 miles; and 20p per mile thereafter

These allowances will be reviewed periodically in consultation with the trade unions and such reviews will take account of any changes to the number of roles/positions eligible for each scheme.

* The designated roles/ positions will be the subject of consultation with the relevant recognised trade unions

The mileage rates applicable to motorcycles and cycles are 24p and 20p respectively. The motorcycle allowance applies where personal motorcycles are used for business

purposes irrespective of engine size. The cycle allowance is payable for all business journeys within a three mile radius of the normal place of employment.

Lease cars

Subject to certain conditions, employees who travel over 1,000 business miles per annum may apply for a lease car. The Council contributes to the cost of the lease an amount equivalent to the mileage allowances that would otherwise be payable for business travel. The employee is responsible for the remainder of the lease payments.

Subsistence payments

Employees may claim reimbursement of reasonable additional expenditure actually incurred whilst they are away from their normal place of work and unable to follow their usual arrangements.

Such claims will normally be paid only in circumstances where employees are required to travel out of Cornwall and incur an overnight stay. Exceptionally, where it is agreed that the out of Cornwall journey will be made in a single day and this involves the working day starting before 8am and finishing after 8pm, claims for reasonable reimbursement for lunch and an evening meal are permitted.

Reimbursement of all claims will only be paid on submission of a receipt for the expenditure incurred.

Claims may be made up to the following maximum levels

| | |
|---|---------|
| Breakfast (departure before 7.00am) | £6.46 |
| Lunch (departure before 12 noon and return after 2.30pm) | £9.74 |
| Evening meal | £13.94 |
| Overnight stay (bed & breakfast) (outside major cities) | £84.05 |
| Overnight stay (bed & breakfast) (major cities except London) | £108.65 |
| Overnight stay (bed & breakfast) (London) | £139.40 |

In exceptional circumstances, and where authorisation is given to an individual employee by their manager, reasonable additional expenditure supported by a receipt may be payable.

The subsistence maximum levels referred to above will be increased for 2019/20 in accordance with the Council's collective agreements with the trade unions.

Retirement

Early retirement

The Council's policy is not to allow employees to retire early with an unreduced pension unless a financial saving can be achieved within a period of no more than two years and there is a benefit to the service. However, in accordance with the Local Government

Pension Scheme Regulations, employees aged 55 or over have the ability to cease employment and draw a reduced pension.

Flexible retirement

The Council permits flexible retirement only where there is either a financial or operational benefit to the Council and where the employee's reduced level of earnings together with his or her pension does not exceed his or her pre- retirement earnings.

In addition, the Council will not waive any actuarial reduction to an employee's pension benefits and any pension costs to the Council must be recovered within a two year period.