



County Offices
Newland
Lincoln
LN1 1YL

25 January 2016

Pay Policy Sub-Committee

A meeting of the Pay Policy Sub-Committee will be held on **Tuesday, 2 February 2016 at 1.00 pm in Committee Room Two, County Offices, Newland, Lincoln LN1 1YL** for the transaction of the business set out on the attached Agenda.

Yours sincerely

A handwritten signature in black ink, appearing to be 'T McArdle', written over a horizontal line.

Tony McArdle
Chief Executive

Membership of the Pay Policy Sub-Committee
(7 Members of the Council)

Councillors M J Hill OBE (Chairman), Mrs P A Bradwell (Vice-Chairman), J D Hough, R J Hunter-Clarke, J R Marriott, Mrs A M Newton and Mrs M J Overton MBE

**PAY POLICY SUB-COMMITTEE AGENDA
TUESDAY, 2 FEBRUARY 2016**

Item	Title	Pages
1	Apologies for Absence/Replacement Councillors	
2	Declarations of Councillors' Interests	
3	Minutes of the meeting of the Pay Policy Sub-Committee	
3a	Minutes of the meeting of the Pay Policy Sub-Committee held on 11 February 2015	5 - 8
3b	Minutes of the meeting of the Pay Policy Sub-Committee held on 30 March 2015	9 - 10
4	Pay Policy Statement 2016-17 <i>(To receive a report from Debbie Barnes, Executive Director with responsibility for People Management, which asks the Pay Policy Sub-Committee to consider and agree the Pay Policy Statement 2016-17)</i>	11 - 26
5	CONSIDERATION OF EXEMPT INFORMATION In accordance with Section 100(A)(4) of the Local Government Act 1972, the following agenda item has not been circulated to the press and public on the grounds that it is considered to contain exempt information as defined in Paragraphs 1, 2 and 3 of Scheduled 12A of the Local Government Act 1972, as amended. The press and public may be excluded from the meeting during consideration of this item of business.	
6	Chief Officer (Corporate Management Board) Pay Review <i>(To receive a report from Fiona Thompson, Service Manager – People, concerning the Corporate Management Board Pay Review)</i>	27 - 32

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Please note: for more information about any of the following please contact the Democratic Services Officer responsible for servicing this meeting

- Business of the meeting
- Any special arrangements
- Copies of reports

Contact details set out above.

All papers for council meetings are available on:
www.lincolnshire.gov.uk/committeerecords



PAY POLICY SUB-COMMITTEE 11 FEBRUARY 2015

PRESENT: COUNCILLOR M J HILL OBE (CHAIRMAN)

Councillors Mrs P A Bradwell (Vice-Chairman), J D Hough, R J Hunter-Clarke, J R Marriott, Mrs A M Newton and Mrs M J Overton MBE.

Officers in attendance:-

Katrina Cope (Team Leader Democratic and Civic Services) and Fiona Thompson (Service Manager People).

1 APOLOGIES FOR ABSENCE/REPLACEMENT COUNCILLORS

No apologies for absence were received.

2 DECLARATIONS OF COUNCILLORS' INTERESTS

No declarations of Councillors' interests were declared at this stage of the proceedings.

3 MINUTES OF THE MEETING OF THE PAY POLICY SUB-COMMITTEE HELD ON 3 FEBRUARY 2014

RESOLVED

That the minutes of the meeting of the Pay Policy Sub-Committee held on 3 February 2014 be confirmed and signed by the Chairman as a correct record, subject to word 'about' at bullet point 6 on page 6 being amended to read 'above'.

4 PAY POLICY STATEMENT 2015/16

Consideration was given to a report from the Executive Director with responsibility for People Management, which advised the Pay Policy Sub-Committee that the Localism Act 2011 required all local authorities to agree on an annual basis, pay policy statements, which were compliant with the provisions of the Act and then to subsequently publish them thereafter.

The Service Manger – People advised the Sub-Committee that the Pay Policy Statement at detailed at Appendix A to the report presented had been updated to reflect the national pay award in 2014/15 for grades 1 – 6 and for Chief Officers; the revised senior leadership bands; and the changes negotiated through Collective Agreement on Pay and Reward which would take effect from 1 April 2015.

**PAY POLICY SUB-COMMITTEE
11 FEBRUARY 2015**

The Sub-Committee were asked to consider the Pay Policy Statement 2015/16 before it was presented to Council for approval on Friday 20 February 2015.

The Sub-Committee were guided through the report and associated Appendix presented which identified the changes made, particular reference was made to:-

- Page 6 – Paragraph 4 - The Senior Management Pay Structure. It was noted that the senior structure had been evaluated by Hay;
- Page 7 – Paragraph 5 – Other Employees' Pay Structure (including lowest paid employees);
- Page 8 – Paragraph 7 – The National Pay Award;
- Page 8 – Paragraph 11 – Performance Related Pay and "Earn Back";
- Page 10 – Paragraph 21 – Payments for Returning Officers during Local Elections; and
- Page 11 – Paragraph 25 - Pay Multipliers (or pay dispersion).

During discussion, the Sub-Committee raised the following issues:-

- Some concern was expressed with regard to the different senior job titles bands, as it was thought that the term 'Senior Leaders' was somewhat confusing;
- The Sub-Committee were advised that the Executive Directors were paid on a 'spot salary' point as all roles had collective responsibilities for the success of all service areas, and that the salary levels were bench marked against available data for Eastern and Midlands Shire Counties;
- It was reported that the remuneration for Senior Leadership was determined by the Head of Paid Service and was underpinned by the Hay Job Evaluation Scheme. The employees would be appraised in line with agreed objectives. Under the new scheme, officers within the Senior Leadership would normally be appointed on the median pay range within their allocated band;
- Minimum Wage – The Sub-Committee noted that Appendix B to the Statement provided information relating to the Salary Structure and that the Scale 1 figure from January 2015 of £13,316 was above the minimum wage. It was highlighted that the living wage was £7.58 per hour and that grade 2 scale point 6 was the equivalent of the living wage. It was noted that there had been 90 employees identified as being below the living wage last year, and that for the current year this figure was now 83 employees. The Service Manager – People agreed to email out to the Sub-Committee details relating to the costs of the living wage for the Council. It was reported that the data to be circulated excluded schools, but included modern apprentices.

RESOLVED

That the Pay Policy Statement 2015/16 as detailed at Appendix A be agreed and be referred to full Council for approval.

5 CONSIDERATION OF EXEMPT INFORMATION

RESOLVED

That, in accordance with Section 100(A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item of business on the grounds that if they were present there could be disclosure of exempt information as defined in Paragraphs 1, 2 and 3 of Part 1 of Schedule 12A of the Local Government Act 19772, as amended.

6 CHIEF EXECUTIVE AND EXECUTIVE DIRECTOR PAY REVIEW

An exempt report from the Service Manager – People was considered, which provided information to assist the Sub-Committee in making a decision relating to the Chief Executive and Executive Director Pay Review.

RESOLVED

That the recommendation as detailed within the exempt report be agreed.

The meeting closed at 2.45 pm.

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PAY POLICY SUB-COMMITTEE 30 MARCH 2015

PRESENT: COUNCILLOR M J HILL OBE (CHAIRMAN)

Councillors Mrs P A Bradwell (Vice-Chairman), J D Hough, R J Hunter-Clarke, J R Marriott and Mrs A M Newton.

Officers in attendance:-

Debbie Barnes (Executive Director of Children's Services), Cheryl Hall (Democratic Services Officer) and Fiona Thompson (Service Manager - People).

7 APOLOGIES FOR ABSENCE/REPLACEMENT MEMBERS

An apology for absence was received from Councillor Mrs M J Overton MBE.

It was noted that Debbie Barnes (Executive Director of Children's Services) was attending the meeting on behalf of Tony McArdle (Chief Executive).

8 DECLARATIONS OF COUNCILLORS' INTERESTS

There were no declarations of Councillors' interests at this stage in the proceedings.

9 EXCLUSION OF PRESS AND PUBLIC

RESOLVED

That under Section 100 (A) of the Local Government Act 1972, the press and public be excluded from the meeting for the following item, on the grounds that it involves the likely disclosure of exempt information as defined in paragraphs 1, 2 and 3 of Schedule 12A of the Act, as amended.

10 TERMS AND CONDITIONS

A report from Tony McArdle (Chief Executive) was considered, which invited Members to consider information on Terms and Conditions.

The Service Manager - People presented the report to the Sub-Committee and responded to questions raised by Members.

RESOLVED

That the recommendation, as detailed within the exempt report, be approved and subsequently reviewed at an appropriate time.

2
PAY POLICY SUB-COMMITTEE
30 MARCH 2015

The meeting closed at 12.20 pm.

Open Report on behalf of Debbie Barnes

Report to:	Pay Policy Sub Committee
Date:	02 February 2016
Subject:	Pay Policy Statement 2016-17

Summary:

The Localism Act 2011 requires all local authorities to agree on an annual basis, pay policy statements, which are compliant with the provisions of the Act, and then subsequently to publish them.

The Sub-Committee is requested to note:

With regard to the implementation of the National Living Wage from 1st April 2016, which sets a compulsory minimum hourly pay rate of £7.20, it is unlikely that a conclusion will be reached on national pay negotiations by then. The pay spine has not yet been amended, but subject to advice from the National Employers, preparations will be made for employees currently paid on scale points 2 and 3 to be temporarily increased in accordance with the National Living Wage.

That the policy has been updated to reflect changes as a result of changes in national terms and conditions affecting an allowance paid to the Director for Public Health and to pay for the Fire & Rescue Service Management Team. All other pay scales remain the same as 2015-16 Pay Policy Statement as pay claims for 2016/17 are currently ongoing.

Recommendation(s):

To agree the Pay Policy Statement in Appendix A.

Background

The requirement for Councils formally to adopt pay Policy Statements was introduced in the Localism Act 2011, followed by Guidance from DCLG. In line with this guidance it is considered good practice for this sub-committee to consider the Statement before it is presented to Full Council for approval. The Statement itself has been prepared in line with the requirements of the legislation and the best practice put forward in the guidance.

Conclusion

The Pay Policy Statement sets out the County Council's policy on pay and conditions for senior managers and employees (excluding operational fire fighters and schools based employees). This ensures that the Council has a fair and transparent approach to these matters.

Consultation

a) Policy Proofing Actions Required

N/A

Appendices

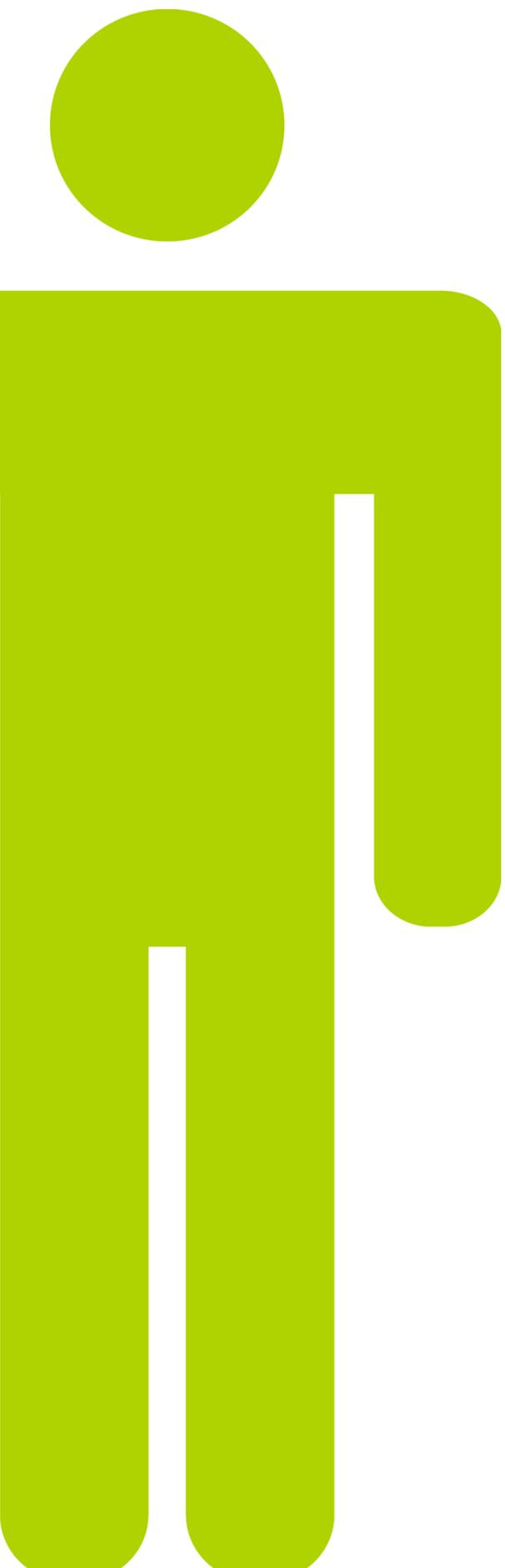
These are listed below and attached at the back of the report	
Appendix A	Pay Policy Statement

Background Papers

The following background papers as defined in the Local Government Act 1972 were relied upon in the writing of this report.

Document title	Where the document can be viewed
http://www.lincolnshire.gov.uk/jobs/manuals/employment_manual	

This report was written by Fiona Thompson, who can be contacted on 01522552207 or fiona.thompson@lincolnshire.gov.uk



Employment Manual

PAY POLICY STATEMENT

For year 2016/2017
People Management Service

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1 INTRODUCTION

This Pay Policy Statement sets out Council policy on pay and conditions for senior managers and employees (excluding operational Fire Fighters and schools' based employees) for 2016-17

The Council aims to attract and retain employees to deliver the Council's objectives. In determining pay policy for senior managers and all other employees, the Council is committed to ensuring a fair and transparent approach. Within this, it is recognised that different approaches may be required between groups of employees reflecting factors such as difficulties in attracting and retaining key skills.

2 KEY PRINCIPLES FOR PAY POLICY

- To be fair, reasonable and transparent
- To be affordable
- To reward employees for their contribution to the Council's achievements
- To maintain rates of pay which are both competitive in the market place and reflect the need to retain key skills

3 EMPLOYEES IN SCOPE OF THE PAY POLICY STATEMENT

This Pay Policy Statement covers all employees (except teachers and uniformed fire fighters except those defined as Senior Managers.) As such, it goes wider than minimum legal requirements of the Localism Act 2011.

4 THE SENIOR MANAGEMENT PAY STRUCTURE

Senior Managers are defined for this purpose as the Chief Executive; Executive Directors – (referred to as Chief Officers); Chief Fire Officer, Deputy Chief Fire Officer, Assistant Chief Fire Officer and Senior Leadership Pay Band. The senior pay structure is attached at Appendix A.

Chief Executive and Executive Directors

Remuneration is determined by the Pay Policy Sub-Committee and is based on salary comparison against similar posts in other Shire Counties in the Eastern and Midlands region, against the market place and taking into account information from the annual NJC Salaries & Numbers Database. The aim is to ensure the Council retains and motivates key employees by maintaining rates of around median pay which are both competitive in the market place and reflect the need to retain key skills. The Chief Executive post is paid on a spot salary¹. Executive Director posts are all paid at the same single spot salary point because all roles have collective responsibility for the success of all service areas and for the Council as a whole.

Senior Leadership

Remuneration is determined by the Head of Paid Service and underpinned by the Hay Job Evaluation Scheme. Employees will be appraised in line with agreed objectives. Periodically the pay structure will be reviewed to ensure that salaries offered are competitive in the market place, taking into account the advice set out in the Joint Negotiating Committee² (JNC) for Chief Officers of Local Authorities Conditions of Service.

¹ See Glossary Page 12

² See Glossary Page 12

Fire & Rescue Service Management Team

The pay structure is determined in line with the NJC for Brigade Managers (Gold Book³) with the Deputy Chief Fire Officer and Assistant Chief Fire Officer receiving 80% and 75% respectively of the Chief Fire Officer salary.

In accordance with the 2011 Code of Recommended Practice for Local Authorities on Data Transparency, information on senior salaries is published on the Council's website - [Data on Senior Salaries](#) together with information about the structure of the workforce. Additional legal provisions about reporting payments over £50,000 in a year are in the Accounts & Audit (England) Regulations 2011, also available in the Council's published accounts on our website: [Statement of Accounts 2014/15](#).

5 OTHER EMPLOYEES' PAY STRUCTURE

(including lowest paid employees)

Remuneration for other employees is normally determined by the Council's Job Evaluation (JE) Scheme⁴ which covers all staff on NJC Local Government Services terms and conditions of service. This includes the lowest paid council employees. The Council Pay spine for staff up to and including Service Managers is attached at [Appendix B](#).

The Pay and Grading structure used by the Council was implemented by Collective Agreement⁵ in July 2008, backdated to be effective from 1 April 2007 and is anchored to the national NJC pay spine for Local Government Services. The current pay spine is at 2014 and 2015 rates to reflect the phased approach to implementing the annual pay award, with the National pay award in January 2015 and the non-consolidated payments in December 2014. Negotiations between the National Employers and Trade Unions for 2016-17 pay are on-going. The JE Scheme, the Greater London Provincial Council Scheme, was selected through a process of consultation with staff and Trade Unions and complies with equal pay requirements.

The Council and Unions signed a Collective Agreement in 2015 incorporating changes to modernise the local conventions for Job Evaluation.

6 NON-STANDARD TERMS AND CONDITIONS

Staff transferring into the Council under The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) arrangements, have the right to retain their existing terms and conditions. The largest group includes those staff who transferred from Public Health.

Additionally some specialist posts, mainly in education related services, such as Educational Psychologists and the Youth Service are recruited to specific terms and conditions although they are in scope of the [Local Scheme of Conditions of Service](#).

7 THE NATIONAL PAY AWARD

Pay levels are adjusted to take account of any cost of living increase negotiated nationally by the JNC for Local Authority Chief Executives⁶; the JNC for Chief Officers of Local Authorities and the NJC for Local Government Services. The pay

³ See Glossary Page 12

⁴ The Job Evaluation scheme ensures that all jobs are graded fairly and equitably between men and women

⁵ A Collective Agreement is a formal agreement signed between the County Council and the recognised Trade Unions

⁶ See Glossary Page 12

rates in Appendix A were adjusted to reflect the 2% national pay award for 2015, which was applied to guaranteed FTE basic salary of £99,999 or less, as at 31 December 2014. Pay claims for 2016/17 are currently on-going.

8 RECRUITMENT, RETENTION AND MARKET FORCE SUPPLEMENTS

The Council recognises that at times it may be difficult to recruit new employees or retain existing staff in key posts. To ensure the Council attracts and maintains a skilled and experienced workforce, supplements may be paid in addition to the post grade. Further details can be found in the [Recruitment, Retention and Market Force Supplements Policy](#).

9 RELOCATION EXPENSES AND DISTURBANCE ALLOWANCES

Relocation Expenses and Disturbance Payments are paid to employees to cover additional costs they may incur as a result of a change or disturbance to work base. These are paid in accordance with the [Relocation Expenses and Change of Workbase Policy](#).

10 STARTING PAY

Employees, when appointed to posts within the Council are paid on an incremental scale and will normally be appointed at the minimum point of the pay grade for that post. However, in certain circumstances it may be appropriate to appoint to a higher point within the pay grade. This should be objectively justifiable and have regard to the pay of existing employees within the service area. See [Green Book Employees Pay and Conditions Policy](#).

It is also necessary to be aware of any restrictions to this, e.g. the requirement of a qualification which prevents this normal sequence of events from occurring.

Where an employee is appointed who does not yet meet the minimum competency requirements for that role, they are appointed in accordance with the [Appointed One Point Below Policy](#).

11 PERFORMANCE RELATED PAY (PRP) AND “EARN BACK”

There is a performance related pay framework for employees in scope of Senior Leadership Pay Band.

12 PAY PROGRESSION

The Chief Executive, Executive Directors and Fire & Rescue Senior Managers are excluded from this scheme within the Council. They are appointed to a spot salary so no pay progression applies.

For other employees, eligibility for incremental progression, including any acceleration through the grade with the use of Merit Increments, will be in accordance with the [Green Book Employees Pay and Conditions Policy](#) covering the NJC for Local Government Services Group. An increment may be withheld following an adverse report on an employee's performance (subject to the Council's capability / disciplinary procedures being followed). Any increments withheld may subsequently be paid if the employee's performance becomes satisfactory, but are not backdated.

13 REVIEWING INDIVIDUAL PERFORMANCE

Individual achievement is assessed using the [Council's Appraisal Scheme](#) and all employees will take part in an appraisal process. In most cases this will be the full Council appraisal process; however, there may be some cases where the process is amended so that it is appropriate to the role of the employee.

Learning and development needs will be linked to the [County Council's Behaviours Framework](#) which are interchangeable with occupational national standards of competence where appropriate.

14 RESPONSIBILITY FOR REVIEWING PERFORMANCE

The Chief Executive's individual performance will be assessed by the Leader of the Council together with the appointed cross-party group. For individual Executive Directors, the assessment will be made by the Chief Executive and reported to the cross-party group.

For all other employees, the assessment will be made by the individual's line manager, as appropriate.

15 ACTING UP ARRANGEMENTS

Employees temporarily acting up into a role which is normally graded on a higher level should be paid at the appropriate level for the duties they are asked to perform. Further details can be found in the Council's [Green Book Employees Pay and Conditions Policy](#) covering the NJC for Local Government Services Group.

16 HONORARIA

An honorarium payment may be made for exceptional or special work undertaken on a short term basis of not more than 6 months and will be in accordance with the Council's [Green Book Employees Pay and Conditions Policy](#) covering the NJC for Local Government Services Group.

17 EMPLOYEES ON FIXED TERM/TEMPORARY CONTRACTS

The Council will not treat employees on fixed term or temporary contracts less favourably than employees on a permanent contract. See [Fixed Term and Temporary Contracts Policy and Procedure](#).

18 ALLOWANCES/EXPENSES

Chief Executive, Executive Directors and Senior Leadership

Allowances will be in accordance with the [Local Scheme of Conditions of Service](#) or jointly agreed schemes in Director Areas. Business Travel will be reimbursed in accordance with the [Travel Policy](#). This policy applies to all staff in scope of the Local Scheme of Conditions of Service.

Fire & Rescue Service Senior Managers

Allowances and expenses will be in accordance with the NJC for Brigade Managers Conditions of Service and Service Order 19⁷ - Pay and Allowances, available on George.

⁷ See Glossary Page 12

19 SALARY PROTECTION

Where an employee accepts a post on a lower grade as result of a restructuring or change in the workforce, personal salary protection will apply in accordance with the [Local Scheme of Conditions of Service](#) or Collective Agreement on Pay Protection for those in the Fire & Rescue Service, available on George.

20 SEVERANCE PAYMENTS

For those in the Local Government Pension Scheme, (including Chief Officers) payments relating to redundancy, early retirement and flexible retirement will be paid in accordance with the Council's [Redundancy and Early Retirement Policy](#) or [Flexible Retirement Policy](#).

All employees / recruits (including Chief Officers) in receipt of a redundancy payment will be subject to the Redundancy Payments (Continuity of Employment in Local Government etc.) (Modifications) Order 1999⁸.

21 PAYMENTS FOR RETURNING OFFICERS DURING LOCAL ELECTIONS

Payments for the Chief Executive and Executive Directors who are Returning Officers are made in accordance with their respective JNC Conditions of Service. The current Head of Paid Service relinquishes this payment in the favour of the District Chief Executives who fulfil the role of the Deputy Returning Officers.

Payments for employees at Head of Service and below for Local Election duties are made in accordance with the [Local Scheme of Conditions of Service](#).

22 PAY POLICY SUB-COMMITTEE

The Pay Policy Sub-Committee undertakes an annual review of the salaries of the Chief Executive and Executive Directors. The Sub-Committee comprises of Councillors from the Appointments Committee, representing the political balance of the Council overall in accordance with the terms of the Local Government and Housing Act 1989.

23 LCC GREEN BOOK⁹ NEGOTIATING TEAM

The Negotiating Team considers pay issues relating to all employees within the scope of NJC pay awards.

24 RELATIONSHIP BETWEEN SENIOR OFFICERS PAY AND CONDITIONS WITH OTHER OFFICERS

(including the lowest paid)

The approaches for determining senior management pay are set out in paragraph 4 above.

The approach for determining other employees' pay, including the lowest paid employees, is set out in paragraph 5 above.

⁸ Under the Employment Rights Act 1996 (ERA), an employee can count service with an 'associated employer' towards the service requirement for a redundancy payment (i.e. two years) and, if appropriate, for calculating that payment.

⁹ See Glossary Page 12

25 PAY MULTIPLES (or pay dispersion)

Pay multiple is the ratio between the salary of the highest paid employee and the median full time equivalent salary of the organisation. The pay multiple is often referred to as 'pay dispersion.'

For 2015-16 the pay multiple is 7, which is the same as the previous year.

There is no formal mechanism for direct comparison between pay levels of the wider workforce with Senior Manager pay and there are no Council policies on reaching or maintaining a specific pay multiple.

26 RE-ENGAGEMENT OF FORMER SENIOR MANAGERS

The policy for appointing or re-engaging any Senior Manager who has previously been made redundant by the Council, or who is in receipt of a local government pension, is that there should be a presumption against re-employment for a period of 6 months following the end of their employment. However, in exceptional circumstances Senior Managers may be re-employed by the Council more quickly provided that it is not within one month and one day of their leaving date.

In approving a re-employment of a Senior Manager, Members will need to be satisfied that:

- the employee is not being re-employed in a role or capacity, which is broadly similar to the role from which they were made redundant;
- the rate of pay applied to the work undertaken by the re-engaged employee should be that appropriate to the work to be done and not the grading which applied to the employee prior to the end of their current contract;
- the employment should be for a fixed term, not exceeding one year, unless there are exceptional circumstances; and the arrangement must provide financial / operational advantage to the Council.

The policy of the Lincolnshire Pension Fund is not to abate pensions should any officer retire and then return to work for the Council.

27 THE USE OF CONTRACTS FOR SERVICES AND APPOINTMENT OF CONSULTANTS

The HMRC requires the Council to determine whether an arrangement with a consultant or contractor constitutes a contract of employment or can be deemed to be on a self-employed basis.

The determination will need to be made for every agreement that is proposed as the decision on status relates to the contract, not the individual. This must be undertaken before any engagement is agreed or any contract signed.

Where it is determined that an engagement constitutes a contract of employment, normal Council terms and conditions will apply and the work must be paid for at the evaluated rate for the job.

It may be appropriate to re-engage a former employee as a consultant with a contract for service in certain circumstances. This may be appropriate:

- For discrete pieces of work where the former employee has the appropriate skill and experience which is not available elsewhere in the Council.
- Where it is more cost effective
- Where it is difficult to recruit due to market conditions
- Where work of an urgent nature arises at short notice.

Such arrangements should be time limited, and be subject to appropriate written agreements covering the nature, duration, quality standards, and the basis on which the agreement will be terminated. The written agreement must be signed before the arrangement commences.

Initial consideration for providing cover for urgent work should be through the use of temporary employment contracts advertised in the usual manner or through acting up or secondment arrangements made available to existing staff. This should particularly be true where the work relates to the normal business of the service area, as opposed to defined projects or one off tasks.

It is our duty under the Pensions Act 2008 to comply with auto-enrolment Regulations and an assessment will be made on whether the contractor is an employee rather than a contractor and therefore pensionable under the Act.

In determining whether a consultant is genuinely self-employed, the Council will take into account, not only the contractual terms agreed, but also the realities of the employment relationship. This will include whether there is provision for substitution and whether resources are provided by the Council or by the consultant. These examples are not exhaustive and are purely illustrative of the type of factors to be taken into account.

28 PERSONAL SERVICE CONTRACTS

In the contracting sector, the generally accepted definition of a personal service company is a limited company that typically has a sole director, the contractor, who owns most or all of the shares.

Many contractors choose to work for clients using their own [limited companies](#) for many reasons. Limited companies can be a tax efficient way for contractors to work, as they often split their income between [salary and dividends](#), which means they do not pay, employers' or employees' Class 1 National Insurance Contributions on a large part of their overall income.

Personal Service contracts prevent the risk of there being a contract of service, or an employment relationship with the Council which eliminates any income tax liability on the Council.

By using a limited liability company, contractors are also insulated to a certain extent from business risk.

Although the Council does not currently have any such contracts in place for normal employment it is possible that it will do so in the future as they are an acceptable way of reducing the legal liabilities that come from hiring employees.

APPENDIX A

Senior Manager Pay Structure – 2015- 16

Salary (£)	Chief Executive
	£173,226.00

	Executive Director of Public Health £160,834.68*
	Executive Directors £125,982.76

Senior Leadership Pay Band

Pay Band	Zones	Pay Range		
		Max	Med	Min
Director	Single Zone	122,966	108, 544	100,002
Senior Leaders	Zone A	102,006	89,465	80,996
	Zone B	87,519	76,688	69,922
	Zone C	74,775	66,549	61,430

Consultant (Public Health) reporting to Director of Public Health	
Band 8 *	
	£65,922.00
	£67,805.00
	£70,631.00
	£74,084.00
	£77,850.00
	£81,618.00

Band 9 *	
	£77,850.00
	£81,618.00
	£85,535.00
	£89,640.00
	£93,944.00
	£98,453.00

* N.B. Director and Consultant roles in Public Health transferred into the Council on the 1 April 2013 from the NHS as part of the Health and Social Care Act 2012. The transfer was under TUPE, therefore terms and conditions of employment, including salary, are protected.

Fire & Rescue Service Management Team	
Chief Fire Officer	£ 113,221.81
Deputy Chief Fire Officer	£ 90,666.55
Assistant Chief Fire Officer	£ 84,999.58

APPENDIX B

Lincolnshire County Council Salary Structure from 1st April 2014-15-16 NJC for Local Government Services

LCC Pay Spine for staff up to and including Head of Service				GLPC Points Score
	2013 Until 31 st Dec 2014	2014 1 st Jan 2015	December 2014 - Non Consolidated one-off payment (Scp 17 – Scp 48 = 0.45% non-consolidated payment of £100 has also incorporated April's remaining payment.)	
1	12266	13316	325	
2	12614	13614	325	
3	13321	13871	150	G1
4	13854	14207	150	
5	14351	14684	150	
6	14880	15208	100	G2
7	15455	15795	100	
8	16029	16381	100	
9	16604	16970	100	G3
10	17282	17662	100	
11	17961	18356	100	
12	18638	19048	100	G4
13	19447	19874	100	
14	20258	20703	100	
15	21067	21530	100	G5
16	21774	22253	100	
17	22481	22975	103	
18	23188	23698	107	G6
19	24033	24562	111	
20	24880	25428	114	
21	25727	26293	118	G7
22	26847	27437	123	
23	27864	28477	128	
24	28922	29559	133	G8
25	29980	30639	138	
26	31025	31708	143	
27	32072	32777	147	G9
28	33309	34042	153	
29	34547	35307	159	
30	35784	36572	165	G10
31	37273	38093	171	
32	38764	39617	178	
33	40254	41139	185	G11
34	42333	43264	195	
35	44413	45390	204	
36	46494	47517	214	G12
37	48054	49111	221	
38	49612	50704	228	
39	51172	52297	235	G13
40	52731	53891	243	
41	54291	55485	250	
42	55849	57078	257	G14
43	57408	58671	264	
44	58968	60265	271	
45	60527	61859	278	G15
46	62086	63452	286	
47	63645	65045	293	
48	65205	66639	300	G16

Grade 1 = 182 - 227
Grade 2 = 228 - 267
Grade 3 = 268 - 307
Grade 4 = 308 - 347
Grade 5 = 348 - 387
Grade 6 = 388 - 427
Grade 7 = 428 - 467
Grade 8 = 468 - 507
Grade 9 = 508 - 547
Grade 10 = 548 - 587
Grade 11 = 588 - 627
Grade 12 = 628 - 667
Grade 13 = 668 - 707
Grade 14 = 708 - 747
Grade 15 = 748 - 787
Grade 16 = 788 +

Part 3 Paragraph 2.6(e) Sleeping-in Duty Payment

1 Jan 15
£34.00

Paragraph 35 Standby Duty Allowance - Social Workers (1)(a)(i) Allowance - Per Session

1 Jan 15
£27.35

APPENDIX C

Glossary of Terms

Spot Salary:

Spot salaries within the Council are fixed to a specifically defined spinal column point. There is no progression up to or beyond the rate for each position. Spot salaries are one of the least discriminatory of pay methods because everyone is paid the rate for the job from day one and the pay structure cannot be distorted by differential progression.

JNC for Local Authority Chief Officers

The primary role of the Joint Negotiating Committee is a national body to reach agreement on a national framework on all national pay and service conditions and items related to any dispute for all chief officers.

NJC for Brigade Managers (Gold Book)

The primary role of the National Joint Committee for Brigade Managers of Fire and Rescue Services (the NJC) is to reach agreement on a national framework of pay and conditions for Brigade Managers for local application throughout the Fire and Rescue Service in the UK.

JNC for Local Authority Chief Executives

The Joint Negotiating Committee (JNC) for Chief Executives of Local Authorities is the national negotiating body for the pay and conditions of service of Chief Executives in England and Wales. The Authorities' Side consists of elected members nominated by the Local Government Association. The Staff Side consists of Chief Executives nominated by the Association of Local Authority Chief Executives (ALACE). ALACE is registered as an independent trade union.

NJC for Local Government Services

The pay and terms of conditions of employment for Local Government Services' workers is determined by the National Joint Council for Local Government Services. The NJC for Local Government Services has 70 members: 12 on the employers' side and 58 on the trade union side.

In 1997, the NJC for Local Government Services agreed a national framework with potential for local modification to suit local service requirements. Known as The Single Status Agreement, these pay and conditions of service agreements are published in [The Green Book: Local Government Scheme of Conditions of Service](#).

Greater London Provincial Council (GLPC) Job Evaluation Scheme

The Council use the scheme developed to support local authorities in carrying out their obligations under the national agreement on single status. The job evaluation scheme was the subject of consultation with the Equal Opportunities Commission. The scheme is jointly agreed by the employers and unions in London local government. It was developed by a working party of experienced evaluators and tested jointly at regional and local authority levels.

The scheme is accompanied by a code of good practice and a framework procedure to inform local arrangements.

Agenda Item 6

By virtue of paragraph(s) 1, 2, 3 of Part 1 of Schedule 12A
of the Local Government Act 1972.

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