

## **Appendix A**

### **Boston Borough Council**

#### **Pay Policy Statement 2022**

This statement will be approved by the Council each year annually by the end of March. Any changes to this statement should be approved by Council.

#### **Overview**

Each local authority has the autonomy to take its own decisions on pay and pay policies. The 2021/22 statement reflects current practice and existing policies at Boston Borough Council.

#### **Legislation**

Section 38 of the Localism Act 2011 requires local authorities to produce and publish a Pay Policy Statement for each financial year.

#### **Policy Statement**

We are committed to providing quality public services that provide value for money for our residents. In order to do this we must employ high quality staff and reward them appropriately and fairly. In today's challenging economic climate we must also ensure that we control our employment costs.

#### **Remuneration of Senior Officers**

The Chief Officer Employment Panel makes recommendations to Full Council with regards to the appointment of the Head of Paid Service, Monitoring Officer and Section 151 Officer, statutory posts currently held by the Chief Executive, Assistant Director – Governance and Deputy Chief Executive – Corporate Development respectively. No offer of appointment can be made until the proposed appointment has been approved by the Full Council and until notice of the proposed appointment has been given by the Proper Officer to the Cabinet Members and the Leader has not reported any material well-founded objections within the time given for response.

Full Council should be offered the opportunity to vote before large salary packages are offered in respect of a new appointment. The Secretary of State considers that £100,000 is the right level for that threshold to be set. For this purpose, salary packages should include salary, any bonuses, fees or allowances routinely payable to the appointee and any benefits in kind to which the officer is entitled as a result of their employment.

Information on the remuneration of senior officers can be found in the annual statement of accounts and under the Transparency Agenda on the Council's website.

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##### **Chief Executive Remuneration**

The nationally agreed terms and conditions of Chief Executive/Head of Paid Service are generally determined by the Joint Negotiating Committee (JNC) for Chief Executives with variation at a local level.

The Council have adopted a set of local terms and conditions for the workforce which are supplemented by those set out for Chief Executive's under the Joint Negotiating Committee for Local Authority Chief Executive's National Salary framework & Conditions of Service Handbook.

In 2021 As part of the formation of the SELCP, the Chief Executive pay grading was reviewed, in light of the additional responsibilities incurred by undertaking the duties of Chief Executive across three Local Authorities. The review took into consideration comparable data on Chief Executive salaries at comparative Local Government Employers.

The salary range for the Chief Executive is £116,377 to £143,054. An increase of 1.5% for Chief Executives and was agreed by the JNC and applied from 1 April 2021.

The actual salary paid to the Chief Executive is published annually in the Statement of Accounts. Salary increases are subject to a pay review every two years.

The level of remuneration set for the post of Chief Executive encompasses consideration of a number of elements including the size of the organisation and the population to which services are delivered and a number of other factors including market conditions.

There are currently no provisions for bonus or performance related pay outside of the policies set out above.

Under Section 113 of the Local Government Act 1974 The post of Chief Executive, employed by East Linsey District Council is placed at the disposal of South Holland District Council and Boston Borough Council to undertake the Statutory, strategic and operational duties designated by their role. The proportion of time undertaking duties for each individual Council in the SELCP is;

SHDC – 31%

ELDC – 46%

BBC – 23%

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##### **Chief Officer Remuneration (including deputies)**

Any cost of living increases are normally given after notification from the Joint Negotiating Committee (JNC) for Chief Officers once agreed at a national level.

The Council have adopted a set of local terms and conditions for the whole workforce which are supplemented by those set out for Chief Officers under the Joint Negotiating Committee for Local Authority Chief Officers National Salary framework & Conditions of Service Handbook.

There are currently no provisions for bonus or performance related pay. Additional pay will only be paid in exceptional circumstances where significant additional work has to be undertaken outside of the course of normal duties.

The Chief Officers are identified as the Chief Executive, Deputy Chief Executives and for the purposes of this Policy Assistant Directors.

The salary range for the appointed Chief Officers is £75,884 to £143,053. An increase of 1.5% for Chief Officers and was agreed by the JNC and applied from 1 April 2021. The pay increase was applicable to Deputy Chief Executives.

The actual salaries paid to Chief Officers are published annually in the Statement of Accounts under the transparency agenda. Salary increases are subject to a pay review every two years

Under Section 113 of the Local Government Act 1974 all Chief Officers employed by Boston Borough Council are placed at the disposal of South Holland District Council and East Lindsey Council to undertake the Statutory, strategic and operational duties designated by their role. The proportion of time undertaking duties for each individual Council in the SELCP is;

SHDC – 31%

ELDC – 46%

BBC – 23%

##### **Joint Authority Duties**

Under Section 113 of the Local Government Act 1974, where a senior officer takes up a post shared with one or more authorities the salary costs (including on-costs) are to be shared with each authority.

The share will depend on each circumstance.

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**Chief Officer Benefits**

The value of allowances, car loans and private medical insurance are categorised as 'Benefits in Kind' and are subject to tax and National Insurance via the payroll.

The value of private medical insurance available to Chief Officers across the SELCP at the time of this policy ranges from £261.96 per annum to £571.20 per annum and the cost is dependent on the individual's personal circumstances. The level of health care provision is consistent across all roles.

The Council operates a Pool Car scheme which is accessible to all employed Chief Officers.

**Returning Officer Fees**

The fees and charges for European, UK Parliamentary and County Council elections are set by external bodies at each relevant election however, there are no express statutory provisions governing fees payable to Returning Officers for local government elections.

Historically, the setting of fees for the administration of District and Parish elections have therefore been the responsibility of the Democratic Services Manager based on the Lincolnshire county wide scale of fees and reviewed on an annual basis.

The Returning Officer's fees are regarded as a special responsibility payment in relation to the independent duties carried out. They are personal to the Returning Officer, and in addition to salary, for performing the duties which a Returning Officer is required to perform.

This Council's Returning Officer is the Deputy Chief Executive – Growth.

The Returning Officer fees are as follows:

- **County & District** – per contested division/ward - £200 per division/ward plus £15 per 1000 electors or part thereof per division/ward
- **County & District** – per uncontested division/ward - £66 per division/ward
- **Parish** – per contested parish/parish ward - £53 per parish/parish ward plus £18 per 500 electors or part thereof per parish/parish ward
- **Parish** – per uncontested parish/parish ward - £21.50 per parish / parish ward
- **Parish** – where DRO full powers appointed - £11 (per contested parish/parish ward) £5.50 (per uncontested parish/parish ward)

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#### **Employment of officers in receipt of a local government pension scheme payment and/or redundancy/severance pay from this or another authority**

Any appointment to a post at Boston Borough Council is made upon merit and is subject to the normal pre-employment checks undertaken for all prospective employees.

Provisions relating to redundancy pay in the Redundancy Payments (Continuity of Employment in Local Government, etc.) (Modification) Order 1999 still applies.

#### **Contract for Services**

All of the facts will be taken into account where a former employee is put forward or puts themselves forward for a contract for services. Where work is sought under a contract for service from officers in receipt of severance pay from this authority each situation will be judged upon merit however such a contract would only be offered in exceptional circumstances.

Other posts may be filled under a contract for services where a business case exists for doing so. Due regard should be paid to the requirements of Her Majesty's Revenues & Customs and IR35 regulations and the particular requirements on public sector employers when making any such arrangements. Any appointment will be dealt with on a case by case basis. The 'recovery regulations' will need to be considered in any such decision – see the section on 'Recovery Regulations' for more information.

#### **Job evaluation and pay bands**

Employees, covered by the National Joint Council (NJC) for Local Government Services, as set out in the 'Green Book' have their basic pay grade determined by a job evaluation scheme (using the Gauge system) which ensures that different jobs having the same value are paid at the same rate/within the same pay band.

The "job score" determines the pay band for the post within which there is provision for progression by way of annual increments, until the top of the pay scale is reached.

Boston Borough Council has defined an updated pay scale structure for Chief Officers.

#### **Workforce Remuneration**

We have adopted a set of local terms and conditions for the workforce which are supplemented by those set out under the 'Green Book' (National Agreement on Pay & Conditions of Service – National Joint Council for Local

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Government Services). Local terms will override terms in the Green Book as set out in Boston Borough Council Terms & Conditions of Service 2014.

Any benefits associated with the post are set out in the Boston Borough Council Terms and Conditions of Service 1st April 2014.

We have a pay and grading structure which consists of a single pay scale with broad-banded grades ranging from Grade 1 to Grade 8.. All posts below Chief Officers have and continue to be evaluated using the Local Government Single Status Job Evaluation Scheme (LGJES). Individual jobs are allocated a number of points following evaluation and allocated a grade according to the number of points.

Starting salaries are normally at probationary point of the relevant pay grade unless market or other relevant factors such as skills and experience exist to create a business case to pay at a higher point within the grade. Any such business case should be recorded in writing and retained.

Upper band points are available where an agreed criterion is met related to market forces and recruitment/retention matters. The relevant policies should be complied with before any upper band payments can be made.

Any cost of living increases are normally given after notification from the National Joint Council for Local Government Services once agreed at a national level.

#### **Lowest Pay**

The Council opted to pay the equivalent of the Voluntary Living Wage, as determined by the Living Wage Foundation (LWF), with effect from 1<sup>st</sup> April 2021 and have applied enhancements at the lower end of payscale to ensure that the lowest paid employees receive at least the Living Wage Foundation rate.

The LWF rate of £9.50 was announced in November 2020 and was implemented in line with organisational incremental increases on 1 April 2021.

In November 2021 the new LWF rate of £9.90 was announced. Subject to Council approval, this increase will be applied to all BBC employees by an enhancement, where the National Joint Council Spinal Column Point rate is below the new LWF rate of pay.

The Council does not set a formula for the relationship between the lowest and highest paid employees. Rather it monitors the levels of pay to ensure value for money, fair pay and market conditions.

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##### **Apprenticeships**

The Apprentice rate at the Council is £4.30 per hour for the first 12 months. Beyond 12 months the rate for an apprentice is the National Minimum Wage for their age group.

##### **Pay multiples**

The Chief Executives pay remains at approximately 5.22 times the median average full time equivalent pay at the Council (as at January 2022).

The Council does not have a policy to reach a specific pay multiple across the workforce.

The use of a single pay spine and an analytical job evaluation scheme provides pay transparency across the workforce and set levels of remuneration.

##### **Gender Pay Gap**

From 31 March 2018 the Council were required to publish their annual gender pay gap figures.

Full details of the published gender pay gap figures are available in the Council's Gender Pay Gap Report. The March 2021 Gender Pay Gap is due to be submitted to the Government's website and published on the Council's website by 31<sup>st</sup> March 2022.

##### **Honorarium/Acting Up**

Where temporary additional duties/responsibilities are given to an existing employee, consideration of payment of an honorarium is usually undertaken.

The amount payable is authorised by the relevant Head of Service following an assessment of the exact duties/responsibilities and may be a percentage of the difference between the salary of the employee and the post that they are covering if only part of the duties are being undertaken or a full increase to a higher salary if all duties are being undertaken.

Honoraria are only to be used on a temporary basis and must be reviewed regularly to ensure appropriateness.

##### **Special responsibility payments**

Additional payments may be made in addition to basic salary for additional job duties which may not always form part of the core job role. Where these do form part of the core duties of the role they will be included and evaluated

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under the relevant Job Evaluation Scheme where available rather than a continued supplement being payable.

Any such payments are based upon an assessment of responsibility, market factors and/or a % of time spent on any such duties and are temporary being reviewed at least annually, if not more frequently.

#### **Pay flexibility**

Where necessary the use of 'market supplements' is used to deal with any recruitment or retention difficulties. Such payments may be ongoing or a 'one-off'.

The use of such practices only applies where a business case has been prepared and signed off by the relevant director in conjunction with finance approval.

Any ongoing supplements should be reviewed regularly and at least every 3 years, to ensure there is still a business case to continue payment. Employment contracts should be explicit in this regard.

#### **Early termination of employment**

See the Redundancy & Reorganisation Policy and the Pensions & Retirement Policy for more information. Severance payments may be made where the decision is in the best interests of the Council. Where these are outside of the budgetary framework the appropriate approval must be sought.

Currently any severance packages of over £100,000 (including pay in lieu of notice, redundancy pay, pension entitlements, holiday pay, fees or allowances paid) should be approved by Full Council and reported in this detail.

#### **Ex gratia payments**

Ex gratia payments may be made in exceptional cases and could be made in respect of business continuity or out of pocket costs to employees the normal Council procedures relating to budgets are followed in any such cases and approval made by the relevant CMT member.

#### **Payments of arrears in respect of Job Evaluation or other re-grading**

In line with the Council's Job Evaluation Scheme where a person is appointed to a new position or substantive and permanent post an evaluation should be undertaken after six months service within the role.

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This is to allow the appropriate grade for the post to be established in a timely manner. Where an evaluation results in a grade increase the value of the arrears will be limited to a period not exceeding 3 years.

#### **Pension provision**

All employees are eligible to join the Local Government Pension Scheme. The Scheme requires contributions from employees based upon their earnings and from 1<sup>st</sup> April 2014 is a career average scheme.

The employee pension contributions paid is between 5.5% and 12.5% depending on their salary. The more an employee earns the higher their pension contribution rate.

The employer contributes a percentage of pay to the pension fund. The Council's current contribution rate is 17.7%.

Anna Waddell  
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13 February 2022