



Pay Policy Statement 2018/19

Scope

This pay policy statement covers the posts of the chief executive, strategic directors and all heads of service.

The Council is an accredited Living Wage Employer and this statement incorporates the Council's policy on the Real Living Wage.

The Council has a number of apprenticeship opportunities and there is a statement relating to apprenticeships.

The Council's current pay scale, as of 1 April 2017, is shown as Appendix 2.

Salary

The current salary scales for the chief executive, strategic directors and heads of service, following a nationally agreed pay award for 2017, are shown below.

Progression through the pay band (a four point scale) is subject to a range of criteria that are currently assessed via the annual performance review.

Chief Executive	£110,822	115,529	120,228	124,965
Strategic Director	£85,488	88,865	92,236	95,613
Head of Service (JNC 1)	£66,362	68,622	70,848	73,109

Review of Salary levels

The Council has an agreement that senior officer pay scales will be reviewed every three years in line with current median level pay.

The pay scales were reviewed in 2015; the outcome of the review was a recommendation of no change at a locally negotiated level to the pay ranges for the posts of Chief Executive, Director and Heads of Service on JNC 1 and JNC 2 grades.

As part of this review, new grade of Band 10 was introduced in 2016.

Following a further review of the JNC2 grade in 2017 this was re-designated Band 11 and new posts within Band 11 are now on the same terms and conditions of employment as posts within the range Band 1 to Band 10, with the exception of the incremental performance and job evaluation, which will be as for other senior management roles.

The next review of senior officer salaries is due in 2018.

Pay Awards

Pay awards are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Executives and the Joint Negotiating Committee (JNC) for Chief Officers.

The current position on national pay awards is outlined in the covering report to Civic Affairs (14 February 2018).

Cambridge Weighting

The Council is being asked to consider a report including the proposal to implement a Cambridge Weighting to be paid to employees and agency workers earning less than £10 per hour. For employees the weighting will be paid in addition to salary and the Real Living Wage supplement, to bring the hourly rate to an equivalent of £10 per hour. For agency workers the weighting will apply in addition to current hourly rates and the Real Living Wage arrangements. The weighting will be variable, depending upon the current hourly rate and the Real Living Wage supplement payable at that time.

If the proposal is approved by Full Council in February 2018 the Pay Policy Statement 2018/19 will be updated to include this.

Terms and Conditions of Employment

The terms and conditions of employment for the chief executive, strategic directors and heads of service within the scope of this pay policy statement are determined in accordance with collective agreements, negotiated from time to time, by the JNC for Chief Executives and the JNC for Chief Officers, as set out in the Scheme of Conditions of Service. These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

Remuneration on Recruitment

Recruitment to the posts of chief executive and strategic director is undertaken by a committee of councillors appointed by Council, but in the case of the chief executive, the appointment is made by Full Council, following a recommendation from the Employment (Senior Officer) Committee. The salary on recruitment will be within the current salary range for these posts at that time.

Recruitment to posts of head of service is undertaken by the chief executive or a strategic director and is subject to notification to Executive Councillors before a job offer can be

made. The salary on recruitment will be within the current salary range for these posts at that time.

There are occasions when the salary determined by the grading for a post results in an inability to successfully recruit to or retain staff in particular posts or specific occupational areas, due to fluctuations in the labour market supply. These recruitment and retention problems can affect ability to deliver services. In such cases it may be appropriate to pay a market supplement in addition to the salary where there is evidence to justify that market factors are the “material reason” for the post attracting a higher rate of pay than other posts graded similarly. Any additional market supplement will be made in accordance with the Market Pay Policy.

Rules governing the recruitment of the chief executive, strategic directors and heads of service are set out in the councils constitution in section; Part 41, Officer Employment Procedure Rules

Bonuses

There are no bonus arrangements payable to the chief executive, strategic directors or heads of service.

Performance Related Pay

Performance and progression through the pay band is assessed annually in line with the Council's performance review schemes. For the chief executive and strategic directors, performance is assessed by a panel of councillors, the Chief Officer Performance Review Working Party. For heads of service, performance is assessed by their strategic director.

There is no performance related pay scheme outside of the performance review scheme, which determines the salary point of an officer, within the salary scale set out above.

Salaries over £100,000

The post of chief executive is the sole post which carries a salary range of over £100,000.

Publication of salary data

Salary data for the chief executive, strategic directors and heads of service is published on the council's website, in the Open Data, Transparency in local government, senior salaries or Senior Council Officers sections.

For the chief executive this includes name, job description, actual salary, expenses and any election fees paid. For the strategic directors this includes names, outlines of the services reporting to the strategic director and salary by post title. For heads of service this includes outlines of services and salary by post title.

This pay policy statement once approved by Full Council will be published on the Councils website.

Expenses

The expenses which may be payable to the chief executive, a strategic director or head of service include:

- car/bicycle/motorcycle allowances at HMRC rates
- re-imbursement of travel and subsistence
- one professional subscription per annum
- payments under the eye sight tests scheme
- relocation assistance in accordance with the Relocation Scheme

Severance Payments

Severance payments are made in accordance with the council's employment policies and are the same for all staff.

Employees with more than two years' service will be entitled to redundancy pay in line with local government guidelines and statutory provisions. Redundant employees may receive the following elements in their final pay:

- Normal pay up to the agreed leaving date
- Where applicable, payment in lieu of outstanding notice
- Severance payment (where entitled).

Under the council's redundancy scheme a weeks pay will be calculated on the basis of actual contractual pay. Additional benefits are not included. Cambridge City Council will not apply the statutory weeks pay definition.

Employees in the pension scheme and who are over age 55 are entitled to immediate onset of pension benefits based on actual reckonable service if:

- They are over 55 at the termination date
- They meet the two years vesting period in the Local Government Pension Scheme (LGPS)

Once an employee is in receipt of early payment of pension benefits, if their total pay and pension benefits together (if reemployed by another employer covered by the Local Government Modification order) exceeds their salary as at the leaving date, the difference may be claimed back from pension payments.

An employee will lose their entitlement to redundancy pay if they take up a post with another body covered by the Redundancy Payments (Local Government) (Modification) (Amendment) Orders within 4 weeks of the date of the redundancy and the offer of the new job has been made before the end of the original contract.

The chief executive, monitoring officer and chief finance officer can only be dismissed by the full council. All other directors and heads of service can only be dismissed in accordance with the Councils constitution, Part 41, Officer Employment Procedure Rules.

Any proposals with a salary or severance package with a total value over £100k will be reported by the Employment (Senior Officer) Committee to Full Council for decision.

Pension and Pension Enhancements

The employees within the scope of this pay policy are entitled to and receive pension contributions from the Local Government Pension Scheme (LGPS). This is a contributory scheme and they currently contribute between 9.9% and 11.4% of their pensionable pay to the scheme.

The employer contribution rate is currently 17.4% i.e. the council contributes 17.4% of pensionable pay to the pension of a member of staff within the pension scheme. The rate of 17.4% is the same for all staff. The rate is reviewed every 3 years following a valuation of the fund by the appointed actuaries. The next review will be in 2019, with the outcome effective for 2020/21.

The Council's discretions on enhancement of pension are set out in the Pensions Discretion Statement 2014. This policy was approved by the Civic Affairs Committee on the 25 June 2014. The policy was reviewed in line with the requirement that Council officers review the statement every 3 years and / or in line with changes to the Local Government Pension Scheme (LGPS) as advised by the Local Government Pensions Committee (LGPC) and the Administering Authority (Cambridgeshire County Council), and any recommended changes will go before Civic Affairs for approval.

To allow for the implications of potential changes to the LGPS in 2018 to be assessed and recommendations considered, the next review will be in 2018.

Pay Ratios

Relationship to lowest paid and Chief Executive and median average of employees

The lowest paid staff within the Council's pay structure are on Band 1. For this reason we have chosen staff employed on Band 1 as our definition of the 'lowest paid' for the purposes of this policy. Band 1 currently ranges from £15,375 to £16,781 per annum.

The terms and conditions of employment for Band 1 staff are in accordance with collective agreements, negotiated from time to time, by the National Joint Council for Local Government Services, as set out in the Scheme of Conditions of Service (commonly known as the Green Book). These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

Pay policies which apply to Band 1 employees include:

- car/bicycle/motorcycle mileage at HMRC rates
- re-imbusement for travel and subsistence
- overtime/enhanced rates
- standby and callout arrangements
- one professional subscription per annum
- payments under the eye sight tests scheme

- Travel scheme (where applicable)

The highest paid officer of the council is the chief executive, with a current salary of £124,965. The chief executive's current salary scale runs from £110,822 to £124,965.

The ratio between the current highest and lowest pay points is: - 1:8.1

The ratio of the chief executive's current salary and current the lowest pay point is -1:8:1

The current median average salary of all Cambridge City Council staff is - £28,203.

The ratio of the chief executive's current salary to the current median average salary is - 1:4.4

The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff.

Living Wage

The Council has adopted a Living Wage policy for staff, agency workers and contractors engaged through the Council's Procurement processes.

The Council will pay the Real Living Wage rate for Cambridge City Council staff, by way of a supplement to pay rates.

The Council will pay the minimum of the Real Living Wage rate to agency workers after 4 weeks of their engagement with the City Council.

The Council will require contractors engaged through the Council's procurement processes to deliver services on Council premises to pay their employees/sub-contractor employees who work on the premises for 2 or more hours on any day in a week for 8 or more consecutive weeks in a year at least the Real Living Wage rate. The only contracts that will be excluded from the requirement to pay the Living Wage are:

- contracts where it would be unlawful to require the payment of the Real Living Wage
- Contracts where, following evaluation, it is considered inappropriate to impose the requirement.

The Real Living Wage is £8.75 per hour (£16,880 per annum).

Pay Ratios and the Living Wage

The pay ratios based on the Real Living Wage of £8.75 are as follows:

The ratio between the highest pay point and the living wage is – 1:7.4

The ratio of the chief executive's current salary and the living wage is - 1:7.4

The median average salary of all Cambridge City Council staff (including the living wage supplement) is £28,203

The ratio of the chief executive's current salary to the median average salary, including the living wage supplement is -1:4.4

Apprentices

The Council has engaged a number of apprentices. The apprentice roles have been created by services as development opportunities, to support the apprenticeship programme. These roles do not replace existing posts and are outside of the Living Wage policy.

The national minimum apprenticeship wage is currently £3.50. Employers must pay a minimum of £3.50 for apprentices aged 16-18 in their first year of their apprenticeship, or if aged 19 and over in the first year of their apprenticeship.

As a council we pay apprentices in line with the National Living Wage/Minimum Wage Rates. For apprentices aged 16-17 this is £4.05; apprentices aged 18-20, £5.60; apprentices aged 21-24, £7.05 and for apprentices aged 25 and over, £7.50

Pay Ratios and Apprenticeships

The pay ratios based on the lowest pay rate for an apprentice at Cambridge City Council is currently £5.60 (for the first year) are as follows:

The ratio between the highest pay point and the apprenticeship rate is - 1:11.6

The ratio of the chief executive's current salary and the apprentice rate is - 1:11.6

The median average salary of all Cambridge City Council staff, including apprentices is £28,203.

The ratio of the chief executive's current salary to the median average salary, including apprentices is -1:4.4

Election Fees

The Returning Officer is the person who has the overall responsibility for the conduct of elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council the role of the Returning Officer is one of a personal nature and distinct and separate from their duties as an employee of the Council. Elections fees are paid for these additional duties and they are paid separately to salary.

The Chief Executive is the council's Returning Officer.

The fees for Parliamentary, Police & Crime Commissioner, Euro Elections and national referenda are set by the Government. The fees for County Council elections are set by the

County Council. The fees for the Combined Authority Mayoral election are set by the combined authority. The fees for Parliamentary and European Elections are pensionable.

Fees for district elections are set locally and current fees were agreed by the Civic Affairs Committee in April 2010 as £373 per contested ward and £55 per uncontested ward. Fees for district elections are pensionable.

Other officers, including senior officers within the scope of this policy, may receive additional payment for specific election duties.”

Tax Avoidance and IR35

The Council takes tax avoidance seriously and will seek to appoint individuals to vacant positions using the recruitment procedures on the basis of contracts of employment and apply direct tax and National Insurance deductions from pay through the operation of PAYE.

Where consultants are recruited the Council will seek to avoid contractual arrangements which could be perceived as being primarily designed to reduce significantly the rate of tax paid by that person, such as paying the individual through a company effectively, controlled by him or her.

These principles will be embedded in contract clauses and guidance for managers when employing consultants.

In addition workers employed directly by the Council will be assessed to establish whether they fall within scope of the IR35 legislation using the HMRC employment status tool. Workers that fall within scope will have Income Tax and National Insurance contributions deducted and paid over to HMRC.

The Council will continue to advise employment agencies for each role, whether the role has been assessed to be within scope of IR35, or not.

Re-engagement of ex City Council staff within the scope of this policy

All permanent or fixed term posts are advertised in accordance with the council's recruitment policies and appointment is made on merit.

Interim management appointments are made in accordance with the council's procurement policies and the provisions for contract for services.

The council will not engage an ex city council member of staff within the scope of this policy outside of these arrangements.

January 2018

Appendix 2

Cambridge City Paybands
01/04/2017

SCP	£	Band	Hour Rate £	
9	£15,375	Band 1	£7.97	
10	£15,613		£8.09	
11	£15,807		£8.19	
12	£16,123		£8.36	
13	£16,491		£8.55	
14	£16,781		£8.70	
15	£17,072		£8.85	
16	£17,419	Band 2	£9.03	
17	£17,772		£9.21	
18	£18,070		£9.37	
19	£18,746		£9.72	
20	£19,430		£10.07	
21	£20,138		£10.44	
21	£20,138		£10.44	
22	£20,661	Band 3	£10.71	
23	£21,268		£11.02	
24	£21,962		£11.38	
25	£22,658		£11.74	
26	£23,398		£12.13	
26	£23,398		£12.13	
27	£24,174		Band 4	£12.53
28	£24,964	£12.94		
29	£25,951	£13.45		
30	£26,822	£13.90		
31	£27,668	£14.34		
32	£28,485	£14.76		
33	£29,323	Band 5		£15.20
34	£30,153		£15.63	
35	£30,785		£15.96	
36	£31,601		£16.38	
37	£32,486		£16.84	
37	£32,486		£16.84	
38	£33,437		Band 6	£17.33
39	£34,538	£17.90		
40	£35,444	£18.37		
41	£36,379	£18.86		
42	£37,306	£19.34		
43	£38,237	£19.82		
44	£39,177	Band 7		£20.31
45	£40,057		£20.76	
46	£41,025		£21.26	
47	£41,967		£21.75	
47	£41,967		£21.75	
48	£42,899		£22.24	
49	£43,821		Band 8	£22.71
50	£44,751	£23.20		
51	£45,737	£23.71		
52	£46,743	£24.23		
53	£47,773	£24.76		
54	£48,826	£25.31		
55	£51,005	Band 10		£26.44
56	£52,535		£27.23	
57	£54,065		£28.02	
58	£55,595		£28.82	
101	£57,352		Band 11	£29.73
102	£59,613			£30.90
103	£61,875			£32.07
104	£64,100	£33.22		
105	£66,362	£34.40		
106	£68,622	£35.57		
107	£70,848	JNC 1		£36.72
108	£73,109		£37.89	
109	£85,488		£44.31	
110	£88,865		DIRECTOR	£46.06
111	£92,236			£47.81
112	£95,613			£49.56
113	£110,822			£57.44
114	£115,529	CEX		£59.88
115	£120,228			£62.32
116	£124,965			£64.77

LGPS Pension Bands 1/4/2017

Band	Pensionable Pay	Rate
1	Up to £13,700	5.50%
2	£13,701 - £21,400	5.80%
3	£21,401 - £34,700	6.50%
4	£34,701 - £43,900	6.80%
5	£43,901 - £61,300	8.50%
6	£61,301 - £86,800	9.90%
7	£86,801 - £102,200	10.50%
8	£102,201 - £153,300	11.40%
9	More than £153,300	12.50%



Cambridge City Council Equality Impact Assessment (EqIA)

Please fill this out on the computer as a Word document or complete the form on SurveyMonkey – find the link on the Intranet.

This tool helps the Council ensure that we fulfil legal obligations of the [Public Sector Equality Duty](#) to have due regard to the need to –

- (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;
- (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
- (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

Guidance on how to complete this tool can be found on the Cambridge City Council intranet. For specific questions on the tool email Helen Crowther, Equality and Anti-Poverty Officer at equalities@cambridge.gov.uk or phone 01223 457046. Once you have drafted the EqIA please send this to equalities@cambridge.gov.uk for checking. For advice on consulting on equality impacts, please contact Graham Saint, Strategy Officer, (graham.saint@cambridge.gov.uk or 01223 457044).

1. Title of strategy, policy, plan, project, contract or major change to your service:

The proposal is to introduce a Cambridge Weighting to be paid to employees and agency workers earning less than £10 per hour.

2. Webpage link to full details of the strategy, policy, plan, project, contract or major change to your service (if available)

This is linked to a budget proposal and the Council's Living Wage policy, as set out in the Pay Policy Statement 2017/18.

<https://www.cambridge.gov.uk/sites/default/files/pay-policy-statement-2017-18.pdf>

3. What is the objective or purpose of your strategy, policy, plan, project, contract or major change to your service?

The proposal is to introduce a Cambridge Weighting to be paid to employees and agency workers earning less than £10 per hour. For employees the weighting will be paid in addition to salary and the Living Wage supplement, to bring the hourly rate to an equivalent of £10 per hour. For agency workers the weighting will apply in addition to current hourly rates and the Living Wage arrangements. The weighting will be variable, depending upon the current hourly rate and the Living Wage supplement payable at that time.

4. Responsible Service

Human Resources

5. Who will be affected by this strategy, policy, plan, project, contract or major change to your service? (Please tick those that apply)

- Residents of Cambridge City
 Visitors to Cambridge City
 Staff

Please state any specific client group or groups (e.g. City Council tenants, tourists, people who work in the city but do not live here):

The proposal would apply to employees and agency workers earning less than £10 per hour.

6. What type of strategy, policy, plan, project, contract or major change to your service is this? (Please tick)

- New
 Major change
 Minor change

7. Are other departments or partners involved in delivering this strategy, policy, plan, project, contract or major change to your service? (Please tick)

- No
 Yes (Please provide details):

The services where there are job roles which would be within scope of the new policy, i.e. that are currently on Band 1 or below SCP 20 of the current salary scales.

8. Has the report on your strategy, policy, plan, project, contract or major change to your service gone to Committee? If so, which one?

No, it is linked to a budget proposal for 2018/19. The Living Wage policy was approved by Council in 2014.

9. What research methods/ evidence have you used in order to identify equality impacts of your strategy, policy, plan, project, contract or major change to your service?

Analysis of current and projected data on the roles likely to be within scope of the proposal and estimated costs.

10. Potential impacts

For each category below, please explain if the strategy, policy, plan, project, contract or major change to your service could have a positive/ negative impact or no impact. Where an impact has been identified, please explain what it is. Consider impacts on service users, visitors and staff members separately.

(a) Age - Any group of people of a particular age (e.g. 32 year-olds) , or within a particular age range (e.g. 16-24 year-olds) – in particular, please consider any safeguarding issues for children and vulnerable adults

Positive impact for the oldest and youngest age groups of employees, particularly those aged over 65, the 19-24 and 25-34 age group where there is a higher representation than the whole council workforce profile.

Age	Workforce profile	%	Group of staff	%
18 or Under	0	0.00	0	0.00
19-24	16	1.97	3	9.68
25-34	109	13.44	5	16.13
35-44	214	26.39	4	12.90
45-54	275	33.91	7	22.58
55-64	173	21.33	4	12.90
65 and over	24	2.96	8	25.81

(b) Disability - A person has a disability if she or he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities

No member of staff within the potentially impacted group has identified as disabled. This is below the overall council of workforce profile of 7.03%.

The impact of the proposal would be positive for any member of staff who did identify as disabled.

(c) Sex – A man or a woman.

The potentially impacted group is 42% female and 58% male. This is broadly in line with the overall council workforce profile of 48% female and 52% male. The proposal has a potentially positive impact on any person who would be in receipt of an increase in pay to £10 per hour.

(d) Transgender – A person who does not identify with the gender they were assigned to at birth (includes gender reassignment that is the process of transitioning from one gender to another)

The proposal has a potentially positive impact on any person who would be in receipt of an increase in pay to £10 per hour.

(e) Pregnancy and maternity

The proposal has a potentially positive impact on any person who would be in receipt of an increase in pay to £10 per hour.

(f) Marriage and civil partnership

The proposal has a potentially positive impact on any person who would be in receipt of an increase in pay to £10 per hour.

(g) Race - The protected characteristic 'race' refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

The potential impact is positive for BAME staff who are more highly represented in the potentially impacted group than the wider council profile; 19.35% of the potentially impacted group compared to 6.78% BAME representation of the whole Council workforce.

(h) Religion or belief

The proposal has a potentially positive impact on any person who would be in receipt of an increase in pay to £10 per hour.

(i) Sexual orientation

The proposal has a potentially positive impact on any person who would be in receipt of an increase in pay to £10 per hour.

(j) Other factors that may lead to inequality – in particular – please consider the impact of any changes on low income groups or those experiencing the impacts of poverty

The proposal positively impacts on the lowest paid staff.

11. Action plan – New equality impacts will be identified in different stages throughout the planning and implementation stages of changes to your strategy, policy, plan, project, contract or major change to your service. How will you monitor these going forward? Also, how will you ensure that any potential negative impacts of the changes will be mitigated? (Please include dates where possible for when you will update this EqIA accordingly.)

The implementation of the proposal will be monitored over the first year to assess whether the increase in pay rates has changed the representation of the impacted group.

12. Do you have any additional comments?

No.

13. Sign off

Name and job title of lead officer for this equality impact assessment:

Deborah Simpson, Head of Human Resources

Names and job titles of other assessment team members and people consulted:

Date of EqIA sign off: October 2017

Date of next review of the equalities impact assessment: October 2018

Sent to Helen Crowther, Equality and Anti-Poverty Officer?

Yes

No

Date to be published on Cambridge City Council website (if known):