



## PAY POLICY STATEMENT AMENDMENT AND JOB EVALUATION PROJECT UPDATE

### 1 PURPOSE OF REPORT

- 1.1 The purpose of this report is to update Council on the Job Evaluation project and to provide an amended Pay Policy Statement for approval.

### 2 LINKS TO COUNCIL'S PRIORITIES AND OBJECTIVES

- 2.1 This item has links to all Council priorities and objectives.

### 3 RECOMMENDATION

- 3.1 It is proposed that Council **NOTES** the progress and conclusion of the Job Evaluation Project

- 3.2 It is proposed that Council **APPROVES**

- (1) An appropriation from the General Fund General Reserve for £102,000 to fund the impact of Job Evaluation in the General Fund.
- (2) A virement as shown in paragraph 7.4 of the report to realign staffing budgets across the policy lines within the General Fund.
- (3) An appropriation of £42,000 from the HRA Main Reserve into the Supervision and Management policy line within the HRA.
- (4) The amended Pay Policy statement 2024/25 (Appendix 1).

### 4 INTRODUCTION

- 4.1 The Council commenced the Job Evaluation (JE) project in June 2023. JE project updates were brought to Staff Appointments and Review Panel (SARP) in February and July 2024.
- 4.2 The purpose of the JE project is to ensure the Council implements a Single Status agreement with the Trade Unions. Single Status is a national agreement between Council employers and the Trade Unions. It was

introduced in 1997 as part of the national pay settlement and amended by the 2004 national settlement. Councils were required to implement this agreement at local level with any local variations agreed upon through local negotiations with Trade Unions.

- 4.3 The Council was believed to be the only council in the country without Single Status in place.
- 4.4 A comprehensive JE scheme is integral to achieving Single Status and means that the Council assesses the relative value of all job roles and ensures that there is a fair and equal pay structure in place.

## **5 JOB EVALUATION (JE) PROJECT PROGRESS**

- 5.1 The JE project has progressed in line with the original timetable and, in April 2024, all staff were advised of the provisional outcome with regards to pay and grading for their role within a proposed grading structure. A robust appeals process then followed, to allow staff the opportunity to raise any concerns.
- 5.2 The final outcome of JE is as follows in year one (2024/25):
- 63% (150) staff seeing an immediate pay increase;
  - 28% (67) staff seeing no immediate change to pay; and
  - 9% (21) staff seeing pay decrease - pay protection will be in place for a period of 12 months to mitigate the impact for these staff.
- 5.3 By the financial year 2025/26, 86% of staff will see an increase to pay, this is due to increase headroom in their proposed pay grade allowing them the opportunity for salary progression where currently they are at the pay ceiling for their role. By 2026/27 this increases further to 88% of staff.
- 5.4 The outcomes for JE are a significant investment in the Council's pay structure. In year one (2024/25) the additional cost of implementing the changes to salaries will be £244,000.
- 5.5 It was also necessary as part of the JE project to review a number of additional payments in the Waste & Recycling service. These payments concerned incentives for working at particular times and another additional allowance. A proposal for removal and phasing out of these payments was agreed with Trade Unions which means there will be no immediate detriment to refuse staff and that the overall impact on waste over time is positive.
- 5.6 At the time of the last SARP update in July 2024 a consultation of Trade Union members was anticipated and it was noted that if the outcome of the consultation was positive and agreement to implement JE was achieved then a revised Pay Policy Statement should be taken to Full Council in October 2024.

5.7 The Council received notification from the Trade Unions on 4 September 2024 that the member consultation outcome was positive and both have signed a collective agreement to implement Job Evaluation with effect from 1 September 2024.

**6 PAY POLICY STATEMENT**

6.1 The format of the Pay Policy Statement has been amended to be in line with the new format of HR policies designed to add value, be easy to interpret and align with best practice. Changes and additions that have been made to the policy are:

- Tone and format modernised
- Clear sections for policies that refer to all staff, followed by breakdowns of remuneration for specific groups of staff
- Reference added to pay protection arrangements for staff under JE assimilation
- Long service award for 40 years added
- Clarity that Flexitime scheme does not apply to Chief Executive, Chief Officers and Senior Officers
- New pay / grading and job evaluation scheme for staff
- Reference to Acting Up and Honorarium policies
- Group Exercise and Swimming Instructor pay arrangements
- Specific reference made to Job Evaluation scheme for the Chief Executive, Chief Officers and Senior Officers
- Progression and appointment arrangements included for Chief Executive, Chief Officers and Senior Officers to align with all other staff.

6.2 The full revised Pay Policy Statement is included as Appendix 1.

**7 FINANCIAL IMPLICATIONS**

7.1 The estimated cost of the JE outcome is £244,000 in the current financial year (based on the pay award currently being offered by the National Employers), increasing to £482,000 in 2025/26 and £585,000 in 2026/27. The split between the General Fund and Housing Revenue Account (HRA) is as follows:

<b>Fund</b>	<b>2024/25</b>	<b>2025/26</b>	<b>2026/27</b>
	<b>£</b>	<b>£</b>	<b>£</b>
General Fund	202,000	402,000	491,000
Housing Revenue Account	42,000	80,000	94,000
<b>Total</b>	<b>244,000</b>	<b>482,000</b>	<b>585,000</b>

7.2 As part of the budget setting process for the current year, £100,000 was built in as a provision for the impact of JE in the General Fund. As this is insufficient to meet the full cost, the remaining £102,000 will need to be

funded from the General Reserve. Doing so will reduce the reserve down to £6.484m.

- 7.3 The current year impact within the HRA of £42,000 can be funded from the HRA Main Reserve. Doing so would reduce the reserve down to £1.349m.
- 7.4 With the impacts being across several policy lines, it is necessary to realign the current year budgets and apply the values being appropriated from reserves. The following table shows the required virement:

Policy Line	Virement £
Street Scene	2,000
Leisure Services	50,000
Waste & Recycling	20,000
Commercial & Assets	72,000
Financial Services	1,000
Revenues & Benefits	43,000
Land Charges	3,000
Legal Services	(1,000)
First Contact	30,000
IT & Digital Transformation	1,000
Corporate & Customer	77,000
Economic Development	3,000
Planning Policy	4,000
Development Management	2,000
Environmental Health & Licensing	20,000
Housing Services	24,000
Place & Communities	53,000
Non-service Income & Exp	(100,000)
<b>General Fund</b>	<b>102,000</b>
Supervision & management	42,000
<b>Housing Revenue Account</b>	<b>42,000</b>

- 7.5 For future years, a provision of £200,000 was built into the General Fund budget, meaning the residual impacts of £202,000 in 2025/26 and £291,000 in 2026/27 will be addressed as part of the budget setting process. It should be noted that this does increase the budget gap and consequently the savings required to be able to present a balance budget.
- 7.6 There are no financial implications arising from the amended Pay Policy Statement.

**8 LEGAL IMPLICATIONS**

8.1 Sections 38 to 43 of the Localism Act 2011 require councils to prepare a Pay Policy Statement for each financial year and the Secretary of State, pursuant to section 40, has issued both the original Pay Accountability Guidance in February 2012 and a supplementary guidance in February 2013. The content of this report and the recommendations comply with the Council’s responsibilities in this regard. Section 39(4) permits the Council to amend its policy by resolution after the beginning of the financial year.

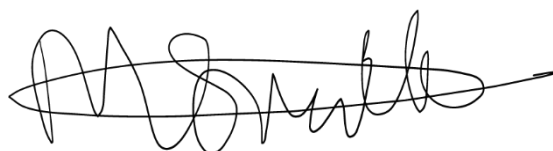
**9 HUMAN RESOURCES IMPLICATIONS**

9.1 The Job Evaluation project impacts all directly employed staff in the Council with the exception of the Chief Executive, Directors and Assistant Directors whose roles have already subject to Job Evaluation.

9.2 The updated Pay Policy Statement complies with Section 38 of the Localism Act 2011 and applies to all staff directly employed by the Council.

**10 EQUALITY AND DIVERSITY IMPLICATIONS**

10.1 An Equality Impact Assessment has been completed and found there to be no impacts (either positive or negative) on protected groups as defined under the Equality Act 2010.



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**Background Papers:-**

None.

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# **CASTLE POINT BOROUGH COUNCIL**

## **PAY POLICY STATEMENT 2024**

## Index

1	INTRODUCTION.....	2
2	SCOPE.....	2
3	DEFINITIONS.....	3
4	GENERAL POLICIES RELATING TO THE CHIEF EXECUTIVE, CHIEF OFFICERS, SENIOR OFFICERS AND ALL OTHER STAFF .....	4
5	REMUNERATION FOR ALL OTHER STAFF .....	6
6	REMUNERATION FOR APPRENTICES .....	7
7	REMUNERATION FOR GROUP EXERCISE AND SWIMMING INSTRUCTORS .....	7
8	REMUNERATION FOR CHIEF OFFICERS AND SENIOR OFFICERS .....	8
9	REMUNERATION FOR THE CHIEF EXECUTIVE.....	9
10	PUBLICATION OF REMUNERATION INFORMATION.....	10
11	PAYMENTS AND APPOINTMENTS SUBJECT TO FULL COUNCIL APPROVAL.....	10
12	PAY RATIOS .....	11

## **1 Introduction**

- 1.1 This Pay Policy Statement complies with Section 38 of the Localism Act 2011, which requires local authorities to produce a pay policy statement for each financial year for transparency and accountability within Local Government.
- 1.2 It may be adapted and/or updated by agreement at a Full Council meeting.
- 1.3 Castle Point Borough Council (the 'Council') reserves the right to review, revise, amend or replace the content of this Pay Policy Statement from time to time to reflect service delivery needs and to comply with new legislation.

## **2 Scope**

- 2.1 This Pay Policy Statement meets the statutory duty to provide the Council with a description of the policy on staff remuneration for annual approval. It provides information on remuneration arrangements for staff directly employed by the Council.
- 2.2 This Pay Policy Statement sets out the Council's policy with regard to:
  - the remuneration of 'chief officers'
  - the remuneration of the lowest paid employees
  - the relationship between chief officers' remuneration and that of other officers.
- 2.3 In this Pay Policy Statement, 'senior management' covers posts in the top three tiers of the organisation. These include the Chief Executive (Head of Paid Service), Directors and Assistant Directors. Posts in this group in Castle Point Borough Council are as follows:
  - (a) the Head of Paid Service (Chief Executive)
  - (b) the Director of Commercial and Assets
  - (c) the Director of Corporate and Customer
  - (d) the Director of Place and Communities



(e) persons who, as respects all or most of their duties, report directly to or are accountable to the posts listed in (a), (b), (c) and (d) above (other than staff whose duties are of an administrative or support nature).

2.4 “Remuneration” for the purposes of this Pay Policy Statement includes these elements:

- basic salary
- pension
- all other allowances arising from employment.

### 3 Definitions

3.1 For the purposes of this statement, senior management means ‘chief officers’ as defined within S43 of the Localism Act. The posts falling within the statutory definition are posts in the top three tiers of the organisation.

3.2 **Chief Executive** is the Chief Executive, who also performs the statutory role of Head of Paid Service under section 4(1) Local Government and Housing Act 1989.

3.3 **Chief Officers** are Directors and the Statutory Senior Officers.

3.4 **Senior Officers**, for the purposes of this statement, are Assistant Directors.

3.5 **Statutory Senior Officers** are the Assistant Director Finance and Procurement, who is the Council’s Chief Finance Officer (S151) under section 151 Local Government Act 1972 and section 6 Local Government and Housing Act 1989. Assistant Director Legal, who is the Council’s Monitoring Officer under section 5 Local Government and Housing Act 1989. These posts are not Chief Officer posts as defined by the Council’s constitution but meet the definition of S43 Localism Act.

3.6 **All Other Staff** refers to staff, excluding Chief Officers, Senior Officers and the Chief Executive.

3.7 The **Lowest Paid Staff** are defined as employees paid on Spinal Column Point 2 of the National Joint Council (NJC) for Local Government Services pay scales. This definition has been adopted as it is the lowest level of remuneration attached to a permanent post in the Council.

#### **4 General policies relating to the Chief Executive, Chief Officers, Senior Officers and All Other Staff**

4.1 In accordance with the principle of equal pay, all staff will be treated equally irrespective of gender and average pay for men and women will be equal for like work. The Council has a legal duty to report on the gender pay gap and this information is published annually on the Council's website.

4.2 The Council has a Pay Protection Policy for those staff whose posts are downgraded as a consequence of changing organisational requirements and where this results in a salary reduction. An additional pay protection arrangement is in place for until August 2025 where pay has reduced as a result of the Job Evaluation implementation in September 2024.

4.3 The Council has a Market Supplement Policy (which allows additional temporary payments to be made) for an individual post or job group where it can be shown that the substantive salary level of the post is adversely affecting the Council's ability to recruit and/or retain.

4.4 Where an employee is required to hold a membership of a professional body to carry out their role, one professional subscription will be paid annually by the Council on behalf of the employee.

4.5 Long Service Awards are made as follows:

- 25 Years service - £500
- 40 Years service - £500

4.6 Employees are automatically enrolled into the Local Government Pension Scheme (employees can exercise the right to opt out and casual workers are not automatically enrolled).

4.7 The Council has agreed policies in place for Acting Up and Honorariums, Redundancy, Redeployment and Retirement.

4.8 Annual leave is as follows:

- The Chief Executive and Directors, on appointment receive 30 days plus 2 statutory days, increasing to 35 days annual leave plus 2 statutory days after five years' continuous service.
- All other staff, including Assistant Directors, on appointment receive 23 days plus 2 statutory days, increasing to 26 days plus 2 statutory days after five years' continuous service.

4.9 Where applicable, the following benefits are offered to staff:

- Flexible working arrangements (can relate to hours or time worked, or full or part home working including flexibility in start, finish and lunch times).
- Flexitime (allows the accrual of hours, subject to business need, with the opportunity to take the time accrued at a later point in the form of days or part days). This does not apply to Chief Officers, Senior Officers or the Chief Executive.
- Free staff membership at Waterside Leisure Centre for use of the swimming pool and fitness suite (not classes) to improve the health and wellbeing of staff working a minimum of 15 hours per week. Use of the swimming pool also free at Runnymede Leisure Centre with access to the fitness suite at lunchtimes only.
- Essential car user allowance, where applicable to job role and subject to annual review in line with policy.

## **5 Remuneration for all other staff**

*All other staff with the exception of the Chief Executive, Chief Officers, Senior Officers, apprentices, group exercise and swimming instructors.*

- 5.1 This staff group will receive the annual national NJC pay increase for Local Government employees, if and when offered and agreed by the Local Government Employers.
- 5.2 Staff in this group are paid at one of eleven pay grades, each with five pay points derived from the national NJC spinal column points. Posts have been allocated to a pay grade through a process of job evaluation, using the NJC job evaluation scheme. These pay grades and scales are published on the Council's website.
- 5.3 All new or revised posts must be evaluated. This is done by trained evaluators in-house, using the NJC job evaluation scheme.
- 5.4 Usually starting salaries for both internal and external appointees will be at the minimum of the relevant salary grade. In exceptional circumstances, where there is sound evidence to support a business case a salary above the grade minimum may be applied with relevant approval from the Assistant Director People and Engagement.
- 5.5 Increments will normally take effect from 1<sup>st</sup> April each year, subject to the grade maximum and the employee being in post for at least six months. New employees to the Council, or employees taking up a new role within the Council, who have not been in post for six months as at 1<sup>st</sup> April, will receive their first increment six months after appointment, upon successful completion of their probationary period.
- 5.6 Incremental progression is not automatic and is subject to a satisfactory review of performance. The Council reserves the right to withhold increments due to

unsatisfactory performance. Any increment withheld may be paid subsequently if performance improves to a satisfactory level and no backpay would be due in these circumstances.

- 5.7 Other payments received by Council staff including Chief Officers and Senior Officers, will relate to payment for local election duties. These are based on a locally determined scale according to the number of electorate and payment is in addition to employee's basic pay. Fees for conducting Parliamentary and Police, Fire & Crime Commissioner elections and referenda are determined by way of a Statutory Instrument.

## **6 Remuneration for Apprentices**

- 6.1 Apprentices are paid in accordance with the HMRC National Minimum Wage Rates which are based on age.

## **7 Remuneration for Group Exercise and Swimming Instructors**

- 7.1 The pay rates for Swimming Instructor and Group Exercise Instructor roles recognise the commercial nature of the service and the need to ensure that the rates paid are reflective of the specific industry.
- 7.2 Pay rates for these groups will be subject to annual review each April by the Council, based on a review of market data. They will not be subject to annual pay increases awarded by the NJC.
- 7.3 Group Exercise Instructors will be paid one of three rates depending on the duration of the specific class.
- 7.4 Swimming Instructors will be paid one of two rates depending on the qualification they hold.

7.5 These pay rates for both these groups of staff are published on the Council's website.

## **8 Remuneration for Chief Officers and Senior Officers**

8.1 Assistant Directors will receive the annual national NJC pay increase for Local Government employees if, and when offered and agreed by the Local Government Employers.

8.2 Directors will receive the annual national pay increase for Chief Officers if, and when offered and agreed by the Local Government Employers.

8.3 Senior management are paid at one of two pay grades (either Assistant Director or Director), each with 5 pay points. Posts have been allocated to a pay grade through a process of job evaluation, using the LGA Senior Manager job evaluation scheme. These pay grades and scales are published on the Council's website.

8.4 All new or revised posts must be evaluated. This is done externally to the Council by trained evaluators from the East of England Local Government Association (EELGA).

8.5 Starting salaries will be determined on an individual basis based on skills and experience.

8.6 Increments will normally take effect from 1<sup>st</sup> April each year, subject to the grade maximum and at least six months in post. New employees to the Council, or employees taking up a new role within the Council who have not been in post for six months as at 1<sup>st</sup> April, will receive their first increment six months after appointment, upon successful completion of their probationary period.

8.7 Incremental progression is not automatic and is subject to a satisfactory review of performance. The Council reserves the right to withhold increments due to

unsatisfactory performance. Any increment withheld may be paid subsequently if performance improves to a satisfactory level, no backpay would be due in these circumstances.

- 8.8 Senior management do not receive any additional payments such as bonuses or performance related pay.

## **9 Remuneration for the Chief Executive**

- 9.1 The Chief Executive will receive the annual national pay increase for Chief Executives if, and when offered and agreed by the Local Government Employers.
- 9.2 The salary scale for the Chief Executive includes 3 scale points in one grade. This grade and pay scales are published on the Council's website.
- 9.3 The Chief Executive's role is subject to a process of job evaluation, using the LGA Senior Manager job evaluation scheme by trained evaluators from the East of England Local Government Association (EELGA).
- 9.4 The starting salary for the Chief Executive will be determined on an individual basis based on skills and experience.
- 9.5 As with other new employees to the Council, a newly appointed Chief Executive who has not been in post for six months as at 1<sup>st</sup> April, will receive their first increment six months after appointment, upon successful completion of their probationary period.
- 9.6 Increments will normally take effect from 1<sup>st</sup> April each year, subject to the grade maximum and at least six months in post. Incremental progression is not automatic and is subject to a satisfactory review of performance. The Council reserves the right to withhold increments due to unsatisfactory performance.

Any increment withheld may be paid subsequently if performance improves to a satisfactory level, no backpay would be due in these circumstances.

9.7 The Chief Executive also receives a Returning Officer fee in respect of District, County and Town Council elections. Payment for local election duties are based on a locally determined scale according to the number of electorate and payment is in addition to the Chief Executive's basic pay. Fees for conducting Parliamentary and Police, Fire & Crime Commissioner elections and referenda are determined by way of a Statutory Instrument.

9.8 The Chief Executive does not receive any additional payments such as bonuses or performance related pay.

## **10 Publication of remuneration information**

10.1 The remuneration of the Chief Executive and Chief Officers is disclosed in the Annual Statement of Accounts and published on the Council's website:  
<https://www.castlepoint.gov.uk/accounts>.

10.2 Details of the remuneration of posts paid over £50,000 are published in the Data Transparency section of the Council's website:  
<https://www.castlepoint.gov.uk/data-transparency>.

## **11 Payments and appointments subject to full Council approval**

11.1 New appointments to posts with a salary package of £100,000 and above, plus appointments to the post of Chief Executive and Chief Officers, will be presented for approval by full Council. The definition of salary package in this context includes only annual salary, plus any market supplement applicable to a post.



11.2 Severance packages for staff leaving the Council of £100,000 and above will be presented for approval by full Council, with the exception of severance packages resulting from compulsory redundancy which will be presented for noting to full Council at the earliest available opportunity. Full detail of the severance package will be presented including Payment In Lieu of Notice (PILON), redundancy compensation, holiday pay and any other payments.

## **12 Pay Ratios**

12.1 For the purposes of this Pay Policy Statement, employees on the lowest scale point (SCP) of the Council's pay structure are classed as the lowest paid employees. This relates to permanent employees only and excludes casual workers and apprentices.

12.2 The Council's current ratios, based on annual gross pay of all employees in post as at 31<sup>st</sup> March 2023 are:

- The ratio of the highest earning officer (Chief Executive) to the lowest paid full time equivalent employee in the Council is 6:1.
- The ratio of the highest earning officer (Chief Executive) to the average of all other staff in the Council is 5:1.
- The ratio of the average of the Chief Executive and other Chief Officers earnings to the average of all other employees is 3:1.

12.3 The ratios set out above should be used as a general guide only. The data used to calculate the ratios for the different categories of employees may differ for a variety of reasons which makes direct comparisons difficult. Average earnings will vary according to the mix of employees at any given point in time.

[END]