

Maidstone Borough Council

Pay Policy Statement

1. Introduction

The local government workforce strategy has five key themes, which are mirrored by our own local strategy:

- Organisational development
- Leadership development
- Skills development
- Recruitment and retention
- Pay and rewards

These strategic themes recognise the importance of pay and rewards as fundamental to our role as an employer. Our work on pay and rewards began in 2006 with an equal pay audit resulting in significant changes to the council's terms and conditions. The work continued through the implementation of the Work Force Strategy and the development of a Total Rewards approach to remuneration for council staff.

Maidstone Borough Council has developed many of its own terms and conditions and undertakes local pay bargaining with trade unions. It reflects the Local Government Joint National Conditions (JNC) for terms such as the sickness and maternity schemes and those that apply for the dismissal processes of Statutory Officers (Head of Paid Service, Section 151 Officer or Monitoring Officer).

2. Terms and Conditions – Decision Making

Terms and conditions for employees are a non-executive function and the responsibility for decisions on these matters is delegated to the Member and Employment and Development Panel by full council. The terms of reference for this group are set out in the constitution as follows:

- a) to consider the applications received for the posts of Chief Executive and Directors and to compile a short list for interview and subsequently to interview and make appointments.
- b) to review annually the performance of the Chief Executive and Directors, to agree targets for the coming financial year, and agree any corrective action which may be required relating to the previous financial year.
- c) to consider all other matters concerning the terms and conditions of service of the post of Chief Executive, and to recommend Accordingly the Council.
- d) Power to determine terms and conditions on which staff hold office (including procedures for their dismissal.)
- e) to hear and determine appeals under the disciplinary procedures for staff on the JNC Conditions of Service for Chief Officers of Local Authorities

f) to hear and determine appeals against decisions taken by the Chief Executive under the Disciplinary or Capability Procedures or to hear grievances raised against the Chief Executive under the Grievance Procedure

Where the decision of the Member and Employment and Development Panel has a budgetary implication beyond the agreed in year budget this will also require agreement from Cabinet.

3. Reward Strategy

The Reward Strategy was developed in full consultation with trade unions, staff and Members and was agreed by the Employment and Development Panel on 5th April 2006. This was a very thorough piece of work that ensured the Council managed the terms of employees at all levels in the same way and applied the principles of equal pay and performance management to the scheme that was developed. The strategy has been refined over time but the principles have remained in place.

The principles for the reward strategy are to:

1. Support a **performance** orientated organisation;
2. Provide an **attractive** employment package at all levels;
3. Be relevant to a **modern** local government authority;
4. Have a pay structure that is **transparent** and straightforward;
5. Reward people **fairly** and consistently;
6. Move toward a **Total Reward** approach; and
7. To be **affordable** within the Medium Term Financial Strategy.

The reward strategy takes a 'Total Reward' approach to the benefits package received by employees at the council to ensure that maximum benefit is gained from all aspects of what is on offer to employees. The key elements of this package are set out below.

3.1 Pay Scale and Pay Progression

Our policy for grades within the organisation is to apply an objective assessment of the relative 'size and value' of all our roles using a formal job evaluation process. Posts are graded through the HAY Job Evaluation Scheme and this process measures the requirements of the role against the key criteria of Know How, Problem Solving and Accountability when all the duties are being performed and the employee is fully effective in the role. Job evaluators are drawn from different parts of the organisation and trained to use the HAY scheme; every panel has one trade union representative as part of the panel. The **Lowest Paid** employees are defined as those whose posts have HAY points of 43 to 57 which place them into grade 1 of the pay scale, the same process is applied to Chief Officers whose roles are evaluated at the highest level of points. It is the policy of the organisation to refer to the HAY salary data for Local

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Government and to reflect the median salary for grades below Head of Service and upper quartile at Head of Service and above.

The pay scale has up to seven increments which recognise that with development in a role over time an employee's skills are of more value to the organisation and therefore warrants a higher salary. There are fewer incremental points in the lower grades and more in the more complex roles. New appointments to post will normally be at the first point of the grade unless there is evidence of a skill shortage in line with the criteria set out in the Market Supplement Policy. The pay scale is at Appendix I(A).

Incremental progression is assessed against the agreed Competency Profile for the role and evidence of the necessary Performance Standards and agreed objectives. Assessment will be on an annual basis but will be linked to the clear and continuous performance at the level required at each incremental step. Standard progression for fully effective performance is not beyond scale point four; in grades 13 – 16 there are an additional three high performance increments which may be awarded for performance which is over that usually required in the post. The rules for pay progression are set out in Appendix I(B).

Incremental progression is assessed by an employee's line manager in consultation with the Head of Service and Director who has to approve the recommendations within their Directorate; this is monitored by Corporate Management Team. The process and timetable for appraisals and incremental progression for the Chief Executive and Directors is set out at Appendix I(C).

3.2 Market Supplements

Currently there are no employees in receipt of Market Supplements within the council. The policy that has been applied in times of recruitment difficulty is at Appendix I(D).

3.3 Pension

The council offers access to the Local Government Pension Scheme (LGPS) which is a significant benefit to employees and is one of the aspects of the Total Rewards package. The LGPS is a defined benefits scheme which requires contribution rates from employees of between 5.5% and 7.5% depending on earnings in accordance with the following table.

| Full-Time Equivalent Pay Rate is: | | | Contribution rate: |
|-----------------------------------|----|---------|--------------------|
| £0 | to | £13,500 | 5.5% |
| £13,500.01 | to | £15,800 | 5.8% |
| £15,800.01 | to | £20,400 | 5.9% |
| £20,400.01 | to | £34,000 | 6.5% |
| £34,000.01 | to | £45,500 | 6.8% |
| £45,500.01 | to | £85,300 | 7.2% |
| More than £85,300 | | | 7.5% |

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The employer contribution rate is around 14 % although this does vary from year to year, this is the future service rate excluding past service deficit.

The pension scheme is standard between all local government employers and in broad terms offers a pension benefit equivalent to 1/60th of pensionable salary per year of service with a retirement age of 65 years of age. The government is currently consulting on changes to the benefits of the scheme.

Although most of the rules associated with the scheme are set centrally there are a few areas where local employers must define their own policy; the discretionary policy is attached at Appendix I(E). In broad terms it is not the policy of the council to increase pension benefits to employees through any form of enhancement.

Kent County Council is the administering authority for the Maidstone Borough Council scheme.

The provisions of the pension scheme are currently under negotiation with central government to make the scheme more affordable and this will change the terms of the scheme.

3.4 Pay Protection and Redundancy Payments

The council has a Redundancy Policy which sets out the approach that must be followed if posts are going to be affected because of organisational change. The procedure sets out the approval process and the consultation timetable, it also sets out the terms for redundancy and the pay protection policy, the pay protection policy is set out at Appendix I(F).

Any payments paid to an employee in relation to redundancy shall be in accordance with the statutory redundancy payments scheme and any other regulations applicable except that the Council will calculate a week's pay on actual earnings where this is in excess of the statutory maximum figure. (*Local Govt. (Early Termination of Employment)(Discretionary Compensation) (England and Wales) Regulations 2000*).

The policy of the organisation regarding re-employment following redundancy follow the NJC terms and conditions i.e. if a redundant employee is commences local government employment within one month of the redundancy then the redundancy payment must be returned. Any other re-employment will only be considered where all other council rules on recruitment or procurement have been followed.

3.5 Other payments.

Honoraria

The council has a policy to recognise situations where an employee takes on more responsibility on a temporary basis; this is often as a cost saving measure when there is a vacancy, maternity leave etc. In 2012/13 there were 7 people in receipt of Honoraria.

Cash and Non-cash Awards

As part of the Total Rewards package the council has mechanisms for recognising exceptional contributions both from individuals and teams. In 2012/13 these were received by eight employees and there was a total of £5200 paid in cash awards.

Stand- By payments

These are paid to a small number of employees (twenty seven in 2011/12 and sixteen in 2012/13) who are on an out of hours on-call rota for specialist duties such as collecting stray dogs or attending noise complaints. The level of remuneration is £147 for each week of being on-call.

Car Allowances

In 2010 the council removed the facility for lease cars however a lease car allowance remains and in 2012/13 there were fifty seven employees in receipt of this allowance, although two of these left the council's employment during the year. In 2010 there were two levels of cash allowance one for senior managers (£4452) and a lower one for other members of staff (£2733 per annum). In 2010 Members decided to cease the higher allowance and retain only the lower allowance. Senior officers are in the period of the allowance being reduced to the standard level. Mileage rates for those receiving this allowance are currently 28 pence per mile. In 2012 it was agreed that there would be no further allocation of the Lease Car Allowance in the future and that the current allowance would be frozen.

A car allowance of £1239 is given to those employees that are required to have a vehicle for their role and in 2012/13 this was given to forty eight members of staff. The majority of those staff in receipt of this payment are within the statutory services which require external visits e.g. planning, environmental health and housing. Mileage rates for those receiving this allowance are at the HMRC level (in 2013 45 pence per mile)

Bonuses

The council does not make use of bonuses as part of its own remuneration package however there are currently 13 employees in receipt of regular bonuses as part of their TUPE (Transfer of Undertakings(Protection of Employment) Regulations 2006) transfer terms and conditions from a previous employer, this is six fewer than in 2011/12. These employees are all employed in the grounds maintenance teams and the productivity bonus tops up a lower basic wage. The TUPE regulations give protection to employees when their employment transfers and may only be changed through consultation.

3.6 Special fees and arrangements

Special fees may be paid for certain additional duties, in general these are connected to election duties and the funding for the allowance will not come from the council's own budget. An additional fee is paid for the role

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of Returning Officer for the District elections, this statutory role may be allocated to the Chief Executive or other officer within the council. Additional fees may be paid when an employee undertakes the role of Returning Officer, Counting Officer or other similar role, on behalf of another authority or organisation.

The council has adopted the Kent schedule of fees which is attached at Appendix I(G).

3.7 Other employee benefits

The council provides access to an Employee Assistance Programme which gives both telephone and face to face counselling on a range of issues. The council has access to an Occupational Health Service which helps to ensure that employees are properly supported to avoid taking sick leave and to return to work as soon as possible.

The council supports employees in their role with a development plan and training opportunities to ensure they are fully qualified to give excellent service. The council has been recognised for its development focussed culture through the achievement of the Investors in People award.

On an annual basis the council has an Awards Ceremony which recognises the best achievements during the preceding year. The council also recognises long service and gives an award of £100 for 20 - 25 years service, £150 for 25 - 35 years and £250 for 35 + years.

Salary sacrifice schemes – the council offers a salary sacrifice scheme to employees for the purchase of bicycles and childcare vouchers. There is a small administration cost to the council of these schemes.

Buying annual leave – subject to agreement with their manager, employees are allowed to sacrifice some of their salary to buy more annual leave. In 2012/13 there were fifteen members of staff that used this benefit.

4. Monitoring

Salary budgets are monitored through the normal budget management processes by line managers. Members and senior officers regularly consider the Medium Term Financial Strategy and in particular to consider ways to reduce costs to the council.

As required by the Equality Act 2010 the council undertakes an equal pay audit of salaries annually which is published on the council's web site. This helps to identify whether there are significant differences in any employees that have the protected characteristics.

The Code of Recommended Practice for Local Authorities on Data Transparency 2011 required that salary data was published on the highest earning staff within the council; this was actioned by March 2011 as required by the code. There has now been further qualification of the

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salary threshold for publication which has been set at £58,200 and above. This information is at Appendix 1(H).

The Code of Recommended Practice for Local Authorities on Data Transparency September 2011 also requires that there is a process established to monitor the rate of growth of senior earnings compared to all other employees in the organisation. The formula required is to calculate the pay multiple of the Chief Executive compared to the average median earnings of all other employees and where there is any significant change year on year this should be explained. It is the council's policy to use this pay multiple to monitor the relationship between remuneration of chief officers and other employees.

The recommendation in the 'Hutton Review of Fair Pay' 2011 has been followed:

'the pay multiple should be calculated on the basis of all taxable earnings for the given year, including base salary, variable pay, bonuses, allowances and the cash value of any benefits in kind'

| | 2011/12 | 2012/13 | % change |
|---------------------------------|----------------|----------------|-----------------|
| Chief Executive earnings | 123,657 | 115,947 | -6.23 % |
| Median | 19,158 | 18,081 | -5.62%. |
| Pay Multiple | 6.45 | 6.41 | -0.62% |
| Average (Mean) | 20,120 | 19,568 | -2.74% |
| Pay Multiple | 6.15 | 5.93 | -3.58% |

Overall earnings have fallen this year – this has largely been as a result of an increased number of canvassers employed for the Police and Crime Commissioner elections in November and as these are short term activities the earnings over the year are low and thus reduce the average and median salaries.

The Chief Executives earnings have reduced as a result of a reduction in the car allowance from £4452 to £3887 and a lower election fee of £1897 compared to £11,971 in 2011/12. The reduction in the Chief Executive earnings is greater in proportion to the median and average and this has resulted in a reduction in the pay multiple.

5. Contact for further information

If you require any further information regarding the salary policy of the council you should contact Dena Smart, Head of HR Shared Services on 01795 417391 or by email on denasmart@maidstone.gov.uk

Appendix I(A)

Pay Scale 2012-13

| Grade | Know How Evaluation Points | Spine point 1 | Spine point 2 | Spine point 3 | Spine point 4 | High Performance Increment SP 5 | High Performance Increment SP 6 | High Performance Increment SP 7 |
|-------|----------------------------|---------------|---------------|---------------|---------------|---------------------------------|---------------------------------|---------------------------------|
| 1 | 43/50/57 | £12,195 | £12,500 | | | | | |
| 2 | 66 | £13,864 | £14,211 | £14,566 | | | | |
| 3 | 76 | £14,991 | £15,366 | £15,750 | | | | |
| 4 | 87 | £16,065 | £16,467 | £16,878 | | | | |
| 5 | 100 | £17,203 | £17,633 | £18,074 | £18,526 | | | |
| 6 | 115 | £19,078 | £19,555 | £20,044 | £20,545 | | | |
| 7 | 132 | £21,038 | £21,564 | £22,103 | £22,656 | | | |
| 8 | 152 | £23,018 | £23,709 | £24,420 | £25,153 | | | |
| 9 | 175 | £26,150 | £26,935 | £27,743 | £28,575 | | | |
| 10 | 200 | £29,124 | £29,998 | £30,898 | £31,825 | | | |
| 11 | 230 | £32,118 | £33,082 | £34,074 | £35,096 | | | |
| 12 | 264 | £35,796 | £37,228 | £38,717 | £40,266 | | | |
| 13 | 304 | £42,028 | £43,852 | £45,675 | £47,456 | £49,611 | £51,765 | £53,919 |
| 14 | 350 | £57,774 | £60,395 | £63,017 | £65,639 | £68,751 | £71,956 | £74,091 |
| 15 | 460 | £77,434 | £80,830 | £84,228 | £87,625 | £91,022 | £94,419 | £98,196 |
| 16 | 608 | £102,836 | £105,766 | £108,698 | £111,628 | £114,560 | £117,490 | £122,190 |

Appendix I(B)

Pay Progression

1. Annual Inflation Award

Annual pay consultation will consider the cost of living, the position of MBC pay in comparison to the market but affordability will be the foremost consideration. Consultation will commence annually in September with the aim to reach agreement within the budget cycle so that payment can be made in April salaries.

The Chief Executive and Head of HR are responsible for undertaking pay negotiation with trade unions but the Cabinet takes ultimate responsibility for agreeing the budget.

2. Pay progression within grade

The pay scale has up to four standard increments which recognise that with development in a role over time an employee is of more value to the organisation and therefore warrants a higher salary. There are fewer incremental points in the lower grades and more in the more complex roles. New appointments to post will normally be at the first point of the grade unless there is evidence of a skill shortage in line with the criteria set out in the Market Supplement Policy.

Progress through the grade will be assessed annually. This will not be an automatic progression but will require an assessment against the agreed Competency Profile and Performance Standards for the position. Where the employee has progressed towards the full competency profile they will be awarded an increment. Assessment for incremental progression will take place by October each year. This will therefore not be linked to the annual appraisal but will take place mid year. Increased increments will be paid with effect from 1st October.

Employees must have six months service in their role by the 1st October to be eligible for assessment, if they are more recently appointed they will receive a review after six months in the position, thereafter they will be reviewed annually for the October increment.

Individuals will need to consistently demonstrate the behaviours required by the Competency Profile and Performance Standards for their role in order to maintain their incremental position. One off performance will not be sufficient to merit or maintain an increment.

Where individuals do not sustain the level of performance or where they have been assimilated to the top of the grade but are assessed as not having the full range of competencies they will be given time to improve but their pay will be frozen until they drop to the pay level that matches their performance, this includes any rise in annual pay as a result of pay inflation. This is outside the normal Pay Protection policy as it does not represent an organisational change. Where the individual is assessed as not meeting the requirements of the grade their performance will be treated as a capability issue.

3. High Performance Increments (HPI) – Grades 13-16

In addition to the standard incremental progression which is linked to fully acceptable performance there are an additional three incremental points in grades 13 to 16. These incremental points will be linked to sustained high performance and should not be awarded for one off projects for which either an ex-gratia payment or cash award may be more appropriate. These HPI's recognise the impact of senior managers on the high performance of the organisation and they should only be used where it is possible to demonstrate that the individual has added significant value over and above what might be seen by other fully effective performers in the same role.

High Performance Increments will be considered in line with the mid year review for effect in October. The HPI may be awarded on either a consolidated or non-consolidated basis. Recommendation for an HPI must be made by a Director to the Corporate Leadership Team for grades 13 and 14, by the Chief Executive to the Member and Employment and Development Panel (MEDP) appraisal sub-committee for Directors (grade 15) and by the Leader to the MEDP appraisal sub-committee for the Chief Executive.

Consideration of some or all of the following factors is appropriate when an award of an HPI is recommended:

- Flexibility to manage new services following structure changes
- Innovative ways of working to improve performance and reduce costs
- Management of services outside the council e.g. shared services
- Continued performance at a level above the current grade but where there are no suitable opportunities for promotion
- Increased income to the council from selling services

It is important to emphasise that the HPI will not be the norm for pay progression and movement onto these increments will be carefully monitored to ensure that there are no equal pay implications.

4. Career Grades and Incremental Progression

A Career Grade offers the opportunity of a long path of progression to a particular professional position. As such the nature of the role and the requisite competencies are likely to vary considerably between the entry point and final destination. This means that through Job Evaluation the Career Grade is likely to span several grades and have many steps. To enable this clear stepped progression there may be some need to have interim points between the normal incremental points e.g. in recognition of the achievement of some particular milestone. These half incremental steps will be allowed providing that there is prior agreement with the Head of HR and that they are applied equally to all those who meet the criteria and are set out as part of the agreed career grade structure. Progress through the career grade will need to be evidence based and the Head of HR will need to agree to the progression if it is between grades.

Appendix I(C)

Chief Executive and Director Appraisal Process

The appraisal panel for the Chief Executive will comprise of a sub-committee of the Member and Employment and Development Panel..

This panel will also take a 'grandparent' role to review and comment on the full annual appraisal and objectives for the Directors as set by the Chief Executive.

An indicative timetable and process for the Chief Executive is set out below:

| Process | Dates | Papers Required | Deadlines |
|---|------------------|---|--|
| Chief Executive Appraisal and Director review with MEDP | March | | |
| Mid Year Review – CEO with Chair of MEDP and Leader; | By mid September | Appraisal documents with agreed objectives and development plan – to be reviewed and up-dated | Paperwork to be ready and circulated to Leader, Leader of the Opposition & Chair of MEDP by 7 September 2011. Meeting on 14 September 2011 at 8.30 am in the Leader's office |
| Mid Year Review - Directors with CEO | September | Appraisal documents with agreed objectives and development plan – to be reviewed and up-dated | |
| Chief Executive preparation Documents complete for circulation to Sub Committee of MEDP | January | Previous years appraisal & Mid Year Review Knowledge, Skills and Performance Standards Strategic Direction Competency | Papers to be with Democratic Services by Noon on 31 January 2012 for circulation with Agenda |

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| | | | |
|---|----------|--|---|
| | | Framework Appraisal Preparation document Briefing note on appraisal preparation | |
| Chief Executives appraisal with Sub Committee of MEDP | February | Appraisal produced from the meeting | Meeting on Wednesday 8 February 2012 at 9am, Room B, Town Hall |
| Directors appraisals with CEO | February | Directors appraisals then CEO to write up and agreed by Directors by 21 February 2012 | |
| MEDP Sub Committee review of Directors appraisals | March | Previous years appraisal & Mid Year Review Knowledge, Skills and Performance Standards Strategic Direction Competency Framework Appraisal completed by Chief Executive & Director | Papers to be with Democratic Services by Noon on 22 February 2012 for circulation with Agenda Meeting on 2 March 2012 starting at 9 am (9.30 am David Edwards, 11 am Zena Cooke), Town Hall |

Appendix I(D)

MARKET SUPPLEMENTS FOR PAY

Introduction

The Council will utilise a Market Supplement to ensure that competitive salaries will attract and retain key workers in skill shortage areas without distorting the pay structures for all other employees. A Market Supplement for recruitment or retention purposes will only be used where there are clear business reasons that cannot be better addressed through the total benefits package, the work environment or department skill mix. It is recognised that pay is only one factor contributing to our attractiveness as an employer and other aspects of employment, particularly those relating to development, should be applied rather than using just a Market Supplement.

All jobs are graded using the HAY Job Evaluation system and the defined pay policy of the Council is to pay at Market Median where the market used is the HAY Local Government salary data. This is also checked against local Kent salary surveys to ensure that it is robust for the geographical region. This approach ensures that the employees of Maidstone Borough Council are paid at a fair level in comparison to other workers in similar employment groups.

However there is recognition that in certain professions there are either national or regional skill shortages and Maidstone needs to be responsive to the competition for these skills. In the longer term our aim will be to train employees to move into these specialist areas and to ensure that the specialists' skills are used properly within the organisation. In the short term Market Supplements may be used.

Identification of the Skill Shortage

Recruitment Campaigns

Where there is no anticipated shortage there will need to be a minimum of two appropriate external recruitment campaigns within a 12 month period to establish that it is not possible to fill a position before it is agreed there is a requirement for a market supplement.

KPOG Salary Survey

The Kent Personnel Officer Group (KPOG) salary survey is conducted on an annual basis and gives details of the comparative salaries for defined positions in the Kent Districts. This clearly identifies the median salaries and is particularly relevant for local government roles. This will enable the identification of positions which may be vulnerable and where there is more than a 10% salary difference from the median there should be consideration of the need for a market supplement. The existence of this difference alone is unlikely to be sufficient justification and further analysis will be required to identify whether this has had an adverse impact on the Council's ability to recruit and retain.

National Information

Within local government there are certain identified skill shortage areas. These are identified through data collection from the Employers Organisation. In 2012 these skills were listed as:

1. Children's social workers
2. Planning officers *
3. Building control officers *
4. Environmental health officers *
5. Educational psychologists
6. School crossing patrol
7. Adult social workers
8. Trading standards officers
9. Solicitors and lawyers *
10. Mental Health Social Workers

* category of worker employed by MBC

This national picture is the first indicator of a shortage. Where there is an identified shortage nationally the manager will still be required to demonstrate that this applies to the local area. This proof can be gained through the outcome of a relevant recruitment campaign during the previous 12 month period or through information from agencies about the availability of particular skill sets.

Market Supplement for Recruitment Purposes

The level of supplement will be agreed between the Director and the Head of HR in consultation with the Head of Finance. It will be paid as part of monthly salary and will be pensionable. The supplement will not be subject to the cost of living award and will not be taken into account for any salary related enhancements eg overtime which will be paid at the normal salary rate.

The Market Supplement will be given for a minimum two year period initially. This will be annually reviewed to confirm that the supplement is still necessary and at the appropriate level. Where a reduction in level is the outcome of the review this will not take effect until the minimum two years has expired. Reductions will follow the process set out in section 5.

The payment of a Market Supplement must be within the Directors agreed budget. Approval must be given by the relevant Director and the Head of Human Resources who will ensure that all alternative options have been explored.

Market Supplement for Retention Purposes

Whilst the Market Supplement is principally to enable the Council to be able to compete in a highly competitive market to attract new employees, there may be exceptional cases where a supplement should be considered for existing employees. This may occur in situations where a new recruit is offered a supplement which would then cause equally mobile colleagues to

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leave and seek a similar salary elsewhere. There may also be occasions where an employee with a specialist skill needs to be retained to ensure business continuity.

The level of supplement will be agreed between the Director and the Head of HR in consultation with the Head of Finance. It will be paid as part of monthly salary and will be pensionable. The supplement will not be subject to the cost of living award and will not be taken into account for any salary related enhancements eg overtime which will be paid at the normal salary rate. The Market Supplement will be given for a minimum two year period initially. This will be annually reviewed to confirm that the supplement is still necessary and at the appropriate level. Where a reduction in level is the outcome of the review this will not take effect until the minimum two years has expired. Reductions will follow the process set out in section 5.

Agreement to the Market Supplement (or appointment above the bottom of the grade) will require the completion of the form at Appendix 1.

Payment of a Retention Supplement must only be considered in exceptional circumstances and particular attention must be paid to the Equal Pay issues.

Removal of the Supplement

The availability of skills varies over time. As professions are identified as skill shortage areas and salaries rise they can attract an increased number of trainees. Where this is the case the Council would not wish to incur unnecessary costs ie paying more for a skill than the median rate if this would be sufficient to attract high quality applicants.

Management Team will review the posts attracting a supplement annually in January. When it is clear that a particular profession or skill area no longer necessitates a market supplement this will be withdrawn over a phased period of 2 years – with the withdrawal of 25% of the supplement every six months until the employee returns to the normal rate for the job. The assessment of the on-going need will relate to the national skills assessment combined with local salary reviews and the response to recruitment campaigns. When a market supplement is to be withdrawn the employee will be notified by the end of January and the phased withdrawal will commence in April of that year. In this way the annual pay award should help to offset any reduction.

Appendix I(E)

**Maidstone Borough Council
Policy and Procedural Issues
Local Government Scheme Regulations
Employer Discretions**

This paper confirms the pension policy of Maidstone Borough Council as it relates to the exercise of discretions contained in the Local Government Pension Scheme Regulations 1997 (as amended), the Local Government Pension Scheme (Administration) Regulations 2007¹ and the Local Government Pension Scheme (Benefits, Membership and Contributions) Regulations 2007². Last updated July 2010.

- **Regulation 4 (1) (a)** ²

The calculation of pensionable pay will include basic annual salary plus any other pensionable salary items from the following categories – Market Supplement/ Premium, Contractual Overtime, Contractual Bonus, Honorarium of greater than 12 month period, Salary Supplement eg for Emergency Planning responsibilities. The pensionable pay will be reviewed annually with effect from 1st April to identify the appropriate Band and Contribution percentage. If the Pay Award is not made on 1st April and the review of contribution rates will be delayed until the award is applied.

- **Regulation 11(2)** ²

Where a scheme member's pensionable pay consists of fees, it is the policy of Maidstone Borough Council that, if this produced a higher figure, an average of all such fees for any 3 consecutive years ending 31 March within the period of 10 years ending with the last date of active membership may be used in the calculation of benefits.

- **Regulation 12 and 13** ²

It is the policy of the Borough Council only to grant extra pension scheme membership to employees where there is a proven total benefit to the organisation which includes any costs that might be borne by the authority. Any such granting of extra scheme membership needs to be agreed between the Head of Human Resources and the relevant Director. Additional service will not be granted in respect of pre April 1972 service, which at the point of retirement has not been up rated.

- **Regulation 16 (4)ii** ¹

If a scheme member wishes to aggregate the most recent of their periods of previous scheme membership with their current membership, it is the policy of Maidstone Borough Council that the election must be made within 12 months of the Pension Section of Kent County Council being notified

that the employee has again become an active member. If the 12 month period has elapsed then the member may make a case for any exceptional circumstances to be considered by the Head of Human Resources, the Head of Finance and the relevant Director.

- **Regulation 18(1)**²

It is Maidstone Borough Council's policy to only provide consent for flexible retirement and the immediate payment of benefits where there is no detrimental effect on the service. Any such consent requires the agreement of the Director of Human Resources and the relevant Director.

- **Regulation 18(3)**²

If consent has been given under Regulation 18(1), it is not Maidstone Borough Council's policy to waive, in whole or part, any actuarial reduction to the scheme member's benefits.

- **Regulation 22(2)**¹

Employees who have the option to pay contributions in respect of a period of unpaid absence must elect to do so within 30 days of the date of the notice issued to them by the Human Resources Section stating the amount of contributions to be paid. This time limit may be extended by the Head of Human Resources if the employee can demonstrate exceptional circumstances so as to justify an extension of time.

- **Regulation 25(3)**¹

It is not the current policy of the Borough Council to operate a shared cost Additional Voluntary Contribution Scheme for employees. However, this policy will be reviewed from time to time by the Head of Human Resources in conjunction with the Chief Finance Officer, subject to Member's approval.

- **Regulation 30(2) and (5)**²

It is not the policy of the Borough Council to give consent to the immediate payment of benefits to employees under this regulation unless there is a demonstrable benefit to the organisation which would take full account of any extra costs to be borne by the Authority. In circumstances where a request is made for an early payment of a deferred benefit this is unlikely to be granted except in the most extreme cases of hardship. Any such consent shall be agreed by the Head of Human Resources and the relevant Director taking account of all the details involved in the case.

Where a scheme member has previously been awarded a preserved benefit, it is not generally the policy of Maidstone Borough Council to give consent under this regulation to the early payment of benefits. However

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each request will be considered and full account taken of any costs to be borne by the authority. Any consent shall be agreed by the Head of Human Resources and the relevant Director taking account of all the details involved in the case.

Where consent is given on the grounds of compassionate circumstances, full consideration must be given to the Kent County Council guidelines, and only after agreement between the Head of Human Resources and the relevant Director. In compassionate circumstances the Borough Council will be responsible for any additional costs deriving from the decision to release benefits prematurely.

- **Regulation 83(8)**¹

If a scheme member wishes to transfer any pension benefits they have built up in other schemes to the Local Government Pension Scheme, it is the policy of Maidstone Borough Council that the election must be made within 12 months of the Pension Section being notified that the employee has become an active member of the Kent Scheme. If the 12 month period has elapsed then the member may make a case for any exceptional circumstances to be considered by the Head of Human Resources, the Head of Finance and the relevant Director.

Appendix I(F)

Pay Protection Policy Introduction

The Council believes that an integral feature of any successful organisation is its ability to identify the need for change and to manage that change, taking into account management's aspirations as well as the aspirations and well being of its employees.

Whilst the Council is committed to providing security of employment and to minimising the personal impact of organisational change there will be occasions when it will be necessary to reorganise services and the way in which they are delivered. In these circumstances the provisions of this policy will apply.

Scope

This policy applies to any employee who, as a consequence of organisational change, is required by management to move to a new post or suffers a reduction in basic hours worked within the standard working week. The provisions of this policy do not apply where an employee moves to another position as a result of:

action taken in accordance with the Council's disciplinary or capability procedures

the need for re-deployment on health grounds

unacceptable standards of work performance

a request from the individual or by mutual agreement between the individual and the Council

a voluntary application to another position within the Council

Protection Period

Protection of earnings will be given for a period of 36 months. The first twelve months will be protected at the full earnings of the role held by the employee prior to the change. The 13-24 month period will be with a 33% reduction of the difference between the new earnings and the earnings of the role held prior to the change. The 25-36 month period will be with a 66% reduction and after a period of 36 months the employee will move to the salary and earnings of the new post. The employee will be moved to the salary point of the pay scale for the grade of the new post that is closest to the salary of the previous post. In most cases this is likely to be the highest incremental point of the relevant grade.

In exceptional circumstances, and where there may be a cost advantage to the organisation (eg where redundancy costs would be very high) there may be agreement with the Chief Executive, the Head of Finance and

Head of Human Resources to extend this period to a maximum of five years.

Calculation of Protection

Earnings protection will be calculated as an average of the earnings in the four months preceding the organisational change. This will include basic salary, essential car user allowance, lease car cash allowance, stand-by payments and an average of overtime and out of hours payments.

Earnings in the new post will be off-set against protected earnings and if for any particular pay period the earnings in the new post exceed the protected earnings then the higher earnings will be paid for that pay period.

Where the period of protection spans the annual pay award the protected earnings shall remain as they were prior to any pay uplift (ie on a mark-time basis) but the calculation of the new earnings will be at the increased rate.

Conditions of Protection

Protection of earnings is conditional upon the employee undertaking any shift work or other duties which may be required in the new post up to the level at which the earnings in the new post equal the protected earnings.

Protection of earnings is also conditional upon the employee accepting any subsequent offer of a suitable alternative post which attracts a salary in excess of that of the new post.

Overtime will be paid at the new rate (ie the real rate attached to the post) not at the protected rate.

Terms and Conditions other than Pay

Annual Leave entitlements and length of notice period required from the employee will not be protected and those applicable to the new post will be effective from the date of transfer.

Appendix I(G)**KENT ASSOCIATION OF ELECTORAL REGISTRATION
OFFICERS AND STAFF****Proposed scale of fees for District/Borough and Parish Council
elections held on or after 1st April 2012**

| ITEM | Current 2011 £ | Proposed 2012 £ | % increase |
|---|----------------------|-----------------------|------------|
| 1. For each Presiding Officer at a Polling Station – single election | 197.25 | 197.25 | nil |
| 2. For each Presiding Officer at a Polling Station – combined election or difficult station due to local circumstances (at the discretion of the Returning Officer) | 242.32 | 242.32 | nil |
| 3. For a Presiding Officer who acts as a supervisor at a Polling Place where there is more than one Polling Station | (additional) 9.56 | (additional) 9.56 | nil |
| 4. Presiding Officer travel (see note 4 below) | 13.52 | 13.52 | nil |
| 5. For each Poll Clerk at a Polling Station – single election | 118.35 | 118.35 | nil |
| 6. For each Poll Clerk at a Polling Station – combined election (at the discretion of the Returning Officer) | 146.52 | 146.52 | nil |
| 7. Poll Clerk travel (see note 4 below) | 7.86 | 7.86 | nil |
| 8. Supervising Officer – for every 10 polling stations overseen | – | 197.25 | – |
| 9. For each Presiding Officer, Poll Clerk and Supervising Officer attending training | 43.78 | 43.78 | nil |
| 10. For each training session provided by the Returning Officer to Presiding Officers and Poll Clerks | 169.09 | 169.09 | nil |
| 11. For the delivery of official Poll Cards by hand | 0.34 | 0.34 | nil |
| 12. For the employment of persons in connection with the counting of votes, clerical and other assistance required by the Returning | | | |

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| ITEM | Current 2011 £ | Proposed 2012 £ | % increase |
|---|-------------------|-----------------------|------------|
| Officer – for each 500 electors (or part) in a contested election | 69.01 | 69.01 | nil |
| 13. For the employment of persons in connection with the preparation, issue and opening of postal ballot papers – for every 100 (or part) postal ballot papers issued. (Further resources may be needed to meet the effects of the Electoral Administration Act 2006) | 67.63 | 67.63 | nil |
| 14. For each recount of the votes – for each 500 electors (or part) (see note 3 below) | 3.97 | 3.97 | nil |
| 15. Travel of staff in connection with the counting of votes (at the discretion of the Returning Officer – see note 4 below) | 7.86 | 7.86 | nil |
| 16. For clerical and other assistance required by the Returning Officer at an uncontested election – for each 500 electors (or part) | 18.77 | 18.77 | nil |
| 17. Payment to the District/Borough for the use of Council staff to support the Returning Officer in the conduct of elections as follows: | | | |
| (a) contested election – (i.e. without District/Borough) for each 500 electors (or part) | 53.45 | 53.45 | nil |
| (b) contested joint election (i.e. with District/Borough) – for each 500 electors (or part) | 26.72 | 26.72 | nil |
| 18. Payment to the District/Borough for the use of Council staff at an uncontested election – per uncontested election (see note 5 below) | 14.74 | 14.74 | nil |
| 19. Returning Officer’s fee for the conduct of elections as follows: | | | |
| (a) contested District/Borough OR Parish election – for each 500 electors (or part) | 29.87 | 29.87 | nil |
| (b) contested joint District/Borough AND Parish election – for each 500 electors (or part) | 41.26 | 41.26 | nil |
| (c) uncontested District/Borough election – single fee | 51.15 | 51.15 | nil |
| (d) uncontested Parish election – single fee | 17.52 | 17.52 | nil |

Appendix 1

Appendix I(H)

Salaries in excess of £58,200 per annum

| Name | Job Title | FTE of minimum contracted hours | FTE pay floor | FTE Pay ceiling |
|------------------|--|--|----------------------|------------------------|
| Alison Broom | Chief Executive | 1 | 110000 | 115000 |
| David Edwards | Director of Change, Planning and the Environment | 1 | 95000 | 99999 |
| Zena Cooke | Director of Regeneration and Communities | 1 | 95000 | 99999 |
| Steve Goulette | Assistant Director Environmental & Regulatory Services | 1 | 70000 | 74999 |
| Brian Morgan | Assistant Director Regeneration & Cultural Services | 1 | 70000 | 74999 |
| Brian Parsons | Head of Audit Partnership | 1 | 65000 | 69999 |
| Angela Woodhouse | Head of Change & Scrutiny | 0.89 | 65000 | 69999 |
| Roger Adley | Head of Communications | 1 | 65000 | 69999 |
| Paul Riley | Head of Finance & Customer Services | 1 | 65000 | 69999 |
| Dena Smart | Head of HR Shared Service | 1 | 70000 | 74999 |
| Dave Lindsay | Head of IT Services | 1 | 60000 | 64999 |
| Paul Fisher | Head of Legal Services | 1 | 65000 | 69999 |
| Rob Jarman | Head of Planning | 1 | 60000 | 64999 |

This information is published in accordance with the guidance associated with The Code of Recommended Practice for Local Authorities on Data Transparency which requires the publication of senior salaries within a £5000 range.

Organisational Scale: Employment - Headcount & FTE as at 31 December 2012

| | Headcount | | | FTE | | |
|--------------------|------------------|------------------|--------------|------------------|------------------|---------------|
| | Full time | Part time | Total | Full time | Part time | Total |
| Permanent | 334 | 119 | 453 | 334 | 68.4 | 402.4 |
| Temp/Casual | 27 | 11 | 38 | 27 | 5.92 | 32.92 |
| | 361 | 130 | 491 | 361 | 74.32 | 435.32 |

Appendix 1**Individual Accountability: Staff under direct or indirect management responsibility**

| Name | Job Title | No. of staff under management responsibility |
|------------------|--|---|
| Alison Broom | Chief Executive | 490 |
| David Edwards | Director of Change, Planning and the Environment | 254 |
| Zena Cooke | Director of Regeneration and Communities | 184 |
| Steve Goulette | Assistant Director Environmental & Regulatory Services | 186 |
| Brian Morgan | Assistant Director Regeneration & Cultural Services | 46 |
| Brian Parsons | Head of Audit Partnership | 4 |
| Angela Woodhouse | Head of Change & Scrutiny | 6 |
| Roger Adley | Head of Communications | 3 |
| Paul Riley | Head of Finance & Customer Services | 52 |
| John Littlemore | Head of Housing & Community Services | 29 |
| Dena Smart | Head of Human Resources Shared Service | 18 |
| Andy Cole | Head of ICT Shared Service | 16 |
| Dave Lindsay | Head of IT Services | 15 |
| Paul Fisher | Head of Legal Services | 5 |
| Rob Jarman | Head of Planning | 39 |
| Stephen McGinnes | Head of Revenues & Benefits Shared Service | 39 |