

## **The Fair Pay and Senior Pay Policy Statement 2016**

Under Section 38 of the Localism Act 2011, the Council must approve and publish a senior pay policy statement before the start of the financial year to which it applies. The Council is expected to keep the statement under review and publish a new version each year. The Secretary of State for Communities and Local Government has published guidelines about the nature and content of the statement.

The Council has published information on senior pay for a number of years on its website and in its Statement of Accounts. It has also responded openly and in full to Freedom of Information Act requests for such details. For the past 8 years, the Chief Executive has published full details of his remuneration that go well beyond the statutory requirements.

The Local Government Transparency Code 2014 places additional publication requirements on local authorities to publish data on their websites. This includes the requirement either to publish the data on their website or place a link on their website to such data. Additional requirements of the Code include the requirement for local authorities to publish:-

- A list of responsibilities of senior staff
- Details of bonuses and “benefits-in-kind” for all employees whose salary exceeds £50,000
- The pay multiple, defined as the ratio between the highest paid taxable earnings for the given year and the median earnings figure of the whole of the authority’s workforce.

This information is available on the Council’s website.

### **Pay Accountability - Senior Pay Policy Statement for Stroud District Council 2016/17**

The following statement complies with the requirements of Chapter 8 of the Localism Act 2011.

Section 38 of the Localism Act 2011 requires the Council to approve a statement setting out its policy on the remuneration of its chief officers for the subsequent financial year. In preparing the statement the Council must have regard to any guidance issued or approved by the Secretary of State and comply with it when making a determination that relates to the remuneration, or other terms and conditions, of a chief officer of the authority.

Both the Localism Act 2011 and the Transparency Code 2014 require the definition and publication of data on the lowest paid employees, their remuneration and the

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clarification of the relationship of pay between the lowest and highest paid groups of employees.

The lowest paid employees of the Council are on the Apprentice grade and have a salary at 01/01/2016 of £10,225. The highest paid employee on Stroud 12 has a salary at 01/01/2016 of £108,609. This is calculated as a ratio of 1:11 between the lowest and the highest paid employees of the Council. The Government's view is that the salaries ratio in the public sector should not exceed 1:20, so the Council is well within these guidelines. As members have pointed out previously, the Council's apprenticeship programme is not typical of local authorities. A comparison of Stroud 1 (including the living wage) to Stroud 12 produces a ratio of 1:7.

There is only a requirement by the Government to pay Apprentices £3.30 per hour. However, the Apprentice grade at SDC has been based on the National Minimum Wage for 18-20yr olds of £5.30.

The Council engages consultants where there is a requirement for specific skills or where particular expertise is required for a project. We are not required by legislation to publish this information, but as an illustration, the ratio between an employee on Stroud 1 (including the living wage) and the highest paid consultant is 1:7 (based on an hourly rate of pay).

The Council has adopted a living wage policy. The lowest paid staff receive an hourly rate of £8.25 per hour, which is a figure defined by the Living Wage Foundation as the minimum income needed to meet basic needs. The figure is reviewed annually.

## **1. Level and Elements of Remuneration in 2016/17**

1.1 The Council pays 'spot' salaries to all employees. There are 13 spot salaries:

<b>Stroud Grade</b>	<b>FTE Jan 2015</b>	<b>Headcount Jan 2015</b>	<b>FTE Jan 2016</b>	<b>Headcount Jan 2016</b>
STR12 £108,609	1.00	1	1.00	1
STR11 £77,614	0	0	0	0
STR10 £68,935	5.00	5	4.00	4
STR9 £52,358	5.05	6	5.10	6
STR8 £46,435	6.00	6	9.00	9
STR7 £40,217	21.12	29	21.66	29
STR6 £34,746	38.50	41	37.44	39
STR5 £29,558	65.37	73	63.44	72
STR4 £24,472	80.64	96	77.20	93
STR3 £20,253	74.45	89	71.10	88
STR2 £17,372	49.75	85	46.52	74

STR1 £14,075**	16.94	44	11.26	31
STR App £10,225	2.00	2	5.00	5
<b>TOTAL</b>	<b>365.82</b>	<b>477*</b> Actual 450	<b>352.72</b>	<b>451*</b> Actual 425

\* This figure shows employees with contracted hours at each Stroud grade.

\*\* plus living wage = £15,917

The 'actual' figure indicates exact headcount, as some employees have more than one post at different grades.

1.2 There are no bonuses, annual increments or performance related payments. A salary supplement or honorarium can be paid when an employee carries out a substantial increase in duties and responsibilities.

1.3 The actual headcount has reduced by approximately 5% since last year, but there has been little movement in the numbers of staff employed at Stroud 3 and above. At the lower end of the pay scale, the number of apprentices has increased slightly, as in keeping with Government thinking, the Council has encouraged its apprentice programme to expand. Business re-organisations have led to a reduction in the numbers of staff employed at Stroud 1 and Stroud 2.

1.4 The Chief Executive is employed under Chief Executive and Chief Officer Terms and Conditions. All other senior officers are employed under National Joint Council (NJC) for local government services. The Council publishes an Employee Handbook that sets out local terms and conditions of employment. This is provided to all staff and available to councillors.

1.5 The pay in relation to individual senior officers is shown below;

**Chief Executive**

- Salary of £108,609 subject to any national pay award (no pay increase for six years)
- Taxable allowance of £1,996 (a fixed sum set in July 2001 and with no increase for inflation) for car mileage
- Employed under the Chief Executives and Chief Officers Terms and Conditions
- Election Fees as Returning Officer as set out in the Gloucestershire Scheme Scale of Fees for District and Parish Elections; Parliamentary, European Parliament, Referendum, Police Area Returning Officer Fees as specified by the Ministry of Justice, the Home Office or the Electoral

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Commission. The fees vary from year to year depending on the nature and number of elections. This is classed as a separate employment for superannuation purposes.

- Payment of membership of the Society of Local Authority Chief Executives (invoiced direct to the Council)

#### **Strategic Heads**

- Salary of £68,935 subject to any national pay award
- Taxable car allowances payable under NJC terms and conditions at prescribed national rates for casual users\*
- Payment of membership of one professional body (invoiced direct to the Council)
- Election fees payable to officers as election staff, as determined by the Returning Officer using the appropriate scale of fees prescribed nationally or under the Gloucestershire scheme

#### **Heads of Service**

- Salary of £52,358 subject to any national pay award
- Taxable car allowances payable under NJC terms and conditions at prescribed national rates for casual users\*
- Payment of membership of one professional body (invoiced direct to the Council).
- Election fees payable to officers as Deputy Returning Officer or election staff, as determined by the Returning Officer using the appropriate scale of fees prescribed nationally or under the Gloucestershire Scheme Scale of Fees

#### **Monitoring Officer**

- Salary of £46,535 subject to national pay award; plus a market supplement of £14,467 ( Market supplement is paid as pay scales may sometimes fail to attract suitable candidates for specific posts due to market pressures)
- Taxable car allowance payable under NJC terms and conditions at prescribed national rates for casual users\*
- Payment of membership of one professional body (invoiced direct to the Council)
- Election fees payable to officers as Deputy Returning Officer or election staff, as determined by the Returning Officer using appropriate scale of fees prescribed nationally or under the Gloucestershire Scheme Scale of Fees.

- 1.6 The pay agreement reached in November 2014 between the Local Government Employers and the staff side covers the period 1<sup>st</sup> January 2015 to 31<sup>st</sup> March 2016, and as the Council does not pay annual increments, there have been no increases in pay this year.

## **2. Remuneration on Recruitment**

### **2.1 Chief Executive**

The remuneration would be reviewed prior to advertisement by the Strategy & Resources Committee or its panel under delegated authority from the Council. The Committee's membership is agreed by the Council at its Annual General Meeting and is politically balanced.

The full Council appoints the Chief Executive based on a recommendation from the Committee.

### **2.2 Strategic Heads, Heads of Service and Monitoring Officer**

The remuneration and allowances are set out in the Employee Handbook and the published salary scales (Stroud 10 for Strategic Heads £68,935; Stroud 9 for Heads of Service £52,358; Stroud 8 £46,535 plus reviewable market supplement of £14,467 for Monitoring Officer)

## **3. Remuneration on ceasing to hold office/be employed by the Council**

### **3.1 Chief Executive**

The Committee would make a recommendation to the full Council.

### **3.2 Strategic Heads, Heads of Service and Monitoring Officer**

The terms of any redundancy or retirement are set out in the Employee Handbook (Section 3.3).

## **4. Publication and Access to Information Relating to Remuneration**

4.1 This pay policy statement is published on the Council's website the day after it has been approved by Council. It is located under Open Data at <http://www.stroud.gov.uk/opendata>

4.2 The Council's Constitution and the Council's Statement of Accounts are published at [www.stroud.gov.uk](http://www.stroud.gov.uk)