

## **CHIEF EXECUTIVE'S OFFICE**

### **REPORT OF THE HEAD OF HUMAN RESOURCES – S.REES**

**January 19<sup>th</sup> 2015**

#### **SECTION B - MATTERS FOR INFORMATION**

**WARDS AFFECTED: All**

#### **PAY POLICY STATEMENT 2015 / 2016**

##### **1. Purpose of Report**

To inform Members of the Pay Policy Statement 2015 / 2016, attached as an appendix to this report, which will be presented to full Council in February 2015 for approval.

##### **2. Background Information**

2.1 The Localism Act 2011 requires local authorities to produce a Pay Policy statement for each financial year. The Act sets out specific requirements for Councils to publish a pay statement, which must be considered by full Council and approved. The aim of the statement is to increase accountability, transparency and fairness in the setting of local pay.

2.2 The Act requires that the statement should include policy on the remuneration for each chief officer employed by the local authority, policy on the remuneration of its lowest paid employees, as well as policy on the relationship between the remuneration of its chief officers and other officer.

2.3 An initial Pay Policy statement was developed and approved by Council in March 2012. As required by legislation, the Pay Policy statement must be reviewed at least annually, and then approved and published by 31<sup>st</sup> March each subsequent year.

##### **3. Pay related developments**

3.1 There are some national and local pay-related developments which need to be taken into account by Council when considering approval of the enclosed Pay Policy statement.

3.2 **Local Government Chief Executive and Chief Officer pay** has been frozen at a national level since 01.04.08. Negotiations are currently taking place at a national level and the national employers side made the following offer in November 2008: “2% on guaranteed FTE basic salary of £99,992 or less [as at 31 December 2014] with effect from 1 January 2015. The offer covers the period to 31 March 2016”. At the date of report writing the offer has not yet been agreed, but an update will be provided at Committee.

3.3 Recent Welsh Government amendments to the Local Authorities (Standing Orders) (Wales) Regulations 2006 effective from 1<sup>st</sup> July 2014 introduced a new requirement that:

*“The relevant authority must determine the level, and any change in the level, of the remuneration to be paid to a chief officer”.*

3.4 The impact of this amendment is that *all* changes to chief officer pay must be voted on by full council, not just those which are determined locally. This includes any pay rises which have been nationally negotiated by the JNC for Chief Officers and these now cannot be paid, unless and until, they have been agreed by full council.

3.5 As the Chief Officers of this authority are employed under JNC terms and conditions which are incorporated into their contracts of employment, Council will be advised that Chief Officers will be contractually entitled to any JNC pay rises and a decision to withhold payment (unless preceded by action to effect appropriate changes to contracts) could result in claims against the authority of ‘unlawful deduction from wages’ or ‘breach of contract’.

- 3.6 Clearly seeking full council's determination to pay JNC nationally agreed pay rises at the time they are agreed is likely to cause delay in their payment. The Welsh Local Government Association has therefore pursued this matter with Welsh Government on behalf of councils in order to seek a pragmatic solution. As a result it has been agreed that the requirement that full council must determine nationally agreed contractually entitled pay rises for Chief Officers can be met by full council voting to, on an appropriate resolution to insert a suitable clause in the Pay Policy Statement to cover this issue.
- 3.7 The report to Council will be presented to enable this authority to meet this new requirement as outlined.
- 3.8 Should the Council at any time decide that it does not wish to implement nationally negotiated JNC pay increases then that would need to be a decision of Full Council, and the Pay Policy Statement would need to be amended again to reflect that decision.
- 3.9 Members of this Committee will be aware that a **national pay award** was applied to the rates of pay for **Local Government Services employees**, effective from 1<sup>st</sup> January 2015 through to 31<sup>st</sup> March 2016. This provided for a 2.2% increase on SCP 11 and above (NPT Grade 3 and above) and higher % increases on SCP 5 to 10 (NPT Grades 1 and 2) to provide a new minimum hourly rate at SCP 5 of £7.00 per hour. From 1<sup>st</sup> October 2015 SCP 5 will be deleted to make the minimum hourly rate £7.06 per hour. In addition, as part of the pay award, non-consolidated lump sum payments of between £100 and £325 to employees on SCP 5 – 25 were paid in December 2014.
- 3.10 **Soulbury and Youth and Community Worker** employees' pay increased with effect from 01.09.13. National negotiations are taking place in relation to a pay award effective from 01.09.14 in respect of both of these employee groups.

3.11 Members of this Committee will recall that the Council and Trade Unions agreed that from 1<sup>st</sup> April 2014, **a revised pay and grading structure for LGS “Green Book” employees**, affecting existing pay grades 5 to 11. For the period up to 31<sup>st</sup> March 2018, the maximum point of each pay grade has been deleted and those employees who were on the maximum point on 1<sup>st</sup> April 2014 have been assimilated to the penultimate point. The assimilation will be phased in by way of the Council retaining the equivalent of half of each employee’s annual national pay award each year until the monetary value of the current penultimate point of each pay grade catches up with the current maximum point, or until 31<sup>st</sup> March 2018, whichever is the earlier date. This has been applied to the percentage pay award increases for LGS ‘Green Book’ employees effective from 1<sup>st</sup> January 2015.

3.12 In addition, it was agreed that LGS “Green Book” employees in pay grades 12 and 13, Soulbury, Youth and Community Worker employees and the JNC for Chief Officers will make a **pay contribution** equivalent to the monetary value of the difference between the penultimate and the maximum points of their respective pay grades as at 1<sup>st</sup> April 2014. The pay contributions will be funded by the Council retaining the equivalent of half of each employee’s annual national pay award each year from 1<sup>st</sup> April 2014 onwards, until the pay contribution has been completed, or until 31<sup>st</sup> March 2018, whichever is the earlier date. This has been applied to the percentage increases for LGS “Green Book” employees effective from January 2015. The Council’s Chief Executive will make a voluntary pay contribution representing the full value of his national pay award for the period of four years.

3.13 Whilst the Localism Act excludes schools from the scope of local authority Pay Policy statements, the attached statement for this Council sets out details of pay multiples both including and excluding employees who are appointed and managed by schools:

<b>Basis</b>	<b>Pay Multiple</b>
<b>Lowest paid employee's earnings: Chief Executive's earnings</b>	1:10
<b>Median employee fte* earnings: Chief Executive's earnings</b>	1:7
<b>Lowest paid employee's earnings: average Chief Officer's earnings</b>	1:6
<b>Median employee fte* earnings: average Chief Officer's earnings</b>	1:4
<b>* fte = full time equivalent</b>	

3.14 These pay multiple figures are identical in both scenarios, i.e. including and excluding support staff and teachers who are appointed and managed by schools.

3.15 These pay multiple figures have changed since the publication of the last pay policy statement in March 2014. The pay multiple between the lowest paid employees and the Chief Executive being 1:1 in March 2014, now 1:10.

3.16 These figures do not include any Chief Officer, Soulbury or Youth and Community Worker pay awards, which should they be agreed. Should any nationally agreed pay award change these pay multiples, the pay policy statement will be amended to reflect this.

#### **4. Next steps**

The attached Pay Policy Statement will be presented by an independent advisor to full Council on 18<sup>th</sup> February 2015 for approval. Should Council approve the attached statement it will be published on the Council's Internet Site.

#### **5. Recommendation**

It is recommended that Members NOTE the Pay Policy Statement which will be presented to Full Council on 18<sup>th</sup> February 2015.

**6. Officer Contact**

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## COMPLIANCE STATEMENT

### PAY POLICY STATEMENT 2015 / 2016

#### (a) Implementation of Decision

N/A

#### (b) Sustainability Appraisal

##### Community Plan Impacts

Economic Prosperity	..	Positive
Education & Lifelong Learning	..	No Impact
Better Health & Wellbeing	..	No Impact
Environment & Transport	..	No Impact
Crime & Disorder	..	No Impact

##### Other Impacts

Welsh Language	..	No Impact
Sustainable Development	..	No Impact
Equalities	..	No Impact
Social Inclusion	..	No Impact

#### (c) Consultation

This item has not been subject to external consultation.

**Neath Port Talbot County Borough Council**

**PAY POLICY STATEMENT 2015/2016**

**1. INTRODUCTION AND PURPOSE**

- 1.1 Under Section 112 of the Local Government Act 1972 the Council has the power “to appoint officers on such reasonable terms and conditions as the Authority thinks fit”. This Pay Policy statement sets out Neath Port Talbot County Borough Council’s approach to Pay Policy in accordance with the requirements of Section 38 to 43 of the Localism Act 2011. This requires English and Welsh Local Authorities to produce and publish a Pay Policy Statement for each financial year detailing:
- a) The Council’s policies towards all aspects and elements of the remuneration of Chief Officers;
  - b) The approach to the publication of, and access to, information relating to all aspects of the remuneration of Chief Officers;
  - c) The Council’s policy on the remuneration of its lowest paid employees (including the definition adopted and reasons for it);
  - d) The relationship between the remuneration of its Chief Officers and other employees.
- 1.2 Guidance regarding these matters has been issued in Wales by the Minister for Local Government and Communities and, in accordance with section 40 (2) of the Act, Local Authorities in Wales must have regard to this Guidance when performing their functions in preparing and approving Pay Policy statements.
- 1.3 Local Authorities are large complex organisations with multi-million pound budgets. Neath Port Talbot County Borough Council has a workforce in excess of 7,000 employees and had a combined gross revenue and capital budget for 2014/2015 of around £470 million.
- 1.4 Local authorities have a very wide range of functions and are responsible for the provision of many essential services at a local level. The general approach to employee remuneration levels may therefore differ from one group of employees to another to reflect specific circumstances at a local, Welsh or UK national level. The approach also needs to be flexible when required to address a variety of changing circumstances, whether foreseeable or not.



- 1.5 The global economic crisis has resulted in an unprecedented reduction by the UK Government in local authority funding. This has required difficult decisions to be made about service provision at a time when there is also a growing demand for a range of services provided by local authorities, particularly Adult and Children's Social Services.
- 1.6 In supporting the aim of ensuring equality and transparency in its pay practices, the Council recognises the role of trade unions in consultation and negotiation at local, regional and national levels. The Council supports the National Joint Councils and Joint Negotiating Committees which govern the national pay and conditions of service Agreements which are applicable to all of the employee groups referred to in this Pay Policy statement.
- 1.7 The Council has developed this Pay Policy statement within the foregoing context and aims to align the Policy with its agreed service priorities. This Policy was approved by the Council, as required by legislation, in March 2012 and as a result this Pay Policy statement came into immediate effect and will be subject to review at least annually, in accordance with the relevant legislation.
- 1.8 This Pay Policy Statement will be reviewed by the Council's Personnel Committee.

## **2. LEGISLATIVE FRAMEWORK**

- 2.1 In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes the Equality Act 2010, Part Time Employment (Prevention of Less Favorable Treatment) Regulations 2000, Fixed Term Employees (Prevention of Less Favorable Treatment) Regulations 2002, Agency Workers Regulations 2010 and, where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations.
- 2.2 With regard to the Equal Pay requirements contained within the Equality Act, the Council has sought to ensure that there is no pay discrimination within its pay structures and that pay differentials can be objectively justified primarily through the use of an equality proofed job evaluation mechanism which directly relates basic pay to the requirements, demands and responsibilities of each job role.

### **3. SCOPE OF THE PAY POLICY**

- 3.1 The Localism Act 2011 requires local authorities to develop and make public their Pay Policy on all aspects of Chief Officer remuneration (including on ceasing to hold office), and also in relation to the “lowest paid” in the Council, explaining their Policy on the relationship between remuneration for Chief Officers and other groups.
- 3.2 The provisions in the Localism Act 2011 which relate to Pay Policy statements only apply to employees directly appointed and managed by the Council. Employees who are appointed and managed by school head teachers/Governing Bodies are, therefore, not required to be included within the scope of Pay Policy statements. This reflects the unique employment legislation position whereby all schools employees are employed by the local authority but decisions about the appointment and management of such employees are mostly discharged by head teachers/governing bodies, as appropriate.
- 3.3 In the interests of transparency, the pay-related data which is set out in Section 7 of this Pay Policy statement takes into account the position both including, and excluding, those employees who are appointed and managed by head teachers/governing bodies.

### **4. BROAD PRINCIPLES OF THE COUNCIL’S PAY POLICY**

#### **4.1 Transparency, Accountability and Value for Money**

- 4.1.1 The Council is committed to an open and transparent approach to Pay Policy which will enable the local taxpayer to access, understand and assess information on remuneration levels across all groups of Council employees. The following are provided as Appendices to this policy:
  - i) Neath Port Talbot County Borough Council Pay Grades - Local Government Services Employees (**Appendix A**)
  - ii) Neath Port Talbot County Borough Council JNC Chief Executive and Chief Officer Pay Grades (**Appendix B**)
  - iii) National Pay Grades - Soulbury (**Appendix C**)
  - iv) National Pay Grades - JNC Youth & Community Worker (**Appendix D**)
  - v) All Employee Groups - Main Conditions of Service (**Appendix E**)

- vi) Local Government Services Employees - Acting Up and Honoraria Schemes (**Appendix F**)
- vii) Local Government Services Employees Market Pay Scheme (**Appendix G**)
- viii) Recruitment of Chief Executive and Chief Officers - Policy and Procedures (**Appendix H**)
- ix) Early Retirement & Voluntary Redundancy Scheme (**Appendix I**)

## **4.2 Development of Pay and Reward Strategy**

- 4.2.1 The primary aim of a pay and reward strategy is to attract, retain and motivate suitably skilled employees so that the Council can perform at its best. The biggest challenge for the Council in the current circumstances is to maximise productivity and efficiency within limited resources.
- 4.2.2 The development of a pay and reward strategy is a matter of striking a difficult balance between setting remuneration levels at appropriate levels to ensure a sufficient supply of appropriately skilled individuals to fill the Council's very wide range of posts (over 1,250 different jobs), whilst at the same time ensuring that the local taxpayer is not required to bear a greater financial burden than can be fully and objectively justified.
- 4.2.3 In this context it needs to be recognised that at the more senior grades, in particular, remuneration levels need to be sufficient to attract and retain a suitably wide pool of talent (which will ideally include people from the private as well as public sector, and from outside as well as within Wales).
- 4.2.4 It is usually the case that the Council is in a position where it is seeking to recruit high quality employees in competition with other good public and private sector employers, even in the very difficult current economic downturn.
- 4.2.5 In addition, the Council is the major employer in the area. Indeed, a majority of the employees who work for the Council live within the County Borough of Neath Port Talbot. As such, the Council must have regard to its role in improving the economic well-being of the people of the County Borough.
- 4.2.6 The availability of good quality employment on reasonable terms and conditions and fair rates of pay has a beneficial impact on the quality of

life in the community as well as on the local economy. The Council also has a role in setting a benchmark on pay and conditions for other employers in the area for the same reasons.

4.2.7 The Council is committed to working in partnership with its recognised trade unions in relation to all pay and conditions of service matters. The positive relationship which exists between the Council, the trade unions and the workforce are an important feature of the realities of achieving an appropriate balance between (a) pay and (b) the safeguarding of employment and service delivery.

4.2.8 In designing, developing and reviewing its pay and reward strategy, the Council seeks to balance these factors appropriately to maximise outcomes for the Council as an organisation and also the community it serves, whilst managing pay costs appropriately and maintaining sufficient flexibility to meet future needs.

### **4.3 Job Evaluation and Pay Grades**

4.3.1 Job evaluation is a systematic way of determining the value/worth of a [job](#) in relation to other jobs within an organisation. It aims to make a systematic comparison between jobs to assess their relative worth for the purpose of establishing a rational pay structure and pay equity between jobs.

4.3.2 The Council completed a job evaluation exercise in 2008 in relation to posts governed by Local Government Services employee conditions of service. A new Neath Port Talbot County Borough Council Pay & Grading Structure, based on the outcome of the job evaluation exercise, was agreed with our trade unions and introduced in 2009. The Neath Port Talbot County Borough Council Pay & Grading Structure is based on nationally negotiated pay grade arrangements and is applicable to a large majority of the Council's non-teaching workforce.

4.3.3 There was a national pay award applied to the rates of pay for Local Government Services employees, effective from 1<sup>st</sup> January 2015 through to 31<sup>st</sup> March 2016. The following increases applied:

- 8.56% on SCP 5\*
- 7.93% on SCP 6\*
- 6.19% on SCP7\*

- 4.13% on SCP 8\*
- 2.55% on SCP 9\*
- 2.32% on SCP 10\*
- 2.2% on SCP 11 and above

*\* based on salary at 31<sup>st</sup> March 2014. Adjusted to take account of the increase in pay that was applied on 1<sup>st</sup> October 2014 when the National Minimum Wage increased.*

4.3.4 As part of the National agreement in relation to the pay for Local Government Services employees, non-consolidated lump sum payments of between £100 and £325 were paid to employees employed on 1<sup>st</sup> December 2014 on SCP 5 – 49. These payments were paid in line with the National Agreement and were paid in December 2014.

4.3.5 It was also agreed that SCP 5 will be deleted with effect from 1<sup>st</sup> October 2015.

4.3.6 The Council and the Trade Unions agreed that from 1<sup>st</sup> April 2013, for those employed under the NJC for Local Government Services (“Green Book”), scp 4 would be deleted from Pay Grade 1 and a revised pay grade (scp 5-7) introduced. This is a permanent feature of the new pay and grading structure. From 1<sup>st</sup> April 2014, scp 7 was deleted from Pay Grade 2 and a revised pay grade (scp 8-11) was introduced. Again, this is a permanent feature of the new pay and grading structure.

4.3.7 The Council and the Trade Unions agreed that from 1<sup>st</sup> April 2014, those employed under the NJC for Local Government Services, “Green Book”, a revised pay and grading structure will be implemented which will affect existing pay grades 5 to 11 inclusive. The maximum point of each pay grade will be deleted, and those employees on the maximum point on 1<sup>st</sup> April 2014 will be assimilated to the penultimate point. This revised pay and grading structure is not intended to be permanent. This revised arrangement will apply for a fixed period of four years, commencing on 1<sup>st</sup> April 2014 and expiring on 31<sup>st</sup> March 2018.

4.3.8 The assimilation of employees into the revised pay and grading structure on 1<sup>st</sup> April 2014 will be phased in by way of the Council retaining the equivalent of half of each employee’s annual national pay award each year until the monetary value of the current penultimate point of each pay

grade catches up with the current maximum point, or until 31<sup>st</sup> March 2018, whichever is the earlier date. This has been applied to the percentage increases effective from 1<sup>st</sup> January 2015, detailed in paragraph 4.3.3.

4.3.9 The Council and the Trade Unions agreed that from 1<sup>st</sup> April 2014, those employed under the NJC for Local Government Services, “Green Book” in Grades 12 and 13 will make a pay contribution equivalent to the monetary value of the difference between the penultimate and the maximum points of their respective pay grades as at 1<sup>st</sup> April 2014. This pay contribution will apply to all employees within the pay grades concerned, and not just those on the maximum of their pay grade.

4.3.10 Pay contributions will be funded by the Council retaining the equivalent of half of each employee’s annual national pay award each year from 1<sup>st</sup> April 2014 onwards, until the pay contribution has been completed, or until 31<sup>st</sup> March 2018, whichever is the earlier date. This has been applied to the percentage increases effective from 1<sup>st</sup> January 2015, detailed in paragraph 4.3.3.

4.3.11 Similar arrangements have been agreed for employees within the scope of the Soulbury Agreement, the JNC for Youth and Community Workers, the JNC for Chief Executives and the JNC for Chief Officers.

4.3.12 All other pay-related allowances, e.g. overtime payments, are the subject of national and/or locally negotiated arrangements.

4.3.13 It is the Council’s policy that all appointments to jobs with the Council are made at the minimum of the relevant pay grade, although this is varied, where necessary, e.g. to secure the services of the best available candidate/s.

#### **4.4 Market Pay Scheme**

4.4.1 The use of job evaluation enables the Council to set appropriate remuneration levels based on internal job size relativities within the Council. However, from time to time, in exceptional circumstances it may be necessary to take account of the external pay market in order to attract and retain employees with the necessary specific knowledge, skills and experience where these attributes are in short supply.

4.4.2 The Council has introduced a Market Pay Scheme to ensure that the requirement for any market pay supplements is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources. It is the Council's policy that any such additional payments are kept to a minimum and reviewed on a regular basis so that they can be withdrawn where no longer considered necessary. The principles underpinning this Market Pay Scheme are equally applicable to all other employee groups within the Council and may be implemented accordingly.

#### **4.5 Acting Up and Honoraria Payments**

4.5.1 There may be occasions when an employee is asked to carry out duties which are additional to those of their substantive post, for a period of time. In such circumstances an additional payment may be made in line with the Council's policy on payment of honoraria.

#### **4.6 Pay and Performance**

4.6.1 The Council expects high levels of performance from all employees and is continuing to introduce a Performance Appraisal Scheme, on a phased basis, to monitor, evaluate and manage employee performance on an ongoing basis.

4.6.2 No performance-related pay is applicable to Chief Officers other than as set out in paragraph 5.12 below.

#### **4.7 Local Government Pension Scheme**

Subject to qualifying conditions, employees have a right to belong to the Local Government Pension Scheme. The employee contribution rates, which are defined by statute, currently range between 5.5 per cent and 12.5 per cent of pensionable pay depending on full time equivalent salary levels. The Employer contribution rate is set by Actuaries advising the City and County of Swansea LGPS Pension fund and reviewed on a triennial basis in order to ensure the scheme is appropriately funded. Following the triennial valuation the employers contribution rate effective from 1<sup>st</sup> April 2015, will be 23%.

## **4.8 Other employee benefits**

The Council believes that it has a responsibility to help support the health, wellbeing and welfare of its employees in order to ensure that they are able to perform at their best. As part of this approach and in common with other large employers the Council provides a small number of non-pay benefits such as eye test vouchers for users of display screen equipment at work, childcare vouchers via a salary sacrifice scheme and participation in the Cycle to Work scheme.

## **5. CHIEF OFFICER REMUNERATION**

### **5.1 Definitions of Chief Officer / Pay Levels**

5.1.1 For the purposes of this Pay Policy statement, “Chief Officers” are as defined within Section 43 of the Localism Act.

The 20 Chief Officer posts at Neath Port Talbot County Borough Council which fall within the statutory definition of Section 43 as at 1.4.2015 are:

- a) Chief Executive (1 post)
- b) Corporate Directors (4 posts)
- c) Heads of Service (15 posts)

5.1.2 There were 35 such posts when the Council came into existence in 1996 and 21 such posts as at 1.4.2014.

5.1.3 No bonus or performance-related pay mechanism is applicable to Chief Officers’ pay, although the maximum incremental pay point of the pay grades for the Chief Executive and Corporate Directors are only payable if there is a satisfactory outcome to their respective annual performance appraisal.

5.1.4 The Council employs Chief Officers under JNC terms and conditions which are incorporated in their contracts. The JNC for Chief Officers negotiates on national (UK) annual cost of living pay increases for this group, and any award of same is determined on this basis. Chief Officers employed under JNC terms and conditions are contractually entitled to any national JNC determined pay rises and this council will therefore pay these as and when determined in accordance with current contractual requirements. There has been no JNC Chief Executive or Chief Officer national pay award since 1.4.2008.



- 5.1.5 The Council and the Trade Unions agreed that from 1<sup>st</sup> April 2014, those employed under the JNC for Chief Officers will make a pay contribution equivalent to the monetary value of the difference between the penultimate and the maximum points of their respective pay grades as at 1<sup>st</sup> April 2014. This pay contribution will apply to all employees within the pay grades concerned.
- 5.1.6 Pay contributions will be funded by the Council retaining the equivalent of half of each employee's annual national pay award each year from 1<sup>st</sup> April 2014 onwards, until the pay contribution has been completed, or until 31<sup>st</sup> March 2018, whichever is the earlier date.
- 5.1.7 From 1<sup>st</sup> April 2014, the Council's Chief Executive will make a pay contribution representing the full value of his national pay award for a period of four years.
- 5.1.8 The Council does not permit an employee occupying any post on the Council's agreed establishment to be paid other than via the Council's payroll unless exceptional circumstances exist.

## **5.2 Recruitment of Chief Officers**

- 5.2.1 The Council's Policy and Procedures with regard to the recruitment of Chief Officers is contained within the Officer Employment Procedure Rules as set out in the Council's Constitution. Please refer to **Appendix H**.
- 5.2.2 The determination of the remuneration to be offered to any newly appointed Chief Officer will be in accordance with the pay structure and relevant Council policies in place at the time of recruitment. Any salary package that exceeds the threshold of £100,000 must be approved beforehand by full Council.
- 5.2.3 Where the Council is unable to recruit a Chief Officer under a contract of service, or there is a need for support for a specific project or to provide cover for a vacant substantive Chief Officer post, the Council will, where necessary, consider engaging individuals under a "contract for service". These will be sourced through a relevant procurement process ensuring the Council is able to demonstrate value for money from competition in securing the relevant service.

- 5.2.4 In accordance with this arrangement, the Council has engaged an Interim Director of Social Services, Health & Housing under a “contract for service”, to ensure that the Council was able to recruit a suitably qualified and experienced individual to this key top management team post. Further details can be found in **Appendix B**.
- 5.2.5 The Market Pay Scheme referred to paragraph 4.4.2 applies to Chief Officer posts where it can be objectively justified by reference to clear and transparent evidence of relevant market comparators. Any such additional payments are kept to a minimum and subject to review on a regular basis.
- 5.2.6 In accordance with this arrangement, a market pay supplement is currently applicable to the post of Head of Children and Young People, in recognition of the very significant recruitment difficulties associated with this post. Further details can be found in **Appendix B**.

### **5.3 Additions to Chief Officers’ Pay**

- 5.3.1 The Council pays a standard mileage rate of 45 pence per mile to Chief Officers (and all other employees) where the Chief Officer uses his or her private vehicle on Council business. The Council also reimburses any other reasonable expenses, incurred by the Chief Officer on behalf of the Council whilst on Council business, on production of receipts and in accordance with JNC conditions and other local conditions.
- 5.3.2 The cost of membership by the Chief Executive and Corporate Directors of one professional body is met by the Council.
- 5.3.3 The Council has a statutory duty to appoint a Returning Officer for specified Elections and Referenda. The Council’s Chief Executive has been appointed to this role as far as Neath Port Talbot Council is concerned. The Returning Officer is personally responsible for a wide range of functions in relation to the conduct of Elections and Referenda and is paid for discharging these functions in accordance with prescribed fees.

## **5.4 Payments on Termination**

- 5.4.1 The Council's approach to statutory and discretionary payments on termination of employment of Chief Officers (and all other employees), prior to reaching normal retirement age, is set out within its Early Retirement, Voluntary Redundancy and Compulsory Redundancy (ER / VR / CR) Scheme, in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006. Please refer to **Appendix I**. Please note that the Council is currently reviewing the ER / VR / CR Scheme and is in discussion with trade unions in relation to this. Any proposals in relation to a revised scheme will be presented to Members and following any subsequent decision the pay policy statement will be amended to reflect this.
- 5.4.2 All payments arising from the application of the Council's Early Retirement, Voluntary Redundancy and Compulsory Redundancy (ER/VR/CR) Scheme in relation to Chief Officers must be approved beforehand by the Council's Personnel Committee. Any severance package in respect of early termination of employment that exceeds a threshold of £100,000 must be approved beforehand by full Council.
- 5.4.3 Chief Officers and all other eligible Council employees are permitted to take flexible retirement in accordance with the provisions of the Local Government Pension Scheme and the Council's Flexible Retirement Scheme.

## **5.5 INDEPENDENT REMUNERATION PANEL**

- 5.5.1 Section 143A of the Local Government (Wales) Measure 2011 refers to the Independent Remuneration Panel in Wales ("the IRP") and sets out their functions in relation to salaries of heads of paid service. The IRP may make recommendations about any policy in this Pay Policy Statement which relates to the salary of the Council's head of paid service and any proposed change to the salary of the Council's head of paid service. The Council, will, as required, consult the IRP in relation to any change to the salary of the head of paid service which is not commensurate with a change of the salaries of the Council's other staff, and will have regard to any recommendation received from the IRP when deciding whether or not to proceed with making the change.

## **6. PUBLICATION OF PAY POLICY**

- 6.1 Upon approval by the full Council, this Pay Policy statement will be published on the Council's website.
- 6.2 In addition, for posts where the full time equivalent pay is at least £60,000 per annum, as required under the Accounts and Audit (Wales) (Amendment) Regulations 2010, the Council's Annual Statement of Accounts will include a note setting out the total amount of:
- a) salary, fees or allowances paid to or receivable by the person in the current and previous year;
  - b) any bonuses so paid or receivable by the person in the current and previous year;
  - c) any sums payable by way of expenses allowance that are chargeable to UK income tax;
  - d) any compensation for loss of employment and any other payments connected with termination;
  - e) any benefits received that do not fall within the above

## **7. PAY RELATIVITIES WITHIN THE COUNCIL**

- 7.1 The "lowest paid" persons employed under a contract of employment with the Council are employed in accordance with the minimum spinal column point (scp 5) of the NJC pay spine for Local Government Services employees. There is no other national agreement with a lower rate of pay. As at 1<sup>st</sup> April 2015, this is £13,500 per annum for a 37 hour standard working week, equivalent to an hourly rate of £7.00.
- 7.2 The relationship between the rate of pay for the "lowest paid" employees and the Council's Chief Officers is regulated by the processes used for determining pay and grading structures as set out in this Pay Policy Statement.
- 7.3 The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton "Review of Fair Pay in the Public Sector" (2010).

- 7.4 Will Hutton was asked by the UK Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organization. Hutton concluded that the relationship to median earnings was a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between the highest rate of pay and the median average pay of the whole of the Council's workforce (but excluding teachers and other employees appointed and managed by schools, in the case of local authorities).
- 7.5 The current pay arrangements within the Council result in the pay multiple between the lowest paid (full time equivalent) employee and the Chief Executive being 1:10 and the pay multiple between the lowest paid employee and average Chief Officer being 1:6 (please note these figures do not include any Chief Officer pay award, should it be agreed to take effect from 1<sup>st</sup> January 2015. Should any agreed pay award change these pay multiples the pay policy statement will be amended to reflect this).
- 7.6 The pay multiple between the median full time equivalent earnings and the Council's Chief Executive is 1:7 where all Council employees are taken into account and 1:7 where employees appointed and managed by head teachers/Governing Bodies are excluded from the calculation, as required by the provisions of the Localism Act 2011.
- 7.7 The multiple between the median full time equivalent earnings and the average Council Chief Officer is 1:4 where all Council employees are taken into account and 1:4 where employees appointed and managed by head teachers/Governing Bodies are excluded from the calculation, as required by the provisions of the Localism Act 2011.
- 7.8 These pay multiples figures have changed since the publication of the last pay policy statement in March 2014. The pay multiple between the lowest paid employees and the Chief Executive being 1:11 in March 2014, now 1:10.
- 7.9 As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

## **8. ACCOUNTABILITY AND DECISION MAKING**

- 8.1 In accordance with the Constitution of the Council, the Personnel Committee is responsible for decision-making in relation to the recruitment, pay, conditions of service and severance arrangements for all employees of the Council, except teachers, as their main pay and conditions of service are determined on a legislative basis by the UK Government.

## **9. RE-EMPLOYMENT**

- 9.1 It has been the Council's policy since early 2011 that no Chief Officer, or any other employee, who leaves the employment of the Council on the grounds of early retirement or voluntary redundancy in accordance with the Council's Early Retirement / Voluntary Redundancy Scheme will be later re-employed as an employee of the Council. In exceptional circumstances, re-employment may be permitted if the "employing" Head of Service is able to provide a robust business case for doing so which is acceptable to the Director of Finance & Corporate Services and Head of Human Resources, in consultation with the relevant trade union(s).

## **10. REVIEWING THE POLICY**

- 10.1 This Pay Policy outlines the current position in respect of pay and reward within the Council and it will be reviewed at least annually, and reported to the full Council, to ensure that it meets the principles of fairness, equality, accountability and value for money for the citizens of Neath Port Talbot.

**February 2015**

**NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**  
**Pay Grades – Local Government Services Employees**  
**(with effect from 1.1.2015)**

GRADE	POINT	ANNUAL £
<b>GRADE 1</b>	5*	13,500
	6	13,614
	7	13,715
	8	13,871
<b>GRADE 2</b>	8	13,871
	9	14,075
	10	14,338
	11	15,207
<b>GRADE 3</b>	11	15,207
	12	15,523
	13	15,941
	14	16,231
	15	16,572
<b>GRADE 4</b>	15	16,572
	16	16,969
	17	17,372
	18	17,714
	19	18,376
	20	19,048
<b>GRADE 5</b>	20	19,048
	21	19,742
	22	20,253
	23	20,849
	24	21,530
	24A	21,973
<b>GRADE 6</b>	24	21,530
	25	22,212
	26	22,937
	27	23,698
	27A	24,208
<b>GRADE 7</b>	27	23,698
	28	24,472
	29	25,440
	30	26,293
	31	27,123
	31A	27,624

GRADE	POINT	ANNUAL £
<b>GRADE 8</b>	31	27,123
	32	27,924
	33	28,746
	34	29,558
	35	30,178
<b>GRADE 9</b>	35A	30,644
	35	30,178
	36	30,978
	37	31,846
	38	32,778
	39	33,857
<b>GRADE 10</b>	39A	34,372
	39	33,857
	40	34,746
	41	35,662
	42	36,571
	43	37,483
<b>GRADE 11</b>	43A	37,991
	43	37,483
	44	38,405
	45	39,267
	46	40,217
<b>GRADE 12</b>	46A	40,697
	46	40,217
	47	41,140
	48	42,053
<b>GRADE 13</b>	49	42,957
	50	43,916
	51	44,910
	52	45,923

\*SCP 5 to be deleted w.e.f. 1<sup>st</sup> October 2015

Please see Note overleaf  
Note:

From 1<sup>st</sup> April 2014, a revised pay and grading structure will be implemented which will affect existing pay grades 5 to 11 inclusive. The maximum point of each pay grade will be deleted, and those employees on the maximum point on 1<sup>st</sup> April 2014 will be assimilated to the penultimate point.

Those in Grades 12 and 13, will make a pay contribution equivalent to the monetary value of the difference between the penultimate and the maximum points of their respective pay grades as at 1<sup>st</sup> April 2014.



**NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**  
**Pay Grades - JNC Chief Executive and Chief Officers**  
**(with effect from 1.4.2008)**

<b>CHIEF EXECUTIVE</b>				
<b>Point 1</b>	<b>Point 2</b>	<b>Point 3</b>	<b>Point 4</b>	<b>Point 5</b>
£122,049	£125,100	£128,151	£131,202	£134,253
<b>CORPORATE DIRECTORS</b>				
<b>Point 1</b>	<b>Point 2</b>	<b>Point 3</b>	<b>Point 4</b>	<b>Point 5</b>
£98,745	£101,214	£103,680	£106,149	£108,618
<b>HEADS OF SERVICE</b>				
<b>Point 1</b>	<b>Point 2</b>	<b>Point 3</b>	<b>Point 4</b>	<b>Point 5</b>
£68,439	£70,149	£71,859	£73,569	£75,279

**Note 1:**

In addition to the pay grade set out above for Heads of Service, a market pay supplement of £14,000 pa is currently applicable to the post of **Head of Children and Young People** in recognition of the very significant recruitment difficulties associated with posts of this nature.

**Note 2:**

In line with paragraph 5.2.3 of the Pay Policy Statement, the Council has engaged an **Interim Director of Social Services, Health & Housing**, under a “contract for service”, to ensure that the Council was able to recruit a suitably qualified and experienced individual to this very important post. This was sourced through a procurement process and approved by full Council. Services are provided at the rate of £700 per each day on which services are provided, on the basis that services will be provided on approximately 220 days of the year.

**Note 3:**

From 1<sup>st</sup> April 2014, those employed under the JNC for Chief Officers will make a **pay contribution** equivalent to the monetary value of the difference between the penultimate and the maximum points of their respective pay grades as at 1<sup>st</sup> April 2014.

**Note 4:**

From 1<sup>st</sup> April 2014, the Council’s Chief Executive will make a voluntary **pay contribution** representing the full value of his national pay award for a period of four years.

**NEATH PORT TALBOT COUNTY BOROUGH COUNCIL  
NATIONAL PAY GRADES – SOULBURY**

**Note:**

From 1<sup>st</sup> September 2014, those employed within the scope of the Soulbury Agreement will make a **pay contribution** equivalent to the monetary value of the difference between the penultimate and the maximum points of their respective pay grades as at 1<sup>st</sup> September 2014.

<b>EDUCATIONAL PSYCHOLOGISTS - SCALE A</b>	
<b>SPINE POINT</b>	<b>Pay – with effect from 01.09.2013</b>
1.	£34,273
2.	£36,013
3.	£37,752
4.	£39,491
5.	£41,230
6.	£42,969
7.	£44,607
8.	£46,244
9.	£47,778*
10.	£49,313*
11.	£50,745*

**Notes:**

1. Pay scales to consist of 6 consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff.
2. \*Extension to scale to accommodate structured professional assessment points.

<b>SENIOR &amp; PRINCIPAL EDUCATIONAL PSYCHOLOGISTS – SCALE B</b>	
<b>SPINE POINT</b>	<b>Pay – with effect from 01.09.2013</b>
1.	£42,969
2.	£44,607
3.	£46,244 *
4.	£47,778
5.	£49,313
6.	£50,745
7.	£51,333
8.	£52,431
9.	£53,519
10.	£54,626
11.	£55,711

12.	£56,818
13.	£57,944
14.	£59,031 **
15.	£60,171 **
16.	£61,300 **
17.	£62,436 **
18.	£63,571 **

**Notes:**

1. Pay scales to consist of not more than four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit, retain and motivate staff.
2. \* Normal minimum point for the Principal Educational Psychologist undertaking the full range of duties at this level.
3. \*\* Extension to range to accommodate discretionary scale points and structured professional assessments
4. Principals are paid on a 4 point scale 8 - 14 (this includes 3 spa points)

<b>TRAINEE EDUCATIONAL PSYCHOLOGISTS</b>	
<b>SPINE POINT</b>	<b>Pay – with effect from 01.09.2013</b>
1	£22,019
2	£23,631
3	£25,241
4	£26,853
5	£28,464
6	£30,075

<b>ASSISTANT EDUCATIONAL PSYCHOLOGISTS</b>	
<b>SPINE POINT</b>	<b>Pay – with effect from 01.09.2013</b>
1	£27,067
2	£28,172
3	£29,278
4	£30,377

<b>YOUNG PEOPLE'S / COMMUNITY SERVICE MANAGERS</b>	
<b>SPINE POINT</b>	<b>Pay – with effect from 01.09.2013</b>
1	£33,891
2	£35,000
3	£36,109
4	£37,240 *
5	£38,389
6	£39,511
7	£40,659 **
8	£41,962

9	£42,681
10	£43,791
11	£44,895
12	£46,001
13	£47,099
14	£48,208
15	£49,319
16	£50,432
17	£51,552
18	£52,663
19	£53,769
20	£54,899 ***
21	£56,051 ***
22	£57,228 ***
23	£58,430 ***
24	£59,657 ***

**Notes:**

The minimum Youth and Community Service Officers' scale is 4 points. Other salary scales to consist of not more than four consecutive points based on duties and responsibilities attaching to posts and the need to recruit retain and motivate staff.

\* normal minimum point for senior youth and community officers undertaking the full range of duties at this level

\*\* normal minimum point for principal youth and community service officer undertaking the full range of duties at this level

\*\*\* extension to range to accommodate discretionary scale points and structured professional assessments.

<b>EDUCATIONAL IMPROVEMENT PROFESSIONALS (EIPs)</b>	
<b>SPINE POINT</b>	<b>Pay – with effect from 01.09.2013</b>
1	£32,677
2	£33,847
3	£34,952
4	£36,071
5	£37,185
6	£38,299
7	£39,470
8	£40,594 *
9	£41,906
10	£43,075
11	£44,230
12	£45,348
13	£46,614 **
14	£47,742
15	£48,988

16	£50,116
17	£51,246
18	£52,355
19	£53,499
20	£54,090 ***
21	£55,226
22	£56,215
23	£57,305
24	£58,282
25	£59,328
26	£60,346
27	£61,389
28	£62,445
29	£63,505
30	£64,563
31	£65,611
32	£66,676
33	£67,742
34	£68,833
35	£69,920
36	£71,040
37	£72,141
38	£73,254
39	£74,352
40	£75,449
41	£76,553
42	£77,654
43	£78,755
44	£79,862
45	£80,966
46	£82,070
47	£83,180
48	£84,280 ****
49	£85,384 ****
50	£86,488

**Notes:** Salary scales to consist of not more than four consecutive points, based on the duties and responsibilities attaching to posts and the need to recruit and motivate staff.

- \* normal minimum point for EIP undertaking the full range of duties at this level
- \*\* normal minimum point for senior EIP undertaking the full range of duties at this level
- \*\*\* normal minimum point for leading EIP undertaking the full range of duties at this level
- \*\*\*\* extension to range to accommodate structured professional assessments.

**NATIONAL PAY GRADES – JNC YOUTH AND COMMUNITY WORKERS**

NOTE: From 1<sup>st</sup> April 2014, those employed under the JNC for Youth and Community Workers will make a pay contribution equivalent to the monetary value of the difference between the penultimate and the maximum points of their respective pay grades as at 1<sup>st</sup> April 2014.

<b>YOUTH AND COMMUNITY SUPPORT WORKER RANGE</b>	
<b>SPINE POINT</b>	<b>Pay – with effect from 01.09.2013</b>
1	£14,283
2	£14,880
3	£15,477
4	£16,077
5	£16,674
6	£17,271
7	£17,874
8	£18,474
9	£19,236
10	£19,833
11	£20,796
12	£21,741
13	£22,713
14	£23,721
15	£24,408
16	£25,125
17	£25,830
<b>PROFESSIONAL RANGE</b>	
<b>SPINE POINT</b>	<b>Pay – with effect from 01.09.2013</b>
13	£22,713
14	£23,721
15	£24,408
16	£25,125
17	£25,830
18	£26,541
19	£27,246
20	£27,951
21	£28,746
22	£29,646
23	£30,522
24	£31,401
25	£32,289
26	£33,174
27	£34,062
28	£34,959
29	£35,850
30	£36,741

**All Employee Groups - Main Conditions of Service**

<b>ANNUAL LEAVE (pro rata for part time employees)</b>	
❖ Chief Executive ❖ Chief Officers	34 days pa (includes one day allocated at Christmas)
❖ Local Government Services	32 days after 5 years service; 25 days pa initially (includes one day allocated at Christmas)
❖ Soulbury	32 days after 5 years service; 25 days pa initially (includes one day allocated at Christmas)
❖ Youth & Community Workers	35 days after 5 years service; 30 days pa initially (includes one day allocated at Christmas)
<b>HOURS OF WORK</b>	
❖ Chief Executive ❖ Chief Officers	Minimum of 37 hours per week, together with additional evening, weekend and bank holiday working as required
❖ Local Government Services ❖ Soulbury ❖ Youth & Community Workers	Standard working week is 37 hours
<b>OVERTIME PAYMENTS</b>	
❖ Chief Executive ❖ Chief Officers ❖ Soulbury	None payable
❖ Local Government Services	Time plus 30% for weekdays and weekends; double time on Bank Holidays, except Christmas Day

	which is triple time
❖ Youth and Community Workers	Time plus 30% for weekdays and weekends; double time on Bank Holidays
<b>WEEKEND WORKING PAYMENTS</b>	
❖ Chief Executive ❖ Chief Officers ❖ Soulbury ❖ Youth & Community Workers	None payable
❖ Local Government Services	Time plus 30%
<b>SICK PAY SCHEME</b>	
❖ Chief Executive ❖ Chief Officers ❖ Local Government Services ❖ Soulbury ❖ Youth & Community Workers	1 month's full pay at commencement of employment, increasing year on year, after 5 years service, to up to 6 months at full pay, followed by up to 6 months at half pay



**“ACTING UP” PAYMENTS SCHEME**

**1. Purpose**

- 1.1 To outline a revised scheme for Acting Up payments for Local Government Services employees.

**2. Principles**

- 2.1 This scheme should adhere to the principles of the Equality of Opportunity in Employment Policy.

**3. Definition of Acting Up**

- 3.1 Acting up **applies** where an employee is formally requested to undertake the **full** duties and responsibilities of a higher graded post for a period of at least one day/shift.
- 3.2 Acting up **does not apply** where:
- (a) An employee undertakes only partial duties and responsibilities of a higher graded post / the duties and responsibilities are shared between more than one employee. The Honorarium Scheme may cover these circumstances.
  - (b) There is a permanent change to the normal duties of a job. This may warrant a new or re-evaluation of the post.
  - (c) The post being covered is at the same pay grade.
  - (d) There are formal deputising responsibilities, written into the job description, taken into consideration when evaluating the post.

**4 Period of Acting-up**

- 4.1 Under this Scheme all employees are eligible for an Acting-up payment if they are requested to carry out the full duties and responsibilities of the higher graded post from the first day/shift.
- 4.2 Where the employee is requested to act-up into a distinct and different post on day one e.g. Refuse Loader to Refuse Driver or Care Assistant to Care Officer, it is quite clear this situation comes within the definition of acting-up and the employee is entitled to the appropriate acting-up payment, perhaps for just one day or the hours of the shift.
- 4.3 In the office environment, in circumstances where an employee is absent for whatever reason and there may be a need for another employee to act-up into

that role, to come within the scope of this Scheme, the employee must be formally requested to act-up and must take on the full duties/responsibilities of the higher graded post. In practical terms this may well not occur from day one in the office environment.

## **5. Payment**

- 5.1 The sum to be paid is the minimum rate of pay that would apply were the employee promoted to the higher graded post. It must be at least one increment higher. The payment will be effective from the first day on which the employee was required to undertake the duties and responsibilities of the higher graded post. The payment will be pro-rata for part-time employees based on the standard 37 hour week.
- 5.2 Where practical, the agreed Acting up arrangements and payment should be set out in writing to the employee, stating the remuneration to be received and the anticipated length of the acting up period. If this period [by reference to date/s or circumstances] is subsequently extended, this should be confirmed in writing. Where this is not practical, because urgent arrangements need to be put into place to meet service delivery needs, Acting up arrangements can be confirmed by the line manager/supervisor verbally, authorised and certified for payment on the time-sheet and then followed up subsequently in writing, at a later date.

## **6. Monitoring and review**

The Acting-up arrangements and payments will be monitored by the Head of Human Resources from an equality, diversity and cost effective perspective on an annual basis, to ensure that the Scheme is implemented in a non-discriminatory manner in accordance with the provisions of the Scheme. The trade unions will be consulted on the outcome of the annual monitoring/review exercise.

## **7. Grievances**

An employee can raise a grievance in connection with the application of this scheme via the Authority's Grievance Policy and Procedure.

## **HONORARIA SCHEME**

### **1.0 Purpose**

- 1.1 To outline a revised scheme for the payment of honoraria to Local Government Services employees.

### **2.0 Equality Principle**

- 2.1 This scheme should adhere to the principles of the Equality of Opportunity in Employment Policy

### **3.0 Definition**

- 3.1 An honoraria is a payment for:
- duties outside the scope of an employee's normal role over an extended period, but not more than 12 months
  - duties or responsibilities which are within the scope of an employee's normal role but are temporarily exceptionally onerous
- 3.2 In both of the above circumstances, honorarium payments are to be initiated by the line manager and agreed in writing in advance of these duties or responsibilities being undertaken.
- 3.3 Honoraria should not be used where there is a permanent change to the normal duties of a job or where an employee is requested to 'Act up' to cover a higher-graded post. In these circumstances the post should be assessed under the Council's JE Scheme by being included within the JE Questionnaire or an Acting Up payment should be set up.
- 3.4 Accelerated increments within an employee's pay scale should not be used instead of an honoraria payment. Increments can only be awarded in accordance with the criteria agreed under the NPT Pay and Grading Agreement. Individual managers do not have discretion to authorise increments and they will not be actioned for payment by the payroll section.

### **4.0 Principles of application**

- 4.1 Honoraria should be treated as a one-off recognition or reward relating to a particular piece of work or circumstances as described in Section 3, [and should be paid as soon as possible after the completion of that task ] or staged/regular payments where appropriate.

- 4.2 To ensure consistency across the Council the application and payment of honoraria must be in accordance with this Scheme.
- 4.3 The payment of honoraria should be exceptional rather than the expected norm.

## **5.0 Payment Levels**

- 5.1 In deciding the level of payment to be made, the following should be taken into consideration:
- The nature, scope and level of difficulty of the additional duties/responsibilities
  - The length of time involved
  - The impact on the employee's normal role
  - The level of 'new' learning for the employee
  - Current level of pay
  - The level of pay of a "comparator" post, where appropriate
- 5.2 As honoraria are meant to provide some flexibility for managers to recognise specific tasks, it is expected that payment will be made as soon as possible after successful completion of the task.
- 5.3 Where an employee is receiving regular honoraria payments linked to an additional or exceptionally onerous responsibility, this should be reviewed by the line manager on a regular basis and reference made to section 2 of this scheme.

## **6.0 Monitoring and review**

- 6.1 The Honoraria arrangements and payments will be monitored by the Head of Human Resources from an equality, diversity and cost effective perspective on an annual basis, to ensure that the Scheme is implemented in a non-discriminatory manner in accordance with the provisions of the Scheme. The trade unions will be consulted on the outcome of the annual monitoring/review exercise.

## **7.0 Grievances**

- 7.1 An employee can raise a grievance in connection with the application of this scheme via the Authority's Grievance Policy and Procedure.

## **Market Pay Scheme**

### **1. Context and Purpose of NPT Market Pay Scheme**

The use of a job evaluation (JE) system to create an equality-proofed pay and grading structure ensures that basic rates of pay are based on robust “internal pay relativities”. This process may not always result in the consequential basic rates of pay reflecting the value of similar jobs in the wider labour market.

This Market Pay Scheme has been developed in the recognition that the Council’s services are delivered by employees who possess skills and experience which may sometimes be in short supply and, therefore, the use of market pay supplements is one measure which is available to safeguard the provision of such services.

The purpose of this Market Pay Scheme is to enable the Council to establish competitive rates of pay for specific posts which, following the introduction of a new NPT pay structure, do not attract a basic rate of pay which is sufficient to recruit and/or retain the number and quality of postholders required.

A key aim of this Scheme is to ensure that all market pay supplements are initially introduced, and subsequently operated, in a fair and consistent manner which avoids potential non-compliance with equal pay legislation.

In particular, there must be clear evidence that the basic rate of pay for a specific post determined by the Council’s pay and grading structure is significantly less than the relevant market rate of pay for a similar post **and** also that there are recruitment and/or retention problems.

### **2. NPT Market Pay Scheme Implementation**

This Scheme will be implemented alongside the new NPT pay and grading structure and replaces all former arrangements for market pay supplements and recruitment/retention payments.

Following the initial implementation phase, this Scheme will be operated **taking into account recruitment and retention issues as they emerge.**

A market pay database will be developed with an emphasis on those posts identified to be critical from a recruitment/retention perspective. This will be done collaboratively with other local authorities, where possible. The Trade Unions will be involved in the development of the market pay database.

This Scheme will be jointly reviewed and revised as necessary following its initial implementation period recognising that further developmental work remains to be undertaken, particularly in relation to collecting and validating market pay data.

Market pay supplements will be applicable to specific post/s and are not intended to reflect the contribution or performance of individual postholders.

### **3. Scope of Market Pay Scheme**

Each post falling within the scope of the NJC for Local Government Services will be eligible to attract a market pay supplement, but always subject to a satisfactory recruitment and/or retention business case being developed and approved.

### **4. Preparation of a Market Pay Supplement Business Case**

Prior to a business case being developed in relation to a proposed market pay supplement, the “employing” Head of Service must satisfy him/herself that all other reasonable options have been considered, including a review of the skills, qualifications and experience needed for the post/s in question.

The Head of Human Resources will be responsible for researching the business case for the payment of a market pay supplement and will formally make a recommendation in response to the Head of Service who proposes any such payment in relation to a specific post.

The following criteria will be taken into account when considering if a business case exists for a market pay supplement to be payable:

- availability of relevant NPT workforce data/evidence to demonstrate the nature and extent of the recruitment and/or retention difficulties being experienced, or anticipated, at NPT
- the extent to which there may be an adverse effect on service delivery at NPT if a recruitment and/or retention difficulty is not addressed
- an assessment of the likely duration of the recruitment/retention difficulties being experienced – short term or longer
- the availability of up to date and accurate market pay data from relevant comparator organisations relating to the NPT post/s which are subject to recruitment and/or retention difficulties. Such data may be collected on a local, travel to work/regional or national basis, dependent upon the post/s involved.

Wherever possible, market pay data from other organisations will comprise not only the basic rate of pay, but also other pay / non-pay benefits, including pensions.

These criteria will be used as guiding principles initially, but will be developed over time into a more comprehensive Scheme. The trade unions will be involved in the development of the comprehensive scheme.

## **5. Funding**

Market pay supplements will be funded by the “employing” Head of Service.

## **6. Payment Arrangements for Market Pay Supplements**

Each approved market pay supplement will be a calculated sum.

Whilst the market pay supplement will not be included in “basic pay” and will not be taken into account in relation to the calculation of overtime hours worked or other pay allowances, it will be permissible for the market pay supplement to include an appropriate compensatory adjustment for premium rates of pay for contractual overtime and/or contractual unsocial hours working.

Market pay supplements will be shown separately on employees’ payslips and will be subject to tax, NI and pension contributions in the normal way.

Market pay supplements will be paid in accordance with the employee’s usual pay frequency.

If a postholder in receipt of a market pay supplement moves to an alternative post within the Council which does not attract a market pay supplement, the payment shall cease from the date on which the postholder leaves the post which attracts the pay supplement.

## **7. Duration and Review of Individual Market Pay Supplements**

The duration of market pay supplements will be determined at the outset (maximum of two years, then subject to review) and details conveyed to the postholder/s concerned in writing.

The market pay supplement payable for each post will be reviewed at intervals of no more than two years.

Where, at the time of the review, the business case to support the continued payment of a market pay supplement is no longer sustainable, the supplement shall be withdrawn and 12 months notice of this given in writing.

Where a decision is made to withdraw the pay supplement from a specific category of post, this shall apply to all similar posts and their consequential postholders simultaneously.

## **8. Authorisation Process**

Market pay supplements will be considered, and authorised where appropriate, by the “employing” Head of Service following receipt of supporting information and a formal recommendation from the Head of Human Resources.

Designated NPT trade union representatives will be consulted regarding all proposed changes to market pay supplements.

## **9. Organisational Review of Market Pay Supplements**

An annual review will be undertaken of all market pay supplements being paid, in consultation with the trade unions, and the outcome reported to the Corporate Director Group and others, as appropriate.



**Recruitment of Chief Executive and Chief Officers Officer  
Employment Procedure Rules**

**Officer Employment Procedure Rules**

These Rules are designed to conform with the requirements of the Local Authorities (Standing Orders) (Wales) Regulations 2006 (“the Regulations”) as amended by the Local Authorities (Standing Orders) (Wales) (Amendment) Regulations 2014 (“the Amending Regulations”). Some of the Rules are also locally determined but in the event of any conflict with the Regulations, the latter shall prevail. The Rules covered by the Regulations cannot be amended other than by legislation. These Rules need to be read in conjunction with the full Regulations and Amending Regulations, copies of which are available from Legal Services.

In these Rules, the following terms have the meaning prescribed by the Regulations:

- (a) “Chief Officer” means the Head of its Paid Service ; a statutory Chief Officer in paragraph (a), (c) or (d) of Section 2(6) of the Local Government and Housing Act 1989 (“the 1989 Act”); a non-statutory Chief Officer within the meaning of Section 2(7) of the 1989 Act above; the Monitoring Officer and Head of Democratic Services; and any reference to an appointment or purported appointment of a Chief Officer includes a reference to the engagement or purported engagement of such an Officer under a contract of employment.
- (b) “Head of Paid Service” means the officer designated under Section 4(1) of the 1989 Act.
- (c) “Chief Finance Officer” means the officer having responsibility for the purposes of Section 151 of the Local Government Act 1972.
- (d) “Monitoring Officer” means the officer designated under Section 5(1) of the 1989 Act.
- (e) “Head of Democratic Service” means the officer designated under Section 8 of the Local Government (Wales) Measure 2011.
- (f) “Deputy Chief Officer” means a person within the meaning of Section 2(8) of the 1989 Act.
- (g) “disciplinary action” in relation to a member of staff of the Council means any action occasioned by alleged misconduct which, if proved, would, according to the usual practice of the Council, be recorded on the member of staff’s personal file, and includes any proposal for dismissal of a member of staff for any reason other than

redundancy, permanent ill-health or infirmity of mind or body, but does not include failure to renew a contract of employment for a fixed term.<sup>1</sup>

(h) “member of staff “ means a person appointed to or holding a paid office or employment, under the Council.

(i) “remuneration” has the same meaning as in Section 43(43) of the Localism Act 2011

## **1. Recruitment and appointment**

### **1.1 Declarations**

The Council will require any candidate for appointment to state in writing whether they are the parent, grandparent, partner, child, stepchild, adopted child, grandchild, brother, sister, uncle, aunt, nephew or niece of an existing councillor or senior officer of the Council at Head of Service level or above; or of the partner of such persons.

### **1.2 Seeking support for appointment.**

1.2.1. the Council will disqualify any applicant who directly or indirectly seeks the support of any officer involved in the appointments process (other than as referee) or councillor, for any appointment with the Council. The content of this paragraph will be included in any recruitment information.

1.2.2. no councillor will seek support for any person for any appointment with the Council.

1.2.3. no councillor shall give a written or oral testimonial of the candidate’s ability, experience or character for submission to the Council with an application for an appointment.

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<sup>1</sup> This definition derives from Regulation 2 of the Regulations

## **2. Recruitment of Chief Officers**

- 2.1. Where the Council propose to appoint a Chief Officer within the terms of the Regulations and the remuneration which it proposes to pay to the Chief Officer is £100,000 or more per annum it shall take the steps set out in paragraph 2.2.1.
- 2.2. Where the Council proposes to appoint a Chief Officer and where it is not proposed to pay to the Chief Officer the remuneration mentioned in paragraph 2.1. and it is not proposed that the appointment be made exclusively from among its existing officers it shall take the steps set out in paragraph 2.2.1.
- 2.2.1. The Council shall:-
- (a) draw up a statement specifying —
    - (i) the duties of the officer concerned, and
    - (ii) any qualifications or qualities to be sought in the person to be appointed
  - (b) make arrangements for the post to be advertised in such a way as is likely to bring it to the attention of persons who are qualified to apply for it and
  - (c) make arrangements for a copy of the statement mentioned in paragraph (a) to be sent to any person on request.
- 2.2.2. The requirement to advertise contained in paragraph 2.2.1. (b) does not apply where the proposed appointment under paragraph 2.1. is for a period of no longer than twelve months.
- 2.3. Where the Chief Executive (acting on the advice of the Head of Human Resources) considers that the number of qualified applicants for a vacancy make it difficult for the Special Appointments Committee to prepare a final shortlist for consideration by Council then the Chief Executive may compile and submit an initial list of qualified applicants for consideration by the Special Appointments Committee.
- 2.3.1. In exercising the delegation set out in rule 2.3. the Chief Executive shall consider the views of the Head of Human Resources, the Leader of Council and the Leader of the largest non-executive political group.
- 2.3.2. In cases other than as set out in Rule 2.3. the Chief Executive shall refer all qualified applicants to the Special Appointments Committee.
- 2.3.3. The Special Appointments Committee shall either:-
- (a) Refer all qualified applicants submitted to it by the Chief Executive to full Council for selection, or

(b) Compile a shortlist of qualified applicants from the qualified applicants submitted to it by the Chief Executive and refer that shortlist to full Council for selection.

2.4. The Special Appointments Committee shall be constituted in accordance with the provisions of Paragraph 4 (2) of Part 2 of Schedule 3 of the Regulations – which means that at least one member of the executive must be a member of that Committee, but not more than half of the members of the Committee are to be members of the executive.

2.5. The Council shall interview all applicants referred to it for interview by the Special Appointments Committee in accordance with Paragraph 2.3.3.

2.6. Where no qualified person has applied, or if the Council decides to re-advertise the appointment, the Council may make further arrangements for advertisement in accordance with procedure rule 2.2(b).

2.7. Where the duties of a chief officer include the discharge of functions of two or more relevant authorities in pursuance of section 101(5) of the Local Government Act 1972 or section 20 Local Government Act 2000 and the authorities have agreed that it will be a joint appointment -

2.7.1 the steps taken under paragraph 2.2.1., 2.3.3., 2.5. and 2.6. above may be taken by a joint committee of those relevant authorities, a subcommittee of that committee or a chief officer of any of the relevant authorities concerned.

2.7.2 Any chief officer may be appointed by such a joint committee, a sub-committee of that committee or a committee or sub-committee of any of those relevant authorities.

2.8 The Council shall determine the level, and any change in the level, of remuneration to be paid to a Chief Officer

2.9. The full Council shall make all decisions relating to the appointment of the Head of Paid Service.

### **3. Appointment of Monitoring Officer and Deputy Chief Officers**

3.1 The Special Appointments Committee will shortlist applicants and appoint the Monitoring Officer and Deputy Chief Officers (ie in Neath Port Talbot the Heads of Service). The relevant Regulatory Committee Chair may also attend the Committee in an advisory capacity.

- 3.2 The Special Appointments Committee shall be constituted in accordance with the provisions of Paragraph 4 (2) of Part 2 of Schedule 3 of the Regulations – which means that at least one member of the executive must be a member of that Committee, but not more than half of the members of the Committee are to be members of the executive.

4. **Other Appointments**

- 4.1 The function of appointment of a member of staff of the Council (other than Chief Officers, Deputy Chief Officers, and persons to whom regulations made under Section 35(4) and (5) of the Education Act 2002 apply – teachers and other staff of schools) must be discharged, on behalf of the Council, by the Head of Paid Service or by an officer nominated by the Head of Paid Service. Accordingly, the following shortlisting and appointment arrangements shall apply in respect of all appointments below Deputy Chief Officer level:

<u>Posts</u>	<u>Method</u>
With pay scale commencing at scp 39 and above, or equivalent.	Chief Officer or Deputy Chief Officer
With pay scale commencing at scp 38 and below, or equivalent	Chief Officer or Deputy Chief Officer or Accountable Manager or Line Manager

### *Other appointment provisions*

- 4.2 The starting salary for all posts, other than those graded in accordance with salary scale 1, will normally be at the minimum point of the scale, but the starting point may be other than the minimum at the discretion of the authorised Officer making the appointment.
- 4.3 For appointments of:-
  - 4.3.1. Officers and Assistant Officers in Charge of Residential children's establishments and
  - 4.3.2. basic grade social workers working with children,these appointments are to be carried out by a Panel of three Officers in accordance with the recommendations as set out in the Adrienne Jones and Warner Reports.
- 4.4 For joint appointments with schools, representative Headteachers will be involved in the appointment at shortlisting and interview stages.
- 4.5 The Director of Education, Leisure and Lifelong Learning is also required to give statutory advice to School Governing Bodies on the appointment and dismissal of persons to whom regulations made under section 35(4) and (5) of the Education Act 2002 apply.

## **Early Retirement & Voluntary Redundancy Scheme**

### **Scope**

1. This Scheme is applicable to all NPT Council employees, including those appointed / managed by School Governing Bodies, but excluding Voluntary Aided and Faith schools (who may nevertheless wish to adopt this Scheme on a voluntary basis). A separate and less advantageous Scheme will apply to JNC Chief Officers.

### **Voluntary Redundancy (VR)**

1. The Council may, from time to time, in accordance with the needs of the service and within a specified period, invite expressions of interest in voluntary redundancy (VR) as part of its Workforce Strategy to reduce employee costs. It is unlikely that all volunteers will be allowed to leave the Council's employment under this Scheme as the Council will have an ongoing need to retain employees with the necessary skills and competencies to both deliver and transform a range of services.
2. The Council will consider "bumped" redundancies, where appropriate. In these circumstances, employees may apply for voluntary redundancy, thereby making available their post for employees with transferable skills whose job has or will become redundant and who do not wish to leave the employment of the Council. Such "bumping" of a redundancy will be considered across service areas, with appropriate funding arrangements being agreed by the Heads of Service or Head teachers involved.
3. All VR expressions of interest will be considered at management's sole discretion, based on a robust business case (including the cost of any consequential organisational/pay grade changes). All VR expressions of interest will need to be authorised by the relevant Head of Service and Directorate Management Team.
4. The Council's grievance procedure will not apply in the case of VR, but the Head of Human Resources has an advisory and monitoring role in this respect.

### **Early Retirement (ER)**

5. Applications for Early Retirement (ER), where a job loss does not take place, will be granted in exceptional circumstances only, and on the basis of "in the interests of efficiency of the service" (due to the range of alternative, and usually more cost-effective, measures available to manage capability issues).

All such ER decisions will be subject to a robust business case (including the cost of any consequential organisational/pay grade changes) being approved by the relevant Head of Service and Directorate Management Team, or Head teacher and School Governing Body, as appropriate. Where a Head teacher is the subject of the ER application, Governing Body authorisation will be required.

6. The Council's grievance procedure will not apply in the case of ER, but the Head of Human Resources has an advisory and monitoring role in this respect.

### **Flexible Retirement**

7. The Council's Flexible Retirement Policy will remain available to eligible employees alongside this ER/VR/CR Scheme, as will Teachers Pension Scheme (TPS) phased retirement provisions.

### **Compulsory Redundancy (CR)**

8. It is the Council's policy to prevent compulsory redundancies from arising to the greatest extent possible. However, where unavoidable, selection for compulsory redundancy (CR) will take place in accordance with relevant management of change and associated employment policies.

### **Scheme Payments, Costs and Funding – ER, VR and CR**

#### **VR and CR Payments**

9. Subject to **the total cost to the Council of early release of pension and/or severance payment being limited to the equivalent of 52 weeks' pay** for the employee concerned (see Note 1), the following provisions will apply in cases of Voluntary Redundancy (VR) and Compulsory Redundancy (CR):

- **early release of pension** for “qualifying” employees (see Note 2);
- lump sum **statutory redundancy payment** (see Note 3), using the 30 week Statutory Redundancy table (Appendix A);
- lump sum **discretionary compensation payment**, using the Council's 45 week table (Appendix B), (reduced by the statutory redundancy payment referred to above).

10. Where the total cost of early access to pension and the cost of statutory redundancy payments equates to more than 52 weeks pay, the payback period may be extended up to “up to 104 weeks”, but subject to only early access to



pension plus statutory redundancy pay being applicable (ie no discretionary severance payment)

### **ER Payments**

11. Subject to **the total cost to the Council of early release of pension being limited to the equivalent of 52 weeks' pay** (see Note 1), the following will apply in cases of Early Retirement (ER):

- early release of pension for “qualifying” employees (see Note 2).

### **ER, VR and CR Funding**

12. Early retirement, statutory redundancy and discretionary compensation payment costs will all be met by the employing Directorate, with the exception of school Governing Bodies where the costs will be met from a separately identified element of schools' delegated budgets.

### **Other ER/VR/CR Leaver Provisions**

13. In cases of **compulsory redundancy (CR)**, there will be a presumption that employees will continue to be employed during the statutory notice period, particularly as this will maximise the prospects of potential redeployment. Employees in this situation must arrange to take any outstanding annual leave during the notice period but, if not practicable and certified accordingly by the relevant Head of Service, an employee will be paid for any untaken annual leave which remains outstanding on expiry of the notice period. Any annual leave entitlement exceeded will be recovered from pay. Exceptionally, pay in lieu of notice, which is subject to tax and National Insurance, may be granted.

14. Employees leaving the Council's employment on the grounds of **ER or VR** will do so on the basis of a **mutually agreed termination date, with no notice period being applicable on either side** and with **no extra payment being made** for any outstanding holidays, time off in lieu or flexi leave.

15. Statutory notice provisions in relation to teachers will apply, as appropriate.

16. Employees who leave the Council's employment on the grounds of early retirement (ER) or voluntary redundancy (VR) will be “retirees” and will, therefore, normally be precluded from returning to any paid temporary or permanent NPT Council employment (which includes schools). However, in exceptional circumstances, re-employment may be permitted if the “employing” Head of Service is able to provide a robust business case for doing so which is acceptable to the Director of Finance & Corporate Services and Head of Human Resources, in consultation with the relevant trade union/s.

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**Note 1:**

All employees who are made redundant are entitled to a statutory redundancy payment (see Note 3 below). “Qualifying” employees are also entitled to early release of pension if their employment is terminated on the grounds of redundancy (or in the interest of efficiency of the service).

Statutory redundancy payments may be enhanced through the payment of discretionary compensation payments and will be calculated having regard to the total cost of (a) early release of pension, (b) statutory redundancy payments and (c) discretionary compensation payments not exceeding - in total - the equivalent of 52 weeks’ pay for the employee concerned. For example, where an employee’s entitlement under the 45 week table takes the total cost above the value of his/her annual pay, the number of weeks of redundancy and/or discretionary compensation payments and/or the weekly pay calculator rate will be adjusted downwards as necessary.

The definition of a “week’s pay” will be in accordance with statutory provisions for redundancy pay calculation purposes. In summary, this will be the gross amount payable for a week’s work in accordance with the employee’s contract of employment as applicable on the “calculation date”, which will be the pay period immediately preceding the first day of his/her notice period. If an employee’s remuneration is variable, a 12 weekly average will be calculated.

Sections 220 to 229 and Section 234 of ERA 1996 further define the calculation of a “week’s pay”.

**Note 2:**

“**Qualifying**” generally means aged 55 years, or over, with 3 months’ membership of the Local Government Pension Scheme (LGPS). The definition of “qualifying” is covered by LGPS Regulations and may change as a result of future legislative changes.

Employees in the Teachers’ Pensions Scheme (TPS) have a different qualifying period (usually 2 years). The TPS is a statutory scheme and may also change as a result of future legislative changes.

Access to pension for teachers before age 60, without actuarial reduction, is at the discretion of Neath Port Talbot Council.

**Note 3:**

To use the statutory redundancy table in Appendix A, firstly look up the employee's age and number of years' continuous service with the Council (& its predecessor authorities). Where the two intersect on the table, this is the number of weeks' pay which becomes payable.

The "week's pay" to be used to calculate the lump sum statutory redundancy payment will be in accordance with statutory provisions (maximum of £464 per week with effect from 1<sup>st</sup> February 2014).

# Appendix A

## STATUTORY REDUNDANCY TABLE

Age	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
17	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
18	1	1½	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
19	1	1½	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
20	1	1½	2	2½	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
21	1	1½	2	2½	3	-	-	-	-	-	-	-	-	-	-	-	-	-	-
22	1	1½	2	2½	3	3½	-	-	-	-	-	-	-	-	-	-	-	-	-
23	1½	2	2½	3	3½	4	4½	-	-	-	-	-	-	-	-	-	-	-	-
24	2	2½	3	3½	4	4½	5	5½	-	-	-	-	-	-	-	-	-	-	-
25	2	3	3½	4	4½	5	5½	6	6½	-	-	-	-	-	-	-	-	-	-
26	2	3	4	4½	5	5½	6	6½	7	7½	-	-	-	-	-	-	-	-	-
27	2	3	4	5	5½	6	6½	7	7½	8	8½	-	-	-	-	-	-	-	-
28	2	3	4	5	6	6½	7	7½	8	8½	9	9½	-	-	-	-	-	-	-
29	2	3	4	5	6	7	7½	8	8½	9	9½	10	10½	-	-	-	-	-	-
30	2	3	4	5	6	7	8	8½	9	9½	10	10½	11	11½	-	-	-	-	-
31	2	3	4	5	6	7	8	9	9½	10	10½	11	11½	12	12½	-	-	-	-
32	2	3	4	5	6	7	8	9	10	10½	11	11½	12	12½	13	13½	-	-	-
33	2	3	4	5	6	7	8	9	10	11	11½	12	12½	13	13½	14	14½	-	-
34	2	3	4	5	6	7	8	9	10	11	12	12½	13	13½	14	14½	15	15½	-
35	2	3	4	5	6	7	8	9	10	11	12	13	13½	14	14½	15	15½	16	16½
36	2	3	4	5	6	7	8	9	10	11	12	13	14	14½	15	15½	16	16½	17
37	2	3	4	5	6	7	8	9	10	11	12	13	14	15	15½	16	16½	17	17½
38	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	16½	17	17½	18
39	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	17½	18	18½
40	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	18½	19
41	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	19½
42	2½	3½	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½
43	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
44	3	4½	5½	6½	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½
45	3	4½	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
46	3	4½	6	7½	8½	9½	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½
47	3	4½	6	7½	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
48	3	4½	6	7½	9	10½	11½	12½	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½
49	3	4½	6	7½	9	10½	12	13	14	15	16	17	18	19	20	21	22	23	24
50	3	4½	6	7½	9	10½	12	13½	14½	15½	16½	17½	18½	19½	20½	21½	22½	23½	24½
51	3	4½	6	7½	9	10½	12	13½	15	16	17	18	19	20	21	22	23	24	25
52	3	4½	6	7½	9	10½	12	13½	15	16½	17½	18½	19½	20½	21½	22½	23½	24½	25½
53	3	4½	6	7½	9	10½	12	13½	15	16½	18	19	20	21	22	23	24	25	26
54	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	20½	21½	22½	23½	24½	25½	26½
55	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22	23	24	25	26	27
56	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	23½	24½	25½	26½	27½
57	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25	26	27	28
58	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	26½	27½	28½
59	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28	29
60	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	29½
61+	3	4½	6	7½	9	10½	12	13½	15	16½	18	19½	21	22½	24	25½	27	28½	30

Department for Business, Innovation and Skills URN

09/1371

# Appendix B

## DISCRETIONARY COMPENSATION PAYMENTS TABLE

AGE (years)	SERVICE (years)																		
	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
18 (*1)	1.50	2.25																	
19 (*2)	1.50	2.25	3.00																
20	1.50	2.25	3.00	3.75															
21	1.50	2.25	3.00	3.75	4.50														
22	1.50	2.25	3.00	3.75	4.50	5.25													
23	2.25	3.00	3.75	4.50	5.25	6.00	6.75												
24	3.00	3.75	4.50	5.25	6.00	6.75	7.50	8.25											
25	3.00	4.50	5.25	6.00	6.75	7.50	8.25	9.00	9.75										
26	3.00	4.50	6.00	6.75	7.50	8.25	9.00	9.75	10.50	11.25									
27	3.00	4.50	6.00	7.50	8.25	9.00	9.75	10.50	11.25	12.00	12.75								
28	3.00	4.50	6.00	7.50	9.00	9.75	10.50	11.25	12.00	12.75	13.50	14.25							
29	3.00	4.50	6.00	7.50	9.00	10.50	11.25	12.00	12.75	13.50	14.25	15.00	15.75						
30	3.00	4.50	6.00	7.50	9.00	10.50	12.00	12.75	13.50	14.25	15.00	15.75	16.50	17.25					
31	3.00	4.50	6.00	7.50	9.00	10.50	12.00	13.50	14.25	15.00	15.75	16.50	17.25	18.00	18.75				
32	3.00	4.50	6.00	7.50	9.00	10.50	12.00	13.50	15.00	15.75	16.50	17.25	18.00	18.75	19.50	20.25			
33	3.00	4.50	6.00	7.50	9.00	10.50	12.00	13.50	15.00	16.50	17.25	18.00	18.75	19.50	20.25	21.00	21.75		
34	3.00	4.50	6.00	7.50	9.00	10.50	12.00	13.50	15.00	16.50	18.00	18.75	19.50	20.25	21.00	21.75	22.50	23.25	
35	3.00	4.50	6.00	7.50	9.00	10.50	12.00	13.50	15.00	16.50	18.00	19.50	20.25	21.00	21.75	22.50	23.25	24.00	24.75
36	3.00	4.50	6.00	7.50	9.00	10.50	12.00	13.50	15.00	16.50	18.00	19.50	21.00	21.75	22.50	23.25	24.00	24.75	25.50
37	3.00	4.50	6.00	7.50	9.00	10.50	12.00	13.50	15.00	16.50	18.00	19.50	21.00	22.50	23.25	24.00	24.75	25.50	26.25
38	3.00	4.50	6.00	7.50	9.00	10.50	12.00	13.50	15.00	16.50	18.00	19.50	21.00	22.50	24.00	24.75	25.50	26.25	27.00
39	3.00	4.50	6.00	7.50	9.00	10.50	12.00	13.50	15.00	16.50	18.00	19.50	21.00	22.50	24.00	25.50	26.25	27.00	27.75
40	3.00	4.50	6.00	7.50	9.00	10.50	12.00	13.50	15.00	16.50	18.00	19.50	21.00	22.50	24.00	25.50	27.00	27.75	28.50
41	3.00	4.50	6.00	7.50	9.00	10.50	12.00	13.50	15.00	16.50	18.00	19.50	21.00	22.50	24.00	25.50	27.00	28.50	29.25
42	3.75	5.25	6.75	8.25	9.75	11.25	12.75	14.25	15.75	17.25	18.75	20.25	21.75	23.25	24.75	26.25	27.75	29.25	30.75
43	4.50	6.00	7.50	9.00	10.50	12.00	13.50	15.00	16.50	18.00	19.50	21.00	22.50	24.00	25.50	27.00	28.50	30.00	31.50
44	4.50	6.75	8.25	9.75	11.25	12.75	14.25	15.75	17.25	18.75	20.25	21.75	23.25	24.75	26.25	27.75	29.25	30.75	32.25
45	4.50	6.75	9.00	10.50	12.00	13.50	15.00	16.50	18.00	19.50	21.00	22.50	24.00	25.50	27.00	28.50	30.00	31.50	33.00
46	4.50	6.75	9.00	11.25	12.75	14.25	15.75	17.25	18.75	20.25	21.75	23.25	24.75	26.25	27.75	29.25	30.75	32.25	33.75
47	4.50	6.75	9.00	11.25	13.50	15.00	16.50	18.00	19.50	21.00	22.50	24.00	25.50	27.00	28.50	30.00	31.50	33.00	34.50
48	4.50	6.75	9.00	11.25	13.50	15.75	17.25	18.75	20.25	21.75	23.25	24.75	26.25	27.75	29.25	30.75	32.25	33.75	35.25
49	4.50	6.75	9.00	11.25	13.50	15.75	18.00	19.50	21.00	22.50	24.00	25.50	27.00	28.50	30.00	31.50	33.00	34.50	36.00
50	4.50	6.75	9.00	11.25	13.50	15.75	18.00	20.25	21.75	23.25	24.75	26.25	27.75	29.25	30.75	32.25	33.75	35.25	36.75
51	4.50	6.75	9.00	11.25	13.50	15.75	18.00	20.25	22.50	24.00	25.50	27.00	28.50	30.00	31.50	33.00	34.50	36.00	37.50
52	4.50	6.75	9.00	11.25	13.50	15.75	18.00	20.25	22.50	24.75	26.25	27.75	29.25	30.75	32.25	33.75	35.25	36.75	38.25
53	4.50	6.75	9.00	11.25	13.50	15.75	18.00	20.25	22.50	24.75	27.00	28.50	30.00	31.50	33.00	34.50	36.00	37.50	39.00
54	4.50	6.75	9.00	11.25	13.50	15.75	18.00	20.25	22.50	24.75	27.00	29.25	30.75	32.25	33.75	35.25	36.75	38.25	39.75
55	4.50	6.75	9.00	11.25	13.50	15.75	18.00	20.25	22.50	24.75	27.00	29.25	31.50	33.00	34.50	36.00	37.50	39.00	40.50
56	4.50	6.75	9.00	11.25	13.50	15.75	18.00	20.25	22.50	24.75	27.00	29.25	31.50	33.75	35.25	36.75	38.25	39.75	41.25
57	4.50	6.75	9.00	11.25	13.50	15.75	18.00	20.25	22.50	24.75	27.00	29.25	31.50	33.75	36.00	37.50	39.00	40.50	42.00
58	4.50	6.75	9.00	11.25	13.50	15.75	18.00	20.25	22.50	24.75	27.00	29.25	31.50	33.75	36.00	38.25	39.75	41.25	42.75
59	4.50	6.75	9.00	11.25	13.50	15.75	18.00	20.25	22.50	24.75	27.00	29.25	31.50	33.75	36.00	38.25	40.50	42.00	43.50
60	4.50	6.75	9.00	11.25	13.50	15.75	18.00	20.25	22.50	24.75	27.00	29.25	31.50	33.75	36.00	38.25	40.50	42.75	44.25
61	4.50	6.75	9.00	11.25	13.50	15.75	18.00	20.25	22.50	24.75	27.00	29.25	31.50	33.75	36.00	38.25	40.50	42.75	45.00

(\*1) It is possible that an individual could start to build up continuous service before age 16, but this is likely to be rare, so this table starts from age 18.

(\*2) The same figures should be used when calculating the Discretionary Compensation payment for a person aged 61 and above.

