



www.guildford.gov.uk

Contact Officer:

John Armstrong,
Democratic Services and Elections Manager.
Tel: 01483 444102

23 February 2021

Dear Councillor

Your attendance is requested at a meeting of the **EMPLOYMENT COMMITTEE** to be held Via Microsoft Teams on **WEDNESDAY, 3 MARCH 2021** at 4.30 pm.

Yours faithfully

James Whiteman
Managing Director

MEMBERS OF THE COMMITTEE

Councillor Caroline Reeves (Chairman)
Councillor Joss Bigmore (Vice-Chairman)
Councillor Paul Spooner

Authorised Substitute Members:

Councillor Tim Anderson
Councillor Christopher Barrass
Councillor David Bilbé
Councillor Graham Eyre
Councillor Jan Harwood

Councillor Nigel Manning
Councillor Marsha Moseley
Councillor John Redpath
Councillor John Rigg,
Councillor Fiona White

QUORUM 3

THE COUNCIL'S STRATEGIC FRAMEWORK

Vision – for the borough

For Guildford to be a town and rural borough that is the most desirable place to live, work and visit in South East England. A centre for education, healthcare, innovative cutting-edge businesses, high quality retail and wellbeing. A county town set in a vibrant rural environment, which balances the needs of urban and rural communities alike. Known for our outstanding urban planning and design, and with infrastructure that will properly cope with our needs.

Three fundamental themes and nine strategic priorities that support our vision:

- | | |
|---------------------|--|
| Place-making | Delivering the Guildford Borough Local Plan and providing the range of housing that people need, particularly affordable homes |
| | Making travel in Guildford and across the borough easier |
| | Regenerating and improving Guildford town centre and other urban areas |
| Community | Supporting older, more vulnerable and less advantaged people in our community |
| | Protecting our environment |
| | Enhancing sporting, cultural, community, and recreational facilities |
| Innovation | Encouraging sustainable and proportionate economic growth to help provide the prosperity and employment that people need |
| | Creating smart places infrastructure across Guildford |
| | Using innovation, technology and new ways of working to improve value for money and efficiency in Council services |

Values for our residents

- We will strive to be the best Council.
- We will deliver quality and value for money services.
- We will help the vulnerable members of our community.
- We will be open and accountable.
- We will deliver improvements and enable change across the borough.

AGENDA

ITEM

1. APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES

2. LOCAL CODE OF CONDUCT - DISCLOSABLE PECUNIARY INTERESTS

In accordance with the local Code of Conduct, a councillor is required to disclose at the meeting any disclosable pecuniary interest (DPI) that they may have in respect of any matter for consideration on this agenda. Any councillor with a DPI must not participate in any discussion or vote regarding that matter and they must also withdraw from the meeting immediately before consideration of the matter.

If that DPI has not been registered, the councillor must notify the Monitoring Officer of the details of the DPI within 28 days of the date of the meeting.

3. MINUTES (Pages 5 - 6)

To confirm the minutes of the meeting of the Employment Committee held on 1 February 2021.

4. PAY AWARD 2021-22 (Pages 7 - 10)

5. AMENDMENTS TO PAY POLICY STATEMENT 2021-22 (Pages 11 - 24)

6. EXCLUSION OF THE PUBLIC

The Committee is asked to consider passing the following resolution:

"That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following item of business on the grounds that it involves the likely disclosure of exempt information as defined in paragraph 1 of Part 1 of Schedule 12A to the Act."

7. PROPOSED REDUNDANCY TERMINATION PAYMENTS ABOVE £95,000 (Pages 25 - 32)

This page is intentionally left blank

EMPLOYMENT COMMITTEE

1 February 2021

- * Councillor Caroline Reeves (Chairman)
- * Councillor Joss Bigmore
- * Councillor Paul Spooner

*Present

EM12 APOLOGIES FOR ABSENCE AND NOTIFICATION OF SUBSTITUTES

There were no apologies for absence.

EM13 LOCAL CODE OF CONDUCT - DISCLOSABLE PECUNIARY INTERESTS

There were no disclosures of interest.

EM14 MINUTES

The minutes of the meeting held on 9 September 2020 were confirmed as a correct record.

EM15 ELECTION OF VICE-CHAIRMAN OF THE COMMITTEE FOR 2020-21

The Committee

RESOLVED: That Councillor Joss Bigmore be elected vice-chairman of the Committee for the remainder of the 2020-21 municipal year.

EM16 DESIGNATION OF THE COUNCIL'S MONITORING OFFICER

The Committee considered a report on the proposed designation of the Council's Monitoring Officer in the light of Sarah White's departure from the Council with effect from 24 February 2021.

The Committee noted that the Monitoring Officer had a number of statutory duties and responsibilities relating to the Council's Constitution and arrangements for effective governance and promoting high standards of conduct.

The report noted that Sarah White had shared the post of Lead Legal Specialist with Diane Owens, who was currently the Senior Deputy Monitoring Officers, as part of a job-sharing arrangement. Officers were currently consulting with legal services staff on restructuring the legal services team. It was proposed that the structure would predominantly revert back to the structure proposed and consulted upon as part of Future Guildford Phase A.

Under the Council's staffing structure, the post of Lead Legal Specialist was deemed to be the post most appropriate to be designated as the Monitoring Officer, as the role was the Council's most senior legal officer and solicitor. Whilst there was no specific requirement for the most senior solicitor or legal officer of any Council to be the Monitoring Officer, it was common practice for the monitoring officer to be a fully qualified solicitor given that part of the role was to ensure the Council's compliance with laws and regulations.

The role of Lead Legal Specialist required the post holder to be a qualified solicitor with significant post qualification experience and experience of working in a public sector

environment. The Lead Legal Specialist was the 'head of profession' for legal services at the Council.

Having noted that in accordance with Officer Employment Procedure Rule 4 (a), the formal designation of the Monitoring Officer was undertaken by full Council on the recommendation of this Committee, the Committee

RECOMMEND: That, in accordance with Section 5 of the Local Government and Housing Act 1989, Diane Owens (Lead Specialist – Legal) be designated as the Monitoring Officer for the Council with effect from 25 February 2021.

Reason for Recommendation:

As a qualified solicitor with many years of local government experience carrying out both legal services and monitoring officer duties at a number of different councils, Diane Owens was currently the Senior Deputy Monitoring Officer and already held the post of Lead Legal Specialist. Diane Owens was therefore considered to be the most suitable officer to be designated as Monitoring Officer.

The meeting finished at 4.39 pm

Signed
Chairman

Date

Employment Committee Report
Report of Managing Director (Head of Paid Service)
Author: Francesca Smith, Lead Specialist HR
Tel: 01483 444014
Email: francesca.smith@guildford.gov.uk
Date: 3 March 2021

Pay Award 2021-22

Recommendation to Employment Committee

That the decision of the Managing Director not to make a pay award but to make a non-consolidated payment of £250 to all staff on Grade 2 and below on 1 July 2021 be endorsed.

Reason for Recommendation:

To ensure that the Council's lowest paid workers receive a payment in the absence of a pay award.

Is the report (or part of it) exempt from publication?) No

1. Purpose of Report

- 1.1 The Managing Director has delegated authority to determine the annual pay award for all staff in the salary bands below Director level as set out in the Council's Constitution under Part 3, Delegation to Officers:

In consultation with the Leader, to determine the annual salary increase to locally determined salary scales for grades below Director level, provided that the cost of such is within the relevant overall budgetary provision

- 1.2 The Council is facing a severe financial shortfall in the next few years and immediate action is required to redress this. The cost of any pay award is significant and this has to be balanced with the Council's ability to meet the costs of the award. In view of this, the Managing Director has agreed in consultation with the Leader of the Council, and with Unison, that no pay award will be made this year. It has been proposed that the lowest paid workers, (those on Band 2 and below) will receive a non-consolidated payment of £250 on 1 July 2021.

2. Strategic Priorities

- 2.1 The Council needs to demonstrate that we have effective governance in place to manage the pay and remuneration for our staff.

3. Background

- 3.1 Our Pay Policy Statement 2021-22 sets out the Council's approach to reviewing levels of pay annually. It states that we will ensure that our overall remuneration packages align with market norms for local government and public sectors while at the same time taking account of pay levels in the local area, including neighbouring public sector employers.
- 3.2 It is the Government's view that Local Government should exercise restraint in making pay awards this year. Coupled with this, the UK currently has very low rates of inflation and has seen a contraction of pay rates in the wider UK economy. Each 0.5% pay award has a cost to the Council in the region of £135,000. Other Surrey District/Borough Councils have agreed the following awards for 2021:

Council	Pay award	Increments	other
Woking	0	no	
Surrey Heath	0	yes	
Epsom & Ewell	0.5%	yes	
Waverley	0.5%	yes	£200 for all staff on low-mid grades
Mole Valley	Up to 1%	yes	
Reigate & Banstead	1.3%	yes	
Runnymede	2%	yes	

- 3.3 It has been proposed that the lowest paid workers on Band 2 and below will receive a non-consolidated payment of £250 (pro rata for part-time staff) on 1 July 2021. There are currently 204 staff in Bands 1 and 2, and the cost of making a non-consolidated payment (including 23.7% oncosts) would be £63,000. As there is no budget provision made for a pay award this year, this will be funded by bringing forward funds set aside for next year's pay award (2022-23) as set out in the medium term budget approved by the Executive on 24 November 2020.
- 3.4 Incremental progression is a contractual benefit and 326 staff out of 683 staff, (almost half of our workforce) are eligible to receive incremental progression this year.
- 3.5 Unison's pay claim this year also included the award of an additional day's leave on the anniversary of 15th and 25th year of service. This would be a non-consolidated gift in each of those years and not added to an employee's leave allowance, it also cannot be claimed retrospectively. This has been agreed.

4. Equality and Diversity Implications

- 4.1 The Council's duty under section 149 of the Equality Act 2010 is to have due regard to the matters set out in relation to equalities when considering and making decisions. There are no direct equality impacts associated with agreeing

the pay award; however, there is an unequal gender balance in the lowest paid workers who are predominantly males engaged in Operational Services. In making a payment to the lowest paid workers, the positive impact on improving the pay level of this socio-economic groupings mitigates the unintended consequence of the equality impact.

5. Financial Implications

- 5.1 The cost of the non-consolidated payment to the lowest paid workers can be met from the Council's budget provision for an assumed 2% pay award in 2022-23. The remaining provision would allow for a 1.5% pay award in 2022-23 although current economic indicators mean that a lower award is likely.

6. Legal Implications

- 6.1 The requirement to consider an annual pay award is contractual and is set out within the Pay Policy Statement.

7. Human Resource Implications

- 7.1 There are therefore no additional human resource implications to agreeing the pay award.

8. Conclusion

- 8.1 The Council is fulfilling its obligation as set out in the Pay Policy Statement to consider making a pay award to staff.

9. Background Papers

Pay Policy Statement 2021-2022 (requires approval by Council 4 March 2021)

10. Appendices

None

This page is intentionally left blank

Employment Committee Report

Ward(s) affected: n/a

Report of Managing Director (Head of Paid Service)

Author: Francesca Smith, Lead Specialist HR

Tel: 01483 444014

Email: francesca.smith@guildford.gov.uk

Lead Councillor responsible: Joss Bigmore

Tel: 07974 979369

Email: joss.bigmore@guildford.gov.uk

Date: 3 March 2021

Amendments to Pay Policy Statement 2021-22

Executive Summary

The Public Sector Exit Pay Cap Regulations came into force on 4 November 2020. The regulations implemented a £95,000 cap on exit payments and the Council, at its meeting on 8 December 2020, approved the amended Pay Policy Statement 2020-21 to reflect the Regulations. The Pay Policy Statement 2021-22 for the next financial year was approved by the Council at its meeting on 10 February 2021. However, the Government revoked the Regulations on 12 February 2021. The Pay Policy Statement 2021-22 now needs to be amended.

This report will also be considered by the Council at its extraordinary meeting on 4 March 2021 and the Committee's recommendation will be reported on the Order Paper.

Recommendation to Council

That the proposed amendments to the Pay Policy Statement for the 2021-22 financial year, shown by way of tracked changes in Appendix 1 to this report, be approved.

Reason for Recommendation:

The Pay Policy Statement 2021-22 requires amendment following the Government's revocation of the Public Sector Exit Pay Cap announced on 12 February 2021.

Is the report (or part of it) exempt from publication?) No

1. Background

- 1.1 The Public Sector Exit Pay Cap Regulations came into force on 4 November 2020. The regulations implemented a £95,000 cap on exit payments and the Council, at its meeting on 8 December 2020, approved the amended Pay Policy Statement 2020-21 to reflect the Regulations. The Pay Policy Statement 2021-22 for the next financial year was approved by the Council at its meeting on 10

February 2021. However, the Government revoked the Regulations on 12 February 2021. The Pay Policy Statement 2021-22 now needs to be amended.

- 1.2 The Pay Policy Statement currently contains reference to a termination pay cap of £95,000 for payments associated with a termination and refers to a Discretionary Waiver process. This needs to be removed from paragraphs 3.2, 10.4 and 12.5 within the document.
- 1.3 The proposed amendments to the Pay Policy Statement for 2021-22 are shown in Appendix 1.

2. Financial Implications

- 2.1 There are no financial implications associated with making the amendments to the Pay Policy Statement.

3. Legal Implications

- 3.1 Under Section 39 of the Localism Act 2011, the Council is required to consider and approve a pay policy statement each year. The Act also requires that we make provision for Council to make in year amendments to the statement at any time and this function cannot be delegated.
- 3.2 The amendments to the Pay Policy Statement 2021-22 recommended in this report are necessary for legal compliance.

4. Conclusion

- 4.1 The proposal seeks to amend the Pay Policy Statement 2021-22 in accordance with the law.

5. Background Papers

None

6. Appendices

Appendix 1 Proposed amended Pay Policy Statement 2021-22



PAY POLICY STATEMENT FINANCIAL YEAR 2021-2022

1. Introduction

- 1.1 In determining pay and remuneration, the Council recognises the need to exercise the greatest care in managing scarce public resources while securing and retaining high quality employees. We believe that the principle of fair pay is important to the provision of well-managed services and are committed to ensuring fairness and equity in our remuneration practices.
- 1.2 The level of remuneration is a very important factor in both recruitment and retention. We therefore need to balance affordability and value for money with creating a remuneration framework that ensures we can recruit, retain, motivate and develop employees who have the skills and capabilities necessary to ensure the continued provision of high-quality services.
- 1.3 We aim to design our pay policies, processes and procedures to ensure that pay levels are appropriately aligned with, and properly reflect, the relative demands and responsibilities of posts, together with the knowledge, skills and capabilities necessary to ensure that the post's duties are undertaken to the required standard.

2. Purpose

- 2.1 The aim behind this Pay Policy Statement is to ensure that our approach to pay is transparent, to enable local taxpayers to take an informed view of whether local decisions on all aspects of remuneration are fair and to make the best use of public funds.
- 2.2 This policy statement is in accordance with sections 38 to 43 of the Localism Act 2011 (the Act), that requires local authorities to publish an annual pay policy statement for the forthcoming financial year including:
 - the remuneration of our most senior employees (which the Act defines as the Head of Paid Service, the Monitoring Officer, Chief Officers, and Deputy Chief Officers, i.e. managers who report directly to a Chief Officer)
 - the remuneration of our lowest-paid employees and the relationship between the remuneration of our senior employees and that of other employees.

3. Legislation

- 3.1 The Secretary of State has produced guidance on the Act's provisions relating to openness and accountability in local pay, to which we must have regard.

This statement takes full account of this guidance as well as the provisions of the Act. This includes ensuring that there is an appropriate relationship between the pay levels of our senior managers and of all other employees.

3.2 It also takes account of:

- the Local Government Transparency Code 2015 issued by the Department for Communities and Local Government in February 2015
- Openness and Accountability in Local Pay: Guidance under S40 of Localism Act 2011 issued in February 2012
- Openness and Accountability in Local Pay: Guidance under S40 of Localism Act 2011 Supplementary Guidance issued in February 2013
- guidance issued by the Joint National Council (JNC) for Local Authority Chief Executives on pay policy statements, published in November 2011 and supplementary notes published in January and March 2012
- ~~The Restriction of Public Sector Exit Payment Regulations 2020~~
- Employment and equalities legislation affecting local authority employers, where relevant.

This statement also refers to information we are already required to publish under other legislation for example the information on the level of remuneration paid to senior managers, as required by The Accounts and Audit Regulations 2015.

4. Overall approach to pay

4.1 In relation to other organisations in all sectors across the UK, we are a large, complex organisation providing a very diverse range of services. Many of these services are vital to the wellbeing of individuals and groups of residents in our local community. These can be delivered in very challenging circumstances, which means the Council must take account of the levels of need and ensure the availability of resources to meet them.

4.2 We compete with other local employers to recruit and retain managers capable of meeting the challenges of delivering our services to the required standards. This has an important bearing on the levels of remuneration we offer. At the same time, as outlined in section 1.2 we are obligated to secure the best value for money for our residents and taxpayers in taking decisions on our pay levels. We believe that we achieve a fair balance between these competing pressures.

4.3 Our overall approach to remuneration for all employees, including senior management is based on:

- compliance with equal pay, discrimination and other relevant employment legislation such as the Equality Act 2010, plus
- ensuring that our overall remuneration packages align with market norms for local government and public sectors while at the same time taking account of:
 1. pay levels in the local area, including neighbouring public sector employers
 2. the relative cost of living in the local area, particularly housing costs

3. the fact that responsibilities and accountabilities of particular posts may be very demanding
 4. individual performance.
- 4.4 In the application of our pay framework, the council takes into account market rates, individual performance and the need for consistency in the way pay bandings are applied. All pay differentials can be objectively justified using job evaluation mechanisms that directly establish the relative levels of posts in pay bands according to the requirements, demands and responsibilities of the post.
- 4.5 Our pay rates and grading structure are determined locally.

5. Remuneration of senior management

- 5.1 This section covers the remuneration of our most senior employees, who are responsible for working with elected councillors to determine the overall strategic direction of the Council. They develop and manage a wide range of services to ensure they are economic, efficient and effective and have appropriate governance arrangements. In the context of this policy, senior management is defined as:
- the Managing Director (who is the designated Head of Paid Service)
 - the Council's Monitoring Officer (that is the officer responsible for ensuring the Council's compliance with the law in all its activities)
 - first tier officers; our Directors who report to and are directly accountable to the Head of Paid Service
 - second tier officers; our officers who are directly accountable to our first tier officers for the management and provision of individual elements of the Council's services.
- 5.2 In terms of pay differentials, we recognise that the Managing Director leads our workforce and has the greatest level of accountability, and so warrants the highest pay level in the organisation. Our Directors undertake a senior, collective and corporate responsibility for supporting the Managing Director in delivering high quality services to our communities. We have reflected this in the level of remuneration for these roles.
- 5.3 Below this level, we recognise that the demands on and accountabilities of different management roles vary considerably, and we seek to align pay levels with the relative importance and responsibilities of jobs using the Greater London Provincial Council (GLPC) job evaluation scheme.
- 5.4 Annual salary levels for our senior management are set in accordance with the overall principles set out in section 4 above. For our Managing Director, Directors and second tier officers, salaries consist of grade ranges that are determined locally. These grade ranges consist of a number of incremental salary points, through which employees may progress, subject to satisfactory performance, until they reach the top of the grade.
- 5.5 The salary ranges for our senior management posts are summarised in the following table. The pay award for 2021 has not yet been determined and will be implemented on 1 July 2021:

Senior role	Salary range
Managing Director	£130201 - £136384
Director	£86759 - £99686
Second tier officers as defined in section 5.1	£41978 - £77581

- 5.6 The following paragraphs outline the elements of remuneration that we offer to senior management in addition to those that are available to all our employees as outlined in section 11 of this statement.

Element of remuneration								
<p>Deputy Managing Director payment: Our Directors have a shared responsibility to deputise for the Managing Director in his absence. An annual payment of £3260 will be made to each Director to reflect these additional responsibilities.</p>								
<p>Acting-up or payment for additional responsibility: Where employees are required to act-up into a higher-graded post or take on additional responsibilities beyond those of their substantive post, for a temporary or time-limited period, they may receive an additional payment in recognition of the extra responsibilities. Before we make any such payment, we will assess whether the additional work entailed is sufficiently demanding to warrant an additional payment.</p> <p>Our policy is to make a payment to those senior management officers for additional responsibilities in respect of statutory roles as follows:</p> <p>Section 151 Officer (Chief Financial Officer) - £5,300 per annum Monitoring Officer - £5,300 per annum Deputy Monitoring Officer - £1,500 per annum Deputy Section 151 Officer - £1,500 per annum Data Protection Officer - £3,000 per annum Senior Information Risk Officer and Senior Authorising Officer for RIPA - £3,000 per annum</p> <p>These payments will not be reduced where there is a requirement for two officers to share the responsibilities of Deputy Monitoring Officer and/or Deputy Section 151 Officer.</p>								
<p>Car provision: We offer a subsidised lease car scheme to our senior employees at pay band 9 and above. Below shows the level of subsidy for our senior management for 2021-2022:</p> <table> <tbody> <tr> <td>Managing Director</td> <td>£6120</td> </tr> <tr> <td>Directors</td> <td>£5765</td> </tr> <tr> <td>Head of Service and Band 10</td> <td>£4671</td> </tr> <tr> <td>Band 9</td> <td>£3392</td> </tr> </tbody> </table> <p>We insure any vehicle provided, however, the employee is required to pay the excess should any claims be made. If senior management employees do not take up their lease car entitlement and use their own</p>	Managing Director	£6120	Directors	£5765	Head of Service and Band 10	£4671	Band 9	£3392
Managing Director	£6120							
Directors	£5765							
Head of Service and Band 10	£4671							
Band 9	£3392							

car for travel on Council business, we compensate them in the same way as other employees who are authorised to use their own car on Council business. This is in accordance with the provisions and rates for Essential Users agreed by the National Joint Council for Local Government Services.

Lump sum payments:

We pay lump sum allowances to the Managing Director, Directors, Heads of Service and employees on Band 10 level to cover travel, subsistence or other incidental costs. The sum ranges from £534 up to £1803 per annum for employees who have taken up their lease car entitlement, with adjustments made if employees choose to use their own cars as an alternative to taking up their lease car entitlement.

Health Screening

We fund biennial health checks for the Managing Director and our Directors.

6. Remuneration of our lowest paid employees

- 6.1 This section outlines our policy in relation to the remuneration of our lowest-paid employees. We define our lowest paid employees as those paid on the lowest grade, that is Band 1, of the Council's pay and grading structure, currently starting at £18,586 per annum.
- 6.2 In setting pay levels and determining any pay award, we take into account the needs of our lowest paid employees. For example, we pay a minimum of £5.00 per hour for apprentices rather than the minimum national hourly rate of £4.15.
- 6.3 We also pay above the National Minimum Wage (the Government's minimum rate for under 25's), the National Living Wage (the Government's minimum rate for over 25's) and above the Real Living Wage (for outside London) at the bottom of our pay scale.

7. Pay relationships

- 7.1 This section sets out our overall approach to ensuring pay levels are fairly and appropriately dispersed across the organisation including the Council's current pay multiple. The 'pay multiple' is the ratio between the highest paid salary (the Managing Director) and the median average salary of our workforce.
- 7.2 The Council's current pay multiple (as at December 2020) is 1:4.72.
- 7.3 We consider that the current pay multiple, as identified above, represents an appropriate, fair and equitable internal pay relationship between the highest salary and that which applies to the rest of the workforce.

8. Remuneration on appointment and re-employment

- 8.1 All newly appointed staff normally start on the lowest point in the pay range for their job evaluated post. Successful candidates may be appointed at a

higher point, where it is considered that they already possess the skills and experience needed to justify a higher salary.

- 8.2 In certain circumstances, should a new employee, including senior management need to move house in order to take up an appointment with the Council, we will reimburse their removal, legal and other associated relocation costs. This is in accordance with the Council's Relocation Scheme that sets maximum limits on the levels of payment and requires repayment in part or in full if the employee leaves the Council within five years of appointment. Occasionally the Council may agree a more flexible arrangement if the appointment is on a fixed-term basis.
- 8.3 The Repayment of Public Sector Exit Payment Regulations are likely to be implemented during 2021. Under these regulations termination payments made to staff on salaries above £80,000 per annum will be fully or partly recovered if those staff are re-employed within the public sector within the 12 months following the date of their termination. This restriction affects the posts of Managing Director and Directors. The Council can agree to waive the recovery payment in exceptional circumstances.
- 8.4 In the event that we employed a senior manager who is already in receipt of a pension under the LGPS, the rules on abatement of pensions adopted by the Council's Administering Authority for the LGPS, pursuant to Regulations 70 and 71 of the the Local Government Pension Scheme (Administration) Regulations 2008 must be applied. These currently provide that there will be no abatement of pension in these circumstances.

9. Pay progression and award

- 9.1 The Council's pay policy is based on a locally determined pay and grading structure that comprise of pay bands with a number of incremental points. An employee's pay progression will normally be one increment (pay spine column point within a band) on 1 July each year, until the top of the grade band is reached. Pay progression is subject to satisfactory performance and behaviours that are assessed as part of the Council's performance review process. There is no scope for accelerated progression beyond one increment per annum or for progression beyond the top of the pay band.
- 9.2 We review salaries in the light of pay movements for other employees, pay movement elsewhere, and other changes in the economy, to determine whether any general or cost-of-living pay award is necessary or justified.
- 9.3 Depending on the Council's financial situation, we may agree a cost-of-living increase for all staff from 1 July each year or there may be no increase at all. The Managing Director agreed an award of 2 per cent for all staff in 2020-2021.
- 9.4 We do not pay any bonuses or non-consolidated performance contribution payments.

10. Payment upon termination of employment

- 10.1 Senior management who cease to hold office or be employed by the Council will receive payments calculated using the same principles as any other

employee, based on entitlement within their contract of employment, their general terms and conditions and existing policies.

- 10.2 Any termination or severance payment we make to any of our employees (in the interests of efficiency of the service or on grounds of redundancy) will be made in accordance with the statutory terms under the Local Government Pension Scheme (LGPS) or the Local Government (Early Termination of Employment) (Discretionary Compensation) (England and Wales) Regulations 2006, as applicable.
- 10.3 Statements of policy on the exercise of discretions within the LGPS and the Discretionary Compensation Regulations do not amount to any contractual commitment to individual employees on future severance payments.

~~10.4 Termination payments made to staff will be capped at £95,000. This figure will include all payments associated with the termination such as payments relating to pension augmentation and pension strain, redundancy payments and severance payments. (See section 12.5).~~

11. Remuneration policies common to all employees

- 11.1 The following elements of remuneration are determined by corporate policies or arrangements that apply to all permanent staff of the Council (including the Managing Director and Director), regardless of their pay level, status or grading within the Council:
- **Contracts:** Our standard policy is to engage employees on standard contracts of employment and to apply pay-as-you-earn (PAYE) taxation arrangements to all remuneration under those contracts in accordance with HMRC rules, unless there are exceptional circumstances approved by the Managing Director, such as a contract for service which mean that an alternative mode of engagement is appropriate.
 - **Engagement of workers through intermediaries:** Where individuals are working for the Council through an intermediary such as their own limited company or a consultancy firm, or an employment agency, and are working in the same way as our own employees, the payer will be liable to pay associated income tax and National Insurance Contributions (NICs). Genuinely self-employed workers will not be covered by this requirement (commonly known as IR35) and will continue to make their own assessment and payment arrangements for income tax and NICs
 - **Pension Scheme:** Employees have a right to join the Local Government Pension Scheme (LGPS) in accordance with the statutory provisions of the scheme. The percentage an employee pays is based on individual earnings and ranges from 5.5 per cent to 12.5 per cent of pay. The employer's contribution rate for all staff that join the scheme is currently 17.2 per cent of salary.
 - **Flexible retirement:** The LGPS regulations permit us to offer flexible retirement to all employees aged 55 or over, so that they can reduce their hours of work and/or their level of responsibility, and receive some or all of their pension benefits. We would expect to see a reduction of 40-50 per

cent in salary through either reduced hours or responsibility.

11.2 The other elements of remuneration we offer to all our employees, in addition to those already outlined in section 5, are set out in the following table.

Element of remuneration
<p>Overtime or additional hours working: Employees below Band 6 who are required to work beyond the Council's normal full-time equivalent working week of 37 hours or work other non-standard working patterns, as listed below, may receive enhanced payments in accordance with the provisions of our local schemes of conditions of service covering:</p> <ul style="list-style-type: none"> • overtime or additional hours • weekend working • bank holidays (public and extra statutory holidays). <p>Conditions of service vary across services and any entitlements to enhanced payments are set out in the employee's statement of terms and conditions of employment (the contract).</p>
<p>Market rate supplements: Our job evaluation scheme does not take into account market factors such as market pay rates relating to specific jobs or fluctuating demand for skills in the marketplace. The Council recognises therefore, that there may be occasions where it is necessary to pay a market rate supplement in addition to base salary in order to recruit or retain staff.</p> <p>The Market Rate Supplement Policy ensures a clear and systematic process is followed in considering the potential for a supplement and for identifying the relevant 'market rate' for any specific post, or group of posts. The policy ensures that relevant considerations are taken into account, both initially and at every subsequent two-yearly review and ensures that a consistent approach is applied across the Council with regard to:</p> <ul style="list-style-type: none"> • the circumstances in which a market rate supplement is considered, • the monetary value of any supplement, and • the duration of the supplement and the review period that will apply.
<p>Standby and/or call-out payments: Employees who are required to be on standby at times which are outside their normal working week or who may be called-out to attend to an issue at the Council's premises or other location may receive an additional payment in accordance with the provisions of the relevant Council policy.</p>
<p>Car travel reimbursement: We compensate all our employees who are authorised to use their own car on Council business in accordance with the provisions and rates for Essential and Casual Users agreed by the National Joint Council for Local Government Services.</p>
<p>Payment of professional subscriptions or membership fees: We will pay one professional membership fee or subscription on behalf of</p>

<p>employees graded at Band 6 or above, up to and including the Managing Director. Below Band 6, we will pay one professional membership fee or subscription on behalf of employees where it can be shown that the membership or subscription is necessary for the effective performance of the employee in their job.</p> <p>In exceptional circumstances the Council will pay two subscriptions where there is a requirement for one of the subscriptions due to the persons role.</p>
<p>Subsistence or other expenses allowance: We reimburse expenditure on meals (except alcohol) and accommodation, within reasonable set limits, and any other expenses necessarily incurred by all employees on Council business if agreed in advance.</p>
<p>Provision of mobile telephones: Mobile telephones are provided to employees on the basis of business need where they are necessary to enable them to undertake their duties effectively. We fund the cost of business calls only.</p>
<p>Fees for Election duties: Sources of funding for elections in England vary according to the type of election.</p> <p>The Managing Director is the Council's Returning Officer who has overall responsibility for the conduct of elections and is appointed under the Representation of the People Act 1983. The Ministry of Justice, who set the fees to be paid to the Returning Officer, provides the costs of running UK Parliamentary general elections and European Parliamentary elections. Elections fees are paid for these additional duties and they are paid separately to salary.</p> <p>The costs of parish, borough and county elections are met through local authority budgets and vary according to the size of the electorate and number of postal voters. A scale of fees for Returning Officers, polling station and count staff is set annually in line with the Surrey wide scheme.</p>
<p>Child care: A childcare salary sacrifice scheme is available to those employees who are eligible via the HMRC-approved scheme. We make no direct subsidy towards childcare costs.</p>
<p>Staff loans All employees have access to loans that are offered at preferential rates for:</p> <ul style="list-style-type: none">• the purchase of cars/bicycles and/or• the purchase of season tickets for the purposes of travel to work.
<p>Private medical insurance: We offer private medical insurance to employees who are employed in posts at Band 6 or above in our pay and grading structure. Premiums are kept to a minimum by regular tendering exercises, and individual employees can pay additional premiums to enhance the basic level of cover which the Council funds.</p>

Other staff discount and benefits schemes:

We currently provide all employees access to an employee discount scheme. This offers employees the chance to purchase a range of goods and services at discounted rates from a variety of suppliers.

We provide access for all of our employees to an Employee Assistance Programme (EAP). EAPs are intended to help employees deal with personal problems that might adversely impact their work performance, health, and wellbeing.

The EAP offers cover for the employee and their immediate family members who reside at the same address, including children in full-time education up to the age of 24. The service provides access to:

- Stress helpline
- Structured telephone counselling
- Referral to face to face counselling
- Referral to serious illness and accident support
- Tax advice
- Legal advice (*the EAP will not provide employment law advice*)
- Eldercare
- Childcare
- Medical information

12. Decision making on pay

- 12.1 We recognise the importance of ensuring openness and transparency and high standards of corporate governance, with clear lines of accountability in our pay decision-making processes and procedures. Any pay-related decisions must be capable of public scrutiny, be able to demonstrate proper and appropriate use of public funds and ensure value for money. The arrangements we have in place are designed to reflect these requirements, as well as ensuring compliance with all relevant legislation and other statutory regulation.
- 12.2 Depending on the economic climate and the Council's current financial situation, we may agree a cost-of-living increase for all staff. The Managing Director in consultation with the Leader agrees the award provided it is within the available budget. The Council agrees any increase for the Managing Director and the Directors.
- 12.3 The provisions of this Pay Policy Statement will apply to any determination made by the Council in the relevant financial year in relation to the remuneration, or other terms and conditions, of our senior managers and of the lowest paid employees, as defined in this statement. We will properly apply and fully comply with the provisions of this pay policy in making any such determination.
- 12.4 Any proposal to offer a new senior appointment on terms and conditions which include a total remuneration package of £100,000 or more, including salary, fees, allowances and any benefits in kind to which the officer would be entitled as a result of their employment (but excluding employer's pension contributions), will be referred to the Council for approval. This will be before

any offer is made to a particular candidate.

~~12.5 The cap on exit payments of £95,000 may be waived in some circumstances subject to Ministerial approval. Discretionary Waivers can be made where the cap will cause undue hardship, to assist workplace reform, and where the exit has been delayed by the employer. Any proposal to exercise a waiver and make a termination payment above £95,000 will be referred to the Council for approval and will only be agreed in exceptional circumstances (See section 10.4) In the event of such a payment being proposed, a detailed breakdown of the components (for example redundancy pay, pension, pension strain, severance payment) will be provided for councillors. The waiver will then require approval from the MHCLG and HMT Ministers.~~

13. Review and policy amendment

13.1 We will review the statement annually and approve a new version of the policy before the start of each subsequent financial year. If we choose, or need, to amend the statement during the course of any financial year this will be by resolution of the Council.

14. Publication of and access to information

14.1 As soon as is reasonably practicable following approval by full Council, we will publish this pay policy statement on our website at <http://www.guildford.gov.uk/transparencydata> Any subsequent amendments to this statement made during the financial year will be similarly published.

14.2 The information required to be published by the Council in accordance with the requirements of The Local Government Transparency Code 2015, and in accordance with the requirements of the Accounts and Audit (England) Regulations 2015, as referred to in this pay policy statement, is also available on our website.

14.3 We are also required to publish information about the remuneration of senior officers under The Accounts and Audit (England) Regulations 2015. This information is available in the annual accounts, which we publish on our website.

This page is intentionally left blank

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

Agenda item number: 7

Document is Restricted

This page is intentionally left blank

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

Agenda item number: 7
Appendix 1

Document is Restricted

This page is intentionally left blank