

## **APPENDIX B**



**Reward Policy**  
**for all Southend Borough Council Employees**  
**(excluding schools)**

January 2016

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## **Appendices**

Appendix B1	Salary Levels 1 – 12
Appendix B2	SMG Grades 1 – 3
Appendix B3	Performance Related Pay for Senior Managers: Terms of the Scheme
Appendix B4	Soulbury Salary Levels
Appendix B5	Soulbury Agreement
Appendix B6	Salary Levels – Youth and Community Workers
Appendix B7	The Performance Related Pay Panel

# Reward Policy

## 1. Introduction

Pay is a key factor affecting relationships at work and helps determine an organisational culture. The level and distribution of pay and benefits can have a considerable effect on the performance of an organisation, and on the engagement and productivity of its workforce.

The Council recognises the importance of pay systems that are appropriate, transparent, provide value for money and reward staff fairly for the work they perform. In addition, through its pay system, the Council ensures that jobs are evaluated effectively and fairly; that all work is aligned to the organisational priorities and that only good performance is rewarded. This is particularly important in an organisation where job roles are complex and diverse and high standards of performance and conduct are expected by service users/customers.

## 2. Principles

In developing and implementing this reward policy, the Council will ensure that the way in which its workforce is rewarded will be:

- Fair
- Equitable
- Consistent
- Transparent
- Flexible

The following factors will also be included:

- The delivery of the organisational priorities
- The reinforcement of the organisational values
- The recruitment and retention of high calibre staff
- The motivation, engagement and development of staff
- The reward of good and excellent performance
- The promotion of staff flexibility – mobility, development, and future organisational needs
- The management of pay costs and ensuring value for money, both in the short and long term

This Reward Policy forms a key part of the Council's People Management Strategy which in turn underpins the Council's Corporate Plan and Strategic objectives. How staff are rewarded for their contribution is directly linked to the delivery of the council's key aims. This is done through an annual appraisal and target setting process which is applied to ALL staff.

- b) Staff on senior management grades 1-3 (Appendix 2)

### **3. Legislation**

The legislation covering pay and reward includes:

- a) Equal Pay Act 1970: The Council will ensure:

- All staff are appointed or assimilated, e.g. after re-grading, restructuring, or promotion at the same level into the pay grades where experience, skills, qualifications and hours of work are comparable, irrespective of gender
- All new starters are given the substantive rate for the job
- The average pay to men and women is equal for like work
- Staff involved in applying and administering pay schemes will be trained in equalities awareness
- Any differences in pay between men and women will be objectively justified
- Access to additional payments and allowances e.g. payments for skills, responsibility allowances will be based on equitable criteria
- All staff will be treated equally irrespective of gender
- Men and women doing like work or in the same grade will receive progression through the appropriate pay scale
- If there are bars to progression between grades/spinal column points, progression will be based on fair and objective criteria that staff are aware of and men and women will pass through them on an equitable basis

- b) Localism Act 2011: Section 38(1) of the Localism Act 2011 requires Local Authorities to produce an annual pay policy statement about chief officers, low paid employees and the relationship between the two. This policy provides the detailed background to that statement.

### **4. Conditions of Service**

- a) Staff on salary levels 1-12 (Appendix 1)

These staff are employed on NJC terms and conditions (Green Book) supplemented by the Council's Collective Agreement 2005 (as amended 2006). This agreement can be found on the intranet – [Amended Local Collective Agreement – Oct 06](#). These staff are employed on JNC terms and conditions for chief officers except for pay which is determined by a local performance related pay scheme (Appendix 3).

- c) Staff on Soulbury salary levels (Appendix 4)

These staff are employed on NJC terms and conditions (Green Book) except for pay which is determined in accordance with the recommendations of the Soulbury Committee as detailed in Southend Council's Soulbury Agreement (Appendix 5).

- d) Staff on Youth and Community Workers Salary levels (Appendix 6)

These staff are employed on JNC terms and conditions for youth and community workers.

- e) Teachers

Where teachers are employed directly by the Council, these staff are paid in accordance with the Teachers Pay3 and Conditions document 2014.

## **5. Delegated Authority**

The Constitution of the Council Part 3, Schedule 3, details the delegations in respect of pay and grading. In summary:

- a) For posts below chief officer level – salary grades will be determined by the relevant chief officer in consultation with the Head of People & Policy who will be responsible for ensuring that the relevant Job Evaluation scheme and processes have been applied. Actual salary within the evaluated grade will be determined by the relevant chief officer in accordance with this policy, the relevant terms and conditions of employment and any local agreements that are operating at that time. Advice will be sought from HR Services before any final decision on actual salary is made.
- b) For posts at chief officer level – salary grades will be determined in accordance with the relevant Job Evaluation scheme and agreed by Full Council.

Actual salary (including any pay awards) will be determined by the Council's Performance Related Pay Panel (Appendix 7). This panel will also review the salary ranges on an annual basis to ensure that these are competitive within the market (see paragraph 32 of the PRP scheme for Senior Managers – Appendix 3).

## **6. Confidentiality**

The application of this Reward Policy will be undertaken in an open and transparent way but the salary details of individual members of staff shall remain confidential as appropriate in accordance with relevant legislation.

## **7. Process for Grading Posts**

- a) The Council has adopted the NJC and the Hay Job Evaluation schemes. All posts with the Authority, with the exception of Teachers, Youth Workers, Soulbury and transferring Public Health staff have been reviewed under the appropriate scheme and graded accordingly.
- b) All new posts and any posts whose duties and level of responsibility change significantly on a permanent basis will be reviewed under these schemes. Details of the [job evaluation](#) process are available on the Intranet.
- c) HR Services are responsible for administering the job evaluation process within the Authority.

## **8. Pay Structure and Progression**

The pay structure and progression arrangements for the relevant staff group is as follows:

- a) Staff on salary levels 1-12 (Appendix 1)
  - (i) Increments will be paid on 1 April each year until the maximum of the level is reached subject to the following:

Increments may be accelerated within an officer's scale at the discretion of the authority on the grounds of special merit or ability, subject to the maximum of the level not being exceeded in accordance with Chief Officer delegation.

It is anticipated that this will only occur in exceptional circumstances, after careful consideration of equal pay requirements and consultation with the HR Business Partner.

- (ii) An increment may be withheld due to poor performance but will only apply where correct capability procedures have been followed. Any increment withheld may be paid subsequently if the officer's performance improves.
- (iii) Employees with less than six month's service in the grade by 1 April shall be granted their first increment six months from the actual date of their appointment, promotion or re-grading. All future increments will then be paid on 1 April.

N.B. Any action under (i) or (ii) shall not interrupt the payment of subsequent increments on 1 April.

b) Staff on Senior Management grades 1-3 (Appendix 2)

Any progression within these salary ranges will be based SOLELY ON performance in accordance with the terms of the Council's Performance Related Pay scheme for senior managers (Appendix 3).

- c) Staff on Soulbury salary levels (Appendix 4).
- d) Staff on Youth and Community Worker Salary levels (Appendix 6) Increments will be paid as per paragraph 8(a).
- e) Teachers

Progression will be in accordance with the School Teachers Pay & Conditions document 2013.

## 9. Pay Protection

The Council has developed a pay protection policy for those staff whose posts are downgraded as a consequence of implementing structural change or job evaluation where this results in a salary reduction.

This policy can be found on the Intranet.

## 10. Pay Awards

Staff on all terms and conditions other than chief officers will receive an annual cost of living pay award where this is negotiated nationally by the relevant negotiating committee. For staff on chief officer terms and conditions there is no pay award other than that which may be determined by the Council's Performance Related Pay Panel and which is based SOLELY ON performance.

**N.B.** Payments under this scheme have been suspended since 2010 until 2016 at the earliest. In the interim the Performance Related Pay Panel resolved to award any annual cost of living pay rise that may be agreed for all other Council staff as negotiated by the national employers and trades unions. This approach was agreed by Cabinet and Council.

## **11. Salary at Recruitment**

New members of staff will start at a salary point within the job evaluated range for the post having regard to the knowledge, skills and competencies of the individual as well as their current and previous salary levels. Consideration must also be given to the salary levels of any existing members of staff in the same job group and the impact this may have on them.

All requests to appoint above the minimum of the level must be agreed by the relevant Head of Service and HR Business Partner before any salary offer is made to the candidate.

In the case of chief officers, all requests to appoint above the minimum of the level must be agreed by the relevant Appointments Committee of the Council. Where a salary of > £100,000 is being proposed this must be agreed by the full Council.

## **12. Pay on Promotion or Transfer**

### **a. Move to a new post at the same level**

Where a member of staff moves to a new permanent post at the same level, they will normally be appointed on the same salary point and retain the incremental date (where this is relevant) from their original post.

### **b. Pay on promotion**

Where a member of staff receives a promotion they will normally be appointed on the minimum point for the new level unless their qualifications or relevant experience qualify them for additional points.

All requests to appoint above the minimum level must be agreed by the relevant Head of Service and HR Business Partner before a salary offer is made to the candidate.

In the case of chief officers, all requests to appoint above the minimum of the level must be agreed by the relevant Appointments Committee of the Council.

### **c. Move to a new post when the member of staff is at the top of their current level**

Where a member of staff is at the top of their level and is appointed to a post at the next level which starts at the same salary point:

(i) where the appointment is due to re-evaluation or “slotting-in”, there will be no movement and the member of staff will be appointed on the same salary point if it already exists.

(ii) where the appointment is due to promotion or “ring-fencing” and the member of staff has gone through a selection process (i.e. interview) then an additional increment will be given.

### **d. Move to a new post at a lower level**

Where a member of staff moves to a new post at a lower level as part of a restructuring process, then the Council’s Pay Protection Policy will apply. Pay Protection will not apply however where such a move is voluntary.

### **13. Allowances: Overtime, Bank Holiday Working, Night Work, Standby etc**

Staff on all terms and conditions **other than Chief Officers** may be paid allowances, where appropriate, in accordance with Appendix 3 of the Council's Collective Agreement.

Chief Officers are not eligible for such allowances but are expected to undertake duties outside their contractual hours and working patterns as is commensurate with their salary level without additional payment.

### **14. Additional Payments**

Staff on all terms and conditions **other than Chief Officers** may be eligible for additional payments in accordance with the Additional Payments scheme (see Appendix 4 of the Council's Collective Agreement).

Chief officers will not normally be eligible for additional payments other than:

- a. Market Supplements – where market fluctuations and demands are such that an additional payment is necessary in order to recruit or retain high calibre staff with the appropriate skills, knowledge and experience.
- b. Additional payment for Monitoring Officer, Section 151 Officer and Director of People – these 3 roles attract a supplement over and above the evaluated grade in respect of the additional statutory functions undertaken by the postholders on behalf of the Authority. This supplement is paid separately to basic salary and is not subject to any PRP awards. It is reviewed periodically.

### **15. Other payments**

#### Returning Officer

The Chief Executive undertakes the role of Returning Officer in respect of local, national and European elections.

The Returning Officer is an officer of the Borough Council who is appointed under the Representation of the People Act 1983. Whilst appointed by the Borough Council, the role of the Returning Officer is one which involves and incurs personal responsibility and accountability and is statutorily separate from his/her duties as an employee of the Borough Council. As Returning Officer, he/she is paid a separate allowance for each election for which he/she is responsible.

Other Council staff may undertake duties on behalf of the Returning Officer, e.g. polling clerks, count supervisors, etc. They will receive separate payments for these duties based on their role in any election process.

## **16. Payments on Termination of Employment**

Staff on all terms and conditions will receive payment on termination of their employment (other than in cases of dismissal for misconduct) in accordance with the following Council policies:

- a. Pensions Policy
- b. Severance Policy for Redundancy and Early Retirement

In the unlikely event of a severance payment exceeding £100,000 this will require the approval of full Council. In addition, any severance payments will be subject to the Public Sector Exit Payment Regulations 2016.

Staff who have left the Authority on grounds of redundancy or early retirement will not normally be re-employed by the Council in the same capacity unless there is an exceptional business reason to do so. This will be determined by the Chief Executive and Director (in the case of all staff below Chief Officer level) and by the PRP Panel (in the case of Chief Officers). These staff earning in excess of £80,000 p.a. will be subject to the Public Sector Exit Payment Recovery Regulations 2016.

### **Scope**

- This policy applies to all employees of Southend-on-Sea Borough Council (excluding schools)

### **Delegation**

- See paragraph 5 of this policy

### **Amendments**

- June 2003 - new policy
- January 2006 - Amendment
- January 2007 - Amendment
- January 2009 - Amendment
- April 2010 - Clarification
- September 2010 – Amendment
- January 2012 – Revised policy to incorporate requirements of the Localism Act 2011 and other legislative changes
- January 2013 – Updated to reflect annual review
- January 2014 – Updated to reflect annual review
- January 2015 – Updated to reflect annual review
- January 2016 – Updated to reflect annual review