

# Public Document Pack

## NOTICE OF MEETING

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# EMPLOYMENT PANEL

will meet on

**TUESDAY, 16TH JANUARY, 2018**

**At 6.30 pm**

in the

**ASCOT AND BRAY - TOWN HALL, MAIDENHEAD**

TO: MEMBERS OF THE EMPLOYMENT PANEL

COUNCILLORS LISA TARGOWSKA (CHAIRMAN), EILEEN QUICK (VICE-CHAIRMAN), PHILLIP BICKNELL, PAUL BRIMACOMBE, STUART CARROLL, DR LILLY EVANS, LYNNE JONES AND MJ SAUNDERS

#### SUBSTITUTE MEMBERS

COUNCILLORS CHRISTINE BATESON, SIMON DUDLEY, DAVID HILTON, JACK RANKIN, JOHN STORY, EDWARD WILSON, SIMON WERNER AND SAMANTHA RAYNER

Karen Shepherd – Service Lead - Democratic Services - Issued: Monday, 8 January 2018

Members of the Press and Public are welcome to attend Part I of this meeting. The agenda is available on the Council's web site at [www.rbwm.gov.uk](http://www.rbwm.gov.uk) or contact the Panel Administrator **Karen Shepherd** 01628 796529

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## AGENDA

### PART I

<u>ITEM</u>	<u>SUBJECT</u>	<u>PAGE NO</u>
1.	<u>APOLOGIES FOR ABSENCE</u>  To receive any apologies for absence	
2.	<u>DECLARATIONS OF INTEREST</u>  To receive any declarations of interest	5 - 6
3.	<u>MINUTES</u>  To consider the Part I minutes of the meeting held on 13 November 2017	7 - 10
4.	<u>APPROVAL OF PAY POLICY STATEMENT 2018/19</u>  To consider the above report	11 - 22
5.	<u>LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC</u>  To consider passing the following resolution:-  "That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting whilst discussion takes place on items 6-7 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1-7 of part I of Schedule 12A of the Act"	

**PRIVATE MEETING**

6.	<p><u>MINUTES</u></p> <p>To consider the Part II minutes of the meeting held on 13 November 2017</p> <p><b><i>(Not for publication by virtue of Paragraph 2, 4 of Part 1 of Schedule 12A of the Local Government Act 1972)</i></b></p>	23 - 26
7.	<p><u>IT SERVICE STAFFING SAVINGS</u></p> <p>To consider the above report</p> <p><b><i>(Not for publication by virtue of Paragraph 2, 4 of Part 1 of Schedule 12A of the Local Government Act 1972)</i></b></p>	27 - 36



## MEMBERS' GUIDE TO DECLARING INTERESTS IN MEETINGS

### Disclosure at Meetings

If a Member has not disclosed an interest in their Register of Interests, they **must make** the declaration of interest at the beginning of the meeting, or as soon as they are aware that they have a DPI or Prejudicial Interest. If a Member has already disclosed the interest in their Register of Interests they are still required to disclose this in the meeting if it relates to the matter being discussed.

A member with a DPI or Prejudicial Interest **may make representations at the start of the item but must not take part in the discussion or vote at a meeting.** The speaking time allocated for Members to make representations is at the discretion of the Chairman of the meeting. In order to avoid any accusations of taking part in the discussion or vote, after speaking, Members should move away from the panel table to a public area or, if they wish, leave the room. If the interest declared has not been entered on to a Members' Register of Interests, they must notify the Monitoring Officer in writing within the next 28 days following the meeting.

### Disclosable Pecuniary Interests (DPIs) (relating to the Member or their partner) include:

- Any employment, office, trade, profession or vocation carried on for profit or gain.
- Any payment or provision of any other financial benefit made in respect of any expenses occurred in carrying out member duties or election expenses.
- Any contract under which goods and services are to be provided/works to be executed which has not been fully discharged.
- Any beneficial interest in land within the area of the relevant authority.
- Any licence to occupy land in the area of the relevant authority for a month or longer.
- Any tenancy where the landlord is the relevant authority, and the tenant is a body in which the relevant person has a beneficial interest.
- Any beneficial interest in securities of a body where:
  - a) that body has a piece of business or land in the area of the relevant authority, and
  - b) either (i) the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body **or** (ii) the total nominal value of the shares of any one class belonging to the relevant person exceeds one hundredth of the total issued share capital of that class.

Any Member who is unsure if their interest falls within any of the above legal definitions should seek advice from the Monitoring Officer in advance of the meeting.

A Member with a DPI should state in the meeting: ***'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

*Or, if making representations on the item: 'I declare a Disclosable Pecuniary Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'*

### Prejudicial Interests

Any interest which a reasonable, fair minded and informed member of the public would reasonably believe is so significant that it harms or impairs the Member's ability to judge the public interest in the item, i.e. a Member's decision making is influenced by their interest so that they are not able to impartially consider relevant issues.

A Member with a Prejudicial interest should state in the meeting: ***'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'***

*Or, if making representations in the item: 'I declare a Prejudicial Interest in item x because xxx. As soon as we come to that item, I will make representations, then I will leave the room/ move to the public area for the entire duration of the discussion and not take part in the vote.'*

### Personal interests

Any other connection or association which a member of the public may reasonably think may influence a Member when making a decision on council matters.

Members with a Personal Interest should state at the meeting: ***'I wish to declare a Personal Interest in item x because xxx'. As this is a Personal Interest only, I will take part in the discussion and vote on the matter.***

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# Agenda Item 3

## EMPLOYMENT PANEL

MONDAY, 13 NOVEMBER 2017

PRESENT: Councillors Lisa Targowska (Chairman), Eileen Quick (Vice-Chairman), Phillip Bicknell, Stuart Carroll, Dr Lilly Evans, Lynne Jones, MJ Saunders and David Hilton

Also in attendance: Ruth Smith (UNISON) and Keith Roberts (GMB) for item 4 only

Officers: Alison Alexander, Terry Baldwin and Karen Shepherd

### APOLOGIES FOR ABSENCE

An Apology for Absence was received from Councillor Brimacombe

### DECLARATIONS OF INTEREST

None received

### MINUTES

**RESOLVED UNANIMOUSLY: That the Part I minutes from the meeting held on 16 October 2017 be approved.**

### UNISON AND GMB PAY CLAIM FOR 2018/19

Members welcomed Ruth Smith (UNISON) and Keith Roberts (GMB) to the meeting to present the Trade Union pay claim for 2018/19.

Ruth Smith explained that a joint claim had been submitted from both unions, setting out the economic situation and justification for the level of claim. As in previous years, the unions had engaged with their members who were RBWM employees, to seek their views before submitting the claim. Representatives had handed out copies of the survey to employees at various entrances to council buildings. The claim was for an across the board increase of 5% or a flat rate of £500, whichever was the greater. The council had a Pay Reward scheme but whenever the unions spoke to their members, they expressed a preference for an across the board pay rise to ensure all benefitted. The unions had therefore been pleased that a 0.8% increase had been agreed last year as well as Pay Reward.

The survey given to union members included a free text box. Panel Members noted a number of comments made by respondents, relating to pay not keeping up with inflation, the cost of living, the lack of increases in recent years, the appraisal system, reorganisations, morale and the loss of skilled staff. The unions were aware that the workforce was much smaller than in previous years.

Keith Roberts commented that it was important for the workforce to see something more substantial in their pay packet this time around; staff were looking for a commitment from the council that the workforce was valued. A number of staff had been transferred to outside providers. This had led to concerns that they were being released to an employer that did not offer the same protections. Under the borough

recognition agreement the trade unions had collective bargaining rights. The new organisations had given reassurances but had not spoken to the unions. It was important to ensure the staff remaining in the core council felt valued and wanted to remain. Mr Roberts highlighted that it was about cash in the pocket. He understood that the council's hands were tied to some extent by government policy. The interest rate increase had increased the cost of mortgages. If the council could not meet the 5% pay claim, he requested that it was not as low as 1%.

The Chairman thanked the union representatives for presenting their claim and invited Panel Members to ask questions. She asked if the survey had asked about the Pay reward element of the scheme. Mr Roberts commented that the 0.8% last year had landed with a thump because it was a small amount. 1% of not a lot was not much, therefore the increase needed to be across the board. Incentives in a Pay Reward scheme needed to be achievable and not based on a manager's opinion.

Ms Smith commented that views were split on what the maximum should be if the scheme included a Pay Reward element. Some people felt they worked hard but could not get a top rating because of the system. Responses had been split over whether the maximum should be more or less than 5%. There was a finite amount of money so the more that was given to the top levels, the less there was to go around.

The union representatives were unable to provide details on the number of people who had responded to the survey, although it was noted that about 40% of their members had responded to the survey. She confirmed that UNISON had a recognition agreement with Optalis and met quarterly with their HR team. Colleagues in the London region dealt with AFC as the arrangements had originally been set up with Richmond and Kingston. Mr Roberts highlighted the lack of agreement with other external employers, such as the companies to which highways and enforcement staff had been moved.

Councillor Saunders asked the union representatives for their thoughts on spinal point increases and whether tenure should drive what someone was paid. Ms Smith responded that this was the traditional structure so those who had worked in local government for a while would expect this to be in place. Spinal points worked on the basis that when a person first started in a role they were not going to be as good as someone who had been doing it for a few years who knew the systems and was more efficient. Councillor Saunders asked how this was different to rewarding better performance. Ms Smith responded that the difference was that it was a clear system that all felt was fair. The issue has been considered by Employment Tribunals and concluded that the system was justified for a limited number of increases.

Councillor Saunders commented that the average pay rise in the last year had been 2.5% when taking into account the Pay Award, Pay Reward, spinal point increases and promotions. Ms Smith commented that if spinal increments were removed, pay levels were frozen in time and emphasised the inequality for someone who had just arrived. This could engender frustration and resentment. If all in the same role were raised to the same salary point this would be ok. Councillor Saunders highlighted that averaging out could lead to some receiving a reduction. Ms Smith stated that the unions would never advocate for this approach.

Councillor Saunders highlighted that funds had been provisionally allocated in the budget for an increase in employer pension contributions and to deal with a pension deficit. An overall increase of 17.5% had been included, with 15% allocated to



pensions. Ms Smith commented that pension levels were set by actuarial valuation therefore unions could not argue for higher or lower figures in this respect. Mr Roberts commented that, in relation to spinal points, processes were in place to ensure increases were not received if performance levels had not been met.

Ms Smith confirmed that the claim was for 5% or a flat rate of £500, whichever was greater, to ensure protection for the lowest paid workers. Mr Roberts suggested the union should take a survey of its members to find out which of them received an overall increase of 2.5% last year. The Managing Director requested that the HR team be involved to ensure the correct question was asked, to refer to wider increases than just Pay Award. The Head of HR agreed to provide members with figures of union membership, based on those who had union memberships deducted from their salary.

Members noted the promotion increase had amounted to 1.3% last year, Pay Award was 0.8% and the Pay Reward figures had been:

Good – 0.35%  
Excellent – 0.69%  
Outstanding – 1.38%

Members requested information on retention levels for staff in the three appraisal categories, which the Head of HR agreed to provide. Staff turnover was predicted to be around 17% to 19% and HR could undertake detailed modelling of turnover in each category for the February Panel meeting.

There were some questions about the Local Government Pension scheme and as it was a national scheme, there was no scope to discuss terms or contribution rates with individual employees. Employees did have the option to opt out of the scheme entirely.

Councillor Hilton asked about the demographics of staff that had moved out to Optalis and AfC. It was confirmed that although the workforce had significantly reduced, those who left were a representative sample therefore the demographics had not significantly changed.

It was noted that incremental grades only operated at the first five grades. LP6 onwards were spot salaries and therefore any future progression had to be made through Pay Award, Pay Reward or a change in role.

The Managing Director confirmed that there was no longer any concern that borough salaries were not comparable to neighbouring authorities. As an example the Managing Director noted there was now a full complement of permanent staff in the planning department.

Councillor Saunders explained that the indicative budget included £3.4m for incremental staff costs, £2.4m to top up pension payments, £500,000 for pay increases and £500,000 for increased employer contribution costs. He suggested that at some point staff should be advised of the wider set of increases than simply pay. Councillor Jones commented that it would be important to be clear that at the last pension valuation the council chose not to pay as much as was needed therefore the deficit was a council problem. Councillor Hilton highlighted that the deficit fluctuated, for example had changed from 73% to 78% in recent weeks. Councillor

Saunders commented that the figure he was obliged to use for budget setting purposes was 73%.

In relation to comments made via the trade unions in relation to stress caused to staff remaining in the core council once the moves to Optalis and AfC had taken place, the Managing Director highlighted the need to be clear that the council still had the same number of people delivering services to borough residents. Councillor Jones commented that some of the responses in the survey could have related to where changes had required officers to work differently, for example weekend working.

It was confirmed that the borough paid all staff above the National Living Wage. The minimum pay was £7.73 per hour. Members requested that the supported employment scheme in the council be reviewed as this had not been done for a number of years.

**RESOLVED UNANIMOUSLY: That Employment Panel notes the report and:**

- i) Reviews the trade union pay claim and the supplementary information supplied as part of the consideration of the annual pay review for eligible staff for 2018/19.**
- ii) Requests a review of the council's Supported Employment scheme.**

LOCAL GOVERNMENT ACT 1972 - EXCLUSION OF THE PUBLIC

**RESOLVED UNANIMOUSLY: That under Section 100(A)(4) of the Local Government Act 1972, the public be excluded from the remainder of the meeting whilst discussion takes place on items 6-8 on the grounds that they involve the likely disclosure of exempt information as defined in Paragraphs 1-7 of part I of Schedule 12A of the Act**

The meeting, which began at 6.30 pm, finished at 8.02 pm

CHAIRMAN.....

DATE.....

Report Title:	<b>Approval of Pay Policy Statement 2018/19</b>
Contains Confidential or Exempt Information?	NO - Part I
Member reporting:	N/a
Meeting and Date:	Employment Panel - 16 January 2018
Responsible Officer(s):	Alison Alexander, Managing Director
Wards affected:	None

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## REPORT SUMMARY

1. This report deals with the approval of an updated Pay Policy Statement for 2018/19 as required by the Localism Act 2011. It recommends that Employment Panel approve the updated Statement and recommend its approval by Council on 20 February 2018. These recommendations are being made because the council is required to review, approve and publish a Pay Policy Statement by 31 March annually.
2. The Pay Policy Statement enables residents to understand the council's pay policy for senior staff and how it relates to the salaries of the lowest paid. It provides transparency and enables residents to assess whether salaries paid represent value for money.

## 1 DETAILS OF RECOMMENDATION(S)

**RECOMMENDATION: That Employment Panel notes the report and:**

- i) **Approves the updated Pay Policy Statement for 2018/19 and recommends the statement to Council for approval on 20 February 2018.**
- ii) **Notes that further revisions will be required to the statement following the implementation of the Government's reforms to public sector exit pay arrangements**

## 2 REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1 The Localism Act 2011 requires the council to review its Pay Policy Statement annually and publish an updated statement for 2018/19 by 31 March 2018.
- 2.2 The Pay Policy Statement, attached as appendix A, has been updated to reflect:
  - Latest structure for 'Chief Officers'.
  - Updating of the pay ratio between the Managing Director and the lowest paid employees, median and average pay.
  - Inclusion of the pay multiples from 2012/13 to the present day.
  - Updating of employee numbers in section 11
- 2.3 The Government is introducing regulations regarding the recovery of exit payments and limiting the total value of exit payments that will apply to organisations in the public sector. These have been delayed since last year. At the time of writing, these regulations were not finalised and therefore the Pay Policy Statement will need to be revised once the regulations are in place, expected to be spring 2018.

**Table 1: Options**

Option	Comments
Approve the updated 2018/19 Pay Policy Statement.  <b>This is the recommended option.</b>	In accordance with the Localism Act an updated version of the statement must be approved by full Council each year.
Reject the updated 2018/19 Pay Policy Statement. Not recommended.	Council has to approve an updated statement and publish it by 31 March 2018.

**3 KEY IMPLICATIONS**

## 3.1

**Table 2: Key implications**

Outcome	Unmet	Met	Exceeded	Significantly Exceeded	Date of delivery
Approve and publish statement by 31 March 2018	> 31 March 2018.	By 31 March 2018.	By 17 March 2018.	By 1 March 2018.	31 March 2018.

**4 FINANCIAL DETAILS / VALUE FOR MONEY**

## 4.1 None.

**5 LEGAL IMPLICATIONS**

5.1 The amended Pay Policy Statement 2018/19 meets the requirements of the Localism Act 2011.

5.2 The Council was required by Sections 38-39 of the Localism Act 2011 to approve and publish its first pay policy statement by 31 March 2012 for the financial year 2012-13 and annually thereafter. Any changes during the year have to be approved by full Council. Failure to do so would be contrary to the Council's statutory duty under the Localism Act and could result in a number of adverse steps against it including judicial review for failing to comply with statutory duties.

**6 RISK MANAGEMENT**

## 6.1

**Table 3: Impact of risk and mitigation**

Risks	Uncontrolled Risk	Controls	Controlled Risk
Failure to approve the revised Pay Policy Statement at Council on 20 February 2018, results in	High.	Statement approved at Council 20 February 2018.	Low.

<b>Risks</b>	<b>Uncontrolled Risk</b>	<b>Controls</b>	<b>Controlled Risk</b>
contravention of the council's obligations under the Localism Act.			

## **7 POTENTIAL IMPACTS**

- 7.1 The original EQIA was not reviewed as there are no significant changes to the updated statement.
- 7.2 There are no other impacts.

## **8 CONSULTATION**

- 8.1 The updated statement contains minimal changes of factual information and therefore no consultation has been undertaken.

## **9 TIMETABLE FOR IMPLEMENTATION**

- 9.1

**Table 4: Implementation timetable**

<b>Date</b>	<b>Details</b>
16 January 2018	Employment Panel approves statement.
20 February 2018	Full Council approves statement.
31 March 2018	Deadline for the updated statement to be published on the council's website.

## **10 APPENDICES**

- 10.1 Appendix A – Updated Pay Policy Statement 2018/19.

## **11 BACKGROUND DOCUMENTS**

- 11.1 None.

## **12 CONSULTATION (MANDATORY)**

<b>Name of consultee</b>	<b>Post held</b>	<b>Date sent</b>	<b>Commented &amp; returned</b>
Cllr Lisa Targowska	Principal Member	05/01/18	
Alison Alexander	Managing Director	13/12/17	27/12/17
Russell O'Keefe	Executive Director	13/12/17	27/12/17

<b>Name of consultee</b>	<b>Post held</b>	<b>Date sent</b>	<b>Commented &amp; returned</b>
Andy Jeffs	Executive Director	13/12/17	27/12/17
Rob Stubbs	Section 151 Officer	13/12/17	27/12/17
Terry Baldwin	Head of HR	13/12/17	27/12/17
Mary Kilner	Head of Law and Governance	13/12/17	27/12/17
Louisa Dean	Communications and Marketing Manager	13/12/17	27/12/17

## REPORT HISTORY

<b>Decision type:</b> Key decision Non-key decision	<b>Urgency item?</b> No
Report Author: Terry Baldwin, Head of HR, 01628 796992	

## ROYAL BOROUGH OF WINDSOR AND MAIDENHEAD Pay Policy Statement for the year 2018/19

### 1. INTRODUCTION

- 1.1 Under sections 38 to 43 of the Localism Act 2011, Local Authorities are required to prepare, approve by full Council (as a Part 1 item) and publish on their website, a pay policy statement by 31 March 2018, for the financial year 2018/19.
- 1.2 This statement must be reviewed, updated, approved by full Council and published by 31 March annually for the immediately following financial year.
- 1.3 RBWM may amend this statement during the financial year in which it is effective; however any change must be approved by full Council. Any amended statement will be published on the website within 10 working days of the Council meeting.
- 1.4 In drawing up this statement, RBWM has taken into account the guidance issued by the Department of Communities and Local Government and the advice supplied jointly by the Local Government Association and the Association of Local Authority Chief Executives (ALACE).
- 1.5 Links to external websites:
  - [CLG Guidance](#)
  - [CLG Supplementary Guidance](#)
- 1.6 This statement does not include employees based in RBWM schools as this is outside the scope of the legislation.
- 1.7 This statement was approved by full Council on 20 February 2018.
- 1.8 RBWM fully endorses and supports the requirement to be open and honest about the reward packages of senior employees.

### 2. REMUNERATION OF CHIEF OFFICERS

- 2.1 Under the current structure of the council, the following posts are included in the definition of 'Chief Officer':
  - Managing Director and Director of Adult Social Services
  - Executive Directors (2)
  - Director of Children's Services\*

- Deputy Director – Children’s Services\*
- Deputy Director and Head of Finance
- Deputy Director – Strategy and Commissioning
- \* Seconded to Achieving for Children
- Head of Commissioning - Communities
- Head of Communications and Digital
- Head of Communities, Enforcement and Partnerships
- Head of HR
- Head of Law and Governance
- Head of Libraries and Resident Services
- Property Services Manager
- Technology Services Manager
- Head of Planning
- Head of Revenue and Benefits.

### **Salaries**

- 2.2 The Managing Director and Strategic Director of Adult Social Services is paid within a salary band of £120,000 to £146,160. Executive Directors are paid within a salary band of £95,950 to £132,350.
- 2.3 Deputy Directors are paid within a salary band of £85,000 to £100,800. Heads of Service are paid within a salary band of £65,650 to £91,627.
- 2.4 Appointments are made on a market benchmarked ‘spot salary’. Individual posts are market tested as and when required.

### **Other payments**

- 2.5 The Managing Director and Strategic Director of Adult Social Services performs the role of the council’s Returning Officer, appointed for this role under the Representation of the People Act 1983. The Returning Officer is eligible for fees linked to duties undertaken for running national, European or local elections/referenda. These fees are determined by the number of electors registered in the borough/parliamentary constituency and are determined by a formula operated by the Government for determining fees to all Returning Officers across the country.
- 2.6 The amount paid is published on the website –[Pay & benefits of employees earning over £50,000](#)
- 2.7 There are no other regular payments made to the post holders in the roles listed in section 2.1.

### **Instant Reward Scheme**

- 2.9 An Instant Reward Scheme applies to all employees including Chief Officers.



### **Salary reviews**

- 2.9 The annual pay review is undertaken by RBWM and any pay award is determined by the Employment Panel. The annual pay review date is 1 April.
- 2.10 With effect from 1 April 2017 all salaries were increased by 0.8 percent.
- 2.11 With effect from 1 April 2014 the council introduced a Pay Reward Scheme that allows the council to reward performance based on an assessment of achievement of objectives and demonstration of its corporate behaviours, CREATE. This applies to all employees on RBWM local terms and conditions.

### **Expenses and benefits**

- 2.12 The council has a comprehensive Expenses policy, which applies to all employees.
- 2.13 The council will pay for one annual membership of a professional body, where the membership/qualification is required for the post held.
- 2.14 All other benefits are available to all employees and identified in point 3.7.

### **Remuneration on appointment**

- 2.17 In the event of a vacancy the market levels for the post, see 2.4, may be reassessed and any appointment would be made in accordance with the market comparability evidence.

### **Termination payments**

- 2.18 RBWM does not treat the Managing Director, Executive Directors, Deputy Directors and Heads of Service differently to other council employees in relation to termination payments. See section 6.

### **Other terms and conditions**

- 2.19 Since 1 March 2013 the terms and conditions for this group of employees have been wholly locally determined and set out in the RBWM Employee Handbook.
- 2.20 All employees receive 28 days annual leave plus 8 bank holidays each year.

### **Use of interim managers in senior roles**

- 2.21 RBWM would not normally appoint a consultant to a permanent post.
- 2.22 There may be occasions when RBWM has a short term need for an interim senior manager, for example pending a permanent appointment or for maternity cover etc. In these cases RBWM may use a consultant appointed via their temporary worker agency or a direct consultancy agreement, both routes being in accordance with Contract Rules.

2.23 The council would consider appointing a senior manager via their agency or on a consultancy contract for a fixed period where they have been unable to recruit to the post. Such appointments would be in accordance with Contract Rules and regularly reviewed.

### **3. DEFINITION AND REMUNERATION OF THE LOWEST PAID EMPLOYEES**

#### **Definition of RBWM lowest paid employees**

3.1 The simplest definition to use is that of the lowest pay point that the council uses.

3.2 The reasons for adopting this definition is because it is recommended by the JNC for Chief Executives in their guidance to local authorities.

#### **Salaries**

3.3 The hourly rate of the lowest paid employee is £8.31, which equates to an annual salary of £16,622.

3.4 RBWM's lowest paid employees are above the national living wage rate of £7.83 per hour from April 2018.

#### **Other payments**

3.5 It is unlikely that this particular pay level would receive any additional payments. The council's Pay and Benefits policy sets out their policy on additional payments such as shift pay, stand by etc.

#### **Salary review and increments**

3.6 Since 2010, the annual pay review for this group of employees has been undertaken by RBWM and any pay award is determined by the Employment Panel. The pay review date is 1 April.

#### **Benefits**

3.7 The council offers a range of benefits to its employees:

- Advantage card – for those employees who are non-residents (residents automatically qualify)
- Bike Lease Scheme via salary sacrifice
- Buy and sell annual leave
- Car Lease Scheme via salary sacrifice
- Childcare Vouchers via salary sacrifice
- Contributory pension scheme (employee contribution rates from 5.5% to 11.4% and employer contribution rate of 14.3%)
- Employee Assistance Programme (EAP)
- Employee Benefits Portal
- Eye care vouchers for designated DSE users
- Car parking at work
- Physiotherapy – subject to criteria
- Season ticket loan

- Discounted rail travel to Maidenhead on Great Western routes.

#### **4. RELATIONSHIP BETWEEN THE REMUNERATION OF CHIEF OFFICERS AND THE LOWEST PAID EMPLOYEES**

- 4.1 The salary for the Managing Director is £138,096, plus employer's pension contributions. [Director's salary information](#)
- 4.2 The remuneration of the lowest paid employee was £16,622, which represents solely basic salary as no other allowances are payable.
- 4.3 Using a remuneration figure for the Managing Director of £138,096 and a remuneration figure of £16,622 for the lowest paid employee in supported employment, the pay multiple is 8.31.
- 4.4 The ratio between the highest paid employee, the Managing Director and the average pay including permanent allowances of all RBWM employees is 1:4.2 and the median pay of all employees is 1:4.28.
- 4.5 The Hutton Review of Fair Pay in the public sector, published in March 2011, did not recommend a defined pay multiple, but instead recommended that the public sector should publish, track and explain their pay multiples over time. Table 1 shows the pay multiples since 2012.

**Table 1: Pay multiples**

<b>Year</b>	<b>Pay multiples highest to lowest pay</b>
2012/13	12
2013/14	11.3
2014/15	9.6
2015/16	9.6
2016/17	9.2
2017/18	9.46
2018/19	8.31

- 4.6 The trend since 2012 has been a reduction of the pay multiple. This reflects a number of changes and reductions in the management structure.
- 4.7 The policy regarding the pay of senior employees aims to ensure that the council can recruit and retain the calibre of employee that is needed to deliver continuous improvement in service delivery. RBWM uses market comparability to determine pay levels to ensure that they are not over or underpaying for these key roles.

#### **5. RE-EMPLOYMENT OF THOSE IN RECEIPT OF SEVERANCE PAY OR RETIREMENT PENSION**

- 5.1 If an individual is in receipt of a severance payment or retirement pension from another local authority or RBWM, that would not be taken into account in the decision as to whether or not to employ them.

- 5.2 Under Regulation 70 of the Local Government Pension Scheme (LGPS) (Administration) Regulations 2008, the Berkshire Pension Fund is required to determine its approach to the abatement of pensions in the event that the recipient re-enters Local Government employment. The Pension Fund Panel determined on 20 October 2003 (under the previous LGPS Regulation 109) that no abatement would be exercised for those returning to local government employment within the Berkshire fund area.
- 5.3 The Government is consulting on regulations regarding the recovery of public sector exit payments. Once the regulations are approved, now expected in the spring of 2018, then this section of the pay statement will be reviewed.

## **6. POLICIES ON REDUNDANCY AND PENSION ENTITLEMENT**

### **Redundancy**

- 6.1 The Policy and Procedure for Redundancy, Early Retirements on the Grounds of Efficiency of the Service and Ill Health defines how RBWM will approach redundancy including redundancy pay.
- 6.2 The council uses its discretionary powers to calculate redundancy pay using the individual's actual weekly salary.
- 6.3 RBWM does not enhance the number of statutory week's redundancy pay an individual is entitled to under the Employment Rights Act 1996.

### **Pension enhancement**

- 6.4 The LGPS contains provision for employers to enhance pension payments. Employers are required to determine how they will use these discretionary provisions. The council has determined generally not to use its discretion to enhance pension payments by either additional years or additional pension, RBWM will however consider any application on its merits.
- 6.5 The Government is consulting on regulations regarding the reforms to public sector exit payments. Once the regulations are approved, then this section of the pay statement will be reviewed.

### **Early retirement or flexible retirement**

- 6.6 In certain circumstances, eligible employees may request early retirement or flexible retirement. (Flexible retirement gives access to accrued pension, whilst allowing the scheme member to continue working). In both these cases, there must be sufficient financial or other benefit to RBWM for such retirements to be approved.

## **7. APPROVAL OF SALARY PACKAGES OVER £100,000**

- 7.1 Under the terms of the Constitution the appointment of the Managing Director is approved by full Council following a recommendation by the Employment Panel.

7.2 For Directors and Heads of Service and for posts attracting a remuneration package exceeding £100,000, the terms of recruitment for and appointments of these posts will be made by the Employment Panel.

## 8. HOW DECISIONS ON PAY AND REWARD POLICIES ARE MADE

8.1 All of the pay and reward policies are approved by the council's Employment Panel.

8.2 All of the policies are reviewed regularly and updated to reflect legislation, best practice and organisational changes.

## 9. PUBLICATION AND ACCESS TO INFORMATION AND REMUNERATION OF CHIEF OFFICERS

9.1 In accordance with the Accounts and Audit (England) Regulations 2011 and the Code of Recommended Practice for Local Authorities on Data Transparency, RBWM publishes annually the remuneration of the Managing Director and Directors on its website. [Director's salary information](#)

## 10. OTHER RELEVANT COUNCIL DOCUMENTS

- Expenses policy
- Flexible retirement
- Instant Reward Scheme
- Pay & benefits policy
- Pension abatement policy
- Pension's discretion policy
- Redundancy and early retirements' policy.

## 11. NUMBER OF EMPLOYEES AND SALARY BANDS

11.1 This table shows the number of employees within specified pay bands:

Pay band* £	Number of staff*
<15,000	2
>15,000 <25,000	200
>25,000 <35,000	185
>35,000 <45,000	140
>45,000 <55,000	34
>55,000 <65,000	19
>65,000 <80,000	10
>80,000 <100,000	9
>100,000	4
<b>Total</b>	<b>603</b>

\* Excludes casual workers. Multiple job holders counted individually. All data based on Full Time Equivalent salary and permanent allowances

only. During 2017 a number of employees were transferred to partner or other external organisations.

By virtue of paragraph(s) 2, 4 of Part 1 of Schedule 12A  
of the Local Government Act 1972.

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# Agenda Item 7

By virtue of paragraph(s) 2, 4 of Part 1 of Schedule 12A of the Local Government Act 1972.

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