

GOSPORT BOROUGH COUNCIL

PAY POLICY STATEMENT 2023/24

1. PURPOSE

1.1 This statement is produced in accordance with Section 38(1) of the Localism Act 2011, and sets out the Council's policies relating to the pay of its workforce for the financial year 2023/24, and in particular:

- the remuneration of its Chief Officers/highest paid employees
- the remuneration of its "lowest paid employees"
- the relationship between the remuneration of its Chief Officers and those who are not Chief Officers.

2. DEFINITIONS

2.1 For the purpose of this pay policy statement, the following definitions apply.

2.2 **Pay**, in addition to salary, includes any charges, fees, allowances, benefits in kind, increases in/enhancements to pension entitlements, and termination payments.

2.3 **Chief Officer**, prior to 01 October 2016, referred to the following roles within the Council:

- Chief Executive, as Head of Paid Service*,
- Borough Solicitor*
- Assistant Chief Executive (who is also the Council's Monitoring Officer) *,
- Borough Treasurer*,
- Housing Services Manager

**With effect from 1 October 2016 a shared working arrangement was implemented with Portsmouth City Council to share management and leadership with both councils retaining their clear identities as individual councils. Under this arrangement Gosport Borough Council pays a contribution to Portsmouth City Council, the figure for 2023/24 is estimated to be £207,500. Consequently, there is no longer a Chief Executive as Head of Paid Service or Borough Treasurer employed directly by Gosport Borough Council. This arrangement was also extended further to other posts including the Head of Payroll and Head of Human Resources.*

The management and leadership that was provided by the Housing Services Manager is covered through a separate Service Level Agreement under which Gosport Borough Council pay a contribution, the figure for 2023/24 is estimated to be £133,000.

2.4 In addition, the term **Chief Officer** for this purpose also refers to those officers who report directly to the statutory or non-statutory officers, i.e., the following Section Heads:

- Head of Policy and Community Safety
- Head of IT
- Head of Finance
- Head of Local Taxation
- Head of Internal Audit
- Head of Housing
- Property Services Manager
- Housing Needs and Advice Manager
- Neighbourhood Operations Manager
- Head of Electoral Services & Emergency Planning
- Head of Customer Services and Civics
- Senior Democratic Services Officer
- Assistant Chief Executive & Head of Planning and Regeneration
- Development Manager
- Planning Policy Manager
- Corporate Project Manager
- Head of Human Resources
- Head of Payroll
- Head of Street scene
- Enforcement Manager
- Head of Housing Benefits, Procurement, and Insurance
- Housing Benefits Manager

2.5 **Lowest paid employees** refers to those employees employed at the lowest grade level (Grade 1) of the Council's pay framework. This definition has been adopted because this is the lowest pay level in the Council, excluding Apprentices.

2.6 **Employees who are not Chief Officers** refers to all employees who are not covered by the Chief Officer group indicated at 3.2.

2.7 **Highest paid employee** will refer to the highest paid individual in Gosport Borough Council following the introduction of the shared working arrangement from 1 October 2016. This reflects the individual not responsible for directing the organisation but who receives the highest remuneration, due to the specialist skills or expertise held.

3. PAY FRAMEWORK AND REMUNERATION LEVELS

3.1 General Approach

The Council recognises the need to exercise the greatest care in managing scarce public resources. The level of remuneration is a very important factor in both recruitment and retention of high-quality employees dedicated to fulfilling the Council's business objectives and delivering services to the

public, but this must be balanced by ensuring remuneration is not, nor seen to be, unnecessarily excessive. Each council faces its own unique challenges and retains flexibility to cope with various circumstances.

Gosport Borough Council is aware that its pay levels for the Chief Executive and statutory and non-statutory Chief Officers have been low in comparison with the other authorities in the region, and nationally. The situation is kept under regular review.

The Government considers that large salary packages for new appointments, which should be considered by full Council, are those above the threshold of £100,000. In accordance with the revised guidance issued in February 2013, a lower threshold of £95,000 is used for this Council.

3.2 Responsibility for decisions on remuneration

Statutory and non-statutory Chief Officers of this Council are covered by the Joint National Council for Local Authorities' Conditions of Service for Chief Executives and Chief Officers; the JNC terms and conditions are incorporated in contracts of employment.

Any corporate changes to pay or grading for these officers are considered by the Council's Policy and Organisation Board.

Section Heads as listed at 3.2 and employees who are not Chief Officers are covered by the NJC for Local Authorities' Services Conditions of Service. The level of pay is determined in accordance with national pay scales. Any changes to the formally agreed terms or conditions for all staff are considered by the Council's Policy and Organisation Board.

3.3 Salary Grades and Grading Structure

The Council's grading structure for Section Heads and all employees who are not Chief Officers consists of one spot point salary and 14 grades – grades within the pay scales are allocated to posts through the national job evaluation scheme, thus ensuring fairness and equality in the application of pay. The allocation of a spot salary or grade depends on the nature and complexity of the job and the consequent need for a learning curve, and progression within grades is normally by annual increments, subject to satisfactory performance.

Section Heads listed at 3.2, who report directly to statutory and non-statutory Chief Officers also listed in that paragraph, are responsible for a particular function, with some employees at a lower level (e.g., secretarial) also reporting direct to statutory or non-statutory Chief Officers. Grades for Section Heads vary from grade 9 to grade 14 within the structure, depending on the level of duties and responsibilities of each post and as evaluated in accordance with the national scheme.

Grade	Salaries with effect from 1 April 2022
1	£20,258 - £20,441
2	£20,441 - £21,189
3	£21,575 - £21,968
4	£22,369 - £24,054
5	£24,496 - £26,845
6	£27,852 - £30,151
7	£31,099 - £34,723
8	£35,411 - £40,478
9	£41,496 - £45,495
10	£46,549 - £49,590
11	£50,591 - £53,598
12	£54,627 - £57,851
13	£58,968 - £64,259
14	£66,129 - £72,081

The lowest paid employees within the authority, i.e., those whose posts have been evaluated at the lowest grade, which is grade 1. Apprentices are paid outside of the pay grades based on the Authority's Apprenticeship rate.

The highest paid employee post 1 October 2016 is a Section Head (£41,496 to £72,081). Additional supplements are applicable for any employees managing other employees from other local authorities, see section 8 below. The comparison between the lowest paid and the highest paid is 3.6:1.

The highest paid salary, at the top of the grade is, 2.9 times the median average salary (£24,971) of the whole workforce. This is considered to be a fair and reasonable pay multiple, striking an appropriate balance which recognises the need to adequately recompense the different levels of duties and responsibilities. The reduction in the pay multiple is reflective of the removal of several senior posts within the Council and the introduction of shared working practices.

Increases in pay are made in accordance with national pay negotiations; there are separate negotiations for statutory and non-statutory Chief Officers. Section Heads pay will be increased with any pay increase agreed nationally in line with national negotiations.

3.4 Remuneration – level and elements

In considering pay, the Council considers market rates, individual performance and the need for equality and consistency in the way grades are applied.

4. CHIEF OFFICERS

4.1 Statutory and non-statutory Chief Officers are not covered by the Council's job evaluation scheme and do not therefore receive any increase in grade where duties and responsibilities increase. Given the significant reduction in the size

of the Council's Management Team over recent years, there have been considerable increases in duties and responsibilities for all these officers.

- 4.2 Following the implementation of the shared working arrangement from 01 October 2016 changes in pay for Chief Executive or Chief Officers are no longer applicable.

5. OTHER OFFICERS

- 5.1 The salaries of Section Heads and other employees who are not Chief Officers are in accordance with the national tables, with increases applied following national pay negotiations.
- 5.2 The only other pay increases occur where employees are progressing contractually through a grade, or where a job is re-evaluated to recognise substantial additional duties/responsibilities. The majority of the Council's staff are on the top of their grade and have not therefore received incremental progression.

6. GRADING STRUCTURE AND PROGRESSION

- 6.1 The Council's grades consist of incremental points, other than a few spot point salaries. The use of a grade recognises and allows for employees to gain knowledge and expertise in the job. Appointments are made on merit and on the appropriate point of the grade, taking into account the level of skills and knowledge of the successful applicant. The decision is made by the Appointment Panel; the salary applied on appointment is subject to regular monitoring, and formally reviewed through the Equal Pay Audit.
- 6.2 All the Council's employees are subject to the same performance management process. Whilst there is no formal performance related pay for any of the Council's officers, increments can be withheld where performance is unsatisfactory, and enhanced incremental progression or one-off honorarium payments can also apply to recognise and reward exceptional performance. The scheme covering merit increments/honoraria provides clear guidance relating to the circumstances in which such payments can be made, and the size of the payment, which must be commensurate with the work being rewarded. Such awards can only be approved by the Chief Executive, following corporate consideration, and they are centrally monitored for fairness and consistency.

7. ADDITIONS TO SALARY

- 7.1 The responsibility of Returning Officer attracts an additional payment once every two years on completion of the work, this being the frequency of local elections. The payment is made in accordance with the Hampshire scale of fees and is made to whichever officer undertakes that responsibility.
- 7.2 There are locally agreed supplements applied to the salaries of Section Heads; for instance where a Section Head requires a practising certificate or

professional membership by law in order to fulfil their contractual duties, and where a Section Head is managing the functions across more than one Council; in the latter case, a 15% supplement is applied for managing the function (and staff within it) in one additional council, and 25% where this applies to two or more councils. Supplements are provided for additional duties on top of an existing Section Head role, such as a 15% supplement for the Head of Planning and Regeneration who is also Assistant Chief Executive.

There is also an element of remuneration determined by corporate policy that applies to all employees of the Council (including its Chief Executive, Section Heads (including those who act in the capacity as Assistant Chief Executive) and the lowest paid employees as defined above), regardless of their pay level, status or grading within the Council:

- 7.3 Market Supplement payments may be made if there is a clear business need, supported by effective market data, where a post is difficult to recruit to or to retain key members of staff, in addition to the normal reward package. The supplement payment will be made in strict accordance with the Recruitment and Retention Policy and will be reviewed biennially. The post of Assistant Chief Executive has a Market Supplement payment of £16,795 per annum. The only other additional payments applying to Section Heads or other employees are those recognising work out of normal hours, overtime or stand-by, in accordance with National and Local Conditions of Service.
- 7.4 All officers are entitled to claim an allowance for attendance at evening committee meetings, in accordance with the Council's formal Local Agreement, which depends on the amount of time involved. All officers who are nominated as "Essential" or "Casual" car users can apply for a loan from the Council to purchase a vehicle, the interest rate currently being 2%, in accordance with the formal Local Agreement. Car user designations are reviewed annually to consider whether there is sufficient justification to continue the allowance. All officers of the Council have the option to join the Hampshire County Council pension scheme, which is a contributory scheme with varying rates dependent on salary level.

The following elements of remuneration are determined by corporate policies or arrangements which apply to all permanent employees of the Council, regardless of their pay level, status or grading within the Council:

- 7.5 A Market Supplement payment may be made if there is a clear business need, supported by effective market data, where a post is difficult to recruit to or to retain key members of staff, in addition to the normal reward package. The supplement payment will be made in strict accordance with the Recruitment and Retention Policy and will be reviewed biennially. The full Recruitment and Retention Policy will be provided on request.

The Council does not make any bonus payments.

8. PAYMENTS ON TERMINATION OF EMPLOYMENT

- 8.1 There are no additional payments made on termination of employment, other than in situations of redundancy or early retirement. The provisions relating to such payments are set out in the Council's Statement on Early Retirement and Discretionary Payments, and the Redundancy Policy, which are approved by Policy and Organisation Board. Were there to be any severance packages beyond the threshold of £95,000, they would be subject to approval by the Council.

The provisions relating to flexible retirement, whereby an officer with sufficient service and of the appropriate age can request to take immediate payment of pension but remain in employment on less hours or in a lower graded role, are also included in the Statement referred to. Where any additional payments are required in accordance with pension provisions, these applications are subject to approval by Policy and Organisation Board. The provisions are exercised where appropriate savings can be made whilst still retaining the necessary knowledge and experience.

Early payments of pension on compassionate grounds are considered by Policy and Organisation Board and approved in very exceptional circumstances only.

Early payments of pension on medical grounds are considered in accordance with the requirements of the Pension Regulations, with advice from an independent Occupational Health Physician.

9. RE-EMPLOYMENT OF OFFICERS

- 9.1 Where an officer has been made redundant or taken early retirement, staff will not normally be re-employed after retirement, it can be mutually beneficial for casual work to be undertaken where it is available. This involves work of a casual call-in nature, with no guarantee of work being offered and no obligation to agree to the request, for example to provide cover for an absent employee. The rate of pay would depend on the work being undertaken.
- 9.2 A former employee cannot re-join the organisation following a redundancy, in any capacity including as a contractor, consultant, a permanent or temporary member of staff or a casual worker within 12 months of their termination date. Before agreeing to any such termination, a full search is always made for any possible suitable alternatives to avoid the situation arising, but there are times when redundancies/early retirements cannot be avoided.

The Council will in such cases, as in any recruitment exercise, take the necessary action to ensure that any future appointments are made on merit, selecting the most suitable person for the relevant post. Any necessary adjustments to pension (or payments made) would be made in accordance with the relevant Regulations.

10. PUBLICATION OF INFORMATION

10.1 The Council publishes information relating to senior employees (those earning £58,200 and above as defined by the Government's transparency agenda), number of staff whose remuneration was at least £50,000, the organisation structure and grading structure, vacant posts, the pay multiple, and a range of equality data, on its website.

11. REVIEW

11.1 This statement is reviewed on an annual basis, as required by legislation, and approved by full Council.

Associated Documents

The following documents also relate to pay, grading and retirement provisions:

Grading Structure

Statement on Early Retirement and Discretionary Payments

Organisational Change and Redundancy Policy

Additional and Exceptional Duty Payments Policy

Hampshire Election Fees 2022/23