

BARNSELY METROPOLITAN BOROUGH COUNCIL

This matter is a Key Decision within the Council's definition and has been included in the relevant Forward Plan

Report of the Director
Human Resources, Performance and
Communications

Revised 2015/16 Pay Policy Statement

1. Purpose of Report

The purpose of this report is to seek approval to revise paragraph 10 of the Council's 2015/16 Pay Policy Statement in accordance with section 38 of the Localism Act 2011.

2. Recommendations

That approval is given to revise paragraph 10 in the 2015/16 Pay Policy Statement contained at Appendix B.

3. Introduction

3.1 Local Authorities are required under section 38(1) of the Localism Act 2011 (the Act) to prepare a Pay Policy Statement. The statement must articulate the Council's policy towards the pay of the workforce, particularly senior staff and lowest paid employees.

3.2 The Act requires that Pay Policy Statements are produced annually and are reviewed when changes to policies in respect of employee remuneration occurs.

3.3 The 2015/16 Pay Policy Statement was approved by Cabinet on 14th January 2015 (Cab.14.1.2015/7.6) and approved by full Council on 5th February 2015 (item 011d).

3.4 Subsequently, paragraph 10 in the policy has been revised and in accordance with the provisions of the Act, has to be resubmitted for approval.

4. Proposal and Justification

4.1 Paragraph 10 of the Pay Policy Statement currently prevents re-employment of persons who may be in receipt of a pension or redundancy/severance payment.

4.2 However, the re-engagement of public sector employees can, in some circumstances, provide practical solutions to specific workload/project staffing needs due to their previous knowledge and experience.

4.3 It is proposed to amend this paragraph to allow a balanced judgement to be taken regarding the opportunity for re-employment of an employee in receipt of an LGPS pension or a redundancy/ severance payment.

4.4 HR advice must be sought by managers in all cases prior to entering discussions with individuals in receipt of a pension or redundancy/severance payment regarding any opportunity for employment. Any such arrangements must also be cost effective and provide best value in the use of Council resources.

5. Consideration of Alternative Approaches

5.1 An alternative option would be to leave paragraph 10 of the Pay Policy Statement unchanged. However, this does not provide a practical solution to addressing specific workload/project staffing needs.

6. Delivering Sustainable Community Strategy Ambitions and Local Area Agreement Outcomes

6.1 None directly arising from this report.

7. Compatibility with European Convention on Human Rights

7.1 This proposal is compatible with the European Convention of Human Rights Act Article 14: Prohibition of Discrimination in the Enjoyment of Convention Rights.

8. Promoting Equality and Diversity and Social Inclusion

8.1 The implementation of this policy will ensure that any issues relating to pay are applied fairly and consistently

9. Risk Management Issues, Including Health and Safety

9.1 The legislation recommends that the policy provides information on how the Council remunerates its employees and as such provides a standard framework to be applied to employee remuneration therefore reduces the risk of inconsistencies in this area.

10. Financial Implications

10.1 There are no direct financial implications arising from this report.

11. Employee Implications

11.1 The proposed Pay Policy Statement applies to all employees except those employed in locally managed schools and brings together a number of existing policies and local agreements in one document.

11.2 The Trade Unions have been informed about the revised Pay Policy Statement.

12. Legal Implications

The Pay Policy consolidates a number of existing policies that have previously been reviewed by Legal Services.

13. Glossary

14. List of Appendices

Appendix B – 2015/16 Revised Pay Policy Statement.

15. Background Papers

15.1 These documents are contained in working files in Human Resources and are available for inspection.

Financial Implications/Consultations J. Bell 6/3/15

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Date: 5th March 2015

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PAY POLICY FOR THE PERIOD 1 APRIL 2015 TO 31 MARCH 2016

1.0 INTRODUCTION AND SCOPE

- 1.1 Section 38 - 43 of the Localism Act 2011 (as supplemented) requires Barnsley Metropolitan Borough Council (referred to as the Council) to produce a policy statement that covers a number of matters concerning the pay of the Council's employees. This Policy sets out the arrangements for salary and related allowances paid to employees of Barnsley Metropolitan Borough Council. It details the arrangements for the determination of salary, how salary levels are determined, the method for pay progression (where applicable) and the payment of allowances. It should be noted that the Policy does not apply to employees within locally managed schools.
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2.0 DETERMINATION OF PAY**2.1 Chief Officers**

The Council's policy on remunerating Chief Officers is set out below and in Annex A. For the purpose of the policy a Chief Officer is defined as the Chief Executive, Executive Directors and Assistant Chief Executives. The terms and conditions of employment for such Chief Officers are as specified in the Joint National Committee for Chief Officers for Local Authorities as supplemented by Local Agreements.

2.1.1 Salary on Appointment

The post will be advertised and appointed to at the agreed approved salary unless there is good evidence that a successful appointment of a person with the required skills, knowledge, experience, abilities and qualities cannot be made without varying the remuneration package. In such circumstances a variation to the remuneration package is appropriate under the Council's policy and any variation will be approved through the agreed decision making process ie Council approval

2.1.2 Pay Progression/Increases

The Council will apply any pay increases that are agreed by relevant national negotiating bodies and/or any pay increases that are agreed through local negotiations. The Council will also apply any pay increases that are as a result of authority decisions to significantly increase the duties and responsibilities of the post in question beyond the normal flexing of duties and responsibilities that are expected in senior posts. Beyond this the Council would not make additional payments outside those specified in the contract of employment.

2.2 NJC Grades 1 to 17

The Council uses the National Joint Council (NJC) Job Evaluation Scheme and has a pay structure consisting of 17 Grades which can be found in the link below.

17 Grade Pay Structure

The grading structure covers all staff on NJC terms and conditions up to and including Service Director level.

The pay grades for positions on NJC terms and conditions are determined utilising the NJC Job Evaluation scheme which is implemented jointly with the respective Trade Unions.

2.2.1 Salary on Appointment

Employees appointed to positions on NJC Grades 1 to 17 will normally be placed on the first point of the grade for the post. However, managers, in consultation with the Director – Human Resources, Performance and Communications have the discretion to award higher starting points within the grade of the post in order to salary match or if justified by the skills and experience of the candidate.

2.2.2 Salary on Promotion/Secondment

On promotion or secondment employees should normally be placed on the first point of the grade for the post. However, managers, in consultation with the Director – Human Resources, Performance and Communications have the discretion to award higher starting points within the grade of the post in order to salary match or if justified by the skills and experience of the candidate.

2.2.3 Pay Progression

Pay progression for employees on NJC Grades 1 to 17 is as outlined in the Incremental Pay Progression Guidance attached in the link below.

[Pay Progression](#)

The pay grades for positions on NJC terms and conditions are determined utilising the NJC Job Evaluation scheme which is implemented jointly with the respective Trade Unions.

2.3 Soulbury Officers

2.3.1 Salary on Appointment

The Soulbury Committee provides a voluntary collective bargaining machinery in respect of the salaries and service conditions of the following categories:-

- a) Educational Improvement Professionals
- b) Educational Psychologists
- c) Young People's/Community Service Managers

An employee appointed to one of these positions for the first time shall be placed at the minimum of the scale deemed appropriate by the Council. Where the employee has had previous experience which the authority considers should be regarded as equivalent value to service, the Council shall determine a higher incremental point up to the maximum.

The Council is currently reviewing all Soulbury posts.

Educational Improvement Professionals

A salary scale for Educational Improvement Professionals should consist of no more than 4 points (subject to additional points needed to accommodate discretionary scale extensions or SPA points).

Educational Improvement Professionals undertaking the full range of duties would usually be appointed on a minimum point of 8.

Senior Educational Improvement Professionals undertaking the full range of duties would usually be appointed on a minimum point of 13

Leading Educational Improvement Professionals undertaking the full range of duties would usually be appointed on a minimum point of 20.

Educational Psychologists

Trainee Educational Psychologists in their second and third year of training should be paid on a point selected from the 6 point Trainee Educational Psychologist pay scale. While Trainee Educational Psychologists will be employed on the basis that they will be available for work for 3 days per week in the second year and 4 days per week in the third year of training, it is not intended that their pay rates should be applied on any pro rata basis

Assistant Educational Psychologists are to be paid on the Assistant Educational Psychologist pay scale and should not remain on this scale for more than 4 years. Educational Psychologists would usually be appointed on an individual 6 point pay range on Scale A which will be 1-6, 2-7 or 3-8 based on an assessment of recruitment and retention and other local factors. Managers have the discretion to appoint above the minimum of the selected scale.

Senior Educational Psychologists would usually be appointed on a 4 point pay range on Scale B

Principal Educational Psychologists would usually be appointed on a 4 point pay range on Scale B with a minimum starting point of point 4.

Educational Psychologists paid on Scales A/B are also eligible for up to 3 Structured Professional Assessment (SPA) points

Young People's/Community Service Managers

- Salary scales should consist of not more than four consecutive points from the range
- The differential between the salary of the Young Peoples/Community Service Manager and the salary of the highest paid practitioner being managed by the YPCSM shall be the equivalent of a minimum of one Soulbury salary increment.
- Senior Officers are usually on a minimum of point 4
- Principal Officers are usually on a minimum of point 7

2.3.2 Salary on Promotion/Secondment

On promotion or secondment employees should normally be placed on the first point of the range for the post. However, managers, in consultation with the Director – Human Resources, Performance and Communications have the discretion to award higher starting points within the grade of the post in order to salary match or if justified by the skills and experience of the candidate.

(The Council should provide a career structure for Educational Psychologists and further details can be obtained from The Report of the Committee on Salary Scales and Service Conditions of Inspectors and Advisory Officers of Local Education Authorities).

2.3.3 Incremental Pay Progression

The pay awards for Advisors, Inspectors and Psychologists are effective from 1st September each year subject to six months service in the post, until the maximum of the grade is reached.

The pay awards for Youth and Community Service Officers are effective from 1st April each year subject to six months service in the post, until the maximum of the grade is reached.

Soulbury staff also have the opportunity to apply for up to 3 further points on the salary scale (in addition to their 4 point range) and these are called Structured Professional Assessment points (SPA's). A copy of the application for Structured Professional Assessment Points Guidance notes can be found in the link below:-

[Structured Professional Assessment Guidance](#)

2.4 Centrally Employed Teachers

2.4.1 The pay policy for Centrally Employed Teachers falls under the terms of the School Teachers Pay and Conditions Document (referred to as the Document).

[School Teachers Pay and Conditions 2014](#)

2.4.2 The Document was significantly changed in September 2014. A summary of the main changes can be found in the link below.

[Implementing schools approach to pay](#)

2.4.3 The Council will review every qualified teacher's salary with effect from 1 September each year. Reviews may take place at other times of the year to reflect any changes in circumstances or job descriptions that will affect pay.

2.4.4 The statutory pay arrangements give significant discretion over the awarding of allowances and the criteria used by the Council to determine the application of the discretionary elements. Decisions on the way these discretions will be used is the responsibility of the Executive Director, People.

2.5 Adult Education Tutors

2.5.1 Following the cessation of the (Silver Book) a Local Agreement for Adult Education Lecturers was agreed and implemented in September 2002. The Agreement covers staff employed as Lecturers (Qualified and Unqualified), Curriculum Co-ordinators, Lead Tutors, Curriculum Support and Information Officers Learning /Project Co-ordinators.

2.5.2 Salary on Appointment

A new employee to the Service would normally be appointed at the bottom of the relevant pay scale although additional increments may be considered for previous relevant experience or continuous service in establishments recognised under the Redundancy Payments (Modification) Order 1999.

2.5.3 Pay Progression

The pay awards for employees covered by the Local Agreement for Adult Education Lecturers 2008 are based upon the percentage pay increase awarded to JNC Youth and Community Workers. Any such awards are effective from 1st September each year.

During employment annual increments shall be awarded on 1st September each year subject to six months service in the post, until the maximum of the grade is reached.

2.6 Youth Workers

Salary on Appointment

There are two salary ranges available for Youth and Community Workers, the Youth and Community Support Worker range (which is divided into Levels 1 and 2 and the Professional Range.

2.6.1 Youth and Community Support Worker Range:-

First Level – This is for employees who undertake duties under direction.

Second Level – This is for employees who have operational youth work responsibility for a local youth club or project-wide responsibility for an area of curriculum of service development. Employees will be line managed by professional youth and community workers.

Professional Range – This provides the salary grades for professional youth and community workers who carry strategic and operational responsibilities at a senior level for service delivery and development.

Employees shall be placed in a salary scale of not more than 4 points from within the range.

The determination of the appropriate salary scale shall be based on the employee's previous service and qualifications.

2.6.2 Salary on Promotion

On appointment or promotion to another post with a higher salary maximum a youth and community worker shall be placed on the new scale at a point no less than one incremental point higher than that which they were receiving on the day of appointment or promotion.

2.6.3 Pay Progression

Annual increments are payable on 1st April each year, or on 1st September each year in the case of staff who moves from teaching in maintained school, further education establishment or service under the Soulbury Report. Increments are paid each year until the maximum of the scale is reached

2.7 Agenda For Change

The Agenda for Change pay structure is applicable to staff within the extended remit of the NHS Pay Review Body (NHSPRB). The pay spine is divided into 9 pay bands (pay band 8 is subdivided into 4 ranges) and positions were assigned to a pay band in accordance with the NHS Job Evaluation Scheme.

2.7.1 Salary on Appointment

Upon commencement to a post staff were normally appointed to the lowest pay point of the agreed band with the exception of staff appointed on Band 5 who have accelerated progression through the first two pay points in six monthly steps providing management are satisfied that they meet the required 'standard of practice'. This 12 month period is known as the 'Preceptorship'. Employees affected by the TUPE transferred on the same terms and conditions applicable pre-transfer. The Council reserves the right to evaluate and appoint to all new posts in accordance with the NJC terms and conditions for Local Government Employees

2.7.2 Salary on Promotion

Pay on promotion should be set either at the minimum of the new pay band or, if this would result in no pay increase, the first pay point in the band which would deliver an increase in pay. However, as stated in 2.8.1, the Council reserves the right to evaluate and appoint to all posts, including promotion opportunities, in accordance with the NJC terms and conditions for Local Government Employees

2.7.3 Pay Progression

Progression through the individual pay bands is by annual increments on the anniversary of appointment to the post. This progression is dependent upon satisfactory performance in the role and demonstration of the agreed knowledge and skills appropriate to that part of the pay band as detailed in the NHS Knowledge and Skills Framework.

2.8 Consultants (Medical)

TUPE'd employees are remunerated in line with the remit of the Review Body on Doctors' and Dentists' Remuneration. The pay spine for this employee group has 8 individual pay thresholds. Schedule 13 of the Consultant Terms and Conditions of Employment applies to Consultants appointed before 31 October 2003 and Schedule 14 applies to those appointed after 31 October 2003.

2.8.1 Salary on Appointment

On commencement basic salary and payments for any additional Programmed

Activities will be set at the first of the pay thresholds. The salary will reflect any approved consultant-level experience already gained. Referred to terms and conditions are paid in accordance with the pay system which has two pay spines or series of pay bands: pay spine one for staff within the remit of the Doctors' and Dentists' Review Body and pay spine two for staff within the extended remit of the NHS Pay Review Body (NHSPRB). The Council reserves the right to appoint to any new or vacated existing posts in accordance with the NJC terms and conditions for Local Government Employees

2.8.2 Pay Uplifts

Increases to pay threshold values may be determined from time to time following recommendations of the Review Body on Doctors' and Dentists' Review Body.

2.8.3 Pay Progression

Consultants will be eligible for progression through the first 5 pay thresholds subject to the criteria set out in Schedule 15 of the Consultants Terms and Conditions. This will be paid on the anniversary of appointment to the post of Consultant. Eligibility for progression through the next three thresholds shall occur at five yearly intervals.

3.0 CHANGES TO TERMS AND CONDITIONS

3.1 Permanent Changes to Terms and Conditions

3.1.1 The Council has implemented a number of changes to terms and conditions of employment which form part of a package of measures which are necessary to address the budget deficit arising out of an unprecedented cut in funding following the Governments Comprehensive Spending Review. UNISON and Unite have entered into a Collective Agreement effective from 1 May 2013 which acts to bind all union members and non union members to the changes except for GMB members who rejected the changes. GMB members were provided with an opportunity to voluntarily accept the changes and those who declined terminated and re-engaged on the revised terms and conditions of employment. Consequently the changes are now effective for all employees of the Council except those employed in Locally Managed Schools who are not covered by the Agreement and employees who have TUPE transferred in to the Council on their existing terms and conditions of employment.

3.1.2 The changes to terms and conditions in respect of employee remuneration are summarised below and relevant policies and procedures updated to reflect the changes:

- Premium Payments – harmonisation of all premium payments to a consistent rate. This does not apply to payments for working on a statutory holiday which remain unchanged.
- Shift Allowance – harmonisation of all shift pay to one consistent rate.
- Standby Payments – standardisation of standby payments and the introduction of a minimum payment for active time (except Winter Maintenance).
- Redeployed Travel Expenses – introduction of revised criteria in respect of the payment of redeployed travel expenses.
- Protection of Earnings – implementation of a revised protection of earnings policy relating to loss of contractual earnings.

4.0 **LOWEST PAID SALARY**

- 4.1 The lowest pay point in this Council is Grade 1 point 6 which equates to an annual salary of £12,614 and can be expressed as an hourly rate of pay of £6.54. This is increased to £7.85 per hour as the Council pays a low pay supplement equivalent to the Living Wage on top of grade 1 hourly rates up to and including spinal column point 10.
- 4.2 The pay rate is increased in accordance with any pay settlements which are reached through the National Joint Council for Local Government Services and through increases to the Living Wage as advised by the Living Wage Foundation.

5.0 **HIGHEST PAID SALARY**

- 5.1 The highest paid salary in this council is currently £149,985 which is paid to the Chief Executive. The median average salary in this council (not including schools) is £21,734. The ratio between the two salaries, the 'pay multiple' is 7:1. The authority is conscious of the need to ensure that the salary of the highest paid employee is not excessive and is consistent with the needs of the Council and as such the Council takes the view that the pay multiple acts as a control element which will be monitored and reported annually as part of the review of this Pay Policy.
- 5.2 The Council is required to publish Chief Officer salaries on an annual basis as part of the Statement of Accounts. Details can be found at:
- Statement of Accounts 13-14

6.0 **OTHER PAY RELATED POLICIES**

A number of other pay related policies are outlined below which are applicable to all employees except centrally employed school teachers, whose statutory pay and conditions of service fall under the terms of the School Teachers Pay and Conditions Document (Refer to Annex 2). The information contained below provides a summary of allowances and must be read in conjunction with the relevant 'Conditions of Service' document/Local Agreement.

6.1 **Nationally Agreed Allowances**

6.1.1 **Bank Holiday Working**

- Employees required to work on a public or extra statutory holiday shall, in addition to the normal pay for that day, be paid plain time rate for all hours worked within their normal working hours for that day. In addition, at a later date, time off with pay shall be allowed as follows:
 - Time worked less than half the normal working hours on that day - half day
 - Time worked more than half the normal working hours on that day - full day

6.2 Locally Agreed Allowances

6.2.1 Overtime/Additional Hours

- Overtime rates – Employees who are required to work overtime/additional hours beyond their working week are entitled to receive enhancements on the following basis
 - Monday to Sunday - time and half

The Council has a Planned Overtime Policy which applies to employees of Grade 7 and above who undertake overtime. Full details of the provision can be found at: [Planned Overtime Policy](#)

- Part-time employees will only be paid overtime rates in circumstances where an equivalent full time employee would receive them eg for a part-time employee who normally works Monday to Friday, work up to 37 hours per week will be paid at plain time, thereafter and at weekends overtime rates will be payable.

6.2.2 Weekend Working

- Employees who are required to work on Saturday and/or Sunday as part of their normal working week are entitled to the following enhancements:
 - Monday to Sunday - time and half

6.2.3 Night work

Employees who work at night as part of their normal working week are entitled to receive an enhancement of time and half for all hours worked between 10pm and 6am, Monday to Sunday ie no additional enhancement is payable for weekend working.

The night rate shall be payable in addition to the enhanced rates of pay for additional hours (overtime) worked on a Monday to Sunday night between the hours of 10pm and 6am eg an employee working Saturday night as overtime will receive time and half for hours worked Saturday plus an additional 50% of the hourly rate due to working at night (between 10pm and 6am).

6.2.4 Alternating Shifts

- An enhancement of 10% will be payable to employees working alternating shifts providing all of the following criteria are met:
 - The total period covered by the shifts is 11 hours or more
 - There are at least 4 hours between the starting time and the earliest and latest shift

6.2.5 Rotating Shifts

- An enhancement equivalent to:
 - 10% of salary for three shifts on a rota basis including a night shift over

5 or 6 days, or

- 10% of salary for three shifts on a rota basis including a night shift over 7 days will be payable to employees working rotating shifts providing all of the following criteria are met:
 - ◆ The total period covered by the shifts is 18 hours or more
 - ◆ At least 4 hours worked between 7pm and 7am.

6.2.6

In addition to the above mentioned the Council has a number of local agreements covering areas such as:

- Car Mileage Allowance - employees who use their private car whilst undertaking official business in the course of their employment, mileage will be reimbursed at the Approved Mileage Allowance Payments (AMAP) rates as specified by HM Revenue and Customs.
- Market Supplements, Recruitment and Retention Procedure - provides an additional payment to agreed posts to reflect external salary levels to assist with recruitment and retention issues.
- Deprivation of Liberty Safeguards Payments - The Council has a statutory duty to undertake assessments under Deprivation of Liberty Safeguards (DOLS). A payment will be made in accordance with the local agreement.
- Laundry Allowance - additional payment to recompense employees for cleaning allocated uniforms.
- Stand by/Call out - An employee who is contractually required or volunteers to be available on a standby/call out basis will be recompensed by payment of an amount determined locally.
- Approved Mental Health Professionals (AMHP) allowance - Is an annual allowance paid over 12 equal monthly instalments to AMHP's who undertake this role in addition to their post.

The above is not an exhaustive list of local agreements.

7.0

PROFESSIONAL SUBSCRIPTIONS

This payment of fees currently applies only to employees of Legal Services who are Solicitors and are required to hold a practising certificate and for Social Care Workers who are required to be registered by the Health and Care Professionals Council (HCPC).

Payment will not be made for membership of any other professional organisation, whether or not membership is a requirement of the appointment. Full details of the Council's Policy can be found at:

Reimbursement of Professional Fees

8.0

REMUNERATION COMMITTEES

8.1

The Council does not utilise a Remuneration Committee to determine grading of posts. The evaluation of posts is a complex issue requiring use of specialised trained panels to recommend grades for posts as determined by the appropriate evaluation process. Recommended grades are subject to approval by the agreed Council

decision making process ie Delegated/Cabinet Reports.

9.0 **SELECTIVE VOLUNTARY EARLY RETIREMENT/VOLUNTARY SEVERANCE POLICY**

9.1 The Selective Voluntary Early Retirement and Voluntary Severance schemes enable the Council to reduce the size of its workforce in line with prevailing economic conditions, whilst at the same time compensating eligible employees by either immediate payment of pension benefits and/or a redundancy payment. The Council's Policy relating to all employees who are members of the Local Government Pension Scheme can be found at:

SVER and VS Policy

9.2 The Policy covering employees who are members of the Teachers Pension Scheme is available at:

Redundancy SVER Teachers

9.3 Where the level of severance pay/redundancy pay is calculated in accordance with the Council's policy and the resultant payment is more than £100,000 then approval must be sought by Council prior to agreement to release the payment.

10.0 **EMPLOYMENT OF PERSONS IN RECEIPT OF A PENSION OR REDUNDANCY/ SEVERANCE PAYMENT**

10.1 The authority is under a statutory duty to appoint on merit and has to ensure that it complies with all appropriate employment and equalities legislation. The authority will always seek to appoint the best available candidate to a post who has the skills, knowledge, experience, abilities and qualities needed for the post.

10.2 If a candidate is an employee in receipt of a pension (this includes ill health pensions) from a public sector organisation including local government, civil service, teachers pensions, police (Civil or Warranted Officers), armed forces, or any other covered by the Modification Order or a redundancy/ severance payment as a result of being made compulsory redundant this will not rule them out from being employed by the authority.

10.3 The re-engagement of public sector employees can, in some circumstances, provide practical solutions to specific workload/project staffing needs due to their previous knowledge and experience.

10.4 A balanced judgement is therefore needed, taking all of these issues into account. HR approval must be sought by managers in all cases prior to entering discussions with individuals in receipt of a pension or redundancy/severance payment regarding any opportunity for employment. Any such arrangements will be considered on a case by case basis and must be cost effective and provide best value in the use of Council resources.

10.5 The authority will apply the provisions of the Statutory Redundancy Payments Modification Order regarding the recovery of redundancy payments if this is relevant and appropriate. Pensions Regulations also have provisions to reduce pension

payments in certain circumstances to those who return to work within the local government service.

11.0 **PENSION SCHEMES**

11.1 **Local Government Pension Scheme**

Eligible employees automatically become a member of the Local Government Pension Scheme (LGPS) if they have a contract of employment for at least three months. Where the employee has a contract for less than three months, the employee may elect to join the scheme. The LGPS is a tax approved, defined benefit occupational pension scheme set up under the Superannuation Act 1972. The benefits under the Scheme are based on the length of membership and the final salary. The contribution rate depends on the level of earnings but it will be between 5.5% and 12.5% of pensionable pay.

The Council pays the balance of the cost of providing benefits in the LGPS currently 23%. Every three years an independent review is undertaken to calculate how much the employer should contribute to the Scheme. Increases or decreases in the cost of providing the scheme may, in future, need to be shared between members and employers, in accordance with government guidance.

Full details of the LGPS can be found at:

[South Yorkshire Pensions Authority - Homepage](#)

11.2 **Teachers Pensions Scheme**

For Centrally employed teachers or posts that the Council decides are eligible for membership of the Teacher's Pension Scheme (TPS) new appointees will automatically become scheme members.

The TPS is a contributory scheme administered by Teachers' Pensions (TP) on behalf of the Department for Education (DfE). It is a defined benefit 'final salary' scheme providing a lump sum and pension after retirement. Members of the TPS contributions rates range from 6.4% to 12.4% depending on the level of earnings. The Council pays a further 14.1%. The Scheme Actuary reviews these rates at regular intervals.

Information relating to the TPS can be found at:

[Teachers Pension Scheme](#)

12.0 **AMENDMENTS TO THE POLICY**

12.1 It is anticipated that this Policy will not need to be amended further during the period it covers i.e. 1 April 2015 to 31 March 2016, however if circumstances dictate that a change of policy is considered to be appropriate during the year then a revised draft will be presented to full Council for consideration.

13.0 **POLICY FOR FUTURE YEARS**

- 13.1 The policy will be reviewed each year and will be presented to full Council each year for consideration in order to ensure that a policy is in place for the Council prior to the start of each financial year.
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14.0 **EQUALITY AND DIVERSITY**

- 14.1 This policy has been impact assessed by Human Resources, if on reading this policy you feel there are any equality and diversity issues, please contact your Directorate Human Resources Advisor who will if necessary ensure the policy is reviewed.
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15.0 **INCOME TAX AND NATIONAL INSURANCE CONTRIBUTIONS**

- 15.1 Sections 682-702 of the Income Tax (Earnings and Pensions) Act 2003 (ITEPA) impose a duty on an employer to account for PAYE on employment income paid to employees. PAYE applies to all payments of income within the charge to tax under ITEPA 2003.
- 15.2 There are three classes of national insurance contributions (NICs) which are payable by or in respect of employees:
- Class 1 contributions, which are earnings related. Primary contributions are paid by “employed earners” secondary contributions are paid by employers.
Class 1A contributions, which are payable annually by secondary contributors only, based upon taxable value of benefits reported on forms P11D.
Class 1B contributions, which are payable annually by secondary contributors only, based on the tax borne under a PAYE Settlement Agreement (PSA).
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Annex A

Aspect of Chief Officer Remuneration	BMBC Policy
Recruitment	The post will be advertised and appointed to at the appropriate approved salary for the post in question unless there is good evidence that a successful appointment of a person with the required skills, knowledge, experience, abilities and qualities cannot be made without varying the remuneration package. In such circumstances a variation to the remuneration package is appropriate under the Council's policy and any variation will be approved through the appropriate decision making process.
Pay Increases	The Council will apply any pay increases that are agreed by relevant national negotiating bodies and/or any pay increases that are agreed through local negotiations. The Council will also apply any pay increases that are as a result of authority decisions to significantly increase the duties and responsibilities of the post in question beyond the normal flexing of duties and responsibilities that are expected in senior posts subject to approval by the appropriate decision making process.
Additions To Pay	The Council would not make additional payments beyond those specified in the contract of employment.
Performance Related Pay	The Council does not operate a performance related pay system as it believes that it has sufficiently strong performance management arrangements in place to ensure high performance from its senior officers. Any areas of under-performance are addressed in accordance with Council Policy.
Earn-Back (Withholding an element of base pay related to performance)	The authority does not operate an earn-back pay system as it believes that it has sufficiently strong performance management arrangements in place to ensure high performance from its senior officers. Any areas of under-performance are addressed rigorously.
Bonuses	The Council does not pay bonus payments to employees.
Termination Payments	The Council applies its normal redundancy payments arrangements to senior officers and does not have separate provisions for senior officers. The Council also applies the appropriate Pensions regulations when they apply. The Council has agreed policies in place on how it will apply any discretionary powers it has under Pensions regulations. Any costs that are incurred regarding senior officers are published in the Council's accounts as required under the Accounts and Audit (England) Regulations 2011.
Transparency	The Council meets its requirements under the Localism Act, the Code of Practice on Data Transparency and the Accounts and Audit Regulations in order to ensure that it is open and transparent regarding senior officer remuneration.
Employment of persons in receipt of a pension or redundancy/severance payment	Refer to Section 10

